



74th
Annual Report
&
Accounts
2007-2008

Ravalgaon[®]

The Ravalgaon Sugar Farm Ltd.

The Ravalgaon Sugar Farm Ltd.

BOARD OF DIRECTORS	Shri HARSHAVARDHAN B. DOSHI (Chairman & Managing Director) Shri Y. P. DANDIWALA Shri M. B. BHIDE Shri MOORAD FAZALBHOY DR. D.S. KULKARNI
AUDITORS	M/s. K. S. AIYAR & CO. Chartered Accountants
SOLICITORS	M/s. MULLA & MULLA & CRAIGIE BLUNT & CAROE
BANKERS	DENA BANK BANK OF BARODA
REGISTERED OFFICE	Ravalgaon – 423 108, Taluka Malegaon, Dist. Nasik, Maharashtra
CORPORATE OFFICE	Showroom no. 10, Arcade, Ground Floor, World Trade Centre, Cuffe Parade, Mumbai 400 005. Telephone Nos.: (022)22187987 / 22184291 / 22186479 Fax No.: (022)22184294
FACTORY	Ravalgaon – 423 108, Taluka Malegaon, Dist. Nasik, Maharashtra. Telephone Nos.: (02554) 270274 / 270238 Fax no.:(02554)270284
REGISTRAR & SHARE TRANSFER AGENT	M/S Amtrac Management Services Ltd. Plot no. 101/102, 19 th street, MIDC Industrial Area, Satpur, Nasik-422001. Tel.(0253)2354032 Fax (0253)2351126.

ANNUAL GENERAL MEETING: at 09.00 A.M. on Thursday, 14th, August, 2008 at Krida Mandal Hall, Ravalgaon - 423 108, Taluka Malegaon, Dist. Nasik, Maharashtra.

The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued as a measure of economy. Members are, therefore, requested to bring their copies of the Annual Report to the Meeting.

NOTICE

NOTICE IS HEREBY GIVEN that the SEVENTY-FOURTH ANNUAL GENERAL MEETING of the Company will be held as scheduled below:

DAY : Thursday
DATE : 14th, August, 2008
TIME : 09.00 A. M.
PLACE : At Krida Mandal Hall, Ravalgaon – 423 108,
Taluka Malēgaon, Dist. Nasik, Maharashtra.

To transact the following business:

1. To consider and adopt the Directors' Report, the Auditors' Report and the Balance Sheet and Profit and Loss Account for the financial year ended 31st March 2008.
2. To declare dividend on Equity Share of the Company.
3. To appoint a Director in place of Shri. Y.P.Dandiwalā who retires by rotation and being eligible, offers himself for reappointment.
4. To consider, and if thought fit, to pass, with or without modification, the following Resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to Section 224, 225 and other applicable provisions, if any, of Companies Act, 1956 M/s. V. Sankar Aiyar & Co., Chartered Accountants, be and are hereby appointed as Auditors of the Company in place of M/s. K. S. Aiyar & Co., Chartered Accountants, who have intimated to the Company their unwillingness to be re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at such remuneration as may be decided by the Board of Directors."

5. To consider, and if thought fit, to pass, with or without modification, the following Resolution as Ordinary Resolution:

"RESOLVED THAT in supersession of the earlier resolution of 25th August 1993 of the Annual General Meeting of the Shareholders and pursuant to the provisions of Section 293 (1) (d) and other applicable provisions of the Companies Act, 1956, the Company hereby accords its consent to the Board of Directors for borrowing from time to time any sum or sums of money/monies which together with money already borrowed by the company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) from one or more firms, bodies corporate, financial institutions or state/central financial corporations, banks, investing agencies, Central / State Government, Trustees, whether by way of cash credit, advance or deposit; deferred credits, loans, term loans, bill discounting or any other facilities and whether unsecured or secured by mortgage, charge, hypothecation, lien or pledge of the Company's assets and properties whether moveable or immovable or stock in trade (including raw materials, spare parts and components, in stock or in transit) and work in progress and all or any of the undertaking of the Company, will or may exceed at any time the aggregate of the paid-up capital of the Company and its free reserve that is to say reserves not set apart for any specific purpose but, so however, that the total amount upto which the moneys may be borrowed for the Company by the Board of Directors and outstanding at any time shall not exceed the sum of Rs. 100 crores (Rupees one hundred crores) and that the Board of Directors be and is hereby

authorized to execute such deeds of debentures , other debenture trust deeds or mortgages, charges, pledges, hypothecations, liens, promissory notes, deposit receipts and any other deeds, instruments or writings as the Board of Directors may think fit ,all of which containing such conditions and covenants as the Board may think fit”

6. To consider, and if thought fit, to pass, with or without modification, the following Resolution as Ordinary Resolution:

“RESOLVED THAT in supersession of the earlier resolution of 25th August 1993 of the Annual General Meeting of the shareholders, consent of the Company be and is hereby accorded in terms of Section 293(1) (a) and other applicable provisions, if any, of the Companies Act, 1956 to the creation by the Board of Directors of the Company of such mortgages, charges, pledges, liens and hypothecations in addition to the existing mortgages, charges, pledges, liens and hypothecations created by the Company, as the Board of Directors may deem fit and necessary, on such of the assets ,properties-movable, immovable of the Company, both present and future, in such manner as the Board may direct to and in favour of all or any of the firms, Central/State Government, State/Cental Financial Corporations, financial institutions/banks/any other investing agencies/trustees/bodies corporate and / or for the holders of debentures/ bonds/ other instruments which may be issued to and subscribed by all or any of the financial institutions/banks/any other investing agencies/Trustees /Bodies Corporate or any other person(s) by way of private placement or otherwise, to secure rupee/foreign currency loans, loans, term loans, other credit facilities, other borrowings, debentures, bonds or other instruments of an equivalent aggregate value of Rs.100 crores (Rupees one hundred crores) together with interest and all other charges thereon, related thereto, at the respective agreed interest rate, compound interest, additional interest, liquidated damages, commitment charges, premia on re-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the aforesaid parties or any of them under the Agreements/Arrangements/Deeds entered into/to be entered into by the Company in respect of the said loans, term loans, credit facilities, other borrowings, debentures, bonds or other instruments.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to finalise with the aforesaid parties or any of them, the documents, deeds, writings for creating the mortgages/charges/pledges/liens /hypothecations and accepting or making any alterations, changes, variations to or in the terms and conditions and to do all such acts, deeds, matters and things and to execute all such documents and writings as it may consider necessary, for the purpose of giving effect to this Resolution.”

By Order of the Board,

H. B. DOSHI
Chairman & Managing Director

Registered Office:
Ravalgaon – 423 108
Taluka Malegaon
Dist. Nasik, Maharashtra.

Dated : 30th June, 2008.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS

BEFORE THE MEETING.

2. a) The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 2nd, August, 2008 to Thursday, the 14th August, 2008, (both days inclusive)
- b) Dividend, if declared at the Annual General Meeting will be paid within the statutory period of 30 days to those Members, whose names appear in the Company's Register of Members as on 14th August, 2008 or on the Register of Beneficial Owners maintained by the Depositories as at the close of their business hours on 1th August, 2008.
3. The members holding shares in physical form are requested to notify immediately details of any change/ correction in their address, bank particulars etc. to the Company's Registrars and Share Transfer Agents. Members holding shares in demat account (electronic form) may notify any change to the Depository Participant.
4. i) Pursuant to Section 205 A of the Companies Act, 1956, all unclaimed dividends upto the financial year ended 31st March, 1994 have been transferred to the General Revenue Account of the Central Government. The shareholders who have not encashed their dividend warrants upto the said period are requested to claim the amount from the Registrar of Companies, Maharashtra.
- ii) The dividend for the financial years ended 31st March, 1995, 31st March, 1996, 30th September, 1997, 30th September, 1998, 30th September, 1999 and 30th September, 2000 which remained unclaimed for 7 years from the date of declaration has been transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the Companies Act, 1956.
- iii) Dividend for the financial year ended 30th September, 2001 which remains unclaimed, will be due for transfer to the Investor Education and Protection Fund of the Central Government after 31st, January, 2009 pursuant to the provisions of Section 205 A & 205 C of the Companies Act, 1956. The shareholders are requested to apply for claim of unclaimed Dividend for the financial year ended 30.09.2001 and thereafter.
- iv) Shareholders are requested to note that no claim shall lie against the Company or the said Investor Education and Protection Fund after the transfer of unclaimed dividend to the fund.
5. The shares of the Company are under compulsory demat list of SEBI and therefore trading in equity shares can be done only in demat form. In case you have not demated your shares, you may do so by opening an account with any Depository Participant and completing the dematerialisation procedure.
6. The relative explanatory statement pursuant to Section 173 of the Companies Act, 1956, in respect of items 4, 5 and 6 of the business as set out earlier is annexed hereto.
7. At the ensuing Annual General Meeting, director Shri. Y.P.Dandiwalwa retires by rotation and being eligible offers himself for re-appointment. The information and details pertaining to the director to be provided vide Clause 49 of the Listing Agreement with the Stock Exchange are given below:
Shri. Y.P.Dandiwalwa, Date of Birth 10/11/1950, Age 57 years, is a director of the Company since 25th November, 1991. He holds B.Sc.,L.L.B. and Solicitor degrees and has vast experience in the profession of law. He is partner in Mulla & Mulla & Craigie Blunt & Caroe, Advocates, Solicitors and Notaries. He is the Chairman of the Audit Committee and Remuneration Committee of the Company and also member of the Investors /shareholders Grievance Committee. He is a director of Carina Finvest Limited and Aureos India Trustee Company limited. He does not hold any shares in the Company.

EXPLANATORY STATEMENT

As required under section 173 of the Companies Act ,1956("the act"),the following explanatory statement sets out the material facts relating to the business under item nos.4, 5 and 6 mentioned in the accompanying notice dated 30th,June,2008.

Item No. 4

M/s. K. S. Aiyar & Co., Chartered Accountants, have expressed their unwillingness to be re-appointed as Auditors of the Company. It is therefore proposed to appoint M/s. V. Sankar Aiyar & Co., Chartered Accountants, as the Statutory auditors in their place as stated in Resolution under the above item of the notice.

Although, Section 224 (2)(b) of the Companies Act, 1956 dealing with such a case does not refer to any such notice being given in respect of appointment of new auditors, the matter might also be governed by the provisions of Section 225 of the Act, in terms of which, Special Notice is required for a Resolution at the Annual General Meeting appointing as Auditor a person other than the retiring Auditor. Accordingly, such a special notice has been received by the Company from the members of their intention to move the Resolution appointing M/s V. Sankar Aiyar & Co., Chartered Accountants, as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting as mentioned in the accompanying notice.

M/s. V. Sankar Aiyar & Co., Chartered Accountants, have given certificate of their eligibility and willingness to act as the Statutory Auditors of the Company, if appointed by the members at the ensuing Annual General Meeting.

The Board of Directors recommends the Resolution at item No. 4 for your approval.

None of the Directors of the Company is in any way concerned or interested in the resolution.

Item No. 5

As per the provisions of section 293(1) (d) of the Companies Act, 1956 the Board of Directors of a company cannot, except with the consent of the Members in a General Meeting, borrow monies, apart from temporary loans obtained from the Company's bankers in the ordinary course of business in excess of the aggregate of the paid up capital and free reserves of the Company. To meet the requirement of funds for financing of capital expenditure, working capital requirements and /or general corporate purposes, the company has to raise funds, avail various facilities from time to time. With increase in availability of sugar cane and general inflationary trend the requirement of funds is increasing .As per the provisions of Section 293 (1) (d) the approval of members is required by way of a Ordinary Resolution in case if the borrowing exceeds the aggregate of paid-up capital and free reserves of the Company. Presently as per the Annual General meeting approval of 25th August 1993, the Board of Directors is authorized the Borrowing Limit u/s 293 (1) (d) upto Rs.Fifty crores only. This will have restrictive effect on the borrowings limit and may affect the business opportunities .Therefore the Board of Directors proposes to seek approval of the Members to increase the borrowing powers of the Board to Rs.100 crores (Rs. one hundred crores only) (apart from temprary loans obtained from the Company's Banker in the ordinary course of business) notwithstanding that the borrowings may exceed the aggregate of the paid up capital of the Company and its free reserves. This is accordingly an enabling resolution.

The Board of Directors recommends the resolution at item no.5 for approval.

None of the directors is in way concerned or interested in this resolution.

Item No. 6

To meet the requirement of funds for financing of capital expenditure, working capital requirements and /or general corporate purposes, the company has to raise funds from time to time and avail various facilities like letters of credits, bank guarantees from banks and others. As the availability of sugar cane has improved and also due to general inflationary trend the requirement of funds and other non funded facilities has increased over a period. All these borrowings / facilities are normally to be secured by mortgage/ hypothecation/ pledge/lien/charge over the immovable/movable assets/properties and all such assets/properties of the Company in such form and in such manner as may be determined by the Board of Directors or its Committees from time to time in consultation with the lenders/facility providers.

Section 293 (1) (a) of the Companies Act, 1956 provides, *inter alia*, that the Board of Directors of a public company shall not without the consent of such public company in general meeting, sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking.

Since the mortgaging/ charging etc. by the Company of its immovable and movable properties as aforesaid in favour of the Lenders/Facility Providers may be regarded as lease, otherwise disposal of the Company's properties/undertaking, for creation of mortgage, pledge, charge, lien & hypothecation on the Company's Assets, the Board of Directors need approval of members by Ordinary resolution. At the Annual General Meeting of the Company held on 25th August, 1993 a resolution was passed by the Shareholders, wherein the limit was set at Rs.50 crores (Rupees fifty crores only).

In view of above, the Board of Directors proposes to seek approval of the members for a limit of Rs. 100 crores (Rs. One Hundred crores only) under Section 293 (1) (a) of the Companies Act, 1956 to create mortgage, charge etc. to secure loans, credit facilities, other borrowings. This is accordingly an enabling resolution.

The Board of Directors recommends the resolution at item no.6 for approval.

None of the directors is in way concerned or interested in this resolution.

By Order of the Board of Directors

H. B. DOSHI
CHAIRMAN & MANAGING DIRECTOR

Registered Office :
Ravalgaon - 423 108
Taluka Malegaon
Dist. Nasik, Maharashtra.

Dated : 30th June, 2008

DIRECTORS' REPORT

To,
The Members of
THE RAVALGAON SUGAR FARM LTD.

Your Directors present the 74th Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March, 2008.

FINANCIAL RESULTS:

	Year Ended 31st March, 2008 (Rs. in Lacs)		Year Ended 31st March, 2007 (Rs. in Lacs)
Net Profit/loss(-) is after providing for	167.64		-304.25
i) a) Depreciation	213.17	206.78	
b) Provision for impairment loss	32.90	-	
ii) Prior Period Items	-144.62	68.72	
iii) Provision for Taxation	<u>157.73</u>	<u>-129.28</u>	
Less Transfer from General Reserve	-		304.25
Add: Surplus brought forward	<u>90.00</u>		<u>90.00</u>
Amount available for appropriation	<u>257.64</u>		<u>90.00</u>
Appropriations:			
Proposed Dividend	34.00		-
Tax on Proposed Dividend	5.78		-
Transfer to General Reserve	<u>117.86</u>		<u>-</u>
Balance carried to Balance Sheet	<u>100.00</u>		<u>90.00</u>

DIVIDEND:

The Board of Directors recommends Dividend of 100% on 68000 equity shares of Rs.50/- each for the year ended 31st, March, 2008.

OPERATIONS:

SUGAR

The following table gives the comparative figures of sugarcane crushed, sugar bags produced and the rate of recovery for the financial year under review and previous financial year.

	Current Year 2007-2008	Previous Year 2006-2007
Sugarcane crushed in MT	4,07,352	3,66,356
Sugar Bags Nos.	4,66,500	3,87,650
Recovery	11.45%	10.58%

Good monsoon in plantation areas improved the availability of sugarcane for the season 2007-08 and the recovery ratio is also good. With good monsoon season and resultant increase in plantation areas it is expected that the availability of sugar cane for the season 2008-09 would also be good.

CANDY SUGAR:

The unhealthy competition from unorganized sector poses problems for candy sugar business. During the year an amount of Rs.32.90 Lacs is provided towards impairment loss in respect of plant and machinery of this division.

CONFECTIONERY:

Production of confectionery was 2832 MT during the financial year under review as compared to the production of 2567 MT during the previous year. The Company concentrated on brands such as Pan Pasand, Mango Mood, and Coffee Break etc. These brands along with other traditional brands are receiving good response.

POLLUTION, ENVIRONMENT AND SAFETY:

The norms prescribed by the Government in the matter are adhered to. Various equipments are installed as an anti-pollution measure for the protection of environment at the factory. Necessary industrial safety measures have also been taken at your factory, which has resulted in better protection of workers and no major accident has taken place in the factory.

FIXED DEPOSITS:

The total amount of Fixed Deposits as at 31st March, 2008 was Rs. 281.74 Lacs. There are no overdue deposits except unclaimed deposits amounting to Rs.8.85 Lacs as at 31st March, 2008 out of which deposits amounting to Rs. 2.00 Lacs have since been repaid / renewed. Company deposited Rs.0.36 lacs in the Investor Education and Protection Fund.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- (a) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed with explanatory notes relating to material departures.
- (b) Appropriate accounting policies have been selected and applied consistently and judgements and estimates made that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss account of the Company for that period.
- (c) Proper and sufficient care has been taken for maintaining 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.
- (d) The Annual Accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS:

Pursuant to clause 49 of the Listing Agreement with the Stock Exchange, a "Management Discussion and Analysis" and a report on "Corporate Governance" are given as annexure 'A' and 'B' respectively to the report. A certificate from the Statutory Auditors of the Company on "Corporate Governance" is also annexed thereto.

SECRETARIAL COMPLIANCE CERTIFICATE:

A Secretarial Compliance Certificate pursuant to Section 383A of the Companies Act, 1956 is annexed herewith as Annexure – 'C'.

AUDITORS' REPORT:

Auditors in their report have made observations/comments in para (iv) and (vi)-(a), (b), (c), in respect of non-recomputation of depreciation, non-provision of Excise Duty on closing stock of finished goods and non-provision for the present value of accrued gratuity liability. Suitable explanation has been provided by way

of note 9, 11 and 13a) respectively in Schedule N (B) forming part of the Accounts. These notes should be considered as explanation by the Board of Directors as part of the Directors' Report. Further as regards observations /remarks in para (i)(b), (iv), (vii), (ix)(a) of Annexure referred to in para 3 of the Auditors' Report, steps are taken/ being taken to compare physical records & book records of fixed assets for necessary accounting if any, for reconciliation & adjustment of advances given to cultivators, harvestors, transporters and liabilities there against, to strengthen internal audit scope in the areas of fixed assets & sales and for payment of tax dues.

PARTICULARS REGARDING EMPLOYEES:

The information required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, as amended, forms part of this Report. However, as per the provisions of Section 219(1) (b) (iv) of the Companies Act, 1956, the Report and Accounts are being circulated to all the shareholders excluding the aforesaid information. Shareholders, interested in obtaining this information, may write to the Registered Office of the Company.

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

Statement giving particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earning and outgo as required under Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988 is annexed to and forms part of this Report, as per Annexure - 'D'.

DIRECTORS:

Director Shri. Y.P.Dandiwala retires by rotation under Article 152 of Articles of Association and being eligible offers himself for re-appointment.

AUDITORS:

M/s. K. S. Aiyar & Co., Chartered Accountants, Mumbai, the existing Auditors retire at the ensuing Annual General Meeting of your Company. They have however, intimated to the Company that they do not wish to seek re-appointment. M/s. V. Sankar Aiyar & Co. Chartered Accountants, Mumbai, have indicated their availability and willingness to be appointed as Statutory Auditors of your Company. A resolution seeking your approval for the appointment of the said Auditors has been included in the notice (item no. 4 of the notice) convening the Annual General Meeting.

ACKNOWLEDGEMENTS:

Your Directors take this opportunity to place on record their sincere appreciation for the timely assistance and cooperation extended by Financial Institutions, Company's Bankers and various Government Agencies / Bodies and look forward to receive their continuous support.

Your Directors also wish to place on record their appreciation for the co-operation extended / services rendered by the workmen, staff, executives, customers, dealers and all others concerned.

Your Directors also wish to place on record their sincere thanks to the shareholders for their continuing support.

For THE RAVALGAON SUGAR FARM LTD.

H. B. DOSHI
Chairman & Managing Director

Registered Office :
Ravalgaon - 423 108,
Taluka Malegaon,
Dist. Nasik, Maharashtra.

Dated : 30th, June, 2008.

ANNEXURE – A MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY – STRUCTURE AND DEVELOPMENT:

The Company is engaged in the manufacture of Sugar and various Confectionery Products. It has manufacturing facility at Ravalgaon (Maharashtra) and Corporate Office in Mumbai.

BUSINESS OUTLOOK:

The Sugar Industry in India comes under the Essential Commodities Act, 1955 and therefore is regulated by the Government and is also dependent on several external forces.

As regards availability of sugarcane it always depends on monsoon and comparative situation vis-a-vis other crops. In the recent past there has been very good improvement in sugar cane availability due to better monsoon and resultant increase in plantation areas. The confectionery sale has also improved with streamlining of sales and distribution.

OPPORTUNITIES AND RISKS:

In view of the anticipation of continuous growth in the demand for the products of the Company, the Company is expected to have good opportunity to improve its performance. Efforts are made to improve operating efficiency by taking various steps like installing balancing equipments, more efficient use of the available resources. The products of the Company have been well accepted in the market.

Sugar Industry by nature is a seasonal industry, dependent on the sugarcane crop. Sugarcane being a relatively weather resistant crop is not much affected by marginal changes in climatic conditions. However good water availability is a must. The steps taken to improve irrigation facilities and other measures have resulted in more and regular availability of sugarcane.

After a long gap, there has been slight improvement in sugar prices. These are not controlled by any single player due to large number of mills in the country. Prices are also affected by the sales allocations made by the Government of India on a monthly basis as well as stocks held by the sugar mills. The Company has a detailed system of monitoring prices and of booking the orders so as to mitigate price volatility and optimize returns.

Uncertainties in Government policies and regulations governing sugar industry in India also continues to pose risk to the sugar industry. The price for sugarcane to be paid to farmers by a manufacturer is also decided by the Government policy from time to time. The Company is therefore vulnerable to the changes in Government Policy and climatic conditions.

As regards confectionery, the competition from outside sources has been increasing. The competition and increase in costs, mainly material costs affect the sales and margins.

HUMAN / INDUSTRIAL RELATIONS:

The Company believes that manpower is the most valuable resource for its growth. Industrial relations have generally been very cordial. The Company has experienced and competent managerial staff and the staff policies ensure strengthening the involvement of all in the development of company.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company maintains adequate internal control systems and makes need based suitable changes.

therein to strengthen the same. The system provides among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant mis-use or loss of Company's assets.

CAUTIONARY STATEMENT:

Statements made in Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, finished goods prices, raw material availability and costs thereof, change in Government regulations, tax structure, and economic developments within India.

The Company assumes no responsibility in respect of forward-looking statements which may be amended or modified in future on the basis of subsequent developments, information or events.

ANNEXURE - B

REPORT ON CORPORATE GOVERNANCE

This report on Corporate Governance forms part of the Directors' Report. This report besides being in compliance of the mandatory requirement of the Listing Agreement gives an insight into the process of functioning of the Company.

Company's Philosophy on Code of Corporate Governance.

- To adopt internal and external measures to increase the level of propriety, transparency and accountability.
- To demonstrate to stakeholders that the Company is following right corporate governance practices.
- To lead the Company towards high growth path and enhance stakeholders' value.
- To respect the laws of the land and rights of stakeholders and to get respect from all concerned.

Board of Directors

• Composition of Board of Directors

The Board of Directors of the Company comprises of five Directors consisting of a Chairman and Managing Director, who is also a promoter Director and four non-executive independent Directors. They bring in their wide range of skills, professional experience and expertise in respective fields. During the financial year from 1st April, 2007 to 31st March, 2008 there is no change in the composition of Board.

The composition is as under:

Name of the Director	Designation	Category	Status
Shri H. B. Doshi	Chairman & Managing Director	Executive	Promoter
Shri M. B. Bhide	Director	Non-Executive	Independent
Shri Y. P. Dandiwala	Director	Non-Executive	Independent
Shri Moorad Fazalbhoy	Director	Non-Executive	Independent
Dr. D. S. Kulkarni	Director	Non-Executive	Independent

The non-executive directors do not hold any equity shares of the Company.

• Board Meetings and attendance record of each Director

1. The Board of Directors met six times i.e. on 27th April, 2007, 30th July, 2007, 17th August, 2007, 29th September, 2007, 26th October, 2007 and 25th January 2008.
2. The attendance record of each of the Director at the Board Meetings during the financial year from 1st April, 2007 to 31st March, 2008 and at the last Annual General Meeting is as under:

Directors	Attendance at Board Meetings and AGM	
	No. of Board Meetings Attended	AGM Attended
Shri H. B. Doshi	6	YES
Shri M. B. Bhide	6	YES
Shri Y. P. Dandiwala	5	NO*
Shri Moorad Fazalbhoj	3	NO
Dr. D. S. Kulkarni	6	YES

* Chairman of Audit Committee could not attend due to urgent work. However, one of the Audit Committee members, Shri. M. B. Bhide attended the AGM.

3. Number of Directorships and Membership / Chairmanship of Committee in Public Limited Companies (Including the Company) are given below:

Directors	Directorships	Committee Positions	
		Member	Chairman
Shri H. B. Doshi	3	Nil	Nil
Shri M. B. Bhide	2	3	1
Shri Y. P. Dandiwala	3	1	2
Shri Moorad Fazalbhoj	1	2	Nil
Shri D. S. Kulkarni	2	Nil	1

Board Procedures

The agenda for Board Meetings is prepared in consultation with the Chairman and Managing Director and is circulated together with requisite documents / papers well in advance of each Board Meeting. The meetings are normally held in Mumbai.

Remuneration of Directors

Details of Remuneration paid to the Chairman & Managing Director, Shri H. B. Doshi for the financial year ended on 31st March 2008 are as follows:

Particulars	Rs. in Lacs Current Year	Rs. in lacs Prev. Year
Salary and Allowances	27.00	27.00
Perquisites	8.85	12.95
Contribution to Superannuation and Provident Fund	6.28	6.28
Total Remuneration	42.13	46.23

- a) Severance fees –not applicable. b) Service contract for three years. c) Notice period 6 months.

No remuneration was paid to any non-executive director except sitting fees of Rs.78,000/- for attending the Board Meetings and Committee Meetings. Further a sum of Rs.60, 000/- is paid to a Director for rendering legal services in his professional capacity. Details of sitting fees paid are as follows: Shri.Y.P.Dandiwala Rs.24000/-, Dr.D.S.Kulkarni Rs.14000/-, Shri.Moorad Fazalbhoj Rs.14000/- and Shri.M.B.Bhide Rs.26000/-.

- **Committee of Directors :**

No meeting of Committee of Directors was held during the financial year.

- **Audit Committee :**

The terms of reference of the Committee covers all requirements as stated in clause 49 of the Listing Agreement. The committee reviews all financial statements before they are placed before the Board Meeting for its consideration. The Audit Committee comprises of Shri Y. P. Dandiwala, Shri M. B. Bhide and Shri Moorad Fazalbhoj. All the members of the Audit Committee are Independent, Non-Executive Directors and have requisite experience. Shri Y. P. Dandiwala is Chairman of Audit Committee. During the financial year, five Audit Committee Meetings were held on 27th April, 2007, 30th, July, 2007, 17th, August, 2007, 26th, October, 2007 and 25th January, 2008. Attendance of each committee member in Audit Committee Meetings is as under:

Name of the Audit Committee Member	Designation	Category & Status	No. of Audit Committee Meetings Attended
Shri Y. P. Dandiwala	Chairman	Non-Executive – Independent	5
Shri M. B. Bhide	Member	Non-Executive – Independent	5
Shri Moorad Fazalbhoj	Member	Non-Executive – Independent	3

The Compliance Officer acts as Secretary to the Audit Committee.

At the invitation of the Committee, Company Executives /Consultants also attended the meetings to answer and clarify queries raised at the Committee meetings. Observations of the Auditors relating to quarterly results/annual accounts etc. are also reviewed by the Committee.

- **Remuneration Committee:**

The Remuneration Committee comprises of three Non-Executive Independent Directors namely Shri. Y. P. Dandiwala, Shri.M.B.Bhide and Shri. Moorad Fazalbhoj. Shri.Y.P.Dandiwala is the Chairman of the Committee.

The Committee reviews the remuneration package of the Chairman and Managing Director, recommends suitable revision to the Board. The remuneration of the Chairman and Managing Director is also considered & approved by the Board of Directors and Shareholders within the permissible limits under Companies Act, 1956 and as required, Central Government approval is also obtained. The minutes of the Remuneration Committee meeting are circulated to the Board, discussed and taken note of by the Board Meeting. The Meeting of the Remuneration Committee was held on 25th, January, 2008 to consider reappointment of Chairman and Managing director Shri H.B.Doshi and to review his remuneration.

- **Shareholders / Investors Grievance Committee:**

As a measure of good Corporate Governance and to focus on the investors' grievances and to look into the transfer process in the physical segment, the Board has constituted a Shareholders / Investors Grievance Committee which comprises of three non-executive Directors Shri D.S.Kulkarni, Shri. Y. P. Dandiwala and Shri.M.B.Bhide. During the year no complaint was received from Shareholders / Investors. The letters relating to dividend warrant etc were also

attended to promptly. On periodical basis a report on share transfers and complaints were submitted to the Committee Members. Also a meeting of the Committee was held on 25th, January 2008. No complaints, transfers were pending at the end of the year 31st March, 2008.

- **Code of Conduct:**

The Company has adopted a Code of Conduct applicable to Directors and Senior Management Personnel. The same is posted on the Company's website [www. ravalgaonindia.com](http://www.ravalgaonindia.com)

- **Compliance Officer**

Dr. D S Kulkarni director of the company has been the Compliance Officer.

- **Corporate Governance-Auditors' Certificate**

The Certificate on "Corporate Governance" from Auditors of the Company is annexed herewith.

- **General Body Meetings**

The details of Annual General Meetings held in last three years are as follows:

AGM	Day	Date	Time	Venue
71	Friday	30.09.2005	09.30 a.m.	Krida Mandai Hall, Ravalgaon – 423 108, Taluka : Malegaon, Dist. Nasik
72	Saturday	30.09.2006	03.00 p.m.	--do--
73	Saturday	29.09.2007	10.00 a.m.	--do--

The shareholders passed all the resolutions set out in the respective notices. During the Financial Year, no Extra Ordinary General Meeting was held. In the extra ordinary general meeting held on 13th June, 2005 a special resolution was passed for approval of re-appointment of Shri H. B. Doshi for a period from 16.01.2005 to 15.01.2008 & payment of remuneration and alteration of Memorandum of Association (clause V) and Articles of association (article no.6) to effect change in the authorized share capital. Further in the Annual general Meeting held on 30th September 2005 for the Financial Year 2004-05 Special resolution under section 81(1A) of the Companies Act, 1956 was approved.

During the year no resolution was passed through postal ballot.

- **Note on Directors' re-appointment:**

Shri.Y.P.Dandiwalwa director shall retire by rotation in the ensuing Annual General Meeting and being eligible, has offered himself for reappointment. His date of birth is 10/11/1950 and age is 57 years. He is a director of the Company since 25th, November, 1991. He holds B.Sc., L.L.B. and Solicitor degrees and has vast experience in the profession of law. He is partner in Mulla & Mulla & Craigie Blunt & Caroe, Advocates, Solicitors and Notaries. He is the Chairman of the Audit Committee and Remuneration Committee of the Company and also member of the Investors /shareholders Grievance Committee. He is a director of Carina Finvest Limited and Aureos India Trustee Company Limited. He does not hold any shares in the Company.

- **Means of Communication**

- i) The Board takes on record the unaudited quarterly financial results in the prescribed proforma of the stock exchange within one month of the close of the quarter and announces forthwith the results to the Stock Exchange, Mumbai where the shares of the Company are listed. The quarterly unaudited financial results are also published in Free Press Journal and Navshakti within 48 hours of the conclusion of the meeting of the Board in which the results are approved.
- ii) Quarterly, six-monthly results / reports are not being sent individually to each household of shareholders as shareholders are intimated through press.
- iii) Management Discussions and Analysis Report forms part of this Annual Report.

- **Disclosures**

- i) There were no transactions of material nature with the Promoters, the Directors or the Management, their relatives or any subsidiary etc. that may have potential conflict with the interest of the Company at large.
- ii) Disclosure of transactions with related parties as required under Accounting Standard 18 issued by the Institute of Chartered Accountants of India is made in Note 15 in Schedule N to the Annual Accounts.
- iii) There were no instances of non-compliance nor have any penalties, strictures been imposed by any Stock Exchange or SEBI or any other statutory authority during the last three years on any matter related to the capital markets.
- iv) Non-mandatory requirements - The Remuneration Committee has been constituted as per details given earlier.

- **General Shareholder Information:**

Date, time and venue of AGM	:	Thursday, 14th, August, 2008 at 09.00 a.m. At Krida Mandal Hall, Ravalgaon – 423 108, Taluka: Malegaon, Dist. Nasik
Accounting Year	:	April to March
Dates of Book Closure	:	Saturday, 2nd, August, 2008 to Thursday 14th, August, 2008.
Listing on Stock Exchanges	:	The Stock Exchange, Mumbai
Listing Fees	:	Paid the Listing fee to the Stock Exchange, Mumbai
Demat Arrangement	:	With NSDL and CDSL
ISIN NO.	:	INE 615 A01017
Registered Office	:	P.O. Ravalagaon, Taluka- Malegaon, Dist. Nasik, Ravalgaon – 423 108.
Company's E-Mail ID	:	multiplt_nsk@sancharnet.in
Compliance Officer	:	Dr.D.S.Kulkarni Director
Exclusive Email ID for redress of investor complaints	:	In terms of clause 47(f) of the Listing Agreement following email address is exclusive for shareholders complaints – rsficonf@ravalgaonindia.com

◦ **Share Price on Mumbai Stock Exchange:**

High/Low during the last Financial Year 2007-2008: High Rs.8452.10/Low Rs.4088.60

Month	SHARE PRICE.		BSE INDEX	
	High (Rs.)	Low (Rs.)	High	Low
April, 2007	4428.20	4225.35	14228.88	12455.37
May, 2007	4667.00	4088.60	14544.46	13765.46
June, 2007	4867.05	4310.15	14650.51	14003.03
July, 2007	4852.05	4427.25	15794.92	14664.26
August, 2007	4799.05	4137.00	15318.60	13989.11
September, 2007	5827.50	4450.00	17291.10	15422.05
October, 2007	8452.10	4321.85	19977.67	17328.62
November, 2007	8013.25	6304.30	19976.23	18526.32
December, 2007	6631.70	6250.55	20375.87	19079.64
January, 2008	6971.95	4453.65	20873.33	16729.94
February, 2008	4675.00	4103.90	18663.16	16608.01
March, 2008	4621.35	4300.00	16677.88	14809.49

◦ **Shareholding Pattern as on 31st March, 2008:**

Category	% of Shareholding	No. of shares held
Promoters & Persons acting in concert	51.90	35295
NRI & Foreign Institutional Investors	0.25	171
Nationalised Banks, Financial Institutions & Insurance Cos.	0.06	44
Bodies Corporate	4.00	2717
Indian Public	43.79	29773
Total	100.00	68000

◦ **Distribution of Shareholding as on 31st March, 2008:**

No. of Equity Shares held	Number of Shareholders	% of Shareholders	No. of Shares	% of Shares
1 – 500	4111	99.90	31047	45.66
501 – 1000	1	0.03	684	1.01
1001 – 2000	-	-	-	-
2001 – 3000	1	0.03	2883	4.24
3001 – 4000	-	--	--	--
4001 – 5000	--	--	--	--
5001 – 10000	1	0.02	5020	7.38
10001 – and above	1	0.02	28366	41.71
Total	4115	100.00	68000	100.00

- **Dematerialisation of equity shares**

As on 31st March, 2008, out of 68,000 equity shares of the Company, 25783 equity shares i.e. 37.92% have been converted into demat form.

- **Outstanding ADRs/GDRs etc.**

The Company has not issued any GDRs/ADRs warrants or any convertible instruments the conversion of which will have an impact on equity shares of the Company.

- **Additional Shareholders Information**

- **74th ANNUAL GENERAL MEETING**

DAY & DATE : Thursday 14th, August, 2008
TIME : 09.00 A. M.
PLACE : At Krida Mandal Hall, Ravalgaon – 423 108,
Taluka Malegaon, Dist. Nasik, Maharashtra.

- **FINANCIAL RESULTS**

Calendar for Financial Results : Financial Year April 2008 to March 2009
First quarter results : Last week of July, 2008
Second quarter and half yearly results : Last week of October, 2008
Third quarter results : Last week of January, 2009
Fourth quarter results : Last week of June, 2009

- **BOOK CLOSURE**

The dates of book closure are from 2nd, August, 2008 to 14th, August, 2008, inclusive of both days.

- **LISTING AND STOCK CODES**

The Company's equity shares are listed on The Stock Exchange, Mumbai (BSE). The stock code at the said Stock Exchange is 507300.

- **PLANT LOCATIONS**

The Ravalgaon Sugar Farm Ltd.
P.O. Ravalgaon - 423 108,
Taluka Malegaon, Dist. Nasik
Maharashtra

- **ADDRESS FOR CORRESPONDENCE**

Registered Office:

The Ravalgaon Sugar Farm Ltd.
P.O. Ravalgaon - 423 108,
Taluka Malegaon, Dist. Nasik
Maharashtra
Tel No. (95-2554) 270238/270274
Fax No. (95-2554) 270284
Email : multipvt_nsk@sancharnet.in

Registrars & Share Transfer Agents:

Amtrac Management Services Ltd.
Plot No.101/102, 19th Street
MIDC Industrial Area, Satpur, Nasik – 422 007
Maharashtra
Tel No. (0253) 2354032 * Fax No. (0253) 2351126
Email : amtrac_nsk@sancharnet.in

Declaration on compliance of the Company's Code of Conduct:

It is hereby confirmed that all the non-executive directors ,executive directors & senior management personnel of the Company have affirmed due observance of the Code of Conduct in so far as it is applicable to them and there is no non-compliance thereof for the financial year ended 31st, March, 2008.

For The Ravalgaon Sugar Farm Limited

Mumbai
Dated: 30th, June, 2008.

Harshavardhan B Doshi
Chairman & Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members,
The Ravalgaon Sugar Farm Ltd.

We have examined the compliance of conditions of Corporate Governance by The Ravalgaon Sugar Farm Ltd. for the year ended 31st March, 2008, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement *subject to following:*

The Chairman of the Audit Committee was not present at the last Annual General Meeting, held on 29th September, 2007.

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

For K. S. AIYAR & CO.
Chartered Accountants

RAGHUVIR M. AIYAR
Partner
M.No.38128

Mumbai, Dated : 30th, June, 2008.

ANNEXURE –C TO DIRECTORS' REPORT

COMPLIANCE CERTIFICATE

Corporate Identity Number (CIN) of Company : L01110MH1933PLC001930
Nominal Capital Rs 6.00 CRORES

To,
The Members,
The Ravalgaon Sugar Farm Limited
P.O Ravalgaon - 423108
Taluka – Malegaon, Dist Nasik,
Maharashtra

We have examined the registers, records, books and papers of M/s THE RAVALGAON SUGAR FARM LIMITED (the company) as required to be maintained under the Companies Act, 1956 (the Act) and rules made there under and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31st March 2008. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers, agents, we certify that in respect of the financial year ended on 31st March 2008:

1. The company has kept and maintained all the registers as stated in the Annexure "A" to this certificate, as per the provisions of the Act and the rules made there under and all the entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure "B" to this certificate with the Registrar of Companies, Regional Director, Central Government, Company Law Board, or other authorities within the time prescribed under the Act and the rules made there under.
3. The company is a public limited company and has paid up capital of Rs 34,00,000/ (Rupees Thirty Four Lacs only) as on 31st March 2008.
4. The Board of Directors duly met 6 times on 27th April 2007, 30th July 2007, 17th August 2007, 29th September 2007, 26th October 2007 and 25th January 2008 and in respect of such meetings proper notices were given and proceedings were properly recorded and signed.
5. The company closed its Register of Members from 22nd September 2007 to 29th September 2007.
6. The Annual General Meeting for the financial year ended 31st March 2007 was held on 29th September 2007 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year under review.
8. The company has not advanced any loans to its Directors or persons or firms or companies referred to under section 295 of the Act.
9. The company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or the Central Govt.

12. The company has issued duplicate share certificates during the financial year after complying with the provisions laid down in the Act.
13. During the financial year ended 31st March 2008, the Company has
 - (i) Delivered all the certificates on lodgement thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act. The company has not made any allotment of securities during the financial year.
 - (ii) Deposited the amount of dividend declared in a separate Bank account in accordance with the provisions of the Act.
 - (iii) Posted warrants for dividends to all the members within a period of 30 (thirty) days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to Unpaid dividend account of the company within the stipulated time.
 - (iv) Transferred the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid to Investor Education and Protection Fund/Central Govt. in accordance with the provisions of the Act.
 - (v) Duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There was no appointment of Additional Directors, Alternate Directors and Directors to fill casual vacancies during the financial year ended March 31, 2008.
15. The appointment of Chairman and Managing Director has been made in compliance with provisions of the Act read together with schedule XIII.
16. The company has not made any appointment of sole selling agents during the year.
17. The Company has sought approval of the Central Govt. for reappointment and payment of remuneration to Chairman and Managing Director.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any shares/debentures/other securities during the financial year.
20. The company has not bought back any shares during the financial year.
21. There was no redemption of preference shares/debentures during the financial year.
22. There was no transaction necessitating the company to keep in abeyance the right to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has complied with the provisions of section 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975/the applicable directions issued by the Reserve Bank of India/any other authority in respect of deposits accepted including unsecured loans taken, raised by the company during the year and the company has filed the copy of advertisement with the Registrar of Companies, Maharashtra on 5th October 2007. The company has also filed return of deposit with the registrar of Companies.
24. The amount borrowed by the company from directors, members, public, financial institutions, banks and others during the financial year ending 31st March 2008 is within the borrowing limits of the company.
25. The company has given loans and made investments in other bodies corporate in compliance with the provisions of section 372A and has made necessary entries in the register kept for that purpose.

26. The company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered any of the provisions of its Articles of Association during the year under scrutiny.
31. There were no prosecutions initiated against or show cause notices received by the company and no fines or penalties or any other penalties or punishments were imposed on the company during the financial year for any of the offences under the Act.
32. The company has not received any money as security from its employees during the year under certification.
33. The company has deposited both employees' and employer's contribution to Provident Fund with the prescribed authority pursuant to section 418 of the Companies Act, 1956

Place Mumbai
Date: June 30, 2008

Signature:
Name: BIPIN RAJE
C.P No: 6147

ANNEXURE A

- (1) Register of Members u/s 150 of the Act
- (2) Register of Directors shareholding u/s 307 of the Companies Act, 1956
- (3) Register of Directors, Managing Director, Manager and Secretary u/s 303 of the Companies Act, 1956
- (4) Books of accounts and cost records u/s 209(1) of the Act
- (5) Register of Particulars of Contracts in which Directors are interested u/s 301
- (6) Register of Directors Attendance
- (7) Minutes of the General Meetings and Board Meetings u/s 193 of the Act
- (8) Register of charges u/s 143 of the Act
- (9) Register of Fixed Deposits u/s 58A of the Companies Act, 1956

ANNEXURE B

Forms and Returns as filed by the Company with the Registrar of Companies, Maharashtra, Mumbai during the financial year ending on 31st March 2008

Sr No	Form No/ Return	Filed Under Section	Purpose	Date of Filing	Whether filed In time	If delay in Filing, whether with Requisite late filing fees
1	Annual Return	159	Annual Return for the financial year ended 31st March 2007	28th November 2007	Yes	NA
2	Balance Sheet	210	For the Year Ended 31st March 2007	11th October 2007	Yes	NA
3	Compliance certificate	383 A	Compliance certificate for the year ended 31.03.2007	11th October 2007	Yes	NA
4	Application to C. G. for appointment of Cost Auditor	233B(2)	Application to C. G. for appointment of Cost Auditor	29th May 2007	Yes	NA
5	Transfer of Unpaid Deposits	205C	Transfer of unpaid Deposits – Quarter ended 30th Sept 2007 Transfer of unpaid Deposits – Quarter ended 31st December 2007	13th December 2007 31st March 2008	Yes	NA
6	Return of Deposits	58A	For the financial year ended 31-03-2007	28th June 2007	Yes	NA
7	Advertisement	58A	Fixed deposits	5th October 2007	Yes	NA

ANNEXURE – 'D' TO DIRECTORS' REPORT FORM A

(1) Disclosure of Particulars with respect to Conservation of Energy :

	Current Year	Previous Year
A. Power and Fuel Consumption :		
Electricity:		
(a) Purchased (from M.S.E.B.)		
Units (KWH in lacs)	10.09	10.68
Rate/Unit (Rs.)	5.66	5.06
Total amount (Rs. in lacs)	57.09	54.06
(b) Own Generation		
(i) Diesel Generator Units (KWH in lacs)	1.78	1.36
Units (KWH) per litre of Diesel Oil	3.29	3.17
Cost/per Unit (Rs.)	10.26	11.70
(ii) Steam Turbine / Generator		
Unit (KWH in lacs)	88.83	71.78
Unit (KWH) per M.T. of Bagasse	155.81	164.36
Cost/per Unit (Rs.)	3.69	3.63
B. Consumption per Unit of Production :		
(Electricity / Power in KWH)		
Sugar (per Bag of 100 Kgs.)	18.43	17.97
Confectionery (per M.T.)	341.76	350.62

FORM B

(2) Disclosure of Particulars with respect to Technology Absorption :

- A. Research and Development (R&D) :**
- Specific areas in which R&D carried out by the Company
 - Production & process improvement/development
 - Development of new products and improvement in existing products.
 - Benefits derived as a result of above R & D :
 - Quality improvement of existing products
 - Development of new products
 - Future Plan of action :

The ongoing programme of R&D will continue for development of new products processes and improvement of existing products and processes.
 - Expenditure on R&D :

There is no capital expenditure on account of R&D and the recurring expenditure is not significant as compared to total turnover.
- B. Technology Absorption, Adaptation and Innovation:**
- The Company did not enter into any foreign collaboration for the purpose of technical assistance and technology was not imported for the purpose of product improvement, development of new products or new process.

(3) Foreign Exchange Earning and Outgo:

The details of Foreign Exchange outgo are given in schedule N note no. 18(C) (notes to the accounts). Export sales (deemed) amounted to Rs.403.50 lacs

AUDITOR'S REPORT

To the Members of,
The Ravalgaon Sugar Farm Limited.

We have audited the attached Balance Sheet of The Ravalgaon Sugar Farm Limited as at 31st March, 2008, the Profit and Loss Account and also 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.

We 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 misstatement. 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.

As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report)(Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- (i) 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;
- (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (iii) The Balance Sheet, Profit and Loss Account and Cash flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 *except for AS-15 i.e. Employee Benefits issued by the Institute of Chartered Accountants of India as stated at (vi b) below.*
- (v) On the basis of written representations received from the Directors, as on 31st March, 2008, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2008 from being appointed as a Director in terms of clause (g) of sub-section(1) of section 274 of the Companies Act, 1956;
- (vi) (a) *The Company on the basis of a legal opinion, has not recomputed depreciation up to the period ended 31st March, 2008 as required under schedule XIV of the Companies Act, 1956 the resulting impact thereof on Depreciation, Profit for the year, Reserves and Surplus and fixed assets are therefore unascertained;*
- (vi) (b) *No provision has been made for the present value of the accrued Gratuity Liability net of ad-hoc partial provision of Rs.35 Lacs made during the year and funds lying with LIC of India and valued actuarially by an independent Actuary as at 31st March, 2008 amounting to Rs.296.68 Lacs (P.Y. Rs. 370.86 lacs) as detailed in Note No B 13 (a) of Schedule N of the accounts. Therefore the Profit for the Year is understated by Rs.74.18 Lacs and the Reserves and Surplus of the Company as at 31st March, 2008 are higher by Rs. 296.68 Lacs.*

- (vi) (c) *No provision has been made for excise duty payable amounting to Rs.456.64 Lacs on the closing stock of finished goods held in the factory as at the close of the year. The same is being accounted for at the point of sale/transfer of goods as detailed in note no.11. This accounting treatment is not in accordance with the Guidance note on Accounting for Excise Duties issued by the Institute of Chartered Accountants of India. However, this accounting treatment does not have any impact on the Profit for the year, but the closing value of the finished goods inventory would have been higher by Rs.456.64 Lacs and other liabilities, which include Provision for Excise Duty payable, would have been higher by like amount.*

Subject to the effect of matters contained in Para vi (a, b and c) above, in our opinion and to the best of our information and according to the explanation given to us, the said 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 the affairs of the Company as at 31st March, 2008;
- b) in case of the Profit and Loss Account, of the Profit for the year ended on that date; and
- c) in the case of Cash flow statement of the cash flows for the year ended on that date.

For K. S. AIYAR & CO.,
Chartered Accountants

Mumbai
Date: 30th June, 2008

RAGHUVIR M. AIYAR
Partner
Membership No.38128

ANNEXURE TO THE AUDITORS' REPORT**Re: The Ravalgaon Sugar Farm Limited.**

Referred to in paragraph 3 of our report of even date,

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- (b) Fixed assets have been physically verified by the management during the year as per the phased programme of physical verification of fixed assets. As informed to us programme is such that all the fixed assets will get physically verified in two years time which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets.

However, we are informed that no comparison of physical verification with books records was made during the year and therefore the discrepancies noticed on such verification are unascertained.

- (c) During the year, the Company has not disposed off substantial part of its fixed assets.
- (ii) (a) The inventory has been physically verified during the year by the management at reasonable intervals.
- (ii) (b) The procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to size of the Company and nature of its business.
- (ii) (c) The Company is maintaining proper records of inventory. No material discrepancies have been noticed on physical verification of stocks.
- (iii) (a) The Company has not granted any loan secured or unsecured to any party covered in the register maintained under 301 of the Companies Act, 1956. Therefore, the requirements of clause (b), (c) and (d) of the Order are not applicable to the Company.
- (iii) (e) The Company has taken loans from three parties listed in the register maintained under 301 of the Companies Act, 1956 and the balance payable as at the year end is Rs.370 Lacs (maximum balances outstanding during the year amounted to Rs.480 Lacs).
- (iii) (f) The rate of interest and other terms and conditions of loan taken are not prima-facie prejudicial to the interest of the Company.
- (iii) (g) The repayment of the principal amount of loan taken and interest are regular.
- (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 the purchases of inventory, fixed assets and with regard to the sale of goods and services.

It is observed that advances given for cane supply to cultivators, to harvesters and to transporters and the liabilities there against are subject to reconciliation and adjustment.

Adequate measures need to be taken to strengthen the internal controls with respect to the above weakness observed.

During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal controls.

- (v) (a) The particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

- (vi) The Company has complied with the provisions of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under for deposits accepted from public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) The Company has an internal audit system commensurate with the size and nature of its business. *However there is a need to strengthen the same by increasing its scope and coverage of areas of fixed assets and Sales.*
- (viii) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the rules made by the Central Government for the maintenance of the cost records under Section 209 (1)(d) of the Companies Act, 1956 and we are of the opinion that, prima-facie, the prescribed accounts and records have been made and maintained.
- (ix) (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including Provident fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales tax, Wealth Tax, Service Tax, Custom duty, Excise duty, Cess and any other material statutory dues applicable to it and *except Sales Tax of Rs.5.06 lacs on sale of assets*, there are no arrears outstanding as at the year end for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, the following dues of Income Tax, Sales tax, Wealth Tax, Service Tax, Custom duty, Excise duty and Cess that have not been deposited on account of some dispute or are partially deposited under protest.

Statute & Nature of dues	Amount not deposited Rs. in lacs	Forum where dispute is pending	Period
Sugarcane Purchase Tax Act. Sugarcane purchase tax payable on harvesting and transport charges.	60.92	High Court Mumbai	1995 to 1999.
Sugarcane Purchase Tax Act. Sugarcane purchase tax payable on harvesting and transport charges.	75.08	Commissioner-Sales and Purchase Tax, Nasik	Season 2007-08
The Bombay Electricity Duty Act, 1958. Electricity duty on own generation.	96.35	High Court Mumbai	April, 2000 to March, 2008.
The Central Excise Act, 1944. Excise Duty.	93.85	Customs, Excise and Service Tax Appellate Tribunal and Commissioner (Appeals)	March, 2002 to October, 2006
The Central Excise Act, 1944. Penalty.	7.88	Customs, Excise and Service Tax Appellate Tribunal and Commissioner (Appeals)	March, 2002 to October, 2006
Income Tax Act, 1961 Income tax.	60.87	CIT Appeals	A.Y.2005-06.

- x) The Company does not have any accumulated losses as per the Balance Sheet as at the end of the financial year. The Company has not incurred cash losses in the financial year covered by our audit but had incurred cash losses in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or Debenture holders.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a Chit fund or a Nidhi/Mutual Benefit fund/Society. Therefore, the provisions of Clauses 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The term loans were applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us, and on an overall examination of Balance Sheet of the Company, we report that the no funds raised on short-term basis have been used for long term investment.
- (xviii) The Company has not made any preferential allotment of Equity shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) There are no debentures that are issued by the Company during the year.
- (xx) The Company has not raised any money through public issue during the year.
- (xxi) 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.

For K. S. AIYAR & CO.,
Chartered Accountants

Mumbai
Dated: 30th June, 2008.

RAGHUVIR M. AIYAR
Partner
Membership No.38128

The Ravalgaon Sugar Farm Ltd. BALANCE SHEET AS AT 31st MARCH, 2008

	Schedule	Rs. Lacs	As at 31.03. 2008 Rs. in Lacs	As at 31.03. 2007 Rs. in Lacs
I. SOURCES OF FUNDS:				
1. Shareholders' Funds				
Share Capital	A	34.00		34.00
Reserves & Surplus	B	2211.76		2083.90
			2245.76	2117.90
2. Loan Funds				
Secured Loans	C	2936.04		2065.78
Unsecured Loans	D	1002.60		918.24
			3938.64	2984.02
3. Deferred Tax Liability (Net)				
			358.17	249.04
			<u>6542.57</u>	<u>5350.96</u>
II. APPLICATION OF FUNDS:				
1. Fixed Assets:				
Gross Block	E	5399.19		5344.62
Less: Depreciation		3474.59		3275.57
Less: Impairment		32.90		--
Net Block			1891.70	2069.05
Capital Work in Progress			13.10	57.49
			1904.80	2126.54
2. Investments				
	F		87.67	37.67
3. Current Assets, Loans & Advances				
Current Assets				
- Inventories	G	5311.19		4933.69
- Sundry Debtors		178.61		145.11
- Cash & Bank Balances		467.82		49.61
		5957.62		5128.41
Loans & Advances		585.59		676.04
		6543.21		5804.45
Current Liabilities & Provisions				
Current Liabilities	H	1899.53		2603.06
Provisions		93.58		14.64
		1993.11		2617.70
Net Current Assets			<u>4550.10</u>	<u>3186.75</u>
			<u>6542.57</u>	<u>5350.96</u>

As per our report attached
For K.S.AIYAR & CO.
Chartered Accountants

RAGHUVIR M. AIYAR
Partner
Membership No.38128
Mumbai : Dated 30 June, 2008

For and on behalf of the Board of Directors

HARSHAVARDHAN B.DOSHI

Y. P. DANDIWALA

Mumbai : Dated 30 June, 2008

Chairman and
Managing Director

Director

The Ravalgaon Sugar Farm Ltd.
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2008

	Schedule	Rs. Lacs	Year ended 31.03. 2008 Rs. in Lacs	Year ended 31.03. 2007 Rs. in Lacs
INCOME				
Gross Sales		7332.38		5173.76
Less: Excise Duty		641.20		397.42
Net Sales		6691.18		4776.34
Other Income	I	614.49		131.66
Increase/(Decrease) in Stocks	J	271.65		2059.64
			7577.32	6967.64
EXPENDITURE				
Manufacturing & Other Expenses	K	6816.04		6944.60
Duties & Taxes	L	11.72		6.25
Interest & Finance Charges	M	322.74		174.82
Depreciation		213.17		206.78
Impairment		32.90		-
			7396.57	7332.45
(Excess) / Short Provision for earlier years				
Cane Price for earlier Seasons		-161.83		66.22
Other Expenses for earlier years		17.21		2.50
			-144.62	68.72
Profit/Loss (-) Before Taxation			325.37	-433.53
Taxation:				
Provision for Current Tax		42.00		-
Provision for Fringe Benefit Tax		5.50		6.50
Provision for Deferred Tax (Refer Note No. 12)		109.13		-140.23
Provision for Wealth Tax		1.10		1.10
Taxes for earlier Years		-		3.35
			157.73	-129.28
Profit/Loss (-) After Taxation			167.64	-304.25
Transfer from General Reserve				304.25
Balance Brought Forward			90.00	90.00
Amount Available for Appropriation			257.64	90.00
Proposed Dividend			34.00	-
Corporate Tax on Proposed Dividend			5.78	-
Transfer to General Reserve			117.86	-
Surplus Carried to Balance Sheet			100.00	90.00
Earnings Per Share (Basic & Diluted) (in Rs.)			246.53	-447.43

As per our report attached
For K.S.AIYAR & CO.
Chartered Accountants

RAGHUVIR M. AIYAR
Partner
Membership No.38128
Mumbai : Dated 30 June, 2008

HARSHAVARDHAN B.DOSHI
Chairman and Managing Director

Y. P. DANDIWALA
Director

Mumbai : Dated 30 June, 2008

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2008

	As at 31.03. 2008 Rs. in Lacs	As at 31.03. 2007 Rs. in Lacs
SCHEDULE 'A' : SHARE CAPITAL:		
Authorised :		
3,00,000 Preference Shares of Rs.100/- each (Previous Year 3,00,000 Preference Shares of Rs.100/- each)	300.00	300.00
6,00,000 Equity Shares of Rs.50/- each (Previous Year 6,00,000 Equity Shares of Rs.50/- each)	300.00	300.00
	<u>600.00</u>	<u>600.00</u>
Issued, Subscribed & Paid up :		
68,000 Equity Shares of Rs 50/- each Fully Paid-up Note : Out of the above shares, 16,000 Equity Shares are allotted as fully paid up Bonus Shares by capitalisation of Reserves	34.00	34.00
	<u>34.00</u>	<u>34.00</u>
SCHEDULE 'B' : RESERVES & SURPLUS		
General Reserve	1953.90	2258.15
Add Transfer from Profit & Loss Account	117.86	
Less Transfer to Profit & Loss Account	-	304.25
	<u>2071.76</u>	<u>1953.90</u>
Surplus in Profit & Loss Account	100.00	90.00
Capital Redemption Reserve	20.00	20.00
Cash Subsidy Reserve	20.00	20.00
	<u>2211.76</u>	<u>2083.90</u>
SCHEDULE 'C': SECURED LOANS:		
Term Loan from Government of India Under Sugar Development Fund for modernisation of Sugar Mill. (Secured Against Second charge on Fixed Assets and Payable in 5 equal instalments. Due within one year Rs 21.16 lacs. Previous year Rs 21.16 lacs)	84.64	105.80

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2008

	As at 31.03. 2008 Rs. in Lacs	As at 31.03. 2007 Rs. in Lacs
Term Loan from State Government (Secured by bank guarantee Due within 1 year Rs. Nil Previous year Rs. Nil)	37.83	37.83
Loans from Banks (Secured by charge on fixed assets. Pending security to be created. Repayable after 2 years moratorium in 24 equal monthly installments)	700.00	--
Loan from Dena Bank (Against hypothecation of harvested produce and Guarantee given by the company. Installment due within one year Rs. 564 lacs Previous year Rs.588 lacs.)	564.00	588.00
Loans from Banks (Secured by hypothecation of specific vehicles. Installment due within one year Rs.5.68 lacs. Previous year Rs 5.68 lacs.)	5.68	6.02
	1392.15	737.65
Cash Credit from Banks (Against hypothecation of Raw materials, Stores, Spares, stock-in-trade, receivables etc and third charge on fixed assets)	1543.89	1328.13
	2936.04	2065.78
SCHEDULE'D': UNSECURED LOANS:		
Fixed Deposits	281.74	434.04
Inter Corporate Deposits	370.00	125.00
Loan from Sicom (Sales Tax Deferment Loan)	350.86	359.20
	1002.60	918.24

Schedule "E"	Gross Block				Depreciation					Net Block		
	Rs. in Lacs	Gross Block As at 31.03.2007	During the year		Gross Block As at 31.03.2008	As at 31.03.2007	for the year	Written Back	As at 31.03.2008	Impairment of Assets during the Year	As at 31.03.2008	As at 31.03.2007
			Additions	Deductions								
Gross Block												
Free Hold Land	5.37	-	--	5.37	-		-	-	-	5.37	5.37	
Buildings & Godowns	916.56	40.34	51.22	905.68	267.18	21.46	7.29	281.35	-	624.33	649.38	
Plant & Machinery	4161.27	48.61	-	4209.88	2860.72	175.59	-	3036.31	32.90	1140.67	1300.55	
Furniture & Fixtures	107.40	57.24	33.24	131.40	58.20	5.68	1.56	62.32	-	69.08	49.20	
Vehicles, Tractors												
Trollies etc	115.53	7.46	17.18	105.81	66.61	9.03	5.27	70.37	-	35.44	48.92	
Office Equipment	38.49	7.26	4.70	41.05	22.86	1.41	0.03	24.24	-	16.81	15.63	
Total	5344.62	160.91	106.34	5399.19	3275.57	213.17	14.15	3474.59	32.90	1891.70	2069.05	
Capital work awaiting completion										13.10	57.49	
Grand Total	5344.62	160.91	106.34	5399.19	3275.57	213.17	14.15	3474.59	32.90	1904.80	2126.54	
Previous Year	5174.84	181.74	11.96	5344.62	3079.21	206.78	10.42	3275.57	-	2126.54	-	

**SCHEDULES FORMING PART OF THE BALANCE SHEET
AS AT 31st MARCH, 2008**

	As at 31.03. 2008 Rs. in Lacs	As at 31.03. 2007 Rs. in Lacs
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SCHEDULE 'F': INVESTMENTS**LONG TERM INVESTMENTS (At Cost) - Shares (Fully paid up)****Quoted :**

The Scindia Steam Navigation Co. Ltd 2419 Equity Shares of Rs 20/- each	0.20	0.20
Dena Bank Mumbai 15,101 Equity Shares of Rs 10/- each	4.51	4.51
Acrow India Limited 17,600 Equity Shares of Rs 10/- each	8.80	8.80
Unit Trust of India 5750 Bonds Rs 100/ each @ 6.75 % Tax free US 64 Bonds	5.75	5.75

Unquoted :

Rural Electrification Bonds 5.5% 500 Bonds of Rs. 1000/- each purchased during the year	50.00	-
Carina Finvest Limited 36,190 Equity Shares of Rs.10/-, each fully paid up	18.61	18.61
	87.87	37.87
Less : Provision for Doubtful Investment	-0.20	-0.20

	87.67	37.67
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NOTES:

1) Aggregate of Quoted Investments : At cost	19.26	19.26
Market value	53.57	43.68
2) Aggregate of Unquoted Investments : At cost	68.61	18.61

SCHEDULE 'G': CURRENT ASSETS, LOANS & ADVANCES:**Inventories : (As Certified by the Chairman & Managing Director)****At lower of cost or net realisable value**

Stores, Spares and Packing Materials	305.45	223.80
Raw Materials	59.30	35.10

Stock-in-Trade :

Finished Goods	4893.45	4602.37
Work-in-progress/process;	52.99	72.42
	5311.19	4933.69

Sundry Debtors (Unsecured - Considered Good)

Over six months (Net of Doubtful Debts, fully provided Rs. 23.16 lacs. Previous Year Rs.23.16 lacs)	8.55	8.58
Others	170.06	136.53
	178.61	145.11

Cash and Bank Balances

Cash in Hand	0.56	1.67
With Scheduled Banks:		
- In Fixed Deposit Account	7.00	7.00
- In Current Accounts	456.85	37.59
- Unclaimed Dividend Accounts	3.41	3.35
	467.82	49.61

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2008

	As at 31.03. 2008 Rs. in Lacs	As at 31.03. 2007 Rs. in Lacs
SCHEDULE 'G': CURRENT ASSETS, LOANS & ADVANCES:		
Loans & Advances (Unsecured and considered good)		
Advances recoverable in cash or in kind or for value to be received (Net of Doubtful Advances Rs 5.56 lacs Previous year Nil)	263.05	331.15
Balance with Excise department	34.34	34.07
Other Deposits	190.19	152.13
Prepaid Expenses	7.03	28.52
Advance Tax (Net of Provision of Rs. 578.67 lacs. Previous Year Rs.531 .95 Lacs)	90.98	130.17
	<u>585.59</u>	<u>676.04</u>
	<u>6543.21</u>	<u>5804.45</u>
SCHEDULE 'H' : CURRENT LIABILITIES & PROVISIONS		
Current Liabilities		
Sundry Creditors	202.25	158.39
Bills Payable	31.49	58.21
Advance Against Orders	14.78	13.64
Investors Education and Protection Fund		
- Unclaimed Dividends *	3.41	3.35
- Unclaimed Fixed Deposits*	8.85	5.41
- Interest on Unclaimed Fixed Deposits*	1.00	1.19
* The said amounts shall be paid to Investor		
Education and Protection Fund at expiry of the statutory period		
Cane Liabilities	1194.03	1816.96
Material Liabilities	6.10	4.07
Other Liabilities	232.43	201.60
Sundry Deposits	125.20	266.05
Interest Accrued But Not Due	79.99	74.19
	<u>1899.53</u>	<u>2603.06</u>
Provisions		
Proposed Dividend	34.00	-
Tax on Proposed Dividend	5.78	-
Provision For Leave Encashment	18.80	14.64
Provision for Gratuity	35.00	-
	<u>93.58</u>	<u>14.64</u>
	<u>1993.11</u>	<u>2617.70</u>

**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st MARCH, 2008**

	Year ended 31.03. 2008 Rs. in Lacs	Year ended 31.03. 2007 Rs. in Lacs
SCHEDULE 'I' : OTHER INCOME		
Interest & Dividend (Gross)		
Dividend Received	0.44	0.18
Interest Received	3.21	4.07
(T D S Rs 18685/- Previous Year Rs. 9951/-)	3.65	4.25
Miscellaneous Income	79.93	71.04
Export Subsidy	50.91	-
Sales Tax set off	25.59	13.55
Profit on Sale of Assets	439.75	3.39
Provisions / Liabilities no longer required	14.66	39.43
	<u>614.49</u>	<u>131.66</u>
SCHEDULE 'J': CHANGE IN STOCKS		
Stocks at commencement		
Finished Products	4602.37	2596.72
Work-in-Progress/Process	72.42	18.43
	<u>4674.79</u>	<u>2615.15</u>
Less : Stocks at close		
Finished Products	4893.45	4602.37
Work-in-Progress/Process	52.99	72.42
	<u>4946.44</u>	<u>4674.79</u>
	<u>271.65</u>	<u>2059.64</u>
SCHEDULE 'K' MANUFACTURING & OTHER EXPENSES,		
Raw Materials & Components consumed	4706.56	5174.68
Stores, Spares, Packing Materials & Loose Tools Consumed	748.30	534.76
Employees' Remuneration & Benefits		
- Salaries, Wages & Bonus	475.85	450.62
- Contribution to Provident & Other Funds	123.07	79.06
(Including Provn for Gratuity Rs 35 00 Lacs Previous year Nil)		

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2008

	Year ended 31.03. 2008 Rs. In Lacs	Year ended 31.03. 2007 Rs. in Lacs
SCHEDULE 'K' (Contd....)		
- Welfare Expenses	<u>18.84</u>	16.52
	617.76	546.20
Power & Fuel	76.99	73.57
Repairs & Maintenance		
- Plant & Machinery	95.91	67.58
- Buildings	11.09	50.18
- Others	<u>25.10</u>	<u>38.01</u>
	132.10	155.77
Freight & Forwarding Expenses	132.37	87.39
Insurance	12.66	16.76
Rent	58.88	44.84
Rates & Taxes	20.82	26.62
Postage and Telephone	9.85	10.01
Printing & Stationery	6.82	5.71
Travelling & Conveyance	88.93	79.18
Other manufacturing expenses	49.63	35.45
Miscellaneous Expenses	96.53	88.78
Legal & Professional Charges (Refer note no.B3)	28.63	31.18
Directors' Fees	0.78	0.46
Advertisement, Publicity and Selling Expenses	9.40	9.57
Commission & Discount	13.32	10.89
Donation	0.15	12.05
Loss on Sale of Assets	-	0.73
Provision for doubtful Cane Purchase Tax Subsidy Receivable	<u>5.56</u>	-
	<u>6816.04</u>	<u>6944.60</u>
SCHEDULE 'L' : DUTIES & TAXES		
Excise duty & Sugar Cess	7.01	0.07
Sales Tax	4.71	6.18
	<u>11.72</u>	<u>6.25</u>
SCHEDULE 'M' : INTEREST & FINANCE CHARGES		
Interest on Cash Credit	139.52	39.38
Interest on Term Loan	4.78	7.39
Interest on others	130.81	104.83
Finance Charges	47.63	23.22
	<u>322.74</u>	<u>174.82</u>

SCHEDULE "N"**APRIL 07 TO MARCH 08****A: SIGNIFICANT ACCOUNTING POLICIES:****1 Revenue Recognition:**

- a) The Company recognises revenue from sale of Products upon dispatch/delivery of the goods coupled with transfer of title to the customers.

2 Excise Duty:

- a) Liability on manufactured goods lying in the factory premises is not provided for and also not included in the valuation of stock-in trade.
- b) Cenvat received on capital goods and input material is reduced from the cost of respective Capital goods and input materials.

3 Employee Benefits:

- a) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss Account for the year in which the related service is rendered.
- b) In respect of Post employment benefits viz Gratuity, the Company has a master policy with LIC under Group Gratuity Scheme for its employees. The Company provides / contributes to LIC-Group Gratuity Scheme for future payments of retirement gratuity to the employees as determined by Management.
- c) Other Long-term benefits viz. Leave Encashment are recognised as an expense in the Profit and Loss Account for the year in which the employee has rendered service. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses are charged to the Profit and Loss account.
- d) Company's contribution paid / payable to defined contribution schemes such as Provident Fund, Superannuation are charged to Profit and Loss account.

4 Fixed Assets:

- a) Fixed Assets are valued at cost.
- b) Interest paid/payable on specific loans for modernization/expansion is capitalised up to the date of commercial production.

5 Depreciation:

- a) Depreciation on assets as on 31st March, 1993 is charged in the accounts on the Written Down Value Method in accordance with Schedule VI of the Companies Act, 1956.
- b) Depreciation on additions to Fixed Assets from 1st April, 1993 is charged in the Accounts on the Straight Line Method in accordance with the Schedule VI of the Companies Act, 1956.
- c) Depreciation in respect of each individual item of asset costing up to Rs.5000/- is provided at 100% in the year of purchase.

6 Impairment of Assets

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

SCHEDULE "N" (Contd....)

7 Valuation of Investment:

Long Term Investments are valued at cost after making adjustments for diminution in the value which is not temporary.

8 Inventory Valuation:

- Stores, spares, packing materials, loose tools and raw materials are valued at cost or net realisable value whichever is lower, by applying the First In First Out (FIFO) Method.
- Finished goods are valued at Cost or Net Realisable Value whichever is lower.
- Work- in-progress/process is valued at lower of cost or net realisable value.
- Estimated quantities of saleable by-products i.e. Molasses, Bagasse and Treated, Dry Press mud are valued at estimated Net Realisable value.

9 Cane Price:

- Purchases of Sugarcane for the season are accounted for on an estimated basis as per the Sugarcane price policy announced by the Company. The difference in price, if any, is adjusted in the accounts in the year the final price is determined by the Company, as and when it crystallise and in certain cases at a fixed price as agreed upon.

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2008.

	Current Year	Previous Year
	Rs. Lacs	Rs. Lacs
1. CONTINGENT LIABILITIES		
a. Guarantees given by Banks	2.15	1.15
b. Sales tax/Other liability for the years 1995-1999 not acknowledged as debt	60.92	60.92
c. Cane purchase Tax 07-08	75.08	97.96
d. Show cause notices cum demand for Excise Duty.	125.76	121.61
e. Electricity Duty on own Generation.	96.35	69.17
f. Income tax demands in appeal	104.90	22.44
g. Construction House Employees Union's workmen wage demands against the Order of industrial tribunal-Mumbai.	Unascertained	Unascertained
2. Commitments for Capital Expenditure not provided for are estimated at:	Nil	10.72
3. Legal and Professional Charges includes Auditors' Remuneration:		
a. Audit Fees	1.35	1.35
b. Tax Audit Fees	0.34	0.34

SCHEDULE "N" (Contd....)

	Current Year	Previous Year
	Rs. Lacs	Rs. Lacs
c. In other capacity	1.10	1.15
d. Reimbursement of expenses	0.42	0.26
Total	3.21	3.10
4 MANAGING DIRECTOR'S REMUNERATION:		
a. Salary & allowances	27.00	27.00
b. Company's Contribution to Provident and other funds	6.28	6.28
c. Perquisite	8.85	12.95
Total	42.13	46.23
5 As required by Accounting Standard 28 Impairment on Assets issued by the institute of chartered accountants of India the company has made provision for impairment loss in relation to the Candy plant amounting to Rs.32.90 lacs as at year-end.		
6 a) The purchases of Sugarcane for the season 2007-08 has been accounted as per sugarcane price policy announced by the Company and the estimate of the same as at the Balance sheet date is considered adequate.		
b) An amount of Rs. 161.83 Lacs for the season 2006-07 has been accounted under the head (Excess)/Short Provision for earlier years - Cane price for earlier seasons"		
7 Computation of Net Profit Under Section 349 of the Companies Act, 1956		
Particulars	Rs. Lacs	Rs. Lacs
Profit/Loss(-) as per Profit & Loss a/c	319.87	(440.03)
Add: 1. Depreciation as per Profit & Loss A/c	213.17	206.78
2. Loss on Sale of Asset	--	0.73
3. Managing Director's Remuneration	42.13	46.23
4. Directors' Sitting Fees	0.78	0.46
Sub Total	256.08	254.20
	575.95	(185.83)
Less: 1. Depreciation U/S 350 of the Companies Act, 1956.	213.17	206.78
2. Profit on sale of assets	425.60	3.39
3. Excess of Expenditure over income	396.00	--
Sub Total	1034.77	210.17
Profit/Loss(-) under section 349 of the Companies Act, 1956	(458.82)	(396.00)

Ceiling Under Section 198 on Managerial Remuneration i.e 5%

SCHEDULE "N" (Contd.....)

- (i) The Managing Director's remuneration is within the limits as approved by Central Government vide letter No. 1/182/2005/CL-VII dated 20th July, 2005 and further amended vide letter dated 21st November 2005 for the period from 16.01.2005 to 15.01.2008 and letter SRN/A35159920/CL VII dated 22nd May 2008 for the period from 16.01.2008 to 15.01.2011.
- 8 There are no dues to micro and small enterprises as at 31st of March, 2008. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.
- 9 Depreciation has been provided on written down value basis for Assets acquired up to 31 st March 1993 at the rates specified in the Schedule VI of the Companies Act, 1956. In view of the legal opinion obtained by the Company, depreciation on the above assets up to the year ended 31st March 2008 has not been re-computed till date.
- 10 Cane, Transport and Harvesters advances and liabilities, Debtors and Creditors balances are subject to confirmation and reconciliation.
- 11 As per the accounting practice followed by the Company, excise duty is accounted for at the point of Sales/Transfer of goods and no Excise Duty is provided for in respect of the Finished Goods not sold or transferred. The estimated excise duty on closing stock of finished goods, as at 31st, March 2008 as per prevailing rates is Rs 456.64 Lacs (Previous Year Rs.384.10 lacs). However, this will have no impact on the profit for the year.
- 12 Major Components of Deferred Tax Assets and Liabilities arising on account of timing difference as at 31 st March 2008 are:

(Figures in Rs. Lacs)

Particulars	Current Year	Previous Year
DEFERRED TAX LIABILITY		
Depreciation	486.16	441.70
Total	486.16	441.70
DEFERRED TAX ASSET		
Unabsorbed Depreciation/Business Loss	12.88	61.13
Disallowance under Section 43B of the Income Tax Act, 1961	100.58	119.46
Others	14.53	12.07
Total	127.99	192.66
Net deferred Tax Liability	358.17	249.04

SCHEDULE "N" (Contd....)

- (i) Deferred tax assets on account of unabsorbed Depreciation/Loss have been recognised as the Company is of the opinion that there is virtual certainty of realisation of the same.

13 AS 15 - Employee benefits

- a) The present value of accrued Gratuity liability as determined by an Actuary as at 31st, March, 2008 was Rs.333.92 lacs (Previous Year Rs. 372.18 lacs). The balance lying in the contributory fund with the Life Insurance Corporation of India (LIC) as at 31 st, March, 2008 is Rs.2.24 lacs (Previous Year 1.32 lacs). The net liability of Rs. 296.68 lacs as at year end (Previous Year Rs.370.86 lacs) has not been recognised in the Accounts as required under the Accounting Standard -15 i.e. Employee Benefits, issued by the Institute of Chartered Accountants of India. Consequently as against the charge to the profit and loss account of Rs.69/- lacs (representing contributions to / provisions for the fund), the credit determined by the Actuarial Valuation is Rs. 6.46 lacs. However the Company expects to meet this liability in due course with enhanced funding of the Contribution to L.I.C. or upon actual payment to employees as has been done in earlier years.
- b) Subject to above, however the disclosure required under AS 15 "Employee Benefits" notified in the Companies (Accounting Standard) Rules 2006, are given below

I. General description:**(i) Gratuity**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn) for each completed year of service. The Scheme is funded with Insurance Company in the form of qualifying insurance policy.

(ii) Leave Wages

The leave wages are payable to all eligible employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement on attaining superannuation age.

II. Defined Benefit plan

The employees' Gratuity Fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

SCHEDULE "N" (Contd....)

III Defined Contribution plan

Contribution to defined contribution plan is recognized and charged off for the year as under:

Particulars	(Rs. in Lacs)	
	2007-08	2007-08
Employer's Contribution to Provident Fund	45.12	
Employer's Contribution to Superannuation Fund	3.54	
	(Rs. in Lacs)	
Sr. No.	2007-08	2007-08
	Gratuity	Leave
	(Funded)	Encashment
		(Unfunded)
IV Expense to be recognised in the Statement of Profit & Loss for the year ended 31st March 2008		
1 Current Service Cost	15.40	5.69
2 Interest Cost	29.72	1.40
3 Expected return on plan assets	(1.44)	-
4 Net Actuarial (Gains) / Losses	(50.14)	2.61
5 Total Expense	(6.46)	9.70
V Net Assets/ (Liability) to be recognised in the Balance Sheet as at 31st March 2008		
1 Present Value of Defined Obligation as at 31st March 2008	333.92	18.80
2 Fair Value of plan assets as at 31st March 2008	2.24	NA
3 Funded Status Surplus / (Deficit)	(331.68)	(18.80)
4 Provision made	35.00	-
5 Net Assets/ (liability) as at 31st March 2008	(296.68)	(18.80)
VI Change in Obligation during the Year ended 31st March 2008		
1 Present value of defined Benefit Obligation at the beginning of the year	372.18	14.64
2 Current Service Cost	15.40	5.69
3 Interest Cost	29.72	1.40
4 Actuarial (Gains)/ Losses	(51.25)	2.61
5 Benefits Payments	(32.13)	(5.54)
6 Present value of Defined Benefit Obligation at the end of the year	333.92	18.80
VII Change in the Assets during the year ended 31st March 2008		
1 Fair Value of Plan Assets at the beginning of the year	1.32	NA
2 Expected return on Plan assets	1.44	NA
3 Contribution by Employer	32.72	NA
4 Actual benefits paid	(32.13)	NA
5 Actuarial Gains / (losses) on Plan Assets	(1.11)	NA
6 Fair Value of Plan Assets at the end of the year	2.24	NA
Category of Plan assets: Insurer managed fund. 100%.		NA

SCHEDULE "N" (Contd....)

VIII Balance Sheet Reconciliation

1	Opening Net Liability	370.86	14.64
2	Expenses as above	(6.46)	9.70
3	Employers Contribution	(32.72)	(5.54)
4	Provision made	(35.00)	0.00
5	Amount to be Recognised in Balance Sheet	296.68	18.80

IX Actuarial Assumptions as at 31-03-2008.

Discount rate	8%	8%
Rate of return on Plan Assets	8%	8%
Salary escalation rate	5%	4%

(Previous years figures are not given as detailed disclosure requirements are effective from 01-04-2007.)

14 Segment Reporting:

- a) The Company has disclosed Business segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisation structure and internal reporting system.
- b) The Company's operations predominantly relate to manufacture of Sugar and Confectionery.
- c) The Company mainly caters to the needs of the domestic market. As such there are no reportable geographical Segments.
- d) Inter Segment Transfer Pricing Policy: The Sugar supplied to Candy & Confectionery division and Bura supplied to Confectionery division is based on market price. All other Inter segment transfers are at cost.

Segment Information for the year ended 31-03-2008

(Figures in Rs. Lacs)

Sr. No.	Particulars	Sugar		Confectionery		Total	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1	External Sales (Net of Excise)						
a.	Domestic	4350.88	3116.86	1936.80	1659.48	6287.68	4776.34
b.	Exports	403.50				403.50	
	Total Sales	4754.38	3116.86	1936.80	1659.48	6691.18	4776.34
c.	Add.: Other Income	126.19	59.49	19.28	26.93	145.47	86.42
d.	Add.: Inter Segmental Sales	101.98	53.08	-	-	101.98	53.08
		4982.55	3229.43	1956.08	1686.41	6938.13	4915.84
e.	Less.. Eliminations	101.98	53.08	-	-	101.98	53.08
	Total Segment Revenue	4880.57	3176.35	1956.08	1686.41	6836.65	4862.76
2	RESULT (Profit before Interest & Corporate Expenses)						
a.	Segment Result	(174.02)	(334.90)	524.72	407.99	350.70	73.09
b.	Less Unallocated Corporate Expenses					(316.23)	308.32
c.	Operating Profit					34.47	(235.23)

SCHEDULE "N" (Contd....)

Sr. No.	Particulars	Sugar	Confectionery	Total			
d	Less : Cane price and Other expenses for earlier years			(144.62) 63.72			
e	Less Interest Expenses			322.74 174.82			
f	Add: Other Income (including Dividend)			469.02 45.24			
	Less : Taxes paid / provided						
i)	Current Tax:			42.00 -			
ii)	Deferred Tax (Net)			109.13 (140.23)			
iii)	FBT			5.50 6.50			
iv)	Wealth Tax			1.10 1.10			
v)	Tax Provision for Earlier Years			- 3.35			
	NET PROFIT/ (LOSS)			167.64 (304.25)			
Other Information							
	Segmental Assets	7025.72	6692.66	556.53	666.07	7582.25	7358.73
	Unallocated Corporate Assets					774.78	442.09
	Total Assets					8357.03	7800.82
	Segmental Liabilities	1578.80	2246.57	241.71	272.46	1820.51	2519.03
	Unallocated Corporate Liabilities					172.60	98.67
	Total Liabilities					1993.11	2617.70
	Capital Expenditure	67.65	149.93	7.83	5.25	75.48	155.18
	Depreciation & impairment	144.50	138.45	87.80	54.90	232.30	193.35
	Total Assets Exclude						
	-Investments					87.67	37.67
	-Advance Tax (Net)					90.98	130.17
	Total Liabilities Exclude						
	-Deferred Tax (Net)					358.17	249.04
	-Secured Loans					2936.04	2065.78
	-Unsecured Loans					1002.60	918.24

15. Related Party Disclosures:

	Name of the Related Party	Nature of Relationship
A Associate Companies	Lanica Financial Services Pvt. Ltd. Canna Finvest Ltd. Acrow India Ltd.	Associate Company
B Key Management Personnel	Mr. Harshavardham B. Doshi	Chairman & Managing Director
C. Relative of key managerial personnel	Mrs. Lamyia H Doshi	Spouse

SCHEDULE "N" (Contd....)

(Figures in Rs. Lacs)

		Associate Companies		Key Management Personnel		Relative of Director	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1	Purchase of Goods, Spares	179.51	103.83		--		--
2	Sale of Goods	--	--		--		--
3	Rendering of Services	6.14	9.15		--		--
4	Receiving of Services	2.21	2.84		--		--
5	Purchase of Fixed Assets	0.00	22.60		--		--
6	Sale of Fixed Asset	14.06	--		--		--
7	Reimbursement of Expenses	0.08	1.71		--		--
8	Amount received towards Deputation of Staff	65.33	52.66		--		--
9	Royalty received	--	--		--		--
10	Rent received	0.50	0.50		--		--
11	Rent paid	41.69	34.53		--		--
12	Outstanding balance in Current Assets and Loans & Advances	135.36	113.10		--		--
13	Bank/Financial Institution Guarantee outstanding at the end of the period.	--	--		--		--
14	ICD received during the period	355.00	755.00		--		--
15	ICD repaid during the period	110.00	840.00		--		--
16	ICD balance at the end of the period	370.00	125.00		--		--
17	Interest paid on ICDs during the period	37.44	27.98		--		--
18	Dividend paid during the period	--	16.69	--	0.35		--
19	Remuneration paid	NIL	NIL	42.13	46.23	1.18	1.18

- 16 a) Future lease rentals payable within one year in respect of premises taken on lease Rs. 41.69 Lacs. (Previous Year Rs.41.69 Lacs)
- b) Rent includes payment of lease rent in respect of premises of Rs 41.69 Lacs. (Previous Year Rs.34.53 Lacs)
- c) General Description of Lease Terms:
Lease rentals are recognised on the basis of agreed terms.
Assets are taken on lease for a period of 12/33/60 months.

SCHEDULE "N" (Contd...)

17. Earnings Per Share (EPS)	2007-08	2006-2007
(a) Profit computation for both Basic & diluted Earnings Per Share of Rs.50/- each Net Profit/(Loss) as per Profit & Loss Account available for Equity Shareholders. (Rs. in Lacs)	167.64	(304.25)
(b) Weighted Average number of Equity shares for EPS computation (for Basic & Diluted EPS)	68,000	68,000
(c) EPS (Weighted Average) (IN Rs.) (Basic & Diluted)	246.53	(447.43)

18 Additional information pursuant to the provisions of paragraphs 3, 4C & 4d of Part-II of Schedule VI of the Companies Act, 1956 as certified by the Managing Director.

A. Particulars in respect of Licensed Capacity, installed Capacity, Opening Stock, Production, Turnover, Closing Stock as on 31.03.2008

Particulars	Licensed Capacity	Installed Capacity	Opening Stock	Value	Production	Turnover	Value	Closing Stock	Value
	Tones Per day	Tones per day	Quantity In M.T.	Rs.in Lacs (c)	Quantity In M.T.	Quantity In M.T.	Rs.In Lacs (d)	Quantity In M.T.	Rs.in Lacs (c)
Sugar (a)	2,000 (2,000)	2,000 (2,000)	35691 (14004)	4334.02 (2316.11)	46,650 (38,765)	36,338 (17,070)	4354.34 (2705.74)	45,219 (35,691)	4766.26 (4334.02)
Candy Sugar			1 (1)	0.11 (0.11)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	1.00 (1.00)	0.00 (0.11)
Confectionery(b)	20 (20)	20 (20)	262 (207)	113.23 (85.73)	2,832 (2,567)	2,943 (2,512)	1936.80 (1659.48)	151 (262)	68.69 (113.23)
Molasses			8010 (5956)	101.69 (194.77)	18,035 (16,991)	24,654 (14,937)	288.53 (346.71)	1,391 (8,010)	41.72 (101.69)
Others Bagasse, Press Dry Press mud mud and Treated			N.A.	53.32 (-)	N.A	N.A.	111.51 (64.41)	N.A. N.A.	16.78 (53.32)
TOTAL				4602.37 (2596.72)			6691.18 (4776.34)		4893.45 (4602.37)

- Net of Internal Transfer of 784 MT. (Previous Year 8 M.T)
- Confectionery turnover including Samples and Damages Nil M.T. (Previous Year 1.5 M.T.)
- Excise Duty on closing stock Rs. 456.64 lacs (Previous Year Rs. 384. 10 lacs) not considered.
- Turnover shown are net of Excise duty.
- Previous year figures are shown in brackets.

SCHEDULE "N" (Contd....)

(B)	Current Year 31.03.2008		Previous Year 31.03.2007	
Details of Raw Materials and Components consumed	Tonnes	Rs. Lacs	Tonnes	Rs. Lacs
Sugarcane	407352	4053.33	366356	4479.71
Liquid Glucose	977	173.90	930	163.14
Bought out Sugar	1046	156.26	555.56	91.04
Wrapping Papers	110	199.45	140	221.54
Other Items		123.62		219.25
Total		4706.56		5174.68
(C) a) Value of Imports on CIF Basis:		Rs. Lacs		Rs. Lacs
i) Raw Materials		0.00		0.00
ii) Stores and Spares		6.54		2.64
iii) Capital Goods		0.00		0.00
Total		6.54		2.64
(C) b) Expenditure in Foreign Exchange				
i) Travelling		5.77		9.02
ii) Subscription		0.66		0.24
iii) Others		16.37		1.40
Total		22.80		10.66
(C) c)	Rs. Lacs	%	Rs. Lacs	%
i) Value of Raw Materials and Components consumed				
- Indigenous	4706.56	100.00	5174.68	100.00
- Imported	0.00	0.00	0.00	0.00
Total	4706.56	100.00	5174.68	100.00
ii) Value of Stores and Spares consumed				
- indigenous	744.76	99.53	532.12	91.51
- Imported	3.54	0.47	2.64	0.49
Total	748.30	100.00	534.76	100.00

SCHEDULE "N" (Contd....)

(C) d)	Current year	Previous Year
i) Amount remitted Foreign currencies on account of Dividends		
ii) Number of Non-resident Shareholders	17	17
iii) Shares held by them	170	170
iv) Year to which the Dividends is Related	2006-07	2005-06

19. Previous Year figures have been regrouped/rearranged wherever necessary so as to conform to Current Year's grouping.

As per our report attached
For K.S.AIYAR & CO.
Chartered Accountants

HARSHAVARDHAN B. DOSHI
Chairman and Managing Director

RAGHUVIR M. AIYAR

Y P DANDIWALA Director

Partner
M.No. 38128
Mumbai : Dated 30th June, 2008

Mumbai : Dated 30th June, 2008

THE RAVALGAON SUGAR FARM LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details :

Registration No. 1930 of 1932-33 State Code: 11
Balance Sheet Date 31-03-2008

II. Capital raised during the year :

Public Issue:	Nil	Rights Issue:	NIL
Bonus Issue:	Nil	Private Placement:	NIL

III. Position of Mobilization and Deployment of Funds (Amount in '000)

Total Liabilities:	Rs.654257	Total Assets	Rs.654257
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Sources of Funds:

Paid up Capital:	Rs.3400	Reserves & Surplus:	Rs.221176
Secured Loans:	Rs.293604	Unsecured Loans:	Rs.100260
Deferred Tax Liability (Net):	Rs.35817		

Application of Funds:

Net Fixed Assets:	Rs.190480	Investments:	Rs. 8767
Net Current Assets:	Rs.455010		

IV. Performance of Company:

Turnover:	Rs.669118	Total Expenditure(Net):	Rs.698030
Other Income:	Rs. 61449	Profit/loss(-) Before Tax:	Rs.32537
Profit/loss(-) After Tax:	Rs. 16764	Earning Per Share:	Rs. 246.53

V. Generic Names of Principal Products of Company (as per monetary terms)

(a) Item Code No.:	170111 00
Product Description:	Sugar
(b) Item Code No.:	170490 00
Product Description:	Confectionery

HARSHAVARDHAN B.DOSHI
Chairman & Managing Director

Y. P. DANDIWALA
Director

Mumbai: Dated 30th, June, 2008.



Cash Flow Statement for Year ended 31.03.2008

In accordance with the requirement under Clause - 32 of the listing agreement with Mumbai Stock Exchange

		Year ended 31.03. 2008 Rs. In Lacs	Year ended 31.03. 2007 Rs. in Lacs
A) CASH FLOW FROM OPERATING ACTIVITIES:			
Profit Before Taxation		325.37	-433.53
Depreciation	213.17		206.78
Impairment	32.90		-
Provision for doubtful debts / advances	5.56		-
(Profit) / Loss on sale of assets	-439.75		-2.66
Interest / Dividend Received	-3.65		-4.25
Interest Charged	322.74	130.97	174.82
Operating Profit Before Working Capital Changes		456.34	-58.84
Working Capital Changes			
Adjustments for :			
Trade & Other Receivables	12.23		44.76
Inventories	-377.50		-1908.45
Trade Payables	-670.24	-1035.51	1670.58
Cash Generated from Operations		-579.17	-251.95
Direct Taxes Paid		-9.42	14.65
Net Cash from Operating Activities		-588.59	-237.30
B) CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of Fixed Assets	-116.52		-231.89
Sale of Fixed Assets	531.94		4.20
Purchase of Investments	-50.00		-
Sale of Investments	-		-
Interest/ Dividend Received	3.63	369.05	4.86
Net Cash from Investing Activities		248.16	-222.83
C) CASH FLOW FROM FINANCING ACTIVITIES:			
Interest Paid	-316.93		-179.69
Proceeds from Borrowings	954.62		690.65
Inter Corporate Deposit	-		-
Dividend & Tax thereon	0.06	637.75	-39.31
Net Increase in Cash & Cash Equivalent		418.21	11.52
Cash & Cash Equivalent at beginning of the year		49.61	38.09
Cash & Cash Equivalent at close of the year		467.82	49.61

Note:-Previous Period Figures have been regrouped/recast wherever necessary.

For and on behalf of the board

Mumbai : Dated 30.06.2008

HARSHAVARDHAN B DOSHI
Chairman and Managing Director

FINANCIAL STATISTICS

RS. IN LACS

Year	Paid up Share Capital		Reserves & Surplus	Fixed Assets Block		Sales	Net Profit	DIVIDENDS	
	Equity	51/2 % Pref.		Gross	Net			Total Amount	% on Equity Shares
1992-93	34.00	20.00	500.24	1372.81	792.22	4365.43	183.54	14.02	38%
1993-94	34.00	--	768.88	2251.29	1602.24	4641.86	282.45	13.81	40%
1994-95	34.00	--	1003.29	3373.43	2618.16	4406.48	248.00	13.60	40%
1995-96	34.00	--	1254.18	3576.56	2638.94	7042.19	301.89	17.00	50%
1996-97 (18 months)	34.00	--	1282.22	3646.24	2484.62	12507.82	46.75	17.00	50%
1997-98	34.00	--	1605.86	3678.64	2355.72	8749.39	342.33	17.00	50%
1998-99	34.00	--	1965.98	3931.38	2413.07	9345.84	358.99	17.00	50%
1999-2000	34.00	--	2509.95	4224.84	2507.43	10241.07	585.45	34.00	100%
2000-2001	34.00	--	2671.94	4879.78	2917.06	10083.86	199.46	34.00	100%
2001-2003 (18 months)	34.00	--	1694.41	5089.23	2675.78	11411.74	-488.87	Nil	Nil
2003-2004	34.00	--	1771.85	5126.97	2469.09	5879.17	96.62	17.00	50%
2004-2005	34.00	--	2187.16	5176.01	2298.65	6572.65	454.08	34.00	100%
2005-2006	34.00	--	2388.14	5174.84	2102.97	4531.93	239.75	34.00	100%
2006-2007	34.00	--	2083.90	5344.62	2126.54	4776.34	-304.25	NIL	NIL
2007-2008	34.00	--	2211.76	5399.19	1904.80	6691.18	167.64	34.00	100%

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The Ravalgaon Sugar Farm Ltd.

Regd. Office : Ravalgaon 423 108, Taluka Malegaon, Dist. Nasik, Maharashtra

ATTENDANCE SLIP

74th ANNUAL GENERAL MEETING ON THURSDAY, 14TH, AUGUST, 2008

Folio No./DPID/Client ID No.....

Shri/Smt
am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the 74th ANNUAL GENERAL MEETING of the Company held at Krida Mandal Hall, Ravalgaon 423 108, Taluka Malegaon, Dist. Nasik, Maharashtra on Thursday, 14th, August, 2008 at 09.00 A.M.

Proxy's Name
(In BLOCK Letters)

Member's/Proxy's Signature

NOTE: Please fill in this attendance slip and hand it over at the ENTRANCE OF THE MEETING HALL.

The Ravalgaon Sugar Farm Ltd.

Regd. Office : Ravalgaon 423 108, Taluka Malegaon, Dist. Nasik, Maharashtra

FORM OF PROXY

I/We.....
of.....in the district of.....
being a member/members of the above-named Company hereby appoint.....
of.....in the district of.....
or failing him.....
of.....in the district of.....
or failing him.....
of.....in the district of.....

as my/our Proxy to vote for me/us on my/our behalf at the 74th ANNUAL GENERAL MEETING of the Company to be held on Thursday, 14th, August, 2008 at 09.00 A.M. and at any adjournment thereof.

Signature.....

Signed this.....day of.....2008.

Affix Rupee 1/- Revenue Stamp
--

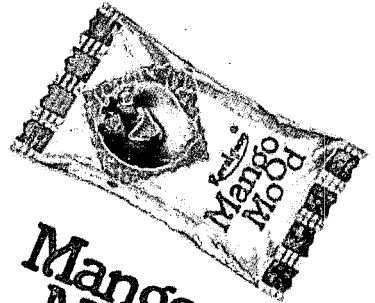
NOTES :

- Revenue Stamp of Rupee 1/- is to be affixed on this form.
- The form should be signed across the stamp as per specimen signature registered with the Company.
- The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the Meeting.
- A Proxy need not be a member.

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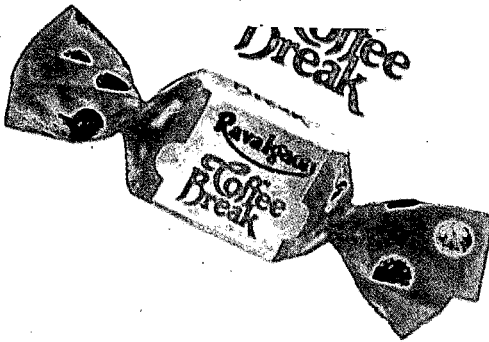


Mango Mood

Ravalgaon®

No:- 1231 00000343
NITEM ASHOK ZAVERI
85, BAZARGATE STREET,
FORT

MUMBAI
PIN-400 001



Coffee Break



Echo's Cream

