



Indian Sucrose Limited

20th Annual Report 2010-2011





Indian Sucrose Limited

► MANAGEMENT

► BOARD OF DIRECTORS

Sh. D. P. Singh	Chairman
Sh. Kunal Yadav	Managing Director
Sh. Jitender Singh	Director
Sh. Pawan Dewan	Director
Sh. Sheoraj Singh Ahlawat	Director

► COMPANY SECRETARY

Mr. Anant Kr. Singh

► AUDITORS

M/s B.K.Kapur & Co.
Chartered Accountants,
Ghaziabad.

► BANKERS

Punjab National Bank

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NOTICE

Notice is hereby given that the 20th Annual General Meeting of the Members of the Company will be held on Friday, 30th day of September 2011 at 11:00 AM, at the Registered Office of the Company at G.T. Road, Mukerian-144 211, Distt. Hoshiarpur (Punjab), to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as on 31st March, 2011 and the Profit & Loss Account for the year ended on that date along with the Report of the Board of Directors and Auditors' thereon.
2. To re-appoint a director in place of Sh. Pawan Dewan, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The relevant records of the company open for inspection by members as per provisions of the Company Law can be inspected at the Registered Office of the company on any working day between 10:00 a.m. to 12:00 p.m.

3. The members are requested to notify the change in their addresses, if any to the company immediately.
4. Members desiring any information on the Accounts are requested to write to the company at least 10 days prior to the date of this Meeting to enable the Management to keep the information ready at the time of meeting.
5. Members are requested to bring their copies of Annual Report at the Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 26th September 2011 to Friday, 30th September 2011 (both days inclusive), for Annual Closing.
7. The members are requested to make their all correspondence with the Company at G.T. Road, Mukerian-144211, Distt. Hoshiarpur (Punjab).
8. Members are requested to furnish the Nomination Form in the prescribed Performa in case they wish to avail the Nomination facility given by the Companies Act, 1956.
9. Appointment/Re - appointment of Directors:

At the ensuing Annual General Meeting Sh. Pawan Dewan retire by rotation and have their desire to offer themselves for re-appointment.

Sh. Pawan Dewan is an experienced businessman. He is serving on the Board of various companies.

By Order of the Board of Director
For **Indian Sucrose Limited**

Place : Delhi
Date : 02-09-2011

CS Anant Kumar Singh
(Company Secretary)

DIRECTORS' REPORT

To the Members,
Indian Sucrose Limited

Your Directors have pleasure in presenting the Twentieth Annual Report of your Company together with the audited Balance Sheet, Profit & Loss Account and the report on business and operation of the Company for the year ended March 31, 2011.

Financial Performance

(Rs.in Lacs)

Particulars	April 1, 2010 to March 31, 2011	April 1, 2009 to March 31, 2010
Turnover	114111.89	10384.37
Profit before Interest Depreciation & Tax (PBIT)	2181.69	2215.99
Interest & financial Expenses	1614.81	1032.65
Profit before Depreciation & Tax	566.88	1183.34
Depreciation	524.74	505.20
Profit before Tax (PBT)	41.93	674.43

Performance Review

Your company maintains performance in the term of net profit in compare to last year. As compared to last year turnover of Rs. 10384.37 lacs your company achieved turnover of Rs. 114111.89 lacs during the current year. Because of increase in cost of raw material, and financial charges the net operating profit before tax (PBT) has decreased to Rs. 41.93 lacs during the year under review as compared to Rs. 674.43 lacs during last year.

During the year under review, your Company has crushed 5117272 QTLS of Sugarcane and produced 487572 BAGS of Sugar in 115 day crushing days, as compared to previous year crushing of 3060357 QTLS of sugarcane and production of 272400 BAGS of Sugar in 77 crushing days.

The capacity utilization of the plant during the year under review was 79.50% and the average recovery was 8.87% as compared to capacity utilization of 63.75 % and average recovery of 9.50 % in the previous year.

Directors

Sh.Dharmpal Singh, Chairman, has been appointed as a whole time Director of the Company with effect from March 13, 2008.

Sh.Kunal Yadav is a young second generation entrepreneur, having wide experience of accounting, marketing and finance matters.

He has been appointed as a Managing Director of the Company with effect from June 16, 2010 for the period of five (5) years.

Sh. Pawan Dewan and Sh. Sheoraj Singh Ahlawat, Independent Directors are a businessman having wide experience of accounting and finance matters.

Sh.Jitendra Singh, Non-Executive Directors, shall retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Corporate Governance

Your Company is committed to achieving the highest standards of Corporate Governance. Accordingly, your Board functions as trustees of the Shareholders and seek to ensure the long term

economic value for its shareholders while balancing the interest of the stakeholders.

A separate section on Corporate Governances standards followed by your Company as stipulated under clause 49 of the listing Agreement with the stock Exchange is enclosed as an Annexure to this report.

Auditors

M/s. B.K.Kapoor & Co., Chartered Accountants will retire at the forthcoming Annual General Meeting. They have been Statutory Auditors of the Company for the last for 4 years. As recommended by Audit and Compliance Committee, the Board has proposed the appointment of M/s B.K.Kapur & Co., Chartered Accountants as Statutory Auditors for the Financial Year 2011-12. Member are requested to consider their appointment on a remuneration to be decided by the Board or Committee thereof for the ensuing Financial Year i.e. 2011-12.

Cost Auditor

M/s.Katyal & Associates, Cost Accountants, Delhi have been appointed as the Cost Auditor for the Year 2010-11 and their report will be submitted to the Department of Companies Affairs, Government of India, in accordance with the requirement of law.

Statutory Disclosures

The Company has not paid remuneration to any employee of the Company beyond the prescribed limit under the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (particulars of Employees) rules 1975, as amended to date. Hence no particulars are required to be given under this Section.

In term of Section 219(1) (iv) of the Companies Act, 1956 the same is open for inspection at the Registered Office of your Company. Copy of this statement may be obtained by the member by writing to the Company Secretary of your Company.

Information as per Section 217(1) (e) of the Companies Act, 1956 Read with the Companies (Disclosure of Particular in Report of Board of Directors), 1988 and forms part of this Report.

(A) CONSERVATION OF ENERGY

- The Company has installed most modern equipments in the plant and is able to save and minimize energy consumption.
- Total energy consumption and energy consumption per unit of production:

1) POWER AND FUEL CONSUMPTION

	Current Year	Previous Year
1. ELECTRICITY		
a) Purchased		
Units	NIL	NIL
Amount (in Lacs)	NIL	NIL
Rate/Unit (in Lacs)	NIL	NIL
b) Own Generation		
i) Through Diesel Generator		
Units	822548	800753
Unit per Ltr. Of Diesel Oil	3.18	3.12
Rate/Unit (in Rs.)	11.34	10.13



	Current Year	Previous Year
ii) Through Steam Turbine Generation		
Units	15775984	9362966
Units per Ton of Fuel	144.89	126.14
Rate/Unit	Nil	Nil
(Being Generated out of steam required for process)		
Bagasse		
Quantity M.T.	108879.00	74228.00
Total Cost (Rs. In Lacs)	1905.38	1484.56
(Estimated due to own generation)		
Average Rate (in Rs.)	1750	2000

2. CONSUMPTION UNIT OF PRODUCTION

	(IN M.T.) Standard	Actual Current Year	Actual Previous Year
Electricity (Units)	350	340.43	373.12
Bagasse (M.T.)	3.50	2.23	2.72

(B) TECHNOLOGY ABSORPTION (R & D)

Research & Development (R & D)

- The Company is regularly carrying on research and development for the development of Sugar Cane in the area.
- Agricultural implements, fertilizers, pesticides, and cane seeds are supplied to the cane growers on loan basis and at subsidized rates.
- Expenditure incurred on R & D.

	Current Year (Rs. in Lacs)	Previous Year (Rs. in Lacs)
a) Capital	–	–
b) Recurring	10.70	29.17
c) Total	10.70	29.17
d) Total Expenditure as percentage of Turnover	0.09	0.29

- Technology absorption, adoption and innovation:
 - The Company has adopted latest technology in the plant to maximize production, better quality, and to minimize consumption of energy.
 - The Company has implemented its own Effluent Treatment Plant of latest technology.
 - Technology imported during the year - Nil

(C) FOREIGN EXCHANGE EARNING & OUTGO

- Total Foreign Exchange earned Rs. nil (previous year Rs. Nil)
- Total Foreign Currency used-Nil

Directors' Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Companies (Amendment) Act, 2000 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- in the preparation of the Annual Accounts, for the financial year ended March 31, 2011 the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2011 and of the profit and loss of the Company for year under review;
- the director have taken proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and the Annual Accounts have been prepared on a going concern basis.

LISTINGS

The shares of your company are currently listed with Bombay and Calcutta. Application for delisting with Calcutta Stock Exchanges are still pending and expected to be approved very soon.

FIXED DEPOSITS

Your Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

INDUSTRIAL RELATIONS & HUMAN RELATIONS DEVELOPMENT

Human resources are the most important resource and your directors believe in to give them their due weightage for their crucial role-playing in the overall progress of the organization. The relationship between the management and the staffs/ workers has been comfortable and cordial during the year.

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their deep and sincere gratitude to all officers/ staffs/ workers, as team members, for their dedicated and sincere efforts and also to Bankers, creditors, suppliers and all concerned for showing their continued faith and extending their full and wholehearted support to our organization.

Your Directors would also like to express their gratitude to members for their trust and support.

By Order of the Board of Director
For **Indian Sucrose Limited**

Place : Delhi	Kunal Yadav	D.P. Singh
Date : 02-09-2011	(Managing Director)	(Chairman)

MANAGEMENT ANALYSIS AND PERCEPTION:

1. Industry Structure & Development:

Indian sugar industry is highly fragmented with organized and unorganized players. The unorganized players mainly produce Gur and Khandari, the less refined forms of sugar. The government had a controlling grip over the industry, which has slowly yet steadily given way to liberalization. The report provides comprehensive analysis about the structure of Indian sugar industry by explaining the above facets. Besides the classification of sugar products and by-products like molasses, their uses too have been extensively covered.

In 2008-09, Sugar Industry witnessed a dramatic change in Sugar cycle, with the reversal of high supply - low prices scenario. The year started with high sugar surplus, low prices and higher inventories. By the second half of the year it was clear that sugarcane planting and also its diversion reflecting falling production in the current and next sugar year, sugar prices firmed up in the second half of the year. The shift in the cropping pattern from cane to other crops and diversion to non – crystal sugar production resulted in lower cane and hence lower supply of sugar.

Credit rating agency, Fitch Ratings says the year 2011 will be a recovery phase for the Indian sugar sector, and expects the sector to have a stable outlook. Indian sugar companies financial profile will benefit from positive sugar margins as a result of lower sugarcane costs and stable sugar prices. Cash flows will also benefit from increased contribution from the sugar by-product businesses, namely distillery and co-generation operations. However, sugarcane availability and the regulated nature of the industry are key concerns that continue to weigh on the Indian sugar sector, and could impact the sector's outlook

This industry has the potential to be a leading player not only in the domestic markets but also in the international markets with several value-additions like clean power and ethanol.

The industry has the potential to do well if we have a conducive long-term sugar policy with minimal controls. If decontrolled, most of the sugar manufacturing companies will do well depending on the plant, managerial and administrative efficiency of the company.

2. Outlook:

The second revision of the world sugar balance in the 2010/11 (October/September) crop cycle by ISO puts world production at a record 168.045 mln tonnes, raw value, up 4.66% from the last season. Although ISO still expect a record high world sugar production, it has been revised downwards by 0.910 mln tonnes from their previous assessment in November, 2010. In contrast to output, world consumption has been revised marginally upwards and now is put at 167.849 mln tonnes. Consumption is expected to grow at 2.01%, slower than the 10-year average of 2.6%, due to historically high prices in both the world and domestic markets. After two seasons of large deficits, the stocks/consumption ratio had reduced to the lowest level for more than 20 years - since 1989/90. The ratio is expected to decrease further to 35.04% in 2010/11 from 35.73% in the previous season of a large deficit. Despite the downward revision of world production, export availability still covers projected import demand. The absence of a physical trade deficit may act to cap prices for the rest of 2010/11

season. The world export availability is put at 50.496 mln tonnes exceeding import demand estimated at 50.309 mln tonnes.

3. Risks, Threats and Opportunities:

Risks and Threat:

Sugar Industry in India primarily faces the following risks:

- a. Raw Material risk
 - b. Sugar Price risk
 - c. Regulatory risk
- Being an agro based industry, the Company's business is inextricably linked to the availability of raw material and its costs. The raw material of the Company is sugar cane. The Company has risk of Govt, policies in respect of cane availability, SAP & cane area allocation. Sugar cane availability is primarily determined by the relative's area under cane, the cane yield and the proportion to cane that to crush by the mill out of the total cane available (draw). Area under cane is determined primarily by (he relative attractiveness of carte vis a vis other crops and timely payments. These factors are largely not within the control of the company. The company has sought to mitigate raw material availability risk by timely Payment to farmers.
 - Sugar prices exhibit volatility and dependence upon the demand and supply and business cycle conditions and are not controlled by any single player due to the fragmented nature of the industry. Prices rate also affected by the sales avocations made by the Government on a monthly basis as well as stocks held by the mills. The company has a defiled system of monitoring prices as the booking of orders in order to mitigate price volatility and Optimize returns.
 - Uncertainties in Government policies and regulations governing sugar industry in India continue to pose a serious risk to the sugar industry. By successive interventions of the Governments in areas of sugarcane and sugar, particularly their pricing and distribution, sugar mills may become uncompetitive at the bottom end of the business cycle. This is a systemic risk and cannot be alleviated unless the Government completely decontrols the sugar industry.

Opportunities:

- The Central Government, in June, 2011 has allowed export of 5 Lac tones of raw whit/refined sugar under Open general License (OGL) in addition to 5 lac tones allowed earlier in March/April, 2011.
- The decision to allow export of sugar has been taken keeping in view the sugar stocks in the country, the estimated domestic consumption, the initial estimates about the sugarcane planting for the ensuing sugar season and the domestic price of sugar.
- The domestic retail prices of sugar are currently stable. Besides, the Government had also permitted export of sugar against Advance Authorization Scheme, exports to neighboring countries and against preferential quota of European Union and USA to the tune of about 11.23 lac tones.

4. Segment wise Performance:

Your Company is having only one business segment i.e. manufacture white crystal sugar.



5. Internal Control Systems and their adequacy:

Your company maintains adequate Internal Control Systems designed to provide reasonable assurance that assets are safeguarded, transaction are executed in accordance with management authorization and are properly recorded and accounting records are adequate for preparation of financial statements and information. A comprehensive system of Internal Controls employed by the company ensures optimal use of the resources available at its disposal. Internal Audit and checks are on going process within the Company. The Audit Committee of the Board, headed by an independent non-executive director, is in place to review the internal controls and other financial systems. The internal control system of the Company is monitored and evaluated by independent internal auditors and their reports are periodically reviewed by the Audit Committee. The observations and comments of the Audit Committee are appraised to the Board.

The internal auditors look into various areas of the company with following broad objectives:

- To ensure critical examination of reasons with a view to trouble shooting of the problems that may arise due to shortcomings in systems and procedures.
- To review systems and procedures in purchase, capital investments and routine operations.
- To identify shortcomings that may adversely affect the company's operations and profitability.
- To ensure the compliance of Company policies and procedures.
- To identify non-performing assets and suggest the procedure for its disposal.
- Any other assignment provided by the management.

6. Human Resources and No. of employees employed:

The Company believes that its experienced and skilled manpower is the biggest strength for meeting the challenges of changing business environment. Organisations differ in

their ability to harness the full potential of their employees to the creative pursuit of attaining excellence. The attract, retain and motivate the best talent, the company believes in empowering its employees. The company continues to enjoy a cordial and harmonious relationship with its employees. We believe, its is our people along who provide us with the greatest sustainable and competitive advantage. The basic HR philosophy of the company revolves around commitment to create an organization that futures talents and enterprise of its people. Your Company's employees fully identify with your Company's vision end business goals. Training needs are identified in a systematic manner and regular training programmes are being organised to develop the knowledge and skill levels of the employees. Since the industry is of seasonal nature, hence during season time (from November to April) skilled contractual labour is also hired. Total number of employees (including contractual labour) as on 30th June 2010 was 202.

7. Industrial Relations:

The management and the workers in the Company maintain cordial and harmonious relations - unanimous in their belief that they have one common objective sustainable success of the Company. All areas concerning employee's involvement safety, health and training development elicits their unqualified participation.

8. Cautionary Statement:

Statement in the Management Discussion and Analysis report disrobing the company's objectives, projections, estimates and expectations may be 'forward looking' statements within the meaning of applicable laws and regulations and futuristic in nature. However actual results might differ from those earlier expressed or implied. Such statements represent intentions of the management and the efforts put in to realise certain goals. The success in realising these depends on various factors both internal and external. Investors, therefore, are advised to make their own judgments before taking any investment decisions.

REPORT ON CORPORATE GOVERNANCE

REPORT & OVERVIEW

Company's philosophy on Code of Governance

Effective Corporate Governance is the manifestation of professional beliefs and values, which configures the organizational values, credo and action of its employees. Transparency and Accountability are the fundamental principle to sound Corporate Governance which ensures that the origination is managed and monitored in a responsible manner for 'creating and sharing value'.

Indian Sucrose Limited believes that there is a need to view corporate governance as more than just regulatory requirements as there exist a fundamental link with the organization of business, corporate responsibility and shareholder wealth maximization. Therefore, Your Company articulating a multi-stakeholder model (including shareholder value) of accountability that will manage the symbolic relationship between the various stakeholders. This approach will be central to the day-to-day functioning of your Bank and in implementation of its business strategy.

Code of Ethics

The Board of directors has approved and implemented a Code of Conduct and Ethics for the Board of Directors and Senior Management. The Confirmation from the Managing Director regarding compliance with the code by all the Directors and senior management.

Prevention of Insider Trading

The Company has instituted a comprehensive code of conduct for prevention of insider trading in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulation, 1992.

Board of Directors

Your Company has a broad based Board of Directors, constituted in compliance with the Companies Act, Listing Agreement with the stock exchange(s) and in accordance with best practices in corporate Governance. The Board functions either as a full Board or through various Committees Constituted to oversee specific areas. Policy formulation, setting up of goal and evaluation of performance and control function vest with the Board.

Sh.D.P.Singh is the Executive Chairman of the Board. The Committees have oversight of operational issues assigned to them by them by the Board.

Ten Board meeting were held during the Financial Year ended March 31, 2011 on the following dates: April 10, 2010, May 30, 2010, June 15, 2010, August 14, 2010, September 15, 2010, November 14, 2010, December 4, 2010, January 15, 2011, February 14, 2011 and March 31, 2011. The name of the members of the Board, their status, their attendance at the Board Meeting and the last Annual General Meeting (AGM), number of the other Directorship and Committee membership/Chairmanship of each Director are as under:

Name of Director	Board meeting attended during the year	Attendance at the Last AGM	Number of other Directorships		Number of committee memberships in other Companies
			Of Indian public limited Companies	Of other companies	
Whole time Director					
Sh. D.P.Singh	5	YES	5	4	–
Managing Director					
Sh. Kunal Yadav	7	YES	5	15	–
Independent Director					
Sh. Pawan Dewan	5	YES	2	–	–
Sh. Sheoraj Singh Ahlawat	4	YES	2	–	–
Non-Executive Director					
Sh. Jitender Singh	6	YES	2	3	–

Audit & Compliance Committee

Terms of Reference

The term of reference of the Audit & Compliance Committee include providing direction and oversight to the total audit function in the company, recommending appointment and removal of statutory/internal Auditors and fixing their remuneration, review of results/financial statement (quarterly, half yearly, annual) before submission to the Board, review of the adequacy of internal control system and the internal audit function, review of compliance, review of the finding of internal investigations, discussion on the scope of audit with external auditors and examination of reasons for substantial defaults.



Composition

The Audit & Compliance Committee comprises of three Directors, out of which two are Independent Directors. The Committee chaired by Sh. Pawan Dewan, Independent Director. Four meeting were held during the financial Year ended March 31, 2011. The Composition and attendance details are given below:

Name of the members	No. of meetings attended
Sh. Pawan Dewan	4
Sh. Sheoraj Singh	4
Sh. Kunal Yadav	4

Board Remuneration Committee

Terms of Reference

The term of reference of the Board Remuneration Committee includes reviewing the Company's overall compensation structure and related policies with a view to attract, motivate and retain employees and review compensation levels vis-à-vis other Companies and Industry in general, to determine the company's policies on remuneration packages payable to the directors including performance/achievement bonus, perquisites, retrials, sitting fee, etc., consider grant of Stock option to employees. The Committee also functions as the Compensation Committee as prescribed under the SEBI (Employee Stock Option Scheme and Employee stock purchase Scheme) guideline, 1999 and is authorized to allot shares pursuant to exercise of Stock options by employees.

Composition

The Board Remuneration Committee comprises of three members. One meeting was held during the financial Year ended March 31, 2011. The composition of the remuneration committee is as follows:

Sh. Sheoraj Singh Ahlawat	Independent	Chairman
Sh. Jitender Singh	Independent	Member
Sh. Pawan Dewan	Independent	Member

Remuneration Policy

Your Company's Remuneration Policy is to Position its pay structure competitively in relation to the market to be able to attract and retain critical talent. The compensation strategy clearly endeavors to differentiate performance significantly and link the same with quality and quantum of rewards. Your Company would also strive to create long-term wealth creation opportunities through Stock Option Schemes.

Remuneration of Directors

The Managing Director is paid remuneration as recommended by the Board Remuneration Committee and approved by the Board of Directors and shareholders.

The Executive Chairman is paid remuneration as recommended by the Board Remuneration Committee and approved by the Board of Directors and shareholders.

The Non-Executive Director is paid remuneration as recommended by the Managing Director, Board Remuneration Committee and approved by the Board of Directors and shareholders.

Independent Directors are paid sitting fees of Rs.1520/- for attending each meeting of the Board of Directors and any committee

of Directors. During the financial Year ended March 31, 2011 the company paid Rs.76000/= to the Independent Directors.

The Shareholders/Investors Grievance/Share transfer Committee

The composition of Share holders/investors Grievance/Share Transfer Committee is as follows:-

Sh. Sheoraj Singh Ahlawat	Independent	Chairman
Sh. Pawan Dewan	Independent	Member
Sh. Kunal Yadav	Managing Director	Member

The Company has its in House Share Transfer department, at Regd. Office of the company, G. T. Road, Mukerian. M/s MCS Ltd., New Delhi is acting as Registrar for Electronic connectivity with NSDL & CDSL for the dematerialization of its shares. The power to approve Share Transfer/Share Transmission is given to the Committee, which meet at the end of every month. The powers to sign the share transfer duly registered, and to confirm the dematerialization requests, are given to the whole time Directors/Company Secretary/officers of the company. During the year under review, all the complaints received have been redressed. There is no share transfer application pending for registration for more than 30 days, except those cases where notices were required to be sent to registered holders, due to their objection lodged with the Company and Bad deliveries as per SEBI Guidelines in this regard.

General Body Meetings

Location and time of the previous Annual General Meeting(s)

Annual General Meetings (In last three years)	Date	Venue	Time	Special Resolution Passed
2008	Sept. 30, 2008	at G.T.Road, Mukerian, Distt. Hoshiarpur, Punjab.	11.00 A.M	Yes
2009	Sept. 30, 2009		11.00 A.M	No
2010	Sept. 30, 2010		11.00 A.M	Yes

Disclosures

During the Financial Year ended March31, 2011:

There was no materially significant related party transactions with the Directors that have a potential conflict with the interests of the Company.

The related party transactions have been disclosed in the notes to accounts forming part of the annual financial statements.

There were no instances of non-compliance by Company, penalties, strictures imposed by Stock Exchange and SEBI on any matter related to capital markets, since the incorporation of the Company.

The company has adhered to all the mandatory requirements of Corporate Governance norms as prescribed by the clause 49 of on the Listing Agreement to the extent applicable to the Company.

Means of Communication

Quarterly Results are communicated through newspaper advertisement.

The results are generally published in the The Financial Express (English), Jansatta (Hindi)



General Shareholders Information

Day, Date, Time and Venue of the Annual General Meeting	Friday, September 30, 2011, 11:00A.M., Regd.Off. & work at Mukerian
Financial Year	April 1,2010 to March 31, 2011
Date of Book Closure	Sept. 26, 2011 to Sept. 30, 2011 (Both days inclusive)
Dividend Payment Date	N.A.
Listing on Stock Exchanges	1. Bombay Stock Exchange Limited 2. Calcutta Stock Exchange Asso.Ltd* * The Delisting Application made by the Company is pending with these Stock Exchanges. Listing fee to Mumbai have been paid till 31st March, 2011.
Stock Code	BSE: 500319

Distribution of Shareholding as on March 31, 2011

DISTRIBUTION SCHEDULE AS ON 31.03.2011

Equity Shares Nominal Value of Each Share/Unit Rs.10/-

Numbers Of Share-Holders	% of Total	Share Holding of Nominal Value of Rs.	No. of Shares	Amount in Rs.	% to Total
19892	94.18	Up to 5000	3545693	35456930	22.93
735	3.48	5001 to 10000	587436	5874360	3.80
241	1.14	10001 to 20000	365240	3652400	2.36
93	0.44	20001 to 30000	2339410	2339410	1.51
41	0.19	30001 to 40000	149070	1490700	0.96
33	0.16	40001 to 50000	155043	1550430	1.00
45	0.21	50001 to 100000	320013	3200130	2.07
41	0.19	100001 and above	10105371	101053710	65.36
21121	100.00	Total	15461807	154618070	100.00

Shareholding Pattern as on March 31, 2011

Sl. No.	Shareholders	No. of Shares	% age
1.	Promoters & Associate Companies	91, 10,907	58.93
2.	Financial Institutions	—	—
3.	Bodies Corporate other than as said above	7,66,107	4.95
4.	Mutual Funds	101	—
5.	NRIs	9,26,641	5.99
6.	Individuals (Indian Public)	46,58,051	30.13
		1, 54, 61,807	100.00

Dematerialization of Equity Shares and Liquidity

The Company shares are currently traded only in dematerialized forms. To facilitate trading in dematerialized form, there are two depositories i.e. NSDL & CDSL. The Company has entered into tripartite agreements with both these depositories. The shareholders can open account with any of Depository Participants registered with any of these depositories. None of the company's share is under lock in period for any purpose.

Plant Location (Manufacturing Unit)

G.T. Road, Mukerian
Distt. Hoshiarpur (Pb.)-144211

- **Item / Products** White Crystal Sugar
- **By products** Molasses and Bagasse

*Address for Correspondence:

For matters related to Shares/Queries/Demat/Transfer/Transmission request:

Regd. Office & Works Indian Sucrose Limited,
G.T. Road, Mukerian
Distt. Hoshiarpur (Pb.) - 144211
Ph. No. 01883-249002-5
Fax.-244532
Email: - islcare@yahoo.co.in

The above report has been placed before the Board in its meeting held on 02.09.2011 and the same was approved.

By Order of the Board of Director
For **Indian Sucrose Limited**

Place : Delhi Kunal Yadav D.P. Singh
Date : 02-09-2011 (Managing Director) (Chairman)



AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To
The Members,
Indian Sucrose Limited,

We have read the Report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance of conditions of Corporate Governance by Indian Sucrose Limited for the year ended 31st March, 2011 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, conducted in the manner described in the 'Guidance Note on Certification of Corporate Governance' issued by the Institute of Chartered Accountants of India, was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with the condition of Corporate Governance. Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us and on the basis of our examination above, the Company has complied with the condition of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

No Investor grievances are pending for a period exceeding one month against the Company as per records maintained by the Company.

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 B.K. KAPUR & COMPANY
CHARTERED ACCOUNTANTS

Place : Ghaziabad (M.S.KAPUR)
Date : 31st May, 2011 Partner

AUDITORS' REPORT TO THE SHAREHOLDERS OF INDIAN SUCROSE LIMITED

1. We have audited the attached Balance Sheet of INDIAN SUCROSE LIMITED as at 31st March, 2011 the Profit & 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.
2. 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 also includes examining, on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 ("The Order") issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 ("The Act"). We enclose in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in Annexure referred to above, we report that:

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of such books;
- c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with books of account;
- d) In our opinion, Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with Accounting standards referred to in Section 211(3C) of the Companies Act, 1956.
- e) On the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the Directors are dis-qualified as on 31st March, 2011 from being appointed as Directors in terms of clause (g) of Sub Section (1) of Section of 274 of the Companies Act, 1956.
- f) Non-provision of disputed Purchase Tax liability on purchase of Sugar Cane aggregating to Rs.119.63 Lakhs for the financial year 1999-2000 to 2003-04 pending at appellate levels and Rs. 995.07 Lakhs estimated for financial years from 2005-06 to 2010-11 as per Note No: 9(iii) of schedule 20 for Notes to the Accounts.
- g) Non-provision of disputed liabilities created by the Sales Tax Department & State Electricity Board aggregating to Rs.21.39 Lakhs as per Note No.9(i) & (ii) of Schedule 20 for Notes to the accounts.
- h) Regarding change in cost formula for computation of the cost of stock of Finished Goods at the close of the year from FIFO Method as is permissible under Accounting Standard AS 2 "Valuation of Inventories" issued by the Institute of Chartered Accountants of India to the other permissible formula "Weighted Average Cost". As result the net profit for the year, inventories as well as reserve and surplus are higher by Rs. 485.83 Lakhs as compare to the position which would have prevailed, had this change not been made.
- i) Subject to our comments in paragraph 4(f) & (g) which if had been considered, the loss for the year would have been Rs.1559.13 Lakhs as against the reported profit of Rs. 62.79 Lakhs and the balance in Reserves & Surplus would have been Rs.980.72 Lakhs as against the reported figure of Rs. 2602.54 Lakhs similarly, the current liabilities would have been Rs.8695.41 Lakhs as against the reported figure of Rs.7073.60 Lakhs, and note no 21 of schedule 20 of notes to the accounts regarding Micro, small, & Medium Enterprises, in our opinion, and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and others notes thereon, and attached thereto, 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:
 - i) in the case of Balance Sheet, of the State of affairs of the Company as at 31st March, 2011.
 - ii) in the case of Profit & Loss Account, of the Profit of the Company for the year ended on that date; and
 - iii) in the case of Cash Flow Statement, for the cash flows for the year ended on that date.

For B.K. Kapur & Co.
Chartered Accountants,

Place : Ghaziabad
Dated : 30-05-2011

(M.S. Kapur) F.C.A.
Partner
Membership No.74615

Annexure to the Auditors' Report

1. (a) The company is generally maintaining records showing particulars including quantitative details and situation of its fixed assets, however, their final compilation is under process.
- (b) The fixed assets of the Company have been physically verified during the year by the management at reasonable intervals and no material discrepancies between the book records and the physical inventory have been noticed on such verification.
- (c) As per records and information and explanation given to us company has not disposed off during the year substantial part of its fixed assets.
2. (a) The physical verification of inventory has been conducted by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination, in our opinion, the Company has maintained proper records of inventory & discrepancies noticed on such physical verification on inventory as compared to the books records were not material.
3. (a) According to information made available to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act, accordingly clause 4(iii) (b) to (d) of the Order are not applicable to the company.
- (b) According to information made available to us, the company has taken interest free unsecured loans from the Directors and their relative as covered in the register maintained under section 301 of the Act. Total outstanding for such loans at the year end was at the amount of Rs.435 Lakhs and maximum outstanding during the year amounted to Rs. 460.00 Lakhs. Further, the company has not taken any secured loan from the aforesaid referred parties.
- (c) The other terms and conditions of the unsecured Loans taken by the company are prime facie not prejudicial to the interest of the company.
- (d) As informed to us, presently, there is no stipulation as regards to repayment of Principal amount. However, payment of interest is regular.
4. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and nature of its business, for purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination and according to the information and explanation given to us, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. (a) Based on our examination and according to the information and explanation given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market price at the relevant time.
6. On the basis of information and explanations given to us, the company has not accepted any public deposits from the public within the meaning of Section 58A, 58AA or any other relevant provisions the Act, and rules framed thereunder.
7. The company has an internal audit system which needs to be more strengthened to make it commensurate with the size and nature of the Company's business.
8. We have broadly reviewed the books of account maintained by the company pursuant to the order made by the Central Government for the maintenance of the cost records under section 209(1) (d) of the Act and are of the opinion that, prima facie, the prescribed account and records have been maintained and are being made up. We however as not required have not made a detailed examination of such records with a view to determine whether these are accurate or complete.
9. (a) According to the information and explanations given to us the company is regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues applicable to it. As explained to us, the provisions of Employees State Insurance are not applicable to the company. No amount was due to be deposited under investor Education and Protection Fund. Further, there was no arrears of undisputed statutory dues outstanding as at 31st March, 2011 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, the disputed statutory dues of Sales Tax, & Purchase Tax aggregating to have not been deposited are given below:-

Name of Statute	Nature of Due	Financial year to which it pertains	Amount (Rs. in Lakhs)	Forum where dispute is pending.
Sales Tax Laws	Sales tax	1997-98 & 2000-01	11.19	Deputy Excise & Taxation Commissioner (Appeal)
Sales Tax Laws	Purchase Tax	1999-2000	16.64	Sales Tax Tribunal. Punjab & Haryana High Court.
		2000-01 & 2001-02	52.78	
		2002-03 & 2003-04 2004-05	50.21 41.48	
Provident Funds & Misc. Provisions Act, 1952	Provident Fund	1997-98 to 2007-08	14.36	EPF Appellate Tribunal
Service Tax Act	Service Tax	2003-04	8.00	CESTAT
			194.66	



Further, in respect of Income Tax, Custom Duty, Wealth Tax, Service Tax and Cess it has been informed that there are no dues, which have not been deposited on account of any dispute.

10. The company does not have accumulated losses. The company has not incurred any cash losses during the current financial year and in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us the company has de-faulted in repayment of its dues to the bank. The Particulars of delays relates to the Interest/Installments during the year ended on 31st March 2011, are as follows:-

Particulars	Amount (including Interest) Rs. In lacs	Period of delay
Banks	148.47	1- to 30
	144.86	31- to 60

There are no due of Debenture holders.

12. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company is not a chit fund or a Nidhi / mutual benefit fund / society, therefore provisions of clause 4(xiii) of the order are not applicable to the company.
14. In our opinion, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, provisions of clause 4(xiv) of the order are not applicable to the company.

15. According to the information and explanation given to us, the company has not given corpo-rate guarantees for loans taken by others from Banks. The terms & conditions of these guarantees are not prejudicial to the interest of the company.
16. In our opinion and on the basis of information and explanation given to us, the term loans availed by the company has been on overall basis utilised for the purpose for which it were sanction.
17. On the basis of overall examination of the Balance sheet of the company in our opinion and according to the information and explanations given to us funds raised on short term basis to the extent of Rs. 3710.36 lakhs up to the date of Balance sheet, have been used for long term investments primarily in the nature of capital expenditures and repayment of loans.
18. The company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. In our opinion, prices at which shares have been issued is not prejudicial to the interest of the company.
19. The company has not issued any debenture, therefore, no comments is required under para 4(xix) of CARO, 2003.
20. The company has not raised any money through public issues during the year.
21. To the best of our knowledge and belief and 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 B.K. Kapur & Co.
Chartered Accountants,

(M.S. Kapur) F.C.A.
Partner
Membership No.74615

Place : Ghaziabad
Dated : 30-05-2011



INDIAN SUCROSE LIMITED BALANCE SHEET AS AT 31st MARCH , 2011

SCHEDULE	As at 31.03.2011 Rupees	As at 31.3.2010 Rupees	
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	224,183,320	154,183,320
Share Application Money - Preference Shares		-	70,000,000
Reserves and Surplus	2	260,254,407	253,975,053
		484,437,727	478,158,373
Loan Funds			
Secured Loans	3	1,535,293,371	1,018,710,115
Unsecured Loans	4	100,109,209	111,057,600
		1,635,402,580	1,129,767,715
Deferred Tax Liability (Net)	5	86,602,006	92,825,154
TOTAL		2,206,442,313	1,700,751,242
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	6	1,267,068,897	1,249,890,918
Less :-Depreciation		537,992,213	487,135,216
Net Block		729,076,684	762,755,702
Capital Work in Progress		137,395,940	137,924,804
		866,472,624	900,680,506
Investments			
	7	74,222,532	20,222,532
Current Assets, Loans & Advances			
Inventories	8	1,080,717,018	686,895,083
Sundry Debtors	9	84,357,218	94,453,998
Cash and Bank Balances	10	20,516,350	212,478,980
Loans and Advances	11	802,570,212	1,003,241,303
		1,988,160,798	1,997,069,364
Less: Current Liabilities & Provisions			
Current Liabilities	12	707,359,674	1,195,332,443
Provisions		15,053,967	21,888,717
		722,413,641	1,217,221,160
Net Current Assets		1,265,747,157	779,848,204
TOTAL		2,206,442,313	1,700,751,242

Significant Accounting Policies & Notes forming part of Balance Sheet

20

The Schedules 1 to 20 form an integral part of Balance Sheet

As per our report of even date attached.
for **B. K. KAPUR & COMPANY**
Chartered Accountants
Firm Regn. No. 852C

D. P. SINGH
(Chairman)

KUNAL YADAV
(Managing Director)

(M. S. KAPUR) FCA
PARTNER
M. NO. 74615

CS ANANT KR. SINGH
(Company Secretary)

GAURAV AGARWAL
(Ch. Manager Accounts)

PLACE : Ghaziabad
DATE : 30-05-2011



INDIAN SUCROSE LIMITED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

SCHEDULE	Year Ended 31.03.2011 Rupees	Year Ended 31.3.2010 Rupees
INCOME		
Sales	1,141,189,318	1,038,436,727
Less : Excise Duty	51,635,116	40,757,432
Net Sales	1,089,554,202	997,679,295
Other Income	13 97,659,941	12,651,372
Increase in Stocks	14 413,443,316	44,537,000
Total	1,600,657,458	1,054,867,667
EXPENDITURE		
Material and Manufacturing Expenses	15 1,281,171,907	764,304,549
Cost of goods sold	16 36,763,179	-
Salaries, Wages and Benefits	17 50,711,116	50,076,219
Administration and Other Expenses	18 13,842,163	18,887,134
Interest and Financial Charges	19 161,480,871	103,265,053
Total	1,543,969,236	936,532,955
Profit before Depreciation	56,688,222	118,334,712
Depreciation	52,474,425	50,520,800
Prior period expenses	20,000	370,000
Profit Before Tax	4,193,797	67,443,912
Provision for Taxation		
Current Tax	6,250,000	30,043,000
Less:-MAT Credit Entitlement	-	-
Deferred Tax (credit)	(6,223,148)	(7,806,786)
Income Tax/ Wealth Tax for earlier year	(2,302,409)	(407,255)
Wealth Tax	190,000	160,000
Profit after Tax	6,279,354	45,454,953
Balance brought forward from Previous Year	186,039,053	140,584,100
Surplus transferred to Balance Sheet	192,318,407	186,039,053
Earning per Share (Note No. 20)		
Nominal Value Rs. 10/-, (Previous year Rs.10/-)		
Basic & Diluted	-	2.94

Significant Accounting Policies & Notes forming part of Balance Sheet 20
The Schedules 1 to 20 form an integral part of Balance Sheet

As per our report of even date attached.
for **B. K. KAPUR & COMPANY**
Chartered Accountants
Firm Regn. No. 852C

D. P. SINGH
(Chairman)

KUNAL YADAV
(Managing Director)

(M. S. KAPUR) FCA
PARTNER
M. NO. 74615

CS ANANT KR. SINGH
(Company Secretary)

GAURAV AGARWAL
(Ch. Manager Accounts)

PLACE : Ghaziabad
DATE : 30-05-2011

Schedules forming part of Balance Sheet

	As at 31.03.2011 Rupees	As at 31.3.2010 Rupees
SCHEDULE 1 : SHARE CAPITAL		
Authorised:		
18000000 Equity Shares of Rs.10/- each (Previous Year 18000000 Equity Shares of Rs.10/- each)	180,000,000	180,000,000
700000 Preference Shares of Rs.100/- each (Previous Year 7000000 Preference Shares of Rs.10/- each)	70,000,000	70,000,000
	250,000,000	250,000,000
Issued, Subscribed & Paid-up		
15461807 Equity Shares of Rs.10/- each fully paid up (Previous Year 15461807 Equity Shares of Rs.10/- each fully paid up)	154,618,070	154,618,070
Less : Calls unpaid	434,750	434,750
700000 Preference Shares of Rs.100/- each (Previous Year nil Preference Shares of Rs.10/- each fully paid up)	70,000,000	-
TOTAL	224,183,320	154,183,320
SCHEDULE 2 : RESERVES AND SURPLUS		
Capital Reserves		
Share Premium Account As per Last Balance Sheet	66,436,000	66,436,000
Capital subsidy As per Last Balance Sheet	1,500,000	1,500,000
	67,936,000	67,936,000
Profit & Loss Account		
Surplus as per account annexed	192,318,407	186,039,053
TOTAL	260,254,407	253,975,053
SCHEDULE 3 : SECURED LOANS		
A) Term Loans		
- Punjab National Bank	580,038,982	266,078,903
- Interest Accrued and Due	6,254,331	2,660,888
- Govt. of India, Sugar Development Fund (SDF)	32,000,000	16,000,000
	618,293,313	284,739,791
B) Cash Credit		
- Punjab National Bank	914,293,782	731,905,541
	914,293,782	731,905,541
C) Vehicle Loans		
- Scheduled banks	2,679,109	2,043,585
- Interest Accrued and Due	27,167	21,198
	2,706,276	2,064,783
TOTAL	1,535,293,371	1,018,710,115

NOTES :-

- 1) Term loans from Punjab National bank are secured against hypothecation of all the plant and machineries of the company.
- 2) Cash credit limit is secured by way of pledge of sugar stocks and hypothecation of stocks of stores, Packing material and of Molasses.
- 3) Term loan, cash credit limits and Bank Guranatee taken from Punjab National Bank are further secured by way of first charge on company's immovable properties situated at Mukerian, Distt Hoshiarpur, Punjab.
- 4) Term Loans and cash credit limit except the Term Loan from sugar devlopment fund are also secured by way of personal guarantees of three directors of the company
- 5) The Vehicles loan from banks are secured against vehicles financed by them.
- 6) The amount of term loan repayable with in year is Rs. 1943.43 Lakhs (Previous year Rs. 906.95 Lakhs)
- 7) Term loan from Govt. of India, Sugar development fund are secured by way of Bank guarantee given by the company.



INDIAN SUCROSE LIMITED

	As at 31.03.2011 Rupees	As at 31.3.2010 Rupees
SCHEDULE 4 : UNSECURED LOANS		
From Directors and their relative (Including Rs. 435.00 Lakhs from Directors Previous year Rs. 360.00 Lakhs)	43,500,000	36,000,000
From Companies	56,609,209	75,057,600
TOTAL	100,109,209	111,057,600

	As at 31.3.2010	During the year	As at 31.3.2011
SCHEDULE 5 : DEFERRED TAX LIABILITY (Net)			
DEFERRED TAX LIABILITY			
Difference between Book & Tax Depreciation	92,825,154	234,496	93,059,650
	92,825,154	234,496	93,059,650
DEFERRED TAX ASSETS			
Expenses Allowed U/s 43-B on paid basis	-	6,457,644	6,457,644
Unabsorbed Depreciation	-	-	-
	-	6,457,644	6,457,644
NET DEFERRED TAX LIABILITY	92,825,154	(6,223,148)	86,602,006

SCHEDULE -- 6 : FIXED ASSETS

Nature of Assets	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As on 01.04.2010	Additions during the Year	Sold/Adj during the Year	As on 31.03.2011	Dep. Upto 01.04.2010	For the Year	On Sale Adjustment	UPTO 31.03.2011	As on 31.03.2011	As on 31.03.2010
Freehold Land	228,660,421	-	-	228,660,421	-	-	-	228,660,421	228,660,421	228,660,421
Trade Mark	28,500	-	-	28,500	5,700	5,700	-	11,400	17,100	22,800
Building	134,164,507	2,763,471	-	136,927,978	32,423,795	2,978,252	-	35,402,047	101,525,931	101,740,712
Plant and Machinery	837,756,116	11,589,031	800,000	848,545,147	432,814,414	44,103,784	789,200	476,128,998	372,416,149	404,941,702
Furniture and Fixtures	3,814,500	91,080	-	3,905,580	3,249,825	268,721	-	3,518,546	387,034	564,675
Office Equipments	14,814,117	525,710	-	15,339,827	7,425,860	1,905,546	-	9,331,406	6,008,421	7,388,257
Vehicles & Tractors	30,652,757	4,222,718	1,214,031	33,661,444	11,215,623	3,212,423	828,228	13,599,818	20,061,626	19,437,134
Total (Rupees)	1,249,890,918	19,192,010	2,014,031	1,267,068,897	487,135,217	52,474,425	1,617,428	537,992,213	729,076,682	762,755,701
Previous Year (Rupees)	978,897,479	272,809,939	1,816,500	1,249,890,918	437,180,344	50,520,800	565,927	487,135,217	137,395,940	137,924,804
Capital Work in Progress Building and Plant & Machinery									137,395,940	137,924,804
								Total (Rupees)	866,472,622	900,680,505
								Previous Year (Rupees)	900,680,505	541,717,135

	As at 31.03.2011 Rupees	As at 31.3.2010 Rupees
SCHEDULE 7 : INVESTMENTS (Long Term)		
Other than Trade - Unquoted (At Cost)		
Investment in Equity Shares of :-		
(3084266 Equity Shares of Rs.10/- each fully paid up of Ranger Breweries Limited)	6,168,532	11,722,532
(322160 Equity Shares of Rs.25/- each fully paid up of Yadu Resorts (India) Limited)	8,054,000	8,500,000
(600000 Equity Shares of Rs.100/- each fully paid up of Yadu Sugar Limited)	60,000,000	-
TOTAL	74,222,532	20,222,532



	As at 31.03.2011 Rupees	As at 31.3.2010 Rupees
SCHEDULE 8 : INVENTORIES		
(As taken, valued and certified by the Management)		
Stores, Spare Parts and Packing Materials	39,305,560	35,820,954
Finished Goods	974,121,081	540,164,795
By-Products	67,290,377	74,146,155
Sugar Trading	-	36,763,179
TOTAL	1,080,717,018	686,895,083
SCHEDULE 9 : SUNDRY DEBTORS		
(Unsecured - Considered good)		
Debts over six months	-	7,898,875
Others	84,357,218	86,555,123
TOTAL	84,357,218	94,453,998
SCHEDULE 10 : CASH AND BANK BALANCES		
Cash in Hand	2,936,700	514,749
Cheques in Hand	-	56,094
Balance with Scheduled Banks :		
In Current Accounts	10,511,712	137,867,649
In Fixed Deposit Account (Including Rs. 5000000/- Previous year Rs. 5000000/- Pledged as Margin Money)	6,000,000	73,200,000
Interest Accrued thereon	1,067,938	840,488
TOTAL	20,516,350	212,478,980
SCHEDULE 11 : LOANS AND ADVANCES		
(Unsecured - Considered good)		
Advances Recoverable in cash or in kind or for value to be received	711,657,774	970,351,384
New Project Expenses	4,850,000	4,850,000
Balance with Excise Department	1,128,072	249,505
Cenvat Receivable	4,125,121	3,364,988
Security Deposits	2,854,233	2,854,233
Prepaid Expenses	1,147,560	1,068,764
Claim recoverable	860,248	1,274,382
MAT Credit Entitlement	7,636,304	16,728,047
TDS on Interest (Net of Provision)	350,900	
Share application money	67,960,000	2,500,000
TOTAL	802,570,212	1,003,241,303
SCHEDULE 12 : CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities		
Sundry Creditors (Including for Projects)-Micro, Small and Medium Enterprises *		
Others Creditors	14,278,695	12,716,910
Other Liabilities	682,370,791	666,753,826
Levy sugar diff payable	4,851,748	503,983,989
Advance from Customers	550,000	150,000
Security Deposits received	158,690	133,690
Cane Price Payable	4,453,860	11,587,891
Interest accrued but not due	695,890	6,137
	707,359,674	1,195,332,443
Provisions		
Provision for Gratuity	14,863,967	13,742,901
Provision for Wealth Tax (Net of Advance Payment)	190,000	250,000
Provision for Taxation (Net of Advance Payments)	-	7,895,816
	15,053,967	21,888,717
TOTAL	722,413,641	1,217,221,160

* Refer note no 18 of schedule 20 notes to the Accounts



INDIAN SUCROSE LIMITED

	As at 31.03.2011 Rupees	As at 31.3.2010 Rupees
SCHEDULE 13 : OTHER INCOME		
Interest Earned (TDS Rs.227183/- (Previous year Rs.57958/-)	510,172	2,263,556
Miscellaneous Income	91,229,640	183,339
Performance guarantee recovered	—	10,204,477
Levy sugar price increase	5,920,129	—
TOTAL	97,659,941	12,651,372

SCHEDULE 14 : INCREASE/(DECREASE) IN STOCKS		
Opening Stocks		
Finished Goods	535,445,416	518,536,095
By-products	74,146,155	57,413,213
Semi Finised goods	4,719,379	—
	614,310,950	575,949,308
Closing Stocks		
Finished Goods	971,302,903	540,164,795
By-products	67,290,377	74,146,155
Semi Finised goods	2,818,178	—
	1,041,411,458	614,310,950
Excise Duty etc. on Increase/Decrease of Stock	(13,657,192)	6,175,358
Increase in Stocks	413,443,316	44,537,000

	Year Ended 31.03.2011 Rupees	Year Ended 31.03.2010 Rupees
SCHEDULE 15 : MATERIAL AND MANUFACTURING EXPENSES		
Raw Material Consumed		
Opening Stocks	—	—
Purchases	1,156,498,925	689,709,345
	1,156,498,925	689,709,345
Less : Closing Stocks	—	—
	1,156,498,925	689,709,345
Manufacturing Expenses		
Consumption of Stores, Spares & oils & chemicals etc.	30,034,362	39,540,731
Packing Material	32,537,385	14,937,913
Manufacturing Expenses	3,667,259	2,712,600
Power and Fuel	13,081,451	10,640,515
Repairs to:		
Plant and Machinery	43,302,126	5,248,317
Building	1,721,329	1,282,120
Others	329,070	233,008
TOTAL	1,281,171,907	764,304,549

SCHEDULE 16 : COST OF GOODS SOLD		
Opening Stocks	36,763,179	—
Add : Purchases during the year	—	36,763,179
	36,763,179	36,763,179
Less : Closing Stocks	—	36,763,179
TOTAL	36,763,179	—

SCHEDULE 17 : SALARIES, WAGES & BENEFITS		
Salary & Wages	45,426,480	44,225,507
Contribution to Provident and other funds	3,219,386	3,179,135
Staff & Workers Welfare	2,065,250	2,671,577
TOTAL	50,711,116	50,076,219



	Year Ended 31.03.2011 Rupees	Year Ended 31.03.2010 Rupees
SCHEDULE 18 : ADMINISTRATION AND OTHER EXPENSES		
Rent	929,166	987,072
Rates and Taxes	1,052,251	906,256
Printing and Stationery	403,231	467,819
Postage, Telegram and Telephones	618,848	833,552
Advertisement and Publicity	62,666	3,257,213
Travelling and Conveyance :		
Directors	332,940	
Others	2,407,364	
	2,740,304	2,695,746
Fees and Subscription	60,700	-
Legal and Professional Charges	336,500	865,860
Auditors' Remuneration	187,276	169,239
Vehicle Running and Maintenance	3,570,544	2,334,753
Insurance	429,292	463,706
Commission on Sales	1,364,995	1,309,515
Cane Development Expenses	1,070,440	2,917,585
Business Promotion	103,364	66,045
Loss on sale/damage of Fixed Assets	(301,397)	400,573
Charity & donation	12,700	333,000
Sales Tax & Excise Duty	-	68,722
Penalty	-	-
Miscellaneous Expenses	1,201,283	810,478
TOTAL	13,842,163	18,887,134
SCHEDULE 19 : INTEREST AND FINANCIAL CHARGES		
Interest on Term Loans	62,836,791	46,839,327
Others (including bank charges)	98,644,080	56,425,726
TOTAL	161,480,871	103,265,053

SCHEDULE-20 SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNS ENDING 31ST MARCH, 2011

A. Significant Accounting Policies :

- i) **Basis of Accounting** : The Company follows the Mercantile system of Accounting and recognises Income and Expenditure on Accrual Basis. The accounts are prepared on Historical Cost Basis, as going concern, and consistent with generally accepted accounting principles.
- ii) **Fixed Assets and Depreciation** : Fixed Assets are stated at cost less accumulated Depreciation. Cost of acquisition or construction is inclusive of freight, duties, taxes and incidental expenses.

Depreciation on all fixed assets put to use has been charged on Straight line Method at the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Items costing up to Rs. 5000/- each are fully depreciated in the year of purchase. Depreciation is charged on pro-rata basis in respect of assets acquired / sold during the year.

Post Impairment, depreciation is provided on the revised carrying value of the assets.
- iii) **Inventories** : Raw Material, Stores and spares are valued at cost on the basis of FIFO method.

Finished Goods (other than By- Products) are valued at Lower of cost or estimated realizable value

Cost of Finished Goods is determined at the close of the year at weighted average method other than previous year at raw material cost plus conversion cost with excise duty.

By Product and residuals are valued at net realizable value.

- iv) **Investment** : Long term Investment is valued at cost, where applicable, provision is made for permanent diminution in value.
- v) **Foreign Exchange Transactions** : Transaction in foreign currency is accounted for at the exchange rate prevailing at the time of transactions. Monetary items denominated in foreign currencies at the year end translated at the year end rates which is likely to be realized from, or required to disburse at the balance Sheet date. Exchange difference arising on settlement of monetary items at rates different from those at which they arise, except Exchange difference on liabilities incurred for acquisition of fixed assets from outside India which are capitalized /recapitalized.
- vi) **Impairment of Assets** : An asset is treated as Impaired when carrying cost of the asset exceed the recoverable value and impairment loss is charged to profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in previous year is reversed if there has been a change in the estimate of recoverable amount.



vii) **Borrowing Costs** : Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of cost of such assets. A qualifying assets is one that necessarily take substantial period of time to get ready to use .All other borrowing cost have being charge to revenue.

viii) **Sales** : Sales include Excise duty but exclude Sales/ Trade Tax.

ix) **Contingent Liabilities** : Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes to the Accounts. Contingent Assets are neither recognized nor disclosed in the Financial Statement.

X) **Retirement Benefits** : Contribution is made under relevant rules/statutes to the Provident Fund and which are charged to Profit and Loss Account for the year on accrual basis. Liability for gratuity and Leave encashment as on 31st March, 2011 has been determined on the basis of actuarial valuation and provided for in the accounts

XI) **Taxes on Income** : Current Tax is determined on the amount of tax payable on the taxable Income for the year in accordance with the provisions of Income Tax Act, 1961.

Deferred Tax Assets / Liabilities is recognized on Significant timing differences, arising from the different treatments in accounting and taxation of relevant items. Deferred tax Assets / Liabilities shall be reviewed as at balance sheet date, based on development during the year, to reassess realization/ liabilities

Deferred Tax in respect of carry forward of losses and unabsorbed Depreciation are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such loss.

B. Notes to the Accounts :

- The figures have been rounded off to the nearest rupee.
- The previous year's figures have been regrouped and re-classified, where ever necessary, to make them comparable.
- All the current assets, loans and advances in the opinion of the Board, have a value on realization, which in the ordinary course of business shall at least be equal to the amount at which it is stated in the Balance Sheet.
- Balances of certain sundry debtors, creditors and advances are subject to confirmation/reconciliation. The management does not expect any material discrepancy affecting the current year financial results.
- The company has also changed from this year cost formula for computation of the cost of finished goods at close of the year from FIFO method, as is permissible under Accounting Standard AS-2 " Valuation of inventories" issued by the Institute of Chartered Accountants of India to other permissible formula "Weighted Average Cost". As a result of this change the

Net Profit for the year, inventory as well as Reserve and surplus are higher by Rs. 485.83 Lakhs as compare to, which have prevailed had this change not been made.

6. Auditors' Remuneration

S.No	Particulars	Current year Rupees (in '000)	Previous year Rupees (in '000)
i)	As Statutory Auditor	140	120
ii)	As Tax Auditors	30	25
iii)	Reimbursement of Expenses	17	24
	Total	187	169

7. Other income appearing under Schedule 13 includes Rs. 59.20 Lakhs as income against Levy sugar rate difference and Rs. 30.00 Lakhs has been considered as income on account of panelty charged and Rs. 615.00 Lakhs has also been shown as income on account of sale of equity shares.

8. Part of Land & Building appearing under fixed assets schedule, registration if applicable is pending.

9. Contingent Liability in respect of:

i) The Punjab State electricity board has created various demands in financial years ended on 31.03.1998 & 31.3.1999 aggregating to Rs 18.29 Lakhs (previous year Rs 18.29 Lakhs) against which company has paid Rs 8.09 Lakhs under protest in earlier year, this amount of Rs 8.09 Lakhs has already been written off in the earlier year and balance amount Rs.10.20 Lakhs, in the opinion of the company is not payable.

ii) Sales tax demand of Rs 11.19 lakhs (previous year Rs 12.12 lakhs) no provision is made against such liability as management has been advised that full relief may be given at the appellate level.

iii) A liability of Rs 119.63 lakhs was raised by the Sales Tax Department towards purchase tax for the years 1999-2000 to 2003-2004. Similarly on the same basis, there may arise purchase tax liability of Rs 41.48 Lakhs for the years 2004-2005. As regards the financial year 2005-06 for which vat liabilities to the extent of Rs. 179.19 Lakhs since been waived by the Sales Tax Authority. From F/y 2006-07 onwards with the introduction of VAT and favourable decisions in like cases by the Hon'ble courts, company do not foresee any such liability. However, if such liability still arises it will be to the tune of Rs. 953.59 Lakhs for the financial year 2006-07 to 2010-11.

iv) Bank guarantee against principal amount of Sugarcane Development Fund 200.00 Lakhs (Previous year 160.00 Lakhs)

v) The company has deposited Rs. 8.00 Lakhs under protest under the order of H'ble High Court Chandigarh towards Service Tax, at present the appeal is pending with the Chief Commissioner Excise, Chandigarh.

vi) Provident fund dues of Rs. 14.36 Lakhs, pending at appellate level.

10. Loans and Advances include Rs 28.54 Lakhs as security deposit with Punjab State Electricity Board for which in the opinion the company is refundable but the same is still pending.
11. The Company has distributed Agro inputs valuing Rs 381.48 Lakhs (previous year Rs 128.31 Lakhs for the development of sugarcane's cultivation in its reserved zone at subsidized price of Rs 370.77 Lakhs (Previous year Rs 99.13 Lakhs) The net difference of Rs 10.71 Lakhs (Previous year Rs 29.18 Lakhs) has been included under the Cane development expenses and accordingly charged to Profit & Loss Account.
12. Consequent upon AS –28 Impairment of Assets being mandatory by the Institute of Chartered Accountants of India, the company has carried out an exercise to ascertain the impairment, if any, in the company value of its fixed assets. However, no such case found.
13. Current Liabilities also includes NIL (Previous year Rs. 5039.84 Lakhs) from Punjab National Bank under scheme for loan to farmers against Sugar Cane Receivables wherein the Company is acting as 'Managing Agent / Facilitator'.
14. The business activity of the company falls within a single primary business segment viz sugar and basically sale of the product is within the country.
15. Prior period item (net) amounting to Rs 20000/- (previous year Rs 370000/-) include:-

	Current year	Previous year
Expenditure –		
Water/Air cess charges	–	370000
Audit Fees	20000	–
	20000	370000

16. During the financial year 2007-08, the company has availed a Term Loan of Rs 1349 Lakhs for the payment of cane dues for the season 2006-07 and 2007-08 as per scheme for Extending financial assistance to Sugar Industries. A sum of Rs.33.488 Lakhs (Previous year Rs. 180.38 Lakhs) on account of Interest on the aforesaid loan has to be reimbursed by the Central Government as per scheme. Pending reimbursement of the said amount, the same has been included in 'Advance Recoverable in cash or kind' in Schedule '11'.
17. Advance Recoverable in cash or kind appearing under schedule 11 for Loans & Advances includes an amount aggregating NIL Lakhs (Previous year 2121.00 Lakhs) paid towards purchase of Assets of a company, where the Managing Director of the company is interested as a Director.
18. Sundry Debtor includes a sum of Rs. 664.30 Lakhs (previous year Rs. 746.72 Lakhs) due from a subsidiary Company.
19. The company has issued 700000, 6% cumulative preference share having face value of Rs.100/- each which will be convertible into equity share of Rs.10/- each at a premium of Rs.4/- each at any time after the expiry of 12 months but not later than 60 month from the date of their issue, subject to the approval of the shareholders meeting of the company.

20. Pursuant to Accounting Standard (AS)-15 (Revised 2005) "Employee Benefits", the disclosure of employees benefits are given below :-

- I) Defined Contribution Plan and amount recognized in (Rs. in Lakhs)
Profit and Loss Account
- Employer's Contribution to provident fund 32.20
- II) Defined Benefit Plan
- Employee benefits in respect of Gratuity and Leave Encashment are based on Actuarial Valuation as on 31st March 2011. The details are given below :

Particulars	Gratuity (Unfunded)	Leave Encashment (Unfunded)
A) Change in the Present Value of obligation		
a) Present Value of obligation as at 1st April 2010	137.43	17.04
b) Past service cost	.93	–
c) Interest Cost	10.86	1.35
d) Current Service cost	10.62	2.94
e) Benefits Paid	(4.21)	(9.34)
f) Actuarial Loss /(Gain)	(6.99)	5.65
g) Present Value of Obligation as at 31st March 2011	148.63	17.64
B) Change in Fair Value of Plan Assets	Nil	Nil
C) Amount recognized in Balance Sheet (A-B)	148.63	17.64
D) Expenses recognized in the Profit & Loss Account		
a) Current Service Cost	10.63	2.94
b) Past service cost	.93	–
c) Interest Cost	10.86	1.35
d) Actuarial Loss /(Gain)	(6.99)	5.65
e) Net Cost	15.42	9.94
E) Details of Plan Assets	Nil	Nil
F) Actuarial Assumptions		
a) Discount Rate	8.00%	8.00%
b) Rate of escalation in Salary (Per Annum)	7.00%	7.00%
c) Mortality Table		
d) Retirement Age (Years)	58 yrs	58 yrs

21. The company is in process of identifying its suppliers as Micro, Small and Medium Enterprises as defined under the " Micro, Small and Medium Enterprises Development Act 2006". However the company has not received any intimation/communication from their suppliers regarding applicability of this act to them. Therefore no such disclosure under the said act has been furnished.

22. RELATED PARTY DISCLOSURES

- a) Detail relating to related party Parties where control exists
Yadu Resorts India Limited
Ranger Breweries Limited
- b) Other related parties where transaction have taken place during the year
 - i) Subsidiary Company :- Yadu Sugar Limited
 - ii) Associates Company :- Nil
 - iii) Key Management Personnel
Mr D.P. Singh Chairman
Mr Kunal Yadav Managing Director
Mr Jitender Singh Director
Mr Pawan Dewan Director
Mr.Sheoraj Ahlawat Director
 - iv) Relative of Key Management Personnel



INDIAN SUCROSE LIMITED

v) Enterprise significantly influenced by Directors and /or their relatives Cosmos Industries Ltd.

c) Transaction with related party :-

(Rs. In Lakhs)

	Sales	Purchase	Expenses	Loan Received	Loan Repaid	Remuneration	Application Money	Receivables	Payables
Company where control exist	-	-	Nil	-	-	-	Nil	-	Nil
Scorpio Media Pvt. Ltd.	-	-	(31.15)	-	-	-	(175.00)	-	(3.00)
Ranger Breweries Ltd.	323.58 (572.78)	-	-	-	-	-	-	664.30 (746.72)	-
Key Management Personal Mr. D. P. Singh	-	-	-	Nil (250.00)	-	Nil (6.00)	-	-	-
Key Management Personal Mr. Deepak Yadav	-	-	-	-	-	Nil (18.00)	-	-	-
Key Management Personal Mr. Kunal Yadav	-	-	-	75.00 (110.00)	-	14.25 (Nil)	Nil (100.00)	-	-
Relative of KMP Mrs. Umlesh Yadav	-	-	-	-	Nil (21.50)	-	Nil (225.00)	-	-
Co. Significantly influenced by Directors Top Image Estate Pvt. Ltd.	-	-	-	-	-	-	Nil (100.00)	-	-
Co. Significantly influenced by Directors Noble Buildcon Pvt Ltd.	-	-	-	-	-	-	Nil (100.00)	-	-
Co. Significantly influenced by Directors Cosmos Ind. Ltd.	182.08 (Nil)	Nil 362.70	-	-	-	-	-	-	-

23. Additional information pursuant to the Provisions of Paragraph 3 and 4 of Part II of Schedule VI to the Companies Act, 1956

A. PARTICULARS OF CAPACITY, PRODUCTION

S. No.	Particulars	Unit	Qty.
a)	Licensed Capacity	TCD	5000 (5000)
b)	Installed Capacity	TCD	5000 (5000)
c)	Production		
	- sugar	Qtls	487572 (272400)
	- Molasses	Qtls	247229 (133658)
	- Bagasse	Qtls	1350969 (842367)

Note:

- The Installed capacity is certified by management and has not Verified by the auditors being Technical matter.
- Production of Bagasse includes 1088787 Qtls (Previous Year 742279 Qtls) consumed internally as fuel for boiler.
- Company has purchased white sugar of NIL Qtls from Cosmos Ind. Ltd. (Previous year 11657.50).

B. STOCK AND SALES

(Rs in Lakhs)

	Opening Stock		Closing Stock		Sales	
	Qty (Qtls)	Value (Rs)	Qty (Qtls)	Value (Rs)	Qty (Qtls)	Value (Rs)
Sugar	213581 (239373)	5769.28 (5185.36)	364967 (213581)	9741.21 (5769.28)	334526 (309849)	9554.18 (9589.19)
Molasses	102978 (114397)	491.46 (394.13)	70029 (102978)	376.41 (491.46)	280177 (145077)	1348.29 (562.65)
Bagasse	125000 (150000)	250.00 (180.00)	131774 (125000)	296.49 (250.00)	255409 (125087)	486.94 (222.47)
TOTAL		6510.74		10414.11		11389.41
TOTAL		(5759.49)		(6510.74)		(10374.31)

Notes:

- Value has been rounded off to nearest thousands rupee and the quantities have been rounded off to the nearest Qtl

C. RAW MATERIAL CONSUMED :

S. No.	Particulars	Unit	Qty.	Value Rs, (in Lakhs)
1	Sugar Cane	Qtls	5117272 (3060357)	11564.98 (6897.09)

D. BREAK-UP OF RAW MATERIALS AND STORES AND SPARES CONSUMED:

	RAW MATERIALS CONSUMED		STORES CONSUMED	
	Value (Rs.) (In Lakhs)	% of Total Consumption	Value (Rs.) (In Lakhs)	% of Total Consumption
a) Imported	Nil (Nil)	Nil (Nil)	-- (--)	0 % (0 %)
b) Indigenous	11564.98 (6897.09)	100% (100%)	300.34 (395.40)	100 % (100%)

E. VALUE OF IMPORTS ON C.I.F. BASIS : (Rs. In Lakhs)

Chemical	- (-)
Expenditure in Foreign Currency : (Subject to deduction of tax where applicable)	
i) Foreign Tour	- (-)
Earning in Foreign Currency : (Subject to deduction of tax where applicable)	
i) Miscellaneous Income	- (102.04)

F. The other information as required under paragraphs 3 & 4 part II

Schedule VI to the Companies Act, 1956 are not given being

EITHER NIL OR NOT APPLICABLE .

Note: The figures in bracket pertain to the previous year.

24. EPS

	Current Year Rupees	Previous Year Rupees
Profit/loss attributable to Equity Shareholders	6279353	45455326
Weighted Average no of share	15461807	15461807
Paid up value of shares	10	10
Basic EPS	0.41	2.94
Diluted EPS	0.41	2.94



25. Details of Remuneration to Directors:

(Rs in Lakhs)

	Managing Director/	Director
Salaries & Allowances	14.25 (18.00)	NIL (6.00)
Contribution towards Provident & Other Funds	NIL	NIL

Note: The figures in bracket pertain to the previous year.

Computation of Net Profit for the purpose of calculating Managerial Remuneration:-

Figures in Lakhs

Profit for the year		41.94
Add: Remuneration to Managing Directors/Director:		
Remuneration	14.25	
Perquisite	Nil	
Director sitting fee	0.76	15.01
Profit u/s 349		56.95



26. Information required in the terms of Part IV of Schedule VI to the Companies Act, 1956

Balance Sheet Abstract and Company's General Business Profile :

I. Registration Details :

Registration No.	16-10903
State Code	55
Balance Sheet Date	31.03.2011

II. Capital Raised during the year

(Amount in Rs. Lakhs)

Public Issue	—
Rights Issue	—
Bonus Issue	—
Private Placement	—

III. Position of Mobilisation and Deployment of Funds

(Amount in Rs. Lakhs)

Total Liabilities	22064.42
Total Assets	22064.42

Sources of Funds :

Paid-up Capital	2241.83
Share Application Money	—
Reserves & Surplus	2602.54
Secured Loans	15352.93
Unsecured Loans	1001.09
Net Deferred Tax Liability	866.02

Application of Funds :

Net Fixed Assets	8664.73
Investments	742.23
Net Assets	12657.47
Misc. Expenditure	Nil

IV. Performance of Company

(Amount in Lakhs)

Turnover(Including other income)	16006.57
Total Expenditure	15964.63
Profit/(Loss) Before Tax	41.94
Profit/(Loss) After Tax	62.79
Dividend Rate	—

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

Item Code No. (ITC Code)	17011109
Product Description	White Crystal Sugar
Item Code No. (ITC Code)	1703100
Product Description	Molasses
Item Code No. (ITC Code)	23010000
Product Description	Bagasse

As per our report of even date attached.

for **B. K. KAPUR & COMPANY**

Chartered Accountants

Firm Regn. No. 852C

D. P. SINGH

(Chairman)

KUNAL YADAV

(Managing Director)

(M. S. KAPUR) FCA

PARTNER

M. NO. 74615

CS ANANT KR. SINGH

(Company Secretary)

GAURAV AGARWAL

(Ch. Manager Accounts)

PLACE : Ghaziabad

DATE : 30-05-2011



CASH FLOW STATEMENT FOR THE YEAR ENDED AS ON 31st March,2011

		Year ended 31.3.2011 Rupees		Year ended 31.3.2010 Rupees
A. Cash flow from Operating Activities				
Net Profit/loss before Tax and Extra Ordinary items		4,193,797		67,443,912
Adjustments for:				
Depreciation	52,474,425		50,520,800	
Interest and financial charges	161,480,871		103,265,053	
Loss on sale/damage of assets (net)	(301,397)		400,573	
Performance guarantee recovered	–		(10,204,477)	
Interest earned	(510,172)	213,143,727	(2,263,556)	141,718,392
Operating Profit before Working Capital changes		217,337,524		209,162,304
Adjustments for:				
Trade & Other Receivables	201,676,128		(207,687,289)	
Inventories	(393,821,935)		(66,917,158)	
Trade Payables	(486,851,703)	(678,997,510)	248,440,480	(26,163,967)
Cash generated from operations		(461,659,986)		182,998,337
Direct taxes (paid)/refund		(3,001,664)		(13,486,596)
Net Cash flow from Operating Activities	A	(464,661,650)		169,511,741
B. Cash Flow Investing Activities				
Purchase of Fixed Assets		(18,663,146)		(410,734,743)
Sale of Fixed Assets		698,000		850,000
Interest Received		510,172		2,263,556
Investment		(54,000,000)		–
Net Cash used in Investing Activities	B	(71,454,974)		(407,621,187)
C. Cash Flow Financing Activities				
Share capital		–		70,000,000
Interest paid		(161,480,871)		(103,265,053)
Proceeds from Borrowings		334,195,015		(60,178,520)
Repayments of Borrowings		(10,948,391)		108,907,600
Change in cash credit		182,388,241		156,922,919
Net Cash flow from Financing Activities	C	344,153,994		172,386,946
Net Increase/(decrease) in Cash and Cash Equivalents	A+B+C	(191,962,630)		(65,722,500)
Cash and Cash Equivalents as at 1st April ,2010		212,478,980		278,201,480
Cash and Cash Equivalents as at 31st March,2011		20,516,350		212,478,980
Net Cash		(191,962,630)		(65,722,500)

Notes:

- 1 Cash and Cash Equivalents represent Cash and Bank Balances (Refer Schedule 10)
- 2 Previous year figures have been regrouped / rearranged wherever consider necessary.

As per our report of even date attached.
for **B. K. KAPUR & COMPANY**
Chartered Accountants
Firm Regn. No. 852C

D. P. SINGH
(Chairman)

KUNAL YADAV
(Managing Director)

(M. S. KAPUR) FCA
PARTNER
M. NO. 74615

CS ANANT KR. SINGH
(Company Secretary)

GAURAV AGARWAL
(Ch. Manager Accounts)

PLACE : Ghaziabad
DATE : 30-05-2011

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Name of Subsidiary Company

RANGER BREWERIES LIMITED

1. Financial year of the Subsidiary ended on 31st March, 2011
2. Shares of the Subsidiary Company held on the above dated and extent of holding.
 - a) Equity Shares of Rs. 10/- each (3084266 equity shares of Rs. 10/- each fully paid up) Rs.30842660
 - b) Extent of Holding 52.58%
3. Net aggregate amount of Profit of the Subsidiary Company for the above financial year so far as it concerns the members of Indian Sucrose Limited
 - a) Dealt within Accounts of Indian Sucrose Limited NIL
 - b) Not dealt within Accounts of Indian Sucrose Limited 24.25 Lacs
4. Net Aggregate Amount of losses for previous financial year of the Subsidiary Company as it concerns members of Indian Sucrose Limited
 - a) Dealt within Accounts of Indian Sucrose Limited NIL
 - b) Not dealt within Accounts of Indian Sucrose Limited NIL

For and on behalf on the Board of Directors Indian Sucrose Limited

D.P. Singh (Chairman)	Kunal Yadav (Managing Director)	CS Anant Kr. Singh (Company Secretary)	Gaurav Agarwal (Ch. Manager Accounts)
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Place: Delhi

Date : 02.09.2011

CORPORATE INFORMATION

DIRECTORS : Sh. Bharat Singh
Sh. Kunal Yadav
Sh. Surendra Pal Sharma

REGISTERED OFFICE : B-270, Greater Kailash
Part – I, New Delhi

WORKS AT : 1& 130, Industrial Area.
Mehatpur, Distt.-Una-174315
Himachal Pradesh

AUDITORS : M/s B. K. KAPUR & CO.
Chartered Accountants
Ghaziabad U. P.



NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Members of Company will be held at the Registered Office of the Company at B-270, Greater Kailash, Part – I, New Delhi on Thursday, 29th day of September, 2011 to transact the following business(s) :

ORDINARY BUSINESS

1. To Receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the financial year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kunal Yadav, who retires by rotation and is eligible for re-appointment.
3. To appoint Statutory Auditors, and fix their remuneration and in connection therewith, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any of the Companies Act, 1956, M/s B. K. Kapur & Co., Chartered Accountants, Ghaziabad (U.P.), the retiring Auditors, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the members of the Company on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.”

NOTES:

1. A member entitled to attend and vote at this Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and proxy need not be a member of company.
2. The instrument appointing a proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of this meeting.
3. The relevant records of the Company open for inspection by members as per provisions of the company Laws can be inspected at Registered Office of the Company on any working day between 10.00 a.m. to 4.00 p.m.

By Order of the Board of Director
For RANGAR BREWERIES LIMITED
KUNAL YADAV
DIRECTOR

Place : New Delhi
Date : 02-09-2011

DIRECTORS' REPORT

The Members,
Rangar Breweries Limited

Your Directors have pleasure in presenting the Annual Report of the company together with Audited Accounts of the Company for the year ended on 31st March 2011 and the Auditor's Report thereon.

1. OPERATING RESULTS

	2010-2011 (Rs. in Lacs)	2009-2010 (Rs. in Lacs)
Sales (Net of Duties)	3904.72	4498.69
Other Income	46.83	18.35
Total Income	3951.55	4517.04
Profit before Interest, Dep & Taxation	225.65	260.93
Depreciation	90.84	81.48
Interest and Financial Charges	72.57	69.91
Profit/(Loss) before Taxation	38.68	109.35
Provision for Taxation		
Current	(29.25)	(21.00)
Deferred	14.81	(34.10)
FBT & I. Tax of earlier years	—	—
Profit after Taxation	24.25	54.24
Surplus brought forward	311.59	257.34
Surplus Carried Forward	335.58	311.59

DIVIDEND

In view of funds required for improving the working capital position of the Company your Directors do not recommend any dividend for the year 2010-2011.

REVIEW OF OPERATION

During the year under review Company recorded net profit before tax of Rs 24.25 lacs as compared to net profit before tax of Rs. 54.24 lacs last year. The net turnover of the company during the year under review was Rs. 3904.72 lacs as Compared to turnover of Rs. 4498.98 lacs in the previous year.

CAPITAL

During the year the company has not issued and allotted any Equity Shares.

FIXED DEPOSITS

During the year the company has neither accepted, nor renewed, any fixed deposit under the provisions of Section 58A of the Companies Act, 1956.

AUDITORS

M/s B.K. Kapur & Co., Chartered Accountants, Ghaziabad, Statutory Auditors are retiring at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment.

ENVIRONMENT AND SAFETY

Your directors appreciate and understand the concept of sustainable development whereby we assume our responsibility and accountability towards the environment safety and social obligations as a whole. The system of effluent treatment is given utmost importance and is managed with great care, caution & control.

DIRECTOR'S RESPONSIBILITY

Pursuant to the provisions contained in Section 217 (2AA) of the Companies Act, 1956 the Directors of your Company confirm:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same.
- That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of profit and loss of the company for that period.
- That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- That the Directors have prepared the annual accounts on a going concern basis.

PARTICULARS OF EMPLOYEES:

None of the employee is covered under the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) rules 1975.

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

The information as per Section 217(1) (e) read with Companies (Disclosures of Particulars in the report of Board of Directors) Rules, 1988 are given in the annexure forming part of this report.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for devoted services and sincere efforts made by all the members of workers, staffs and officials of the company towards the progress of the company.

Your Directors wish to thank customers, suppliers, Bankers, Govt. Authorities and other business associates and shareholders for their continued support and encouragement extended to the Company.

**For and on behalf of the Board
Rangar Breweries Limited**

Place : New Delhi (Kunal Yadav) (Bharat Singh)
Date : 02.09.2011 Director Director



AUDITORS' REPORT

TO THE SHAREHOLDERS OF RANGAR BREWERIES LIMITED

1. We have audited the attached Balance Sheet of RANGAR BREWERIES LIMITED as at 31st March, 2011 the Profit & 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.
2. 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 also includes examining, on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 ("The Order") issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 ("The Act"). We enclose in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of such books;
 - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with books of account;
 - d) In our opinion, Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with Accounting standards referred to in Section 211(3C) of the Companies Act, 1956.
 - e) On the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March, 2011 from being appointed as Directors in terms of clause (g) of Sub Section (1) of Section of 274 of the Companies Act, 1956.
 - f) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts subject to note 11 of schedule 18 regarding micro, small or medium enterprises read together with the significant accounting policies and other notes thereon, and attached thereto, 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:
 - i) in the case of Balance Sheet, of the State of affairs of the Company as at 31st March, 2011.

- ii) in the case of Profit & Loss Account, of the Profit of the Company for the year ended on that date; and
- iii) in the case of Cash Flow Statement, for the cash flows for the year ended on that date.

For B.K. Kapur & Co.
Chartered Accountants,

(M.S. Kapur) F.C.A.

Place : Ghaziabad

Dated : 02-09-2011

Partner
Membership No.74615

Annexure to the Auditors' Report

(Referred to in paragraph (3) of our Report of even date to the shareholders of RANGAR BREWERIES LIMITED for the year ended 31st March, 2011

1. (a) We have been explained that the fixed assets register was lost in the year 1988-89, all the additions made after this period have been entered in a new fixed assets register wherein the quantitative details and situation of fixed assets are shown. For the earlier period, the management has prepared a new fixed assets register based on physical verification taken by the management, showing full particulars including quantitative details and situation of the fixed assets and the cost of these fixed assets have been taken as per Chartered Valuer's report.
 - (b) We have been informed that the fixed assets of the Company have been physically verified during the year by the management at reasonable intervals and no material discrepancies between the book records and the physical inventory have been noticed on such verification.
 - (c) As per records and information and explanation given to us company has not disposed off during the year any part of its fixed assets.
2. (a) The physical verification of inventory has been conducted by the management at reasonable intervals.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of our examination, in our opinion, the Company has maintained proper records of inventory & discrepancies noticed on such physical verification on inventory as compared to the books records were not material.
3. (a) According to information made available to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act, accordingly clause 4(iii) (b) to (d) of the Order are not applicable to the company.
 - (b) According to information made available to us, the company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act, accordingly clause 4(iii) (e) to (g) of the Order are not applicable to the company

4. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and nature of its business, for purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination and according to the information and explanation given to us, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. (a) Based on our examination and according to the information and explanation given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market price at the relevant time except purchases from a company where we are informed by the management that the charges so paid are reasonable having regard to the nature and quality of work involved.
6. On the basis of information and explanations given to us, the company has not accepted any public deposits from the public within the meaning of Section 58A, 58AA or any other relevant provisions of the Act, and rules framed thereunder.
7. The company has an internal audit system, which needs to be more strengthened to make it commensurate with the size and nature of the Company's business.
8. To the best of our knowledge and belief and according to information given to us, Central Government has not prescribed the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 for the products of the Company.
9. (a) According to the information and explanations given to us the company is regular in de-positing with appropriate authorities, undisputed statutory dues including Provident Fund, Employee State Insurance Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues applicable to it, except few cases of de-lay in deposit of Tax Collected at Source. are not applicable to the company, No amount was due to be deposited under investor Education and Protection Fund. Further there was no arrears of undisputed statutory dues outstanding as at 31st March, 2011 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, the disputed statutory dues of Excise Duty & Sales Tax, aggregating to Rs 35.95 Lacs out of which Rs 12.26 lacs have not been deposited are given below:-

Name of Statute	Nature of Due	Financial year to which it pertains	Amount (Rs. in Lakhs)	Forum where dispute is pending.
Excise Duty	Redistillation Loss	1988-89	12.26	H.P. High Court, Shimla
Sales Tax		2003-04	00.08	A.E.T.C ,Una

Excise Duty		2001-02 2007-08	02.25 15.00	D.E.T.C ,Palampur D.E.T.C ,Palampur
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Further, in respect of Income Tax, Custom Duty, Wealth Tax, Service Tax and Cess it has been informed that there are no dues, which have not been deposited on account of any dispute.

10. The company does not have accumulated losses. The company has not incurred any cash losses during the current financial year and in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, except the slight delays of few days in repayment of its dues to banks company has not defaulted in re-payments of dues however there was no overdue amount as on 31st March, 2011. There are no dues of debenture holders.
12. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company is not a chit fund or a Nidhi / mutual benefit fund / society, therefore provisions of clause 4(xiii) of the order are not applicable to the company.
14. In our opinion, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, provisions of clause 4(xiv) of the order are not applicable to the company.
15. According to the information and explanation given to us, the company has not given guarantees for loans taken by others from Banks or Financial Institutions.
16. In our opinion and on According to the records of the company, it has not obtained during the year any term loans. Hence, no comment under para 4 (xvi) of CARO, 2003 is called for.
17. On the basis of information and explanations given to us, and on an overall examination of the financial statements of the company, we report that Rs 128.16 Lacs raised on short term basis have been ultimately used for long-term investment.
18. According to the information and explanation given to us, during the period covered by our audit report, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. The company has not issued any debenture, therefore, no comments is required under para 4(xix) of CARO, 2003.
20. The company has not raised any money through public issues during the year.
21. To the best of our knowledge and belief and 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 B.K. Kapur & Co.
Chartered Accountants,
(M.S. Kapur) F.C.A.

Place : Ghaziabad
Dated : 02-09-2011

Partner
Membership No.74615



RANGAR BREWERIES LIMITED BALANCE SHEET AS AT 31st MARCH , 2011

SCHEDULE	As at 31.03.2011 Rupees	As at 31.3.2010 Rupees	
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	58,650,670	58,650,670
Reserves and Surplus	2	44,201,481	42,966,694
		102,852,151	101,617,364
Loan Funds			
Secured Loans	3	56,020,147	51,296,910
		56,020,147	51,296,910
Deferred Tax Liability (Net)	4	16,543,229	18,024,321
TOTAL		175,415,527	170,938,595
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	227,465,689	211,405,486
Less :-Depreciation		116,543,455	106,268,873
Net Block		110,922,234	105,136,613
Capital Work in Progress		5,221,559	10,036,390
		116,143,793	115,173,003
Current Assets, Loans & Advances			
Inventories	6	118,460,405	76,074,188
Sundry Debtors	7	82,096,277	131,632,919
Loans and Advances	8	19,417,068	17,728,560
Cash and Bank Balances	9	11,416,387	11,937,144
		231,390,137	237,372,811
Less: Current Liabilities & Provisions			
Current Liabilities	10	164,928,455	175,511,358
Provisions	11	7,189,952	6,095,861
		172,118,407	181,607,219
Net Current Assets		59,271,730	55,765,592
TOTAL		175,415,524	170,938,595

Significant Accounting Policies & Notes forming
part of Balance Sheet

18

The Schedules 1 to 18 form an integral part of Balance Sheet

As per our report of even date attached.
for **B. K. KAPUR & COMPANY**
Chartered Accountants
Firm Regn. No. 852C

Kunal Yadav
(Director)

Bharat Singh
(Director)

(M. S. KAPUR) FCA
PARTNER
M. NO. 74615

PLACE : Ghaziabad
DATE : 02-092011

RANGAR BREWERIES LIMITED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

SCHEDULE	Year Ended 31.03.2011 Rupees	Year Ended 31.3.2010 Rupees
INCOME		
Sales	432,231,183	512,819,268
Less : Excise Duty	41,758,965	62,949,640
Net Sales	390,472,219	449,869,627
Other Income	12 4,683,104	18,354,131
(Decrease)/Increase in Stocks	13 22,086,591	(10,639,660)
Total	417,241,913	457,584,099
Expenditure		
Material and Manufacturing Expenses	14 311,498,029	360,453,062
Salaries, Wages and Benefits	15 11,883,839	11,912,030
Administration and Other Expenses	16 73,120,909	59,125,041
Interest and Financial Charges	17 7,257,417	6,991,047
Total	403,760,194	438,481,179
Profit before Depreciation	13,481,718	19,102,920
Depreciation	9,084,281	8,148,909
Less: Previous Year Expenses(Net)	528,450	18,328
Profit Before Tax	3,868,988	10,935,683
Provision for Taxation		
Current Tax	(2,925,000)	(2,100,000)
Deferred Tax (debit)/credit	1,481,092	(3,410,870)
Fringe Benefit Tax	-	-
Profit after Tax	2,425,080	5,424,813
Balance brought forward from Previous Year	31,159,596	25,734,784
Surplus transferred to Balance Sheet	33,584,675	31,159,596
Earning per Share (Note No. 20)		
Nominal Value Rs. 10/-, (Previous year Rs.10/-)		
Basic	0.41	0.92
Diluted	0.41	0.92

Significant Accounting Policies & Notes forming

part of Profit & Loss Account

The Schedules 1 to 18 form an integral part of Profit & Loss Account

As per our report of even date attached.

for **B. K. KAPUR & COMPANY**

Chartered Accountants

Firm Regn. No. 852C

Kunal Yadav
(Director)

Bharat Singh
(Director)

(M. S. KAPUR) FCA
PARTNER

M. NO. 74615

PLACE : Ghaziabad

DATE : 02-092011



Schedules forming part of Balance Sheet

	As at 31.03.2011 Rupees	As at 31.3.2010 Rupees
SCHEDULE 1 : SHARE CAPITAL		
Authorised:		
10000000 Equity Shares of Rs.10/- each (Previous Year 10000000 Equity Shares of Rs.10/- each)	100,000,000	100,000,000
	100,000,000	100,000,000
Issued, Subscribed & Paid-up		
5865067 Equity Shares of Rs.10/- each fully paid up (Previous Year 5865067 Equity Shares of Rs.10/- each fully paid up)	58,650,670	58,650,670
TOTAL	58,650,670	58,650,670
SCHEDULE 2 : RESERVES AND SURPLUS		
Capital Reserves		
Central Cash Subsidy Reserve		
As per Last Balance Sheet	1,378,432	1,378,432
Revaluation Reserve		
As per Last Balance Sheet	9,539,351	1,500,000
Less : Transferred to Depreciation on revalued Assets	1,190,293	8,349,058
General Reserve		
As per Last Balance Sheet	889,315	889,315
	10,616,805	11,807,098
Profit & Loss Account		
Surplus as per accounts annexed	33,584,676	31,159,596
TOTAL	44,201,481	42,966,694
SCHEDULE 3 : SECURED LOANS		
A) Cash Credit		
- State Bank Of India	55,602,284	51,296,908
B) Vehicle Loan		
- Punjab National Bank 387530		
- Interest Accrued & Due 30334	417,864	-
TOTAL	56,020,148	51,296,908

NOTES :-

- Cash Credit limit is secured against hypothecation of stocks of raw materials, stock in process, finished goods, book debts and other assets of the company and further secured by first charge on land, building, plant and machinery and other assets of the company
- Vehicle loans are secured against vehicle financed by them.

	As at 31.3.2010	During the year	As at 31.3.2011
SCHEDULE 4 : DEFERRED TAX LIABILITY (Net)			
Deferred Tax Liability			
Difference between Book & Tax Depreciation	19,568,823	(1,433,163)	18,135,660
	19,568,823	(1,433,163)	18,135,660
Less: Deferred Tax Assets (Expenses allowable u/s 43B)	1,544,502	47,931	1,592,432
NET DEFERRED TAX LIABILITY	18,024,321	(1,481,092)	16,543,229

SCHEDULE -- 5 : FIXED ASSETS

DESCRIPTION	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As on 01.04.2010	Additions during the Year	Deductions/ Sales During The Year	Total Cost As At 31.03.2011	AS AT 1.4.2009	For the Year	UP TO 31.03.2011	As at 31.03.2011	As at 31.03.2010
Leasehold Lands	21,345,537	0	0	21,345,537	4,373,517	270,420	4,643,937	16,701,600	16,972,020
Shed & Buildings	26,829,960	5,586,276	0	32,416,236	10,535,197	857,467	11,392,664	21,023,572	16,294,763
Plant & Machineries	155,145,062	9,815,996	0	164,961,058	87,437,072	8,410,143	95,847,215	69,113,843	67,707,990
Furniture & Fixtures	577,847	38,860	0	616,707	566,197	41,347	607,544	9,163	11,650
Office Equipments	1,223,552	0	0	1,223,552	635,220	57,382	692,602	530,950	588,332
Computers	184,714	42,072	0	226,786	110,010	36,512	146,522	80,264	74,704
Vehicles	6,098,814	577,000	0	6,675,814	2,611,660	601,308	3,212,968	3,462,846	3,487,154
Total	211,405,486	16,060,203	0	227,465,689	106,268,873	10,274,579	116,543,452	110,922,237	105,136,613
Capital work in progress Building Plant & Machinery etc	10,036,390	10,559,562	15,374,393	5,221,559				5,221,559	10,036,390
Current Year(Rs)	221,441,876	26,619,766	15,374,393	232,687,249	106,268,873	10,274,579	116,543,452	116,143,796	115,173,003
Previous Year(Rs)	205,053,122	31,546,159	15,157,405	221,441,876	96,929,673	9,339,200	106,268,873	115,173,003	108,123,449

	As at 31.03.2011 Rupees	As at 31.3.2010 Rupees
SCHEDULE 6 : INVENTORIES		
(As taken, valued and certified by the Management)		
Raw materials	42,817,998	27,371,195
Packing & other materials	19,743,836	14,974,992
Fuel Stocks	966,462	1,192,914
Stores & Spares	4,602,760	5,149,652
Stock in process	30,808,269	10,507,029
Finished Goods	19,521,079	16,813,801
Goods in transit	—	64,607
TOTAL	118,460,405	76,074,188

	As at 31.03.2011 Rupees	As at 31.3.2010 Rupees
SCHEDULE 7 : SUNDRY DEBTORS		
(Unsecured - Considered good)		
Debts over six months	34,069,243	51,185,961
Others	48,027,034	80,446,960
TOTAL	82,096,277	131,632,921



RANGAR BREWERIES LIMITED

	As at 31.03.2011 Rupees	As at 31.3.2010 Rupees
SCHEDULE 8 : LOANS AND ADVANCES		
(Unsecured - Considered good)		
Advances recoverable in cash or in kind or for value to be received	7,512,565	4,899,141
Interest accrued on FDRs	945,709	530,825
Security Deposits	6,524,358	6,524,358
Prepaid Expenses	1,056,190	2,243,783
Balance with Excise Department & Sales Tax Department	3,337,342	3,482,842
Tax deducted at source / Advance Tax	40,904	47,611
TOTAL	19,417,068	17,728,560
SCHEDULE 9 : CASH AND BANK BALANCES		
Cash in Hand	4,055,542	3,774,547
With Scheduled Banks		
- In Current Account	1,439,846	2,241,598
- In Fixed Deposit Account	5,921,000	5,921,000
TOTAL	11,416,387	11,937,144
SCHEDULE 10 : CURRENT LIABILITIES		
Sundry Creditors for Goods Micro,small & Medium Enterprises		
Other Creditors	145,420,297	154,479,099
Sundry Creditors for Expenses	6,497,648	7,619,354
Liabilities For Expenses	7,630,512	9,482,903
Security Receipts	5,380,000	3,930,000
	164,928,456	175,511,356
SCHEDULE 11 : PROVISIONS		
Provisions For Retirement Benefits	4,264,952	3,995,861
Provision for Taxation	2,925,000	2,100,000
	7,189,952	6,095,861
TOTAL	172,118,408	181,607,217
SCHEDULE 12 : OTHER INCOME		
Interest received (Gross)	408,177	476,664
(Tax deducted at source Rs47611/- Prev. Year Rs72194/-)		
Scrap Sale	4,023,171	615,839
Other Receipts (Net)	-	17,131,999
Freight Receipts	40,300	124,800
Sundry Balances Written back	211,456	4,829
TOTAL	4,683,104	18,354,131
SCHEDULE 13 : INCREASE/(DECREASE) IN STOCKS		
Opening Stocks		
Finished Goods	19,521,079	16,813,801
Stock In Process	30,808,269	10,507,029
	50,329,348	27,320,830
Closing Stocks		
Finished Goods	(16,813,801)	(18,311,105)
Stock In Process	(10,507,029)	(20,752,235)
	(27,320,830)	(39,063,340)
(Decrease)/Increase in Stocks	23,008,518	(11,742,508)
Excise Duty etc. on Increase/Decrease of Stock	921,926	(1,102,851)
(Decrease)/Increase in Stocks	22,086,591	(10,639,657)



	Year Ended 31.03.2011 Rupees	Year Ended 31.03.2010 Rupees
SCHEDULE 14 : MATERIAL AND MANUFACTURING EXPENSES		
Raw Material Consumed		
Opening Stocks	27,371,195	39,365,685
Purchases	111,822,540	179,526,962
	139,193,734	218,892,647
Less : Closing Stocks	42,817,998	27,371,195
Molasses & grain consumed	96,375,736	191,521,452
Purchase of W.I.P	62,356,358	-
Raw Material Consumed	158,732,094	191,521,453
Manufacturing Expenses		
Consumable Stores	94,040,460	112,121,083
Power & Fuel Consumed	33,048,929	32,823,689
Bottling, Brand & License fees	17,439,262	20,825,821
Processing Charges	621,531	173,213
Other manufacturing expenses	199,211	76,727
Repairs: Machinery	6,993,769	2,867,386
Repairs: Building	422,773	43,691
Increase in Stocks	311,498,029	360,453,062
SCHEDULE 15 : SALARIES, WAGES & BENEFITS		
Salary & Wages	9,730,445	9,920,004
Contribution to Provident and other funds	1,596,433	1,387,765
Staff & Workers Welfare	556,961	604,261
TOTAL	11,883,839	11,912,030
SCHEDULE 16 : ADMINISTRATION AND OTHER EXPENSES		
ADMINISTRATION		
Insurance	584,304	70,026
Postage & Telephones	251,914	296,293
Printing & Stationery	321,215	282,092
Security Charges	1,133,172	1,084,695
Travelling & Conveyance (Other than Directors)	435,017	348,052
Vehicle Repairs & Maintenance Trucks and others	2,174,384	1,658,303
Vehicle Repairs & Maintenance Cars	281,105	281,120
Fees, Rates & Taxes	208,360	46,510
Rent / Lease Rent	1,976,800	1,574,800
Donation	81,100	110,500
General Repairs & Maintenance	4,162,402	682,878
Electricity & Water Charges	61,834	129,966
Auditors' Remuneration	130,641	111,897
Legal & Professional	289,765	141,622
Maintenance Charges	9,606	6,240
General expenses	26,902	56,224
Penalty & Fines	340,732	116,500
Other expenses	172,644	197,511
Entertainment Expenses	-	56,697
Festival expenses	68,540	9,710
Sundry Balances Written Back	-	-
SELLING & DISTRIBUTION		
Packing & Forwarding Expenses	30,770,411	40,516,493
Advertisement	34,998	7,100
Commission to Agents	5,651,370	6,513,790
Business Promotion	23,953,691	4,826,023
TOTAL	73,120,909	59,125,041



	Year Ended 31.3.2011 Rupees	Year Ended 31.3.2010 Rupees
SCHEDULE 17 : INTEREST AND FINANCIAL CHARGES		
Interest on Term Loans	30,334	—
Others (including bank charges)	7,227,083	6,991,047
TOTAL	7,257,417	6,991,047

SCHEDULE –18 SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS ENDING 31ST MARCH, 2011

A. Significant Accounting Policies :

i) **Basis of Accounting** : The Company follows the Mercantile system of Accounting and recognises Income and Expenditure on Accrual Basis. The accounts are prepared on Historical Cost Basis, as going concern, and consistent with generally accepted accounting principles.

ii) **Fixed Assets and Depreciation** : Fixed Assets are stated at cost less accumulated Depreciation. Cost of acquisition or construction is inclusive of freight, duties, taxes and incidental expenses.

Depreciation on all fixed assets put to use has been charged on Straight line Method at the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Item costing upto Rs. 5000/- each are fully depreciated in the year of purchase. Depreciation is charged on pro- rata basis in respect of assets acquired / sold during the year.

Post Impairment, depreciation is provided on the revised carrying value of the assets.

iii) **Inventories** : Inventories (other than By- Products) are valued at Lower of cost or estimated realizable value. Cost of raw material, stores and spares is determined on FIFO basis. Cost of finished goods has been worked out on absorption cost basis.

By Product and residuals are valued at net realizable value.

iv) **Investment** : Long term Investment is valued at cost, where applicable, provision is made for permanent diminution in value.

v) **Foreign Exchange Transactions** : Transaction in foreign currency is accounted for at the exchange rate prevailing at the time of transactions. Monetary items denominated in foreign currencies at the year end translated at the year end rates which is likely to be realized from, or required to disburse at the balance Sheet date. Exchange difference arising on settlement of monetary items at rates different from those at which they arise, except Exchange difference on liabilities incurred for acquisition of fixed assets from outside India which are capitalized / recapitalized.

vi) **Impairment of Assets** : An asset is treated as Impaired when carrying cost of the asset exceed the recoverable value and impairment loss is charged to profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in previous

year is reversed if there has been a change in the estimate of recoverable amount.

vii) **Borrowing Costs**: Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of cost of such assets. A qualifying assets is one that necessarily take substantial period of time to get ready to use .All other borrowing cost have being charge to revenue.

viii) **Sales** : Sales include Excise duty but exclude Sales/ Trade Tax.

ix) **Contingent Liabilities** : Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes to the Accounts. Contingent Assets are neither recognized nor disclosed in the Financial Statement.

X) **Retirement Benefits** : Contribution is made under relevant rules/statutes to the Provident Fund and which are charged to Profit and Loss Account for the year on accrual basis. Liability for Leave Encashment & Gratuity as on 31st March, 2011 has been determined and provided for in the accounts.

XI) **Taxes on Income** : Current Tax is determined on the amount of tax payable on the taxable Income for the year in accordance with the provisions of Income Tax Act, 1961.

Deferred Tax Assets / Liabilities is recognized on Significant timing differences, arising from the different treatments in accounting and taxation of relevant items. Deferred tax Assets / Liabilities shall be reviewed as at balance sheet date, based on development during the year, to reassess realization/ liabilities Deferred Tax in respect of carry forward of losses and unabsorbed Depreciation are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such loss.

B. Notes To the Accounts :

- The figures have been rounded off to the nearest rupee.
- The previous year's figures have been regrouped and re-classified, where ever necessary, to make them comparable.
- All the current assets, loans and advances in the opinion of the Board, have a value on realization, which in the ordinary course of business shall at least be equal to the amount at which it is stated in the Balance Sheet.
- Balances of sundry debtors , creditors and advances are subject to confirmation.

5. Auditors' Remuneration

S. No	Particulars	Current year Rupees (in '000)	Previous year Rupees (in '000)
i)	As Statutory Auditor	75	60
ii)	As Tax Auditors	35	30
iii)	Reimbursement of Expenses	21	23
	Total	131	113

6. Contingent Liability in respect of:

i) Contingent Liabilities

S. No	Nature of Liabilities	AS ON 31.03.2011 (Rs. in Lacs)	AS ON 31.03.2010 (Rs. in Lacs)
a)	Claims against the company not acknowledged as deb.	9.61	9.09

ii) **Loans and advances includes** : Rs. 6.36 lacs (Previous year Rs. 6.36 lacs) paid to National Insurance company Limited under protest against demand of same amount. The company has got order in its favour on 24/10/ 2003 from H.P. consumer Disputes Redressal Commission Shimla, against which insurance company has preferred an appeal before National consumer Disputes Redressal , New Delhi. No provision has been made in books as the company is confident to get refund for it.

iii) Company had filed cases with excise & Sales Tax Departmento the extent Rs. 29.59 lacs (Previous year 31.04 Lacs) out of which Rs 14.59 Lacs relates to the year 1989 to 2004 and Rs 15 Lacs relates to the financial year 2007-08 in respect of claims penalty refund.matter are still under hearing with them under the order of Honnoble High Court Shimla Rs 23.69 Lacs since has been deposited under priotest.Management is confident to get the refund of it.

7. Excise duty as applicable in the state of H.P., Delhi & Chandigarh is provided on closing stock of finished goods lying in H.P., Delhi & Chandigarh respectively.

8. Sundry Debtors include Rs. 127.47 lacs. (previous year 127.47 lacs) which are under litigation. No provision is made there against as the management is of the view that the company is in the position to get finalised such cases in coming years and be provided in the year of the finalisation of such litigation.

9. Leasehold land, building and plant and machinery as on 1.4.94 were revalued based on the current replacement value by a valuer appointed for the purpose. As a result, the net book value of such fixed assets was increased by Rs. 396.92 lacs on the said date, which had been transferred to revaluation reserve. During the year ended 31.3.11 depreciation of the current year includes Rs. 11.90 lacs (Previous year Rs. 11.90 lacs) on the revalued amount of such fixed assets, on straight line method. An equivalent amount has been recouped from Revaluation reserve and credited to the profit and loss account.

10. Prior period expenses (Net) represents of earlier years.

Expenditures	
Insurance Claims	67000.00
Godown Fees	12028.00
Duties & Taxes	456422.00
Total	535450.00
Incomes:	
Business Promotion Expenses	7000.00
Net	528450.00

11. Capital Commitments Rs 2.77 Crores (Net of advances.)

12. Deferred Tax Liability

(Rs. In Lacs)

		AS AT 31.03.2011	AS AT 31.03.2010
i)	Difference due to Book & Tax depreciation On fixed Assets	181.35	195.68
		181.35	195.68
	Deferred Tax Assets		
	For Expenses Allowable against taxable income of future year u/s43B	15.92	15.44
		15.92	15.44
	Net Deferred Tax Liability	165.43	180.24

13. The Company is in process of identifying the suppliers as micro,small & medium enterprises under the " Micro Small & Medium Enterprises Development Act 2006".

However the company has not received any intimation / communication from their Suppliers regarding applicability of this Act to them. Therefore no such disclosure under said Act has been furnished

14. Additional information pursuant to the Provisions of Paragarph 3 and 4 of Part II of Schedule VI to the Companies Act, 1956

A PARTICULARS OF CAPACITY, PRODUCTION

a) Particulars of capacity & production (As certified by the management)

Description	Unit	Licenced Capacity		Installed Capacity		Net Production *	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010
Spirit	P.L. (In Lacs)	202.07	202.07	89.59 *	89.59 *	55.92	110.53
Co2	K.G					6.08	1.75

*As Certified by Chartered Engineer & Management.



RANGAR BREWERIES LIMITED

b) Particulars of Stocks

(Quantity & Value in Lacs)

Item Unit	Opening Stock				Closing Stock			
	31.03.2011		31.03.2010		31.03.2011		31.03.2010	
	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
(a) Finished Goods								
IMFL PL	1.03	60.04	1.41	59.91	1.02	65.90	1.03	60.04
Country PL Liquor	2.68	107.67	2.87	123.21	2.50	129.88	2.68	107.67
Co2 Gas Kgs	0.15	0.42					0.15	0.42

c) Particulars of Sales

(Quantity & Value in Lacs)

Item	Unit	31.03.2011		31.03.2010	
		Qty.	Value	Qty.	Value
(a) Finished Goods					
IMFL PL	PL	6.72	434.78	21.82	1166.49
Country Liquor	PL	67.11	3631.31	108.45	3781.25
Spirit	PL	6.28	240.64	1.44	173.57
Co2 Gas-By Product	KG	6.23	15.58	1.60	6.88
Total		86.34	4322.31	133.31	5128.19

Notes :

- Spirit stock (Opening as well as closing) has been shown as 'stock in process' as spirit is used for bottling after addition of certain flavours and additives.
- Sales of spirit excludes 75.18 lacs PL (Previous year 113.44 lacs PL) used for the manufacture of IMFL and country liquor.
- Sales is exclusive of breakage of .94 lacs PL (Previous year 0.90 lacs PL).
- Sales appearing in the profit & loss account doesnot include Discount on Sales (Previous Year Rs Nil)

d). Particular of raw material consumed

(Rs. In Lacs)

Item	Unit	31.03.2011		31.03.2010	
		Qty.	Value	Qty.	Value
(i) Barley Malt	MT	5.89	14.04	20.66	38.18
(ii) Mollases, Sugar Grains Etc	MT	1588.35	949.70	2875.38	1877.03
(iii) Spirit : Semifinished	PLS	35.55	623.56		
Total		1629.79	1587.30	2896.04	1915.21

e). Value of Imported Raw Materials, Packing Materials, Components & Stores Consumed.

(Rs. In Lacs)

Item	31.03.2011		31.03.2010	
	Value	%	Value	%
Raw Material				
Indigenous	1587.30	100%	1915.21	100%
Imported	-	-	-	-
Packing Material				
Indigenous	940.40	100%	1121.21	100%
Imported	-	-	-	-
Consumable stores				
Indigenous	330.48	100%	405.16	100%
Imported	-	-	-	-

C) VALUE OF IMPORTS ON C.I.F. BASIS : NIL

D) Expenditure in Foreign Currency : (Subject to deduction of tax where applicable)
NIL

E) EARNING IN FOREIGN EXCHANGE : NIL

F) The other information as required under paragraphs 3 & 4 part II Schedule VI to the Companies Act, 1956 are not given being EITHER NIL OR NOT APPLICABLE.

15. RELATED PARTY DISCLOSURES

A) Detail relating to related party

Parties where control exists(Holding Company)

Indian Sucrose Ltd

Other related parties where transaction have taken place during the year

i) Key Management Personnel

Mr Bharat Singh(Director)

Mr Kunal Yadav(Director)

Mr Gajraj Singh Yadav(Director)

Enterprise significantly influenced by Directors and /or their relatives

Cosmos Industries Ltd.

Yadu Sugars Ltd

B). Transaction with related party

(Rs in lacs)

	Volume of the Transactions				
	Holding	Associate Company	Enterprises Significantly Influenced By the Directors and / or its relatives	KMP	Relative of KMP
Purchase	302.40 (571.71)		(330.84)	-	-
Expenses Building Material	(0.97)				
Outstandings					
Payable	664.30 (746.72)		101.26 (283.65)		

Note: The figures in bracket pertain to the previous year.

16. EPS	Current Year Rupees	Previous Year Rupees
Profit attributable to Equity Shareholders	2425079	5424812
Weighted Average no of share Basic		
Weighted average number of equity shares at the end Diluted	5865067	5865067
Weighted average number of equity shares At the end	5865067	5865067
Add:Share application Money		
Total	5865067	5865067
Paid up value of share	10/-	10/-
Basic EPS	0.41	0.92
Diluted EPS	0.41	0.92

17. The Business activity of the company falls within single primary business segment.



18. Information required in the terms of Part IV of Schedule VI to the Companies Act, 1956

Balance Sheet Abstract and Company's General Business Profile :

I. Registration Details :

Registration No.	7383
State Code	
Balance Sheet Date	31.03.2011

II. Capital Raised during the year

(Amount in Rs.Thousands)

Public Issue	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Issue	NIL

III. Position of Mobilisation and Deployment of Funds

(Amount in Rs.Thousands)

Total Liabilities	175415
Total Assets	175415
Sources of Funds :	
Paid-up Capital	58651
Share Application Money	—
Reserves & Surplus	44201
Secured Loans	56020
Unsecured Loans	
Net Deferred Tax Liability	16543
Application of Funds :	
Net Fixed Assets	116144
Investments	
Net Current Assets	59271
Misc. Expenditure	—

IV. Performance of Company

(Amount in Rs.Thousands)

Turnover (Including other income)	417242
Total Expenditure	413373
Profit/(Loss) Before Tax	3869
Profit/(Loss) After Tax	2425
Dividend Rate	NIL

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

Item Code No. (ITC Code)	220830
Product Description	Whiskey
Item Code No. (ITC Code)	22.08
Product Description	Country Liquor
Item Code No. (ITC Code)	22.08
Product Description	Spirit

As per our report of even date attached.

for **B. K. KAPUR & COMPANY**

Chartered Accountants

Firm Regn. No. 852C

Kunal Yadav

(Director)

Bharat Singh

(Director)

(M. S. KAPUR) FCA

PARTNER

M. NO. 74615

PLACE : Ghaziabad

DATE : 02-09-2011



CASH FLOW STATEMENT FOR THE YEAR ENDED AS ON 31th March,2011

	Year ended 31.3.2011 Rupees	Year ended 31.3.2010 Rupees
A. Cash flow from Operating Activities		
Net Profit before Tax and Extra Ordinary items	3868988	10935683
Adjustments for:		
Depreciation	9084281	8148909
Interest and financial charges	7257417	6991047
Loss on sale/damage of assets (net)	-	#REF!
Excess Income Tax Provision written back	-	-
Interest earned	(408177)	(476664)
Other Incomes	-	#REF!
Operating Profit before Working Capital changes	19802508	#REF!
Adjustments for:		
Trade & Other Receivables	47848137	(26185152)
Inventories	(42386217)	18297021
Trade Payables	(10313809)	9584644
Cash generated from operations	14950619	#REF!
Direct taxes (paid)/refund	(2100000)	(4655125)
Net Cash flow from Operating Activities	A 12850619	#REF!
B. Cash Flow Investing Activities		
Purchase of Fixed Assets	(11245373)	(16388754)
Sale of Fixed Assets	0	0
Interest Received	408177	476,664
Net Cash used in Investing Activities	B (10837196)	(15912090)
C. Cash Flow Financing Activities		
Interest paid	(7257417)	(6991047)
Proceeds from Borrowings Term Loan	417864	-
Proceeds from in cash credit	4305374	(1873983)
Share Application Money	0	0
Net Cash flow from Financing Activities	C (2534179)	(8865029)
Net Increase/(decrease) in Cash and Cash Equivalents	(A+B+C) (520757)	#REF!
Cash and Cash Equivalents as at 1st April ,2010	11937144	14073900
Cash and Cash Equivalents as at 31st March,2011	11416387	11937144
	(520757)	(2136758)

Notes:

- 1 Cash and Cash Equivalents represent Cash and Bank Balances (Refer Schedule 10)
- 2 Interest paid is exclusive of interest capitalised Rs. Nil
- 3 Previous year figures have been regrouped / rearranged wherever consider necessary.

As per our report of even date attached.
for **B. K. KAPUR & COMPANY**
Chartered Accountants
Firm Regn. No. 852C

Kunal Yadav
(Director)

Bharat Singh
(Director)

(M. S. KAPUR) FCA
PARTNER
M. NO. 74615

PLACE : Ghaziabad
DATE : 02-092011

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Name of Subsidiary Company

YADU SUGAR LIMITED

1. Financial year of the Subsidiary ended on 31st March, 2011
2. Shares of the Subsidiary Company held on the above dated and extent of holding.
 - a) Equity Shares of Rs. 10/- each (600000 equity shares of Rs. 10/- each fully paid up) Rs. 60,00,000
 - b) Extent of Holding 54.05%
3. Net aggregate amount of Profit of the Subsidiary Company for the above financial year so far as it concerns the members of Indian Sucrose Limited
 - a) Dealt within Accounts of Indian Sucrose Limited NIL
 - b) Not dealt within Accounts of Indian Sucrose Limited 54.24 Lacs
4. Net Aggregate Amount of losses for previous financial year of the Subsidiary Company as it concerns members of Indian Sucrose Limited
 - a) Dealt within Accounts of Indian Sucrose Limited NIL
 - b) Not dealt within Accounts of Indian Sucrose Limited NIL

For and on behalf on the Board of Directors Indian Sucrose Limited

D.P. Singh (Chairman)	Kunal Yadav (Managing Director)	CS Anant Kr. Singh (Company Secretary)	Gaurav Agarwal (Ch. Manager Accounts)
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Place: Delhi

Date : 02.09.2011

CORPORATE INFORMATION

- DIRECTORS** : Sh. Dharampal Singh
Smt. Umlesh Yadav
Sh. Kunal Yadav
Sh. Suraj Yadav
- CHIEF FINANCIAL OFFICER** : Sh. Sanjay Kumar
- REGISTERED OFFICE** : B-202/47, Thaper Arcade
Kalu Sarai, Hauz Khas,
New Delhi
- WORKS AT** : Ranet Chauraha, Vill-Bisauli,
Distt.-Badaun
Uttar Pradesh-202520
- AUDITORS** : M/s B. K. KAPUR & CO.
Chartered Accountants
Ghaziabad U. P.



NOTICE OF 12th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 12th Annual General Meeting of the Members of Company will be held at the Registered Office of the Company at 202/47, Thapar Arcade, Kalu Sarai, Hauz Khas, New Delhi – 110016 on Wednesday, 28th day of September, 2011 to transact the following business(s) :

ORDINARY BUSINESS

1. To Receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the financial year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Umlesh Yadav, who retires by rotation and is eligible for re-appointment.
3. To appoint Statutory Auditors, and fix their remuneration and in connection therewith, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any of the Companies Act, 1956, M/s B. K. Kapur & Co., Chartered Accountants, Ghaziabad (U.P.), the retiring Auditors, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the members of the Company on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

For and on behalf of the Board
YADU SUGAR LIMITED

Place : New Delhi
Date : 29.08.2011

KUNAL YADAV
DIRECTOR

Notes:

1. A member entitled to attend and vote at this Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and proxy need not be a member of company.
2. The instrument appointing a proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of this meeting.
3. The relevant records of the Company open for inspection by members as per provisions of the company Laws can be inspected at Registered Office of the Company on any working day between 10.00 a.m. to 4.00 p.m.

DIRECTORS' REPORT

To

The Members of the Company,

Your Directors have pleasure in presenting their Twelfth Annual Report together with Audited Accounts of the Company for the year ending 31st March, 2011.

FINANCIAL RESULTS

(Amount in Rupees)

Details	Year ended as at 31-03-2011	Year ended as at 31-03-2010
Income from Operation	—	—
Agricultural & Other Income	—	193,250
(Loss)/Profit before Depreciation and Tax	(3,062,371)	23,325
Less : Depreciation	893,592	4,017
(Loss)/Profit before Tax	(3,955,962)	19,308
Less : Provision for Taxation		
Current Tax	—	(3,290)
Deferred Tax	(1,625)	1,581
(Loss)/Profit after Taxation	(3,957,587)	17,599
Add : Balance brought forward from Previous Year	2,327,512	2,309,913
(Deficit)/Surplus transferred to Balance Sheet	(1,630,075)	2,327,512

ISSUE OF SHARE CAPITAL

During the period under review, the Company has allotted the following Equity Shares to entities forming part of Promoter Group:

- a) Under Preference Shares: 6, 00,000 Equity Shares of Rs.10/- each at a Premium of Rs.90/- per share.

Consequent upon the above allotment, the present Equity Share paid-up Capital of the Company is Rs.1,10,63,500/-.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mrs. Umlesh Yadav, Director of the Company is retiring by rotation at this forthcoming Annual General Meeting of the Company and is eligible herself for re-appointment. Your directors recommend the re-appointment.

DIRECTOR RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956

The Directors confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed;

- ii) They have, in the selection of the accounting policies and applied them consistently, and, made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Losses of the Company for that period;
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities;
- iv) The annual accounts have been prepared on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION RESEARCH & DEVELOPMENT COST AND FOREIGN EXCHANGE EARNINGS AND OUT-GO:

The Company has no activities relating to Conservation of Energy, Technology absorption Research & Development or Foreign Exchange Earnings/out-go.

EMPLOYEES

Particulars of employees as required u/s 217 (2A) of the Companies Act, 1956 read with Companies (particular of employees) Rules 1975 and Amendment Rules, 2011 may be taken as Nil since no employee of the Company was in receipt of remuneration in terms of limits specified under said Rules.

AUDITORS

M/s. B.K. Kapur & Co., Chartered Accountants, Ghaziabad, retire at the conclusion of the forthcoming Annual General Meeting and being, eligible offer themselves for re-appointment.

DEPOSITS

The Company has not given/received any deposits during the year.

DIVIDEND

The directors do not recommend any dividend.

ACKNOWLEDGEMENT

The Directors wish to place on record the appreciation of devoted services and sincere efforts made by the officers, staff and workman towards the progress of the Company.

For and on behalf of the Board
YADU SUGAR LIMITED

Place : New Delhi
Date : 29.08.2011

KUNAL YADAV
DIRECTOR



AUDITOR'S REPORT

To
The Shareholders of
Yadu Sugar Ltd.

1. We have audited the attached Balance Sheet of YADU SUGAR LTD. as on 31st March, 2011 and the Profit and loss Account for the year ended on the even date, annexed thereto. These financial Statements are responsibility of the Company's Management. Our responsibility is to express an opinion on the Financial Statement based on our Audit.
2. 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 the management as well as evaluating, the overall financial statement presentation. We believe that our audit provides a basis for our opinion.
3. As required by the Companies (Auditor's Reports) Order, 2003 issued by the Central Govt. of India in the terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matter specified in paragraphs 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose our Audit.
 - b) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of such books.
 - c) The Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with books of account.
 - d) In our opinion, the Profit & Loss Account and Balance Sheet comply with the Accounting Standards referred to in sub- Section (3C) of Section 211 of the Companies Act, 1956.
 - e) On the basis of information and explanation given to us and representation received from directors of the company, no Director of the Company is disqualified as on 31.03.2011 from being appointed as director of the company under clause (g) of sub-section of Section 274 of the Companies Act, 1956.
5. In our opinion and to the best of our information and according to the explanation given to us, the said Accounts, read together with notes thereon, Subject to Note No 10 regarding

Micro, Small and Medium Enterprises of Schedule 13 gives the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in the conformity with the accounting principles generally accepted in India:

1. In case of Balance Sheet the state of Affairs of the Company as 31st March, 2011 and
2. In case of Profit & Loss Account of the Profit for the year ended 31st March 2011.

For B.K. KAPUR & CO.,
Chartered Accountants,
Firm Registration No. 000852C

(M.S. KAPUR)
F.C.A.
PARTNER.
M.No.74615

Place: Ghaziabad
Dated : 29th August, 2011

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph (3) of our Report of even date of Yadu Sufar Limited for the year ended 31st March, 2011.)

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed Assets.
- b) The Fixed Assets of the Company have been physically verified during the year by the management at reasonable intervals and no material discrepancies between the book records and the physical inventory have been noticed on such verification.
- c) As per records and information and explanation given to us no Fixed Assets were disposed off during the year
2. Since the Company does not have any stocks during the year, therefore, information required under Para 4(ii) of the Caro Order, 2003 is not applicable.
3. (a) Since the Company has not given unsecured/secured loan to parties covered in the Register maintained under section 301 of the Companies Act, 1956. Therefore information required under Para 4(iii) (b) to (d) are not applicable.
4. (a) According to information made available to us, Company has taken unsecured Loan Rs. 1,000 Lacs (Previous Year Rs. Nil). The maximum balance during the year amounted to Rs. 1096.01 Lacs and the amount outstanding as on 31.03.2011 is Rs. 1096.01 Lacs (Previous Year Rs.Nil). Further, the company has not taken any other secured or unsecured loan from companies, firm or other parties covered in the Register maintained under Section 301 of the Act.
- (b) The Rate of interest and other terms and condition of the Loan taken by the company are prima facie not prejudicial to the interest of the company.

- (c) As informed to us, there is no stipulation as regards to repayment of principal or interest.
- (d) There is no overdue amount payable more than Rs. 1.00 Lac on account of Principal and/or interest amount.
- 5 In our opinion, and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the Company and nature of its business, for purchase of inventory and fixed assets and also for the sale of goods. Further, on the basis of our examination and according to the information and explanations given to us, we have not observed any continuing failure to correct major weaknesses in internal control procedures.
- 6 Based on our examination and accounting to the information and explanation given to us, we are of the opinion that the particulars of contracts or arrangements referred under Section 301 of the Companies Act, 1956 have been entered in the register. In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangement entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market price at the relevant time..
- 7 On the basis of information and explanation given to us and our scrutiny of company's records, in our opinion, the Company has not accepted any public deposits.
- 8 The Company has an internal audit system which needs to be strengthen and its scope is to be extended to make it commensurate with the size and nature of Company's business.
- 9 To the best of our knowledge and belief and according to information given to us, Central Government has not prescribed the maintenance of cost records by the Company under section 209 (1) (d) of the Companies Act, 1956, for the products of the Company.
- 10 According to the information and explanation given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues Provident Fund, Employee's State Insurance, Income-Tax, Sales- Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues applicable to it, except cases of delay in deposit of TDS, Works Contract Tax, Provident Fund. No amount was due to be deposited under Investor Education and Protection Fund. Further, there was no arrears of undisputed statutory dues outstanding as at 31st March, 2011 for a period of more than six months from the date they became payable.
- According to the information and explanations given to us, there was no dues of Sales Tax, Income Tax, Custom Duty, WealthTax, Service Tax and cess which have not been deposited on account of any dispute.
- 11 The Company does have accumulated losses. The cash loss incurred during the year is Rs. 55.59 Lacs. No cash loss was incurred in the immediate preceding Financial Year, however, the accumulated losses do not exceed fifty percent of Net Worth of the Company.
- 12 In our opinion and according to the information and explanations produced before us the Company has neither defaulted in repayment of its dues to banks/ financial institutions, however, as on 31st March, 2011 there was overdue interest of Rs. 2.85 Lacs, which has been paid in the succeeding financial year.
- Further, there is no due of Financial Institution and Debenture Holder.
- 13 According to the information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, therefore no comment is required under para 4 (xii) of CARO, 2003.
- 14 As the Company is not a chit fund or a nidhi/ mutual benefit fund/society and it is not a dealer or trader in shares, securities, debentures and other investments, therefore, in our opinion the provisions of para 4 (xiii) and 4 (xiv) of the CARO, 2003 do not apply to the Company.
- 15 The Company has not given guarantees for loans taken by others from banks or Financial Institutions.
- 16 In our opinion, on the basis of information and explanation given to us, on overall basis the term loans were applied for the purposes for which the loans were obtained.
- 17 On the basis of overall examinations of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, on overall basis, no funds raised on short-term basis, have been used for long-term investment.
- 18 According to the information and explanations given to us, during the period covered by our audit report, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- 19 The company has not issued any debentures, therefore, no comments is required under para 4 (xix) of CARO, 2003.
- 20 Since the Company has not raised any money through Public Issues, therefore, provision of para 4 (xx) of CARO, 2003 relating to the raising of money through public issues does not apply
- 21 To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the course of our audit.

For B.K. KAPUR & CO.,
Chartered Accountants,
Firm Registration No. 000852C

(M.S. KAPUR)
F.C.A.
PARTNER.
M.No.74615

Place: Ghaziabad
Dated : 29th August, 2011



**YADU SUGAR LIMITED
BALANCE SHEET AS AT 31st MARCH , 2011**

SCHEDULE	As at 31.03.2011 Rupees	As at 31.3.2010 Rupees
SOURCES OF FUNDS		
Shareholders' Funds		
Share Capital	1	11,063,500
Share Application Money		407,893,000
Reserves and Surplus	2	97,935,125
		516,891,625
Loan Funds		
Secured Loans	3	402,210,608
Unsecured Loans	4	109,601,138
		511,811,746
Deferred Tax Liability (Net)	5	3,858
	TOTAL	1,028,707,229
APPLICATION OF FUNDS		
Fixed Assets	6	
Gross Block		64,372,769
Less :-Depreciation		997,834
Net Block		63,374,935
Capital Work in Progress		1,034,913,104
		1,098,288,039
Investments	7	49,220,119
Current Assets, Loans & Advances		
Inventories - Capital Goods		2,229,813
Cash & Bank Balances	8	4,807,760
Loans & Advances	9	208,637,834
		215,675,407
Less: Current Liabilities & Provisions		
Current Liabilities	10	334,476,336
Provisions		-
		334,476,336
Net Current Assets		(118,800,929)
	TOTAL	1,028,707,229

Significant Accounting Policies & Notes forming part of Balance Sheet 13
The Schedules 1 to 13 form an integral part of Balance Sheet

As per our report of even date attached.
for **B. K. KAPUR & COMPANY**
Chartered Accountants
Firm Regn. No. 852C

D. P. SINGH
(Chairman)

KUNAL YADAV
(Director)

(M. S. KAPUR) FCA
PARTNER
M. NO. 74615

GOPI NAIR
(Head, Finance & Accounts)

SANJAY TAYAL
(Chief Financial Officer)

PLACE : New Delhi
DATE : 29-08-2011



YADU SUGAR LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

SCHEDULE	Year Ended 31.03.2011 Rupees	Year Ended 31.3.2010 Rupees
INCOME		
Agriculture Income	-	188,250
Other Income	-	5,000
Total	-	193,250
EXPENDITURE		
Salaries, Wages & Benefits	11 1,654,818	72,940
Administration & Other Expenses	12 1,407,552	96,985
Total	3,062,371	169,925
(Loss)/Profit before Depreciation	(3,062,371)	23,325
Depreciation	893,592	4,017
(Loss)/Profit Before Tax	(3,955,962)	19,308
Provision for Taxation		
Current Tax	-	(3,290)
Deferred Tax (credit)	(1,625)	1,581
(Loss)/Profit after Tax	(3,957,587)	17,599
Balance brought forward from Previous Year	2,327,512	2,309,913
(Deficit)/Surplus transferred to Balance Sheet	(1,630,075)	2,327,512

Significant Accounting Policies & Notes forming part of Balance Sheet 13
 The Schedules 1 to 13 form an integral part of Profit & Loss Account

As per our report of even date attached.
 for **B. K. KAPUR & COMPANY**
Chartered Accountants
 Firm Regn. No. 852C

D. P. SINGH
 (Chairman)

KUNAL YADAV
 (Director)

(M. S. KAPUR) FCA
PARTNER
 M. NO. 74615

GOPI NAIR
 (Head, Finance & Accounts)

SANJAY TAYAL
 (Chief Financial Officer)

PLACE : New Delhi
DATE : 29-08-2011


Schedules forming part of Balance Sheet

	As at 31.03.2011 Rupees	As at 31.3.2010 Rupees
SCHEDULE 1 : SHARE CAPITAL		
Authorised:		
1,00,00,000 Equity Shares of Rs.10/- each (Previous Year 50,00,000 Equity Shares of Rs.10/- each)	100,000,000	100,000,000
	100,000,000	100,000,000
Issued, Subscribed & Paid-up		
11,06,350 Equity Shares of Rs.10/- each fully paid up (Previous Year 5,06,350 Equity Shares of Rs.10/- each fully paid up) (Out of above 6,00,000 Equity Shares of Rs.10/- each (Previous Year Nil) fully paid-up held by M/s. Indian Sucrose Limited being Holding Company).	11,063,500	5,063,500
TOTAL	11,063,500	5,063,500
SCHEDULE 2 : RESERVES AND SURPLUS		
Capital Reserves		
Share Premium Account		
As per last Balance Sheet	45,565,200	45,565,200
Add : Additions during the year	54,000,000	-
	99,565,200	45,565,200
Profit & Loss Account		
(Deficit)/Surplus as per account annexed	(1,630,075)	2,327,512
TOTAL	97,935,125	47,892,712
SCHEDULE 3 : SECURED LOANS		
A) Term Loan from		
- Punjab National Bank	399,998,050	-
Add: Interest accrued and Due (Repayable within a year Rs.215.28 lacs, Previous Year. Rs Nil)	284,932	-
	400,282,982	-
B) Vehicle Loans from		
- Punjab National Bank (Repayable within a year Rs.470,400/-, Previous Year Rs.Nil)	1,927,626	-
	1,927,626	-
TOTAL	402,210,608	-

NOTES :-

- 1) Term Loans from Punjab National Bank in consortium with Oriental Bank Of Commerce are secured against hypothecation/ Mortgage of Block of Assets, Immovable Properties ranking Pari-Passu with Oriental Bank of Commerce.
- 2) Above Loans are further secured by way of intercorporate guarantee and Pledge by 51% of Shareholders of their shares.
- 3) And Personal Guarantees of Four Directors of the Company.
- 4) The Vehicles Loan from banks are secured against hypothecation of vehicles financed.

	As at 31.03.2011 Rupees	As at 31.3.2010 Rupees
SCHEDULE 4 : UNSECURED LOANS		
- From Company	109,601,138	-
TOTAL	109,601,138	-

	As at 31.3.2010	During the year	As at 31.3.2011
SCHEDULE 5 : DEFERRED TAX LIABILITY (Net)			
DEFERRED TAX LIABILITY			
Difference between Book & Tax Depreciation	2,233	1,625	3,858
NET DEFERRED TAX LIABILITY	2,233	1,625	3,858

SCHEDULE -- 6 : FIXED ASSETS

DESCRIPTION	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As on 01.04.2010	Additions during the Year	*Sale/Adj. during the year*	as at 31-03-2011	as at 01-04-2010	During the year	Total as at 31-03-2011	WDV as at 31-03-2011	WDV as at 31-03-2010
FREE HOLD LAND : BISAULI LAND at Chandigarh	4,039,431 17,629,000	36,738,592 -	- -	40,778,023 17,629,000	- -	- -	- -	40,778,023 17,629,000	4,039,431 17,629,000
PLANT & MACHINERY									
* AGRICULTURE EQUIPMENTS	-	236,845	-	236,845	-	5,603	5,603	231,242	-
COMPUTERS	90,600	1,011,842	-	1,102,442	86,070	170,434	256,504	845,938	4,530
DIESEL GENERATOR SET	-	793,624	-	793,624	-	81,675	81,675	711,949	-
FURNITURES & FIXTURES	18,500	809,908	-	828,408	9,153	58,646	67,799	760,609	9,347
OFFICE EQUIPMENTS	-	260,325	-	260,325	-	66,458	66,458	193,867	-
VEHICLES	27,790	2,716,312	-	2,744,102	9,019	510,776	519,795	2,224,307	18,771
SUB-TOTAL	21,805,321	42,567,448	-	64,372,769	104,242	893,592	997,834	63,374,935	21,701,079
PREVIOUS PERIOD	21,562,821	242,500	-	21,805,321	100,225	4,017	104,242	21,701,079	21,462,596
CAPITAL WORK-IN-PROGRESS (including Capital Advances & Expenditure during Construction period)								1,034,913,104	2,009,102

Note : Certain portion of Freehold Land in possession of the Company is pending for Registration

	As at 31.03.2011 Rupees	As at 31.3.2010 Rupees
SCHEDULE 7 : INVESTMENTS		
LONG TERM (VALUED AT COST)		
QUOTED SHARES		
Indian Sucrose Limited	18,620,419	18,620,419
(60,22,607 Equity Shares) (Market Value Rs.6,84,16,815/-)		
UNQUOTED SHARES		
Vanish Industries Limited	360,000	-
(360,000 Equity Shares of Rs.1/- each (Previous Year Nil) fully paid up)		
Veena Lighting & Luminaries Limited	300,000	-
(100,000 Equity Shares of Rs.3/- each (Previous Year Nil) fully paid up)		
Yadu Overseas Limited	519,700	-
(51,970 Equity Shares of Rs.10/- each (Previous Year Nil) fully paid up)		
Dharamputra Builders Private Limited	800,000	800,000
(4,000 Equity Shares of Rs.10/- each (Previous Year 4,000) fully paid up)		
Cosmos Industries Limited	28,620,000	28,620,000
(28,62,000 Equity Shares of Rs.10/- each (Previous Year 28,62,000) fully paid up)		
TOTAL	49,220,119	48,040,419



YADU SUGAR LIMITED

	As at 31.03.2011 Rupees	As at 31.3.2010 Rupees
SCHEDULE 8 : CASH AND BANK BALANCES		
Cash in Hand	373,332	81,342
Balance with Scheduled Banks :		
In Current Accounts	1,803,341	2,594,237
In Fixed Deposit Accounts	2,631,087	-
TOTAL	4,807,760	2,675,579
SCHEDULE - 9 : LOANS AND ADVANCES		
Advances Recoverable in cash or in kind		
– Advances for Shares	1,275,000	1,275,000
– Advance Tax (Including TDS)	145,542	134,266
– Advance Others	162,513,039	-
Cenvat Receivable	37,900,896	-
Service Tax Receivable	5,440,737	-
Security Deposits	1,278,100	-
Prepaid Expenses	84,520	-
TOTAL	208,637,834	1,409,266
SCHEDULE - 10 : CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities		
Sundry Creditors		
- Micro, Small and Medium Enterprises *	-	-
- Others Creditors # 234,959,390	234,959,390	33,710
- Retention Money	13,475,067	-
- Advance against Property	50,000,000	-
- Liabilities for Expenses	36,041,879	-
(# Included Creditors for Capital Goods Rs.14,88,03,519/-, Previous Year Rs.Nil)		
	334,476,336	33,710
Provisions		
- Provision for Taxation	-	3,290
	-	3,290
TOTAL	334,476,336	37,000
* Refer Note # 10 of Schedule - 13 Notes to the Accounts		
SCHEDULE - 11 : SALARIES, WAGES & BENEFITS		
Salary & Wages + Other Perks	1,331,283	72,000
Staff & Workers Welfare	323,535	940
TOTAL	1,654,818	72,940
SCHEDULE - 12 : ADMINISTRATION & OTHER EXPENSES		
Rates & Taxes	78,991	7,500
Printing & Stationery	31,829	2,259
Postage & Telephone Expenses	31,632	769
Insurance	5,617	-
Legal & Professional Charges	123,667	2,000
Travelling Expenses (Other than Directors)	-	1,940
Festival Expenses	21,244	-
Advertisement and Publicity	411,137	-
Auditors' Remuneration	82,725	16,855
- As Statutory Auditor		
Staff Recruitment Expenses	16,500	-
Bank Charges	-	717
Miscellaneous Expenses	243,410	1,845
ROC Charges	325,000	60,000
Repair & Maintenance	23,277	3,100
Farmer Meeting Expenses	5,502	-
Membership Fee	221	-
Rental Charges	6,800	-
TOTAL	1,407,552	96,985

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS ENDING 31ST MARCH, 2011 :

A. SIGNIFICANT ACCOUNTING POLICIES :

i) Basis of Accounting :

The Company follows the Mercantile System of Accounting and recognizes Income and expenditure on Accrual Basis. The accounts are prepared on Historical Cost Basis, as going concern, and consistent with generally accepted accounting principles.

ii) Fixed Assets and Depreciation:

Fixed Assets are stated at cost less accumulated depreciation. Cost of acquisition or construction is inclusive of freight, duties, and incidental expenses. Depreciation on all fixed assets has been charged on Written Down Method at the rates and the manner prescribed in Schedule XIV to the Companies Act, 1956. Items costing upto Rs. 5000/- each are fully depreciated in the year of purchase. Depreciation is charged on pro-rata basis in respect of assets acquired/ sold during the year.

iii) Inventories:

Raw Material & Stores : At cost, cost is based on FIFO Method.

Semi Finished/Finished : At lower of cost or realizable value.

iv) Investment

Long term Investment is valued at cost, is provided only where it is of permanent nature.

v) Impairment of Assets

An asset is reared as impaired when carrying cost of the asset exceed the recoverable value and impairment loss is charged to profit & loss account in the year in which an asset is identified as impaired. The impairment loss recognized in previous year is reversed if there has been a change in the estimate of recoverable amount.

vi) Borrowing Costs

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of cost of such assets. A qualifying asset is one that necessarily take substantial period of time to get ready to use. All other borrowing cost have being charge to revenue.

vii) Sales

Presently, company is under construction. Production is not started. Hence, no sale of product has been shown.

viii) Contingent Liabilities:

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes to the Accounts. Contingent Assets are neither recognized nor disclosed in the financial statement.

xi) Retirement Benefits:

Contribution is made under relevant rules/statutes to the Provident Fund and which are charged to Profit and Loss Account for the year on accrual basis. Liability for gratuity

and Leave encashment as on 31st March, 2011 has been determined on the basis of actuarial valuation and provided for in the accounts.

xii) Taxes on Income:

Current tax is determined on the amount of tax payable on the taxable income for the year in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax Assets/ Liabilities are recognized on significant timing Differences, arising from the different treatments in accounting and taxation of relevant item. Deferred tax Assets/ Liabilities shall be reviewed as at Balance Sheet date, based on development during the year, to reassess realization/ liabilities.

Deferred Tax Assets in respect of carry forward of losses and unabsorbed Depreciation is recognized only if there is virtual certainty that there will be sufficient future taxable Income available to realize such loss.

B. Notes to the Accounts

- Figures have been rounded off nearest to rupee.
- The previous year figures have been regrouped and re-classified wherever necessary to make them comparable.
- All the current assets, loans and advances in the opinion of the Board, have a value on realization, which in the ordinary course of business shall at least be equal to the amount at which it is stated in the Balance Sheet.
- Balance of certain sundry debtors, creditors and advances are subject to confirmation/reconciliation. The management does not expect any material discrepancy affecting the current year financial results.
- Auditors' Remuneration**

S. No.	Particulars	Current Year Rupees (in '000)	Previous Year Rupees (in '000)
i)	As Statutory Auditor	82,725	16,855
	Total	82,725	16,855

- The Company has distributed Agro inputs valuing Rs. 6.80 Lakhs (previous year Rs. Nil) for the development of sugarcane's cultivation in its reserved zone at subsidized price of Rs. 3.34 Lakhs (Previous year Rs. Nil). The net difference of Rs. 2.38 Lakhs (Previous year Rs. Nil) has been included under the Cane Development Expenses.
- Consequent upon AS-28 Impairment of Assets being mandatory by the Institute of Chartered Accountants of India, the company has carried out an exercise to ascertain the impairment, if any, in the company value of its fixed assets. However, no such case found.
- The business activity of the company falls within a single primary business segment viz Sugar & Power and basically sale of product is within the country.
- Advance Recoverable in cash or kind appearing under schedule-9 for Loans & Advance includes an amount aggregating Rs. 10,16,000 (Previous year "Nil") paid, where the Managing Director of the Company is interested as Director. Maximum amount outstanding during the year is same.



10. The company is in process of identifying its suppliers as Micro, Small and Medium Enterprises as defined under the "Micro, Small and Medium Enterprises Development Act 2006". However the company has not received any intimation/communication from their suppliers regarding applicability of this act to them. Therefore no such disclosure under the said act has been furnished.

11. Related Party Disclosure : In accordance with the requirements of Accounting Standard (AS)-18 on "Related Party Disclosure" issued by The Institute of Chartered Accountants of India, the names of the related parties where control exists and with whom transactions have taken place during the period and description of relationship as identified and certified by the management are:

a) Holding Company

i) Indian Sucrose Limited

b) Other related parties where transaction have taken place during the year

i) Key Management Personnel

- 1) Mr. D.P. Singh - Director
- 2) Mr. Kunal Yadav - Director
- 3) Mrs. Umlesh Yadav - Director
- 4) Mr. Suraj Yadav - Director

c) Transactions with the above related parties

ii) Relatives of Key Management Personnel
1) Mrs. Bharti Singh (Daughter of Director)

iii) Enterprises significantly influenced by Directors and/or their relatives:

- 1) D.P. Yadav & Sons (HUF)
- 2) Banga Pufuam Private Limited
- 3) Bulandshahar Enterprises
- 4) Captain Vincom Private Limited
- 5) Cosmos Industries Limited
- 6) Indian Sucrose Limited
- 7) Nitishree Residency Private Limited
- 8) Noble Buildcon Private Limited
- 9) Rangar Breweries Limited
- 10) Scorpion News Communication Private Limited
- 11) Swadeshi Builders
- 12) Top Image Estate Private Limited
- 13) Vanish Industries Private Limited
- 14) Yadu India Limited
- 15) Yadu Overseas Limited
- 16) Yadu Resorts India Limited

Company where control exist										
Banga Pufuam Private Limited									235.00	
Bulandshahar Enterprises								100.00 (100)		
Captain Vincom Private Limited								140.00		
Cosmos Industries Limited					286.20			485.00	0.05	
Dharamputra Builders Pvt. Ltd.					8.00					
Indian Sucrose Limited	108.28	10.50	-	1000	186.20	500.00	600.00	(25.00)	-	1.72
Nitishree Residency Pvt. Ltd.								283.00		
Noble Buildcon Private Limited								299.50 (4.50)		
Rangar Breweries Limited								35.00	10.00	
Scorpion News Communication Private Limited									0.11	-
Swadeshi Builders								69.00 (25.00)		
Top Image Estate Private Limited								4.00 (4.00)		
Vanish Industries Private Limited					3.60			90.00		
Yadu India Limited								397.50 (21.50)		
Yadu Overseas Limited					5.197					
Key Managerial Personnel										
Mr. D.P. Singh								41.50		
Mr. Kunal Yadav								252.00 (12.00)		
Mrs. Umlesh Yadav								143.50 (2.50)		
Mr. Suraj Yadav								111.03		
Relative of Key Managerial Personnel										
Mrs. Bharti Singh								9.00		
Kunal Enterprises			4.51							
D P Yadav & Sons (HUF)								54.90 (4.90)		



12. Statement of Expenses during construction period pending allocation as on 31st March, 2011 is as under:

S. No.	Particulars	Current Year	Previous Year
1	Entry Tax + Interest Paid	1,072,734	—
2	Financial Charges	43,817,503	—
3	Hire Charges	872,208	—
4	Cane Development Expenses	41,65,407	—
5	Conveyance Expenses	4,01,791	—
6	Fees & Subscription	110,131	—
7	Insurance	184,723	—
8	Interest paid on WCT	48,882	—
9	Power & Fuel Expenses	5,114,900	—
10	Postage & Telephone Expenses	284,688	—
11	Professional Charges	28,614,251	—
12	Provident Fund & Other Administration Fee	54,585	—
13	Printing & Stationery	286,463	—
14	Running & Maintenance : Vehicle	1,492,551	—
15	Salary & Other Perks	12,615,611	—
16	Security Charges	1,370,753	—
17	Staff Welfare Expenses	1,294,141	—
18	Travelling Expenses	1,291,508	—
	Sub-Total	103,092,830	—
19	Less : Interest Receipts :FDR	145,653	—
	Total	102,947,177	—

13. other additional information pursuant to the provision of paragraph 3 and 4 of part –II of Schedule VI to the Companies Act, 1956 is not given being either Nil or not applicable.

For B.K. KAPUR & CO.,
Chartered Accountants,
Firm Registration No. 000852C

(M.S. KAPUR) F.C.A.
PARTNER.
M.No.74615

Place : Ghaziabad
Dated : 29-08-2011



Balance Sheet Abstract and Company's General Business Profile :

1. REGISTRATION DETAILS

i) Registration No.	93698
ii) State	55
iii) Balance Sheet Date	31.03.2011

2. CAPITAL RAISED DURING THE YEAR

i) Public Issue	NIL
ii) Right Issue	NIL
iii) Bonus Issue	NIL
iv) Private Placement	6000

3. (A) POSITION OF MOBILISING AND DEPLOYMENT OF FUNDS

(AMOUNT IN THOUSANDS)

TOTAL LIABILITIES	1028707
TOTAL ASSETS	1028707

(B) SOURCE OF FUNDS

i) Paid Up Capital	11064
ii) Res. & Surplus	97935
iii) Secured loans	402210
iv) Unsecured Loans	109601
v) Share Application Money	407893
vi) Deferred Tax	4

(C) APPLICATION OF FUNDS

i) Net Fixed Assets	1098288
ii) Investments	49220
iii) Net Current Assets	118801
iv) Misc. Exp.	NIL
v) Accumulated Losses	NIL

4. PERFORMANCE OF COMPANY

i) Turnover Including Other Incomes	0
Since Company is under Erection & Commissioning. Production is yet to be started	
ii) Total Expenditure	3958
iii) Profit/(Loss) Before Tax	3958
iv) Profit/(Loss) After Tax	3958
v) Dividend Rate	NIL

5. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS OF THE COMPANY

Item Code No.	17011109
Production Description	White Crystal Sugar
Item Code No.	1703110
Production Description	Molasses
Item Code No.	23010000
Production Description	Bagasse
Item Code No.	NA
Production Description	Cogen Power
Since Company is under Erection & Commissioning. Production is yet to be started	

For B.K. KAPUR & CO.,
Chartered Accountants,
Firm Registration No. 000852C

(M.S. KAPUR) F.C.A.
PARTNER.
M.No.74615

Place : Ghaziabad
Dated : 29-08-2011



INDIAN SUCROSE LIMITED

Regd. Office : G.T. Road, Mukerian Distt. Hoshiarpur- 144211

(PROXY FORM)

I/We.....
of.....
being a member/members of INDIAN SUCROSE LIMITED hereby appoint
in the district of or failing him/her.....of.....
in the district of.....
as my/our proxy to vote for me/us and on my/our behalf at the 20th Annual General Meeting of the Company to be held on Friday, the 30th day of September, 2011 at 11.00 A.M. and at any adjournment thereof at the Registered Office of the Company.

Signed this day of _____, 2011 by the said _____
Signature _____
Address _____
Folio/DP ID/Client ID No. _____

Affix
Re. 1/-
Revenue
Stamp.

NOTE : The proxy form duly signed across Revenue Stamp of Rs. 1/- must be returned so as to reach the Registered Office of the Company 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.



INDIAN SUCROSE LIMITED

Regd. Office : G.T. Road, Mukerian Distt. Hoshiarpur- 144211

(ATTENDANCE SLIP)

(Please complete this slip and hand it over at the entrance of Meeting Hall) I/We hereby record my/our presence at the 20th Annual General Meeting held at the Registered Office of the company at G. T. Road, Mukerian, Distt. Hoshiarpur-141 211, on Friday, the 30th day of September 2011 at 11.00 A.M.

NAME OF MEMBERS (In Block Letters).....
NO.OFSHARES HELD.....
FOLIO/DPID/CLIENTIDNO.

SIGNATURE OF SHARHOLDER/PROXY PRESENT

*** Strike out whichever is not applicable**

Note: Member may please note than NO GIFT will be distributed at the meeting.

Book Post

(Printed Matter)

If undelivered please return to :
Indian Sucrose Limited
G.T. Road, Mukerian
Distt. Hoshiarpur 144 211. (PUNJAB)