



NOTICE

NOTICE is hereby given that the 69th Annual General Meeting of the members of **Amrit Corp. Limited** will be held at Chaudhary Bhavan (Near Jain Mandir), E Block, Kavi Nagar, Ghaziabad-201 002 (U.P.) on **Tuesday, the 28th September, 2010** at 11.00 a.m. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To declare dividend on the Equity Shares.
3. To appoint a Director in place of Shri G.N.Mehra, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Romesh Lal, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri A.K.Bajaj, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

7. To consider and if thought fit, to pass with or without modifications, the following resolution as SPECIAL RESOLUTION:

"**RESOLVED** that pursuant to the provisions of Sections 198, 269, 309 & 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) and subject to such other approvals, if and as may be required, the consent and approval of the Company be and is hereby accorded to the appointment of Shri A.K.Bajaj as Managing Director of the Company w.e.f. 1st July, 2010 for a period of three years on the remuneration and other terms & conditions, as set out in the Explanatory Statement annexed hereto.

RESOLVED FURTHER that pursuant to Section 198 and all other applicable provisions of the Companies Act, 1956, the remuneration by way of salary and perquisites as set out in the annexed Explanatory Statement be paid as minimum remuneration to Shri A.K.Bajaj or such minimum remuneration as permissible in Schedule XIII to the Companies Act, 1956 notwithstanding that in any financial year of the Company during his tenure as Managing Director, the Company has made no profits or profits are inadequate.

RESOLVED FURTHER that the Board of Directors/ Remuneration Committee be and are hereby authorised to alter or vary the terms of appointment of Shri A.K.Bajaj, including relating to remuneration, as it may, at its discretion, deem fit from time to time, so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) or any amendments made thereto"

By Order of the Board
For **AMRIT CORP. LTD.**

CERTIFIED TRUE COPY

Regd. Office:

CM/28-C, 1st Floor,
Gagan Enclave,
Amrit Nagar, G.T. Road,
Ghaziabad-201 009 (U.P.)

P. K. Das
Company Secretary

Dated : July 24, 2010

NOTES:

1. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED AND IF INTENDED TO BE USED, IT SHOULD BE DEPOSITED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.

3. Information required under Clause 49 IV(G)(i) of the Listing Agreement (relating to Corporate Governance) with respect to the Directors retiring by rotation and, being eligible, seeking re-appointment is given in the Corporate Governance Report annexed to this Annual Report.
4. The Registers of Members and Share Transfer Books of the Company will remain closed from Monday, the 20th September, 2010 to Tuesday, the 28th September, 2010 (both days inclusive).
5. The dividend for the year 2009-10 on the equity shares will be paid to those members whose names appear in the Register of Members of the Company as on 28th September, 2010. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership position as at the end of the day on 19th September, 2010 as per data to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
6. Shareholders of the Company are informed that pursuant to the provisions of Section 205C of the Companies Act, 1956, the amount of dividend which remains unpaid/unclaimed for a period of 7 years would be transferred to the 'Investor Education & Protection Fund' constituted by the Central Govt. Shareholders who have not encashed their dividend warrant(s) for the years 2004-2005, 2005-06, 2006-07, 2007-08 and 2008-09 are requested to make claim with the Company immediately as no claim shall lie against the Fund or the Company in respect of individual amount once credited to the said Fund.
7. Members holding shares in physical form are requested to intimate immediately to the Registrars & Share Transfer Agents of the Company, M/s MAS Services Ltd., T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110 020 quoting registered Folio No. (a) details of their bank account/change in bank account, if any, to enable the Company to print these details on the dividend warrants; and (b) change in their address, if any, with pin code number. The following information to be incorporated on the dividend warrants may be furnished :
 - i) Name of Sole/First joint holder and the folio number.
 - ii) Particulars of Bank Account, viz.
 - (a) Name of the Bank
 - (b) Name of the Branch
 - (c) Complete address of the Bank with Pin Code number
 - (d) Bank Account Number allotted by the Bank and nature of the Account (Savings/Current etc.)
8. In terms of Section 109A of the Companies Act, 1956, the shareholders of the Company may nominate a person on whom the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit nomination in Form 2B.
9. The Company has entered into agreements with CDSL and NSDL to offer depository services to the Shareholders. Shareholders can open account with any of the depository participants registered with CDSL and NSDL.
10. Any member requiring further information on the Accounts at the meeting is requested to send the queries in writing to the Company Secretary by 15th September, 2010.
11. Members are requested to bring their copies of Annual Report at the meeting, as extra copies will not be supplied.
12. Pursuant to the requirement of the listing agreement, the Company declares that its equity shares are listed on the stock exchanges at Mumbai and Kanpur. The Company has paid the annual listing fee for the year 2010-11 to both the above stock exchanges.
13. In respect of the matters pertaining to Bank details, ECS mandates, nomination, power of attorney, change in name/address etc., the members are requested to approach the Company's Registrars & Share Transfer Agents, in respect of shares held in physical form and the respective Depository Participants, in case of shares held in electronic form. In all correspondence with the Company/Registrars & Share Transfer Agents, members are requested to quote their account/folio numbers



or DP ID and Client ID for physical or electronic holdings respectively.

14. Only registered members carrying the attendance slips and the holders of valid proxies registered with the Company will be permitted to attend the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No.7

Shri A.K.Bajaj was re-appointed as Managing Director of the Company for a period of 3 years with effect from 1st July, 2007 as approved by the shareholders by Special Resolution at the Annual General Meeting of the Company held on 27th September, 2007.

In accordance with the provisions of the Schedule XIII of the Companies Act, 1956, the companies having no profit or inadequate profit are permitted to pay remuneration on a graded scale based on the effective capital upto a maximum of Rs.48 lacs per annum or Rs.4 lac p.m. subject to certain conditions including approval of such remuneration by the Remuneration Committee and the approval of the shareholders by way of special resolution for a period not exceeding three years.

The net profit of our Company for the year 2009-10 as computed under Section 349 of the Companies Act, 1956 (i.e. for the purpose of managerial remuneration) was Rs. 3,28,75,458/- lacs as per the Profit & Loss Account for 2009-10, which means that we can pay up to Rs. 16,43,773/- lacs, being 5% of the profit, as remuneration to the Managing Director in a financial year, which is less than the existing remuneration of the Managing Director. Accordingly, the Remuneration Committee of the Directors as well as the Board of Directors have, in their separate meetings held on 24th July, 2010, approved the re-appointment and payment of remuneration to Shri A.K. Bajaj as Managing Director in accordance with the provisions of Schedule XIII of the Companies Act, 1956 w.e.f. 1st July, 2010 for a period of three years as given hereunder:

(1) Salary

Salary @ 1,60,000/- per month in the grade of Rs.1,40,000 - 20,000 - 2,00,000.

(2) Perquisites and allowances

- i) The Managing Director shall also be entitled to perquisites and allowances like furnished accommodation or house rent allowance in lieu thereof subject to a ceiling of 60% of the salary, house maintenance allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, repairs, servants' salaries, medical reimbursement for self and dependent family, medical accident/Keyman Insurance, leave travel concession for self and family, club membership subject to maximum of two clubs; such perquisites and allowances will be restricted to an amount equal to 75% of the annual salary.
- ii) For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per the Income-tax Rules, wherever applicable. In the absence of such Rules, perquisites and allowances shall be evaluated at actual cost.
- iii) Provision for use of Company's car for official duties and telephone at residence shall not be included in the computation of perquisites and allowances for the purpose of calculating the said ceiling. Personal long distance calls on telephone and use of car for personal purposes shall be billed by the Company.
- iv) Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or together are not taxable under the Income Tax Act, Gratuity payable as per the Rules of the Company and encashment of leave at the end of the



tenure shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

(3) Commission

Such remuneration by way of commission in addition to the salary, perquisites and allowances subject to a ceiling of 50% of the annual salary calculated with reference to the net profit of the Company in a particular financial year as may be determined by the Board of Directors at the end of each financial year subject to the overall ceilings as stipulated in the Sections 198 and 309 of the Companies Act, 1956.

(4) Shri A.K.Bajaj will not be entitled to sitting fees for attending meeting of the Board or Committee(s) thereof.

The special resolution set out in Item No.7 is intended to obtain approval of the members to the appointment and payment of remuneration to Shri A.K. Bajaj as the Managing Director and the Board recommends the acceptance thereof.

The explanatory statement and the resolution at Items No. 7 of the Notice is and may be treated as an abstract of the terms and memorandum of interest

pursuant to the provisions of Section 302 of the Companies Act, 1956.

Shri A.K. Bajaj is interested or concerned in the proposed resolution. Shri N.K.Bajaj and Shri V.K.Bajaj, being related to Shri A.K.Bajaj, may also be deemed to be interested in the said resolution. None of the other Directors of the Company is concerned or interested in the resolution.

The terms of remuneration of Shri A.K.Bajaj has the approval of the Remuneration Committee constituted by the Board.

The General Information as required pursuant to the provisions of Schedule XIII of the Companies Act, 1956 is contained in the statement annexed hereto (Annexure-1).

CERTIFIED TRUE COPY

By Order of the Board

For AMRIT CORP. LTD.

For AMRIT CORP. LIMITED

Regd. Office:

CM/28-C, 1st Floor,
Gagan Enclave,
Amrit Nagar, G.T. Road,
Ghaziabad-201 009 (U.P.)

Dated : July 24, 2010

Company Secretary
Company Secretary



Annexure-1 referred to in the Explanatory Statement

STATEMENT CONTAINING THE INFORMATION AS REQUIRED PER NOTIFICATION NO.G.S.R.36(E) DATED JANUARY 16, 2002 (i.e. PART II B OF SCHEDULE XI) IN RESPECT OF SHRI A.K.BAJAJ, MANAGING DIRECTOR

I. GENERAL INFORMATION

(1) Nature of Industry:

The Company manufactures and markets dairy milk & milk products and deals & develops properties/ real estate.

(2) Date or expected date of commencement of commercial production:

The Company is an established company and the commercial production at its first factory at Ghaziabad commenced in the year 1941.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not applicable.

(4) Financial performance:

(Rs.lacs)

	2005-06	2006-07	2007-08	2008-09	2009-10
Gross Sales Turnover	48,125	2,447	2,527	3,138	3,375
Net Profit/(Loss) before Interest, Depreciation & Tax	3,522	1,141	434	624	523
Net Profit as per Profit & Loss Account	1,461	716.99	150	278	260
Amount of dividend paid	195.81	48.20	48.20	64.27	64.27
Rate of dividend declared					
-Equity	15%	15%	15%	20%	20%
-Preference	*15%	-	-	-	-

*Interim dividend

Note: The results for the years 2006-07 and onwards are excluding paper & edible oil businesses which have been transferred to M/s ABC Paper Ltd. and M/s Amrit Banaspati Co. Ltd. under the Scheme of Arrangement.

(5) Export performance and net foreign exchange collaborations:

The Company has no export sales nor does the Company have any foreign exchange collaborations.

(6) Foreign investments or collaborators, if any:

The Company does not have any foreign investments or collaborators.

II. INFORMATION ABOUT SHRI A.K.BAJAJ, MANAGING DIRECTOR

(i) Background details:

Shri A.K.Bajaj, aged 48 years, has graduated in Science from Delhi University. Shri Bajaj joined the Company in the year 1984 as Chief Executive and was appointed as Joint Managing Director on

01.08.1992. He was designated as Managing Director w.e.f. 19.08.2003 and has been continuing as Managing Director since then. Shri A.K.Bajaj was the Managing Director of erstwhile Amrit Protein Foods Ltd. before its merger with the Company in the year 1992.

(ii) Past remuneration drawn:

Year	Amount (Rs.)
2007-08	29,02,886/-
2008-09	29,94,319/-
2009-10	29,99,425/-

Note: Contributions to Provident Fund, Superannuation Fund and Gratuity Fund are excluded from the above remuneration.

(iii) Job profile and suitability:

Shri A.K.Bajaj has been instrumental in diversifying the operations of the Company into dairy business and real estate business. He established state-of-the art facility for processing of UHT milk and other milk based products. He is also assisting the Chairman & Managing Director in various other corporate matters.

(iv) Remuneration proposed

Salary	1,60,000/- in the grade of 1,40,000-20,000-2,00,000
Perquisites & allowances	Up to 75% of salary
Commission	Up to 50% of the annual salary within the stipulated limits under the Companies Act, 1956

(v) Comparative remuneration profile with respect to industry:

Taking into consideration the size of the Company, the remuneration drawn by him in the past, the profile of Shri A.K.Bajaj and the responsibilities shouldered by him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial positions in other companies.

(vi) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Besides the remuneration proposed, the Managing Directors does not have any other

pecuniary relationship with the Company. Shri N.K.Bajaj, Chairman & Managing Director and Shri V.K. Bajaj, Director, being father and brother respectively of Shri A.K.Bajaj, are related to each other.

III OTHER INFORMATION

(1) Reasons of loss or inadequate profits:

The Company has been profitable for the last many years. However, under the Scheme of Arrangement, major businesses of the Company i.e. the paper business has been transferred to and vested in ABC Paper Ltd. and the edible oils & FMCG commodities business has been demerged and consolidated with Amrit Enterprises Ltd. (now 'Amrit Banaspati Co.Ltd.'). The Company, therefore, has been left with the food business and the real estate business, which have low volumes and profitability. The size and the profitability of the Company reduced to a large extent after the implementation of the Scheme of Arrangement.

(2) Steps taken or proposed to be taken for improvement:

The Company has added another business activity to its portfolio i.e. providing strategic business advisory and BPO related services to the Group Companies and others, which is being strengthened further. Consequently, the profitability of the Company will improve in the coming period.

(3) Expected increase in productivity and profits in measurable terms:

The financial performance of the Company will improve with the renewed focus on the real estate business and business advisory and BPO related services. Further, the increased productivity in the Food business is expected to further add to the profitability of the Company in the current year.

By Order of the Board
For AMRIT CORP. LTD.

Regd. Office:
CM/28-C, 1st Floor,
Gagan Enclave,
Amrit Nagar, G.T. Road,
Ghaziabad-201 009 (U.P.)
Dated : July 24, 2010

P. K. Das
Company Secretary



DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the 69th Annual Report on the business and operations of the Company together with Audited Statement of Accounts of your Company for the financial year ended 31st March, 2010.

FINANCIAL RESULTS

The summarized financial results of the Company for the year 2009-10 are given hereunder:

	(Rs. in lacs)	
	2009-10	2008-09
Sales & other income	3,855.38	3,583.75
Operating Profit (EBIDTA)	522.85	624.01
Interest	107.37	88.66
Gross Profit (PBD)	415.48	535.35
Depreciation	119.78	123.06
Profit before tax (PBT)	295.70	412.29
Provision for		
- Current Tax (including wealth tax)	34.90	35.78
- FBT	-	8.69
- Deferred Tax	1.81	6.40
Net Profit	259.19	361.42
Adjustments relating to previous years		
- Tax adjustment	-	83.48
- Depreciation written back	(0.37)	(0.01)
Net profit after previous years' adjustments	259.56	277.95
Balance brought forward from previous year	994.62	1,192.86
Profit available for appropriation	1,254.18	1,470.81
Appropriations :-		
- Proposed dividend on equity shares	64.27	64.27
- Tax on dividend	10.67	10.92
- Transfer to General Reserve	200.00	400.00
Balance carried to Balance Sheet	980.24	995.62

DIVIDEND

Your Directors are pleased to recommend dividend @ Rs. 2.00 per share (i.e. 20%) on the Equity Shares of Rs.10/- each for the year ended 31st March, 2010, same as in the previous year.

OPERATIONS

- During the year under review, the sales and other income of your Company increased to Rs. 3,855.38 lacs from Rs. 3,583.75 lacs in the previous year, recording a growth of over 7%. The operating profit (EBIDTA), however,



decreased by 16.21% from Rs. 624.01 lacs to Rs 522.85 lacs. The net profit after tax for the current year (after prior period adjustments) is Rs. 259.56 lacs as against Rs.277.95 lacs in the previous year. The main reasons for the low profitability is real estate segment where there were no operations during the year;

- ❖ The production of dairy milk & milk products during the year was 8,567 KL as against 7,606 KL in the previous year representing a growth of 12.63%. Fresh Cream and Ice-Cream Mix launched last year posted good growth. The increase in raw material prices and other inputs costs led to frequent price revisions which, consequently, impacted growth. The profitability of the Dairy Division was impacted as increase in the inputs prices was very sharp and the gap could not be fully bridged by increase in product prices. The Dairy Division is laying special thrust on organized retail and institutional clients, like McDonald's, Mother Dairy, Coffee Chains etc. to achieve growth. Significant growth is also expected in new products, i.e. ice-cream mix and fresh cream, launched last year by opening upcountry markets.
- ❖ The turnover in the real estate sector is negligible as the sale of Gagan Enclave Extension project could not be taken up due to non-receipt of regulatory approvals. The implementation of this project will be taken-up in the current year which will give boost to the profitability of this Division.
- ❖ In the services segment, there was improvement in the operating profit due to higher other income on account of increased royalty from corporate logo. Corporate Governance & compliance mechanism in the group companies is being strengthened and re-oriented in line with the present day business requirements.

The Management Discussion & Analysis Report on these businesses for the year ended 31st March, 2010 also appears as a separate statement in the Annual Report.

JOINT-VENTURE

There has been no progress in the housing project at Dehradun being implemented by the joint venture company, M/s Amrit Digvijay Infra-Tech Pvt.Ltd., as

the remaining portion of the land could not be acquired. Efforts are being made to sell the land already acquired and apply the proceeds in another project.

ASSOCIATE COMPANIES

(i) Amrit Banaspati Co. Ltd. (ABCL)

During the year, Amrit Banaspati posted gross turnover of Rs. 80,778.62 lacs and EBITDA of Rs. 1,994.20 lacs as against Rs. 80,806.64 lacs and Rs. 1,294.38 lacs during the previous year. ABCL is focusing on expansion of its product portfolio by offering innovative value added branded products thereby scaling-up the operations and economizing on costs with a view to improve margins.

(ii) ABC Paper Ltd. (APL)

The gross turnover during the year under review was Rs. 22,048.61 lacs and EBITDA of Rs.3,851.93 lacs as against Rs. 20,917.92 lacs and Rs. 3,935.10 lacs respectively in the previous year. ABC Paper has completed Mill Expansion Plan and the increase in volumes is the direct result of this initiative. Your Company is divesting its investment in APL and will apply the proceeds for expansion of the existing operations of the company.

FIXED DEPOSITS

As on 31st March, 2010, your Company had Fixed Deposits of Rs. 623.91 lacs (including interest accrued and due). There were no overdue deposits as on 31st March, 2010 nor there was any failure in making repayment of the fixed deposits on maturity and interest due thereon in terms of the conditions of your Company's Fixed Deposits Scheme.

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

The information relating to conservation of energy, technology absorption and foreign exchange earning & outgo as required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in Annexure which forms part of this Report.



PERSONNEL

Cordial employee relations were maintained throughout the year in the Company. The Directors express their appreciation for the contribution made by the employees to the operations of the Company during the year.

The particulars of employees as per Section 217(2A) of the Companies Act, 1956 are set out in the Annexure which forms part of this Report. However, as per the provisions of Section 219(1)(b)(iv) of the said Act, the report and accounts are being sent to all the members of the Company excluding the aforesaid information. This statement shall be made available for inspection by any member during working hours for a period of 21 days before the date of the Annual General Meeting. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company and will be provided with a copy of the same.

DIRECTORS

Shri J.K. Khaitan and Shri Pavan Khaitan resigned as Directors w.e.f. July 16, 2010 consequent to restructuring of shareholding amongst the promoters of the Company. The Board placed on record its appreciation for the valuable services rendered by Shri J.K. Khaitan and Shri Pavan Khaitan during their tenure as Directors of the Company.

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Shri G.N. Mehra, Shri Romesh Lal and Shri A.K. Bajaj retire by rotation and are eligible for re-appointment.

AUDITORS

M/s V. Sahai Tripathi & Co., Chartered Accountants, Statutory Auditors, retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under section 217(2AA) of the Companies Act, 1956, your Directors confirm:

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

- (ii) that the accounting policies selected and applied are consistent and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- (iii) that 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) that the annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE

A Report on Corporate Governance along with a Certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance pursuant to Clause 49 of the listing agreement with stock exchanges is annexed and forms part of the Annual Report.

ACKNOWLEDGEMENT

Your Directors convey their sincere thanks to the various agencies of the Central Government, State Governments, Banks and other concerned agencies for all the help and cooperation extended to the Company. The Directors also deeply acknowledge the trust and confidence the shareholders and investors have placed in the Company. Your Directors also record their appreciation for the dedicated services rendered by the workers, staff and officers of the Company.

For and on behalf of the Board

CERTIFIED TRUE COPY

Noida
July 24, 2010

N.K. BAJAJ

Chairman & Managing Director

For AMRIT CORP. LIMITED

Company Secretary

Amrit Corp. Limited

ANNEXURE

STATEMENT CONTAINING PARTICULARS PURSUANT TO THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF DIRECTORS' REPORT

1. CONSERVATION OF ENERGY

- (a) The Company has been laying emphasis on the conservation of energy and taking several measures like effective control on utilization of energy and regular monitoring of its consumption etc. The adoption of energy conservation measures has helped the Company in reduction of cost and reduced machine down-time.
- (b) Energy conservation is an ongoing process and new areas are continuously identified and suitable investments are made, wherever necessary.
- (c) Various on-going measures for conservation of energy include (i) use of energy efficient lighting and better use of natural lighting, (ii) reduction of energy loss, and (iii) replacement of outdated energy intensive equipment.
- (d) Total energy consumption and energy consumption per unit of production is given in the table below:

POWER & FUEL CONSUMPTION

		Dairy Products	
		2009-10	2008-09
1	ELECTRICITY		
	(a) Purchased		
	- Units (lacs Kwh)	12.40	13.02
	- Total amount (Rs. lacs)	67.64	67.37
	- Rate/Unit (Rs./Kwh)	5.45	5.18
	(b) Own generation		
	Through Diesel Generator		
	- Units (lacs Kwh)	9.93	7.83
	- Units/Ltr. of Diesel Oil	3.24	2.97
	- Cost/Unit (Rs./Kwh)	9.25	10.43
2	BOILER FUEL		
	(a) Pet Coke		
	Total quantity (In tones)	484.92	-
	Total cost (Rs. lacs)	37.75	-
	Average rate/Kg. (Rs.)	7.63	-
	(b) Furnace Oil		
	Total quantity (in KL)	109.90	237.73
	Total cost (Rs. lacs)	23.20	51.75
	Average rate/Ltr. (Rs.)	21.11	21.77
	(c) H.S.D.		
	Total quantity (in KL)	4.20	216.09
	Total cost (Rs./lacs)	1.26	67.05
	Average rate/Ltr. (Rs.)	29.99	31.03
3	CONSUMPTION PER UNIT OF PRODUCTION		
	Production (KL)	8,567	7,606
	Electricity/KL (Kwh)	261	274



II. TECHNOLOGY ABSORPTION

Research and Development

- (a) The Company carries out research and development in several areas including material & process developments towards efficiency improvements, quality improvements, waste reduction etc. Apart from process improvements, the research and development also aims at finding equivalent substitutes of various inputs and packaging materials to have cost savings without compromising quality.
- (b) The Company has derived benefits of product diversification, cost reduction and better quality as a result of the above efforts.
- (c) The research and development is an on-going exercise and suitable efforts will continue to be made in future.
- (d) The expenditure on R & D has been as follows:

- (i) Capital
(ii) Recurring
(iii) Total
(iv) Total R&D expenditure as a percentage of turnover

	2009-10	2008-09
	Rs. in lacs	
	—	—
	6.18	0.11
	9.16	0.11
	—	—

Technology absorption, adaptation and Innovation

The Company has not imported any technology for its products.

III. FOREIGN EXCHANGE EARNINGS & OUTGO

Particulars with regard to foreign exchange earnings & outgo appear on page 57 of the Annual Report and Accounts.

For and on behalf of the Board

Noida
July 24, 2010

N.K. BAJAJ
Chairman & Managing Director

MANAGEMENT DISCUSSION & ANALYSIS

1. BUSINESS ENVIRONMENT

The financial year 2009-10 began amid great uncertainty about the global as well as the domestic macro environment. To cope with the global financial crisis, which impacted the world economy in 2008-09, Governments as well as the central banks across developed and many emerging economies reacted quickly and decisively with large interest rate cuts, massive injection of liquidity and fiscal stimulus programmes. These measures helped in reducing uncertainties, increasing confidence, fostering improvement in financial conditions and allaying fears of a global depression. While the major emerging markets bounced back quickly, the developed world economies have seen a gradual or slow rebound from the recessionary trend seen last year. There are serious imbalances in some of the European economies which are major concern; even so, the world is probably on course for resumption of economic growth with the pace being different from region to region.

The various stimulus measures which have been introduced by the Govt. of India and the Reserve Bank of India towards the end of 2008 played an important role in maintaining liquidity in the financial system, limiting the spill-over impact on the real economy and underpinning a widespread confidence that the Indian economy was well-placed to weather the storm. That resilience has been demonstrated by an upswing in economic activity from the beginning of the financial year 2009-10. Industrial output saw a recovery with the Index of Industrial Production registering growth of 10.4% for the period April, 2009 – March, 2010; significantly up from 2.6% growth recorded in the previous year. Accordingly, the Indian economy is expected to record GDP growth of 7.5% in the financial year 2009-10. Emerging markets in general, and India in particular, are leading the way on the road to recovery, with strong growth-rates based on robust economic fundamentals. Despite inflationary pressures gradually building, a steady monetary policy course has been maintained, with a focus on supporting growth recovery.

2. BUSINESS SEGMENT-WISE ANALYSIS

2.1 SEGMENT - DAIRY PRODUCTS

(a) Industry structure and development

The dairy industry is of crucial importance to India. The country is the world's largest milk producer accounting for more than 13% of world's total milk production. The annual milk production in India has been more than 100 metric tonnes and is growing at the rate of around 5-6% per annum. The dairy products are major source of cheap and nutritious food to millions of people in India and the only acceptable source of animal protein for a large vegetarian segment of Indian population, particularly, the landless, small & marginal farmers and women.

The milk processing industry is small compared to the huge amount of milk produced every year. Only about 15% of all the milk is delivered to the dairy plants. A specific Indian phenomena is the unorganized sector of milkmen & vendors who collect the milk from local producers and sell the milk in both urban and non-urban areas, which handle about 65-70% of the national milk production. In the organized dairy industry, cooperative milk processors have about 60% milk share. The cooperative dairies process 90% of the collected milk as liquid milk whereas the private dairies process and sell only 20% of the milk collected as liquid milk and the remaining 80% is used for other value added dairy products.



(b) Opportunities and threats

The demand for milk, at current rate of GDP growth, is estimated to grow at 7% p.a. The demand for milk is expected to grow steadily over the next decade or so as the low income rural and urban families who have higher expenditure elasticity would also increase their income due to new economic environment. The untapped potential of the dairy sector is immense and opportunity to set up dairy processing units is great. The changing marketing trends and consumer awareness towards hygiene, health consciousness and life style will push the demand for processed milk. Further, the increasing presence of the fast food eateries and coffee chains will ensure sustained growth for processed milk and milk products. Similarly, the food services institutional market is expected to post good growth in the coming period. Your Company sees it as a growth area and is taking initiatives to harness the same. However, the total share of the organized milk market is barely 15% and as much as 85% share of the total milk production is commanded by the unorganized sector which specializes in selling sub-standard and more often than not adulterated milk with harmful chemicals.

(c) Segmental review

The production of dairy milk & milk products during the year was 8,567 KL as against 7,606 KL in the previous year representing a growth of 12.63%. The Dairy Division achieved sales turnover of Rs. 3,123.78 lacs as against Rs. 2,789.30 lacs in the previous year and operating profit (EBIDTA) of Rs. 188.02 lacs as against Rs. 218.97 lacs in the previous year.

(d) Risks and concerns

The UHT milk market has certain inherent weaknesses and because of the high processing cost, the UHT milk is expensive than the pasteurized milk. The fluctuation in the raw milk prices leads to volatility in the market and consequent reduction of margins. Rapidly changing consumer habits may also necessitate reorientation of market strategies and prudent marketing actions.

(e) Outlook

The Dairy Division has segmentized its business into retail, institutions and food services with a view to increase market penetration, open new upcoming markets, special thrust on organized retail and constant liaison with institutional clients, like McDonald's, Mother Dairy, Coffee Chains etc. The Division achieved significant growth in ice-cream mix and fresh cream launched last year by opening up-country markets. Significant growth is expected in these products in the current year by opening up-country markets in the States of Haryana, Punjab, Chandigarh and more focus in Delhi & NCR.

2.2 SEGMENT - REAL ESTATE

(a) Industry structure and development

Real estate sector which saw steep decline in property prices, shrinking rentals, unavailability of funds and backlog of construction projects started showing signs of recovery in 2009-10. Consumer confidence has started building-up backed by steep discounts and formation of stable Govt. at the Centre. This revival can also be attributed to the positive measures taken by Reserve Bank of India as well as the Govt. of India for supporting economic growth. The steps taken by developers to address consumer concerns through better packaging and positioning of their projects and cutting of prices also proved to be a contributory factor in the upswing.

(b) Opportunities and threats

The secular growth story of India with GDP growing at around 7-8% and the consequent impact on the real estate sector remains intact. It is widely believed that the real estate sector is positioned to capture the benefits of this economic growth. The recent down trend has led to a correction of prices across locations. Low cost/affordable housing is one of the segments in the sector which will continue to have demand over the next few years due to low interest rates on housing loans, increase in disposable income with salaried class, increase in middle class population and tax incentives. Your Company has positioned itself as a quality developer providing reasonably priced plots/flats to cater to the middle class segment. Due to nominal debt and good cash reserves, the Company is in a position to acquire land in C-tier towns of NCR at attractive prices.

Slow-down in Delhi & NCR markets due to economic downturn may affect the business operations. Further, the RBI measures on increased provisioning for real estate sector and its expression of concern on the asset price bubble, cost of debt may go-up for real estate industry.

(c) Segmental review

There was no activity in the real estate business during the year except for some sale of old inventory of commercial space in the Gagan Enclave township. The Gagan Enclave Extension project could not be taken-up due to non-receipt of all regulatory approvals. As a result, the volumes and profitability of the realty segment have been very low during the year.

(d) Risks and concerns

The real estate market is cyclical and depends largely on general economic conditions, a combination of demand and supply for floor space as well as overall return aspirations of the investors. The general down-turn in the economy led to poor demand and negatively impacted the real estate market. We believe that we are more resilient to the cyclicity of this business due to factors such as focus on remaining a local player, providing reasonably priced plots/flats, good cash reserve, low leverage and avoiding expensive land acquisitions in metros.

(e) Outlook

The real estate sector in India, after a rough patch in 2008-09, is looking optimistic, driven by price correction, launch of affordable housing and improved liquidity. With demand from real estate end-users returning, we think that the investors will also start aggressively exploring opportunities to deploy their funds. On the residential realty side, the sentiments indicate increasing willingness of people to buy houses and also a strong focus in the direction of providing affordable housing to India's emerging middle class. All this augurs well for your Company which is aiming at providing reasonably priced houses/plots to the middle class segment in the NCR region.

2.3 SEGMENT – SERVICES

The Company is providing business advisory and BPO services to the group companies. The services segment generated revenue (including other income) of Rs.593.85 lacs and operating profit (EBIDTA) of Rs.260.86 lacs during the year.



3. COMPANY'S FINANCIAL PERFORMANCE & ANALYSIS

During the year, sales and other income of the Company grew by over 7.58% to Rs. 3,855.38 lacs as against Rs. 3,583.75 lacs in the previous year. The operating profit (EBIDTA) decreased by 16.21% from Rs. 624.01 lacs to Rs. 522.85 lacs. The net profit after tax (after prior period adjustments) is Rs.259.56 lacs as against Rs. 277.95 lacs in the previous year.

4. INTERNAL CONTROL SYSTEMS

Your Company has evolved a system of internal controls to ensure that the assets are safeguarded and transactions are authorised, recorded and correctly reported. The internal control system is supplemented by management reviews and independent periodical reviews by the outside chartered accountancy firms which evaluate the functioning and quality of internal controls and provides assurance of its adequacy and effectiveness. The scope of internal audit covers a wide variety of operational methods and, as a minimum, ensures compliance with specified standards with regard to availability and suitability of policies and procedures, extent of adherence, reliability of management information system and authorization procedures including steps for safeguarding of assets. The Reports of internal audit are placed before Audit Committee of the Directors. Audit Committee reviews such audit findings and the adequacy of internal control systems. The Statutory Auditors and the Internal Auditors of the Company also interact with the Audit Committee to share their findings and the status of corrective actions under implementation.

5. HUMAN RESOURCES

The Company lays great emphasis on proper management of human resources and believes that this is the most important ingredient for achieving excellence in performance and sustainable growth. The management constantly reviews the skill mix and takes appropriate steps to achieve desired skill mix. For upgrading the skill, special emphasis is laid on training. Selective and intensive training is being imparted to employees at various levels.

6. CAUTIONARY STATEMENT

Statements in this "Management Discussion and Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied depending upon economic conditions, government policies, regulations, environmental laws, tax regimes and other incidental factors.

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on Code of Corporate Governance

The principles of Corporate Governance and the Code of Business Conduct & Ethics are the cornerstones of your Company. Your Company has consistently striven to implement best corporate governance practices reflecting its strong value system and ethical business conduct. The Company's philosophy on Corporate Governance envisages attainment of highest levels of transparency, accountability and integrity in the functioning of the Company with a view to create value that can be sustained continuously for the benefit of its stakeholders. All employees are bound by a Code of Conduct that sets forth Company's policies on important issues including our relationship with consumers, shareholders and Government.

2. Board of Directors

The Board of Directors consisted of 10 Directors as on 31st March, 2010. The Board has a healthy blend of executive and non-executive directors which ensures the desired level of independence in functioning and decision making. The Board comprises of a Chairman & Managing Director, a Managing Director and eight non-Executive Directors. Out of eight, five non-Executive Directors are independent directors. All the non-executive directors are eminent professionals and bring in wealth of expertise and experience for directing the management of the Company.

(a) Composition of the Board

Name of Director (S/Shri)	Category	No. of Board Meetings during 2009-10		Whether attended the last AGM	No. of directorships in other public limited companies	***No. of Committee positions held in other companies as	
		Held	Attended			Chairman	Member
N.K.Bajaj* (Chairman & Managing Director)	Promoter/ Executive	5	5	Yes	7	1	1
J.K.Khaitan** (Vice-Chairman)	Promoter/ Non-Executive	5	4	No	5	-	4
A.K.Bajaj (Managing Director)	Promoter/ Executive	5	5	Yes	4	-	1
V.K. Bajaj	Promoter/ Non-Executive	5	5	Yes	5	-	1
Pavan Khaitan**	Promoter/ Non-Executive	5	5	Yes	2	-	1
G.N.Mehra	Independent/ Non-Executive	5	5	Yes	6	4	3
Romesh Lal	—do—	5	5	Yes	3	1	-
K.R. Ramamoorthy	—do—	5	5	Yes	8	2	6
Praveen Kumar	—do—	5	5	Yes	1	-	-
Mohit Satyanand	—do—	5	4	Yes	3	-	1

* Without remuneration.

** Consequent to restructuring of shareholding amongst the promoters of the Company, Shri J.K. Khaitan and Shri Pavan Khaitan resigned as Directors w.e.f. 16.07.2010

*** Committee positions of only of Audit Committee and the Shareholders/Investors' Grievance Committee have been considered as per sub-clause I(C)(ii) of Clause 49 of the listing agreement with stock exchanges.

(b) Number of Board Meetings

During the financial year 2009-10, five (5) Board Meetings were held on 27th April, 2009, 30th July, 2009, 24th September, 2009, 28th October, 2009 and 27th January, 2010. The maximum interval between any two meetings was not more than 4 months.

(c) Information supplied to the Board

The Board of Directors has complete access to any information within the Company. At the Board Meetings, directors are provided with all relevant information on important matters, working of the Company as well as all related details that require deliberations by the members of the Board.

Information regularly provided to the Board inter-alia include:

- Annual operating plans, budgets & updates;
- Expansion/capital expenditure plans & updates;
- Production, sales & financial performance data;
- Business-wise operational review;
- Quarterly and annual financial results with segment-wise information;
- Minutes of the meetings of the Audit and other committees as well as circular resolutions passed;
- Significant initiatives and developments relating to labour/human resource relations and/or problems and their proposed solutions;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and Company Secretary;
- Materially important show cause/demand/prosecution/penalty notices and legal proceedings by or against the Company;
- Fatal or serious accidents or dangerous occurrences;
- Any issue which involves public or product liability claims of substantial nature;
- Materially significant effluent or pollution problems;
- Material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- Non-compliances of any regulatory or statutory provision or listing requirement on non-payment of dividend or delay in share transfers;
- Compliance reports of all laws applicable to the Company;
- Details of any joint-venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Proposals for investments, divestments, loans, guarantees, mergers and acquisitions;
- Sale of material nature of investments, subsidiaries and assets which is not in the normal course of business;
- Quarterly details of foreign exchange exposure and the steps taken by the management to limit the risk of adverse exchange rate movement;
- Any other information which is relevant for decision-making by the Board.

(d) Materially significant related party transactions

There have been no materially significant related party transactions, pecuniary transactions or relationship between Amrit Corp. Limited and its directors during the year 2009-10 that may have potential conflict with the interests of the Company at large.

(e) Details of remuneration paid to the Directors during the financial year 2009-10:

(Amount in Rs.)

Name (S/Shri)	Relationship with other Directors	Basic Salary	Perquisites+ Contribution to PF/other Funds	Commission	Sitting fees	Total
N.K.Bajaj	Father of Shri A.K.Bajaj & Shri V.K.Bajaj	-	-	-	-	-
J.K.Khaitan	Father of Shri Pavan Khaitan	-	-	-	60,000	60,000
A.K.Bajaj	Son of Shri N.K.Bajaj & Brother of Shri V.K. Bajaj	18,90,000	13,36,225	-	-	32,26,225
V.K.Bajaj	Son of Shri N.K.Bajaj & Brother of Shri A.K. Bajaj	-	-	-	75,000	75,000
Pavan Khaitan	Son of Shri J.K.Khaitan	-	-	-	75,000	75,000
G.N.Mehra	-	-	-	-	1,35,000	1,35,000
Romesh Lal	-	-	-	-	1,50,000	1,50,000
K.R. Ramamoorthy	-	-	-	-	1,35,000	1,35,000
Praveen Kumar	-	-	-	-	90,000	90,000
Mohit Satyanand	-	-	-	-	75,000	75,000

3. Committees of the Board

(a) Audit Committee

The Audit Committee was constituted on 29th July, 1995 and has since been in position since then. The scope and the terms of reference for the working of the Audit Committee is constantly reviewed and changes made from time to time to ensure effectiveness of the Committee. The constitution and terms of reference of the Audit Committee conform to the requirements of Clause 49 of the listing agreements and Section 292A of the Companies Act, 1956. Presently, the following functions are performed by the Audit Committee:

- Overseeing the company's financial reporting process and the disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory & internal auditors, fixing audit fees and approving payments for any other service;
- Reviewing with management the annual financial statements before submission to the Board;
- Reviewing with the management Quarterly/Annual and other financial statements before submission to the Board for approval;
- Reviewing with the management the performance of statutory and internal auditors, the adequacy of internal control systems and recommending improvements to the management;
- Reviewing the adequacy of internal audit function;



- Discussing with internal auditors of any significant findings and follow-up thereon;
- Reviewing the findings of any internal investigation by the internal auditors into matters where there is a suspected fraud or irregularity or a failure of the internal control systems of a material nature and reporting the matter to the Board;
- Discussing with the statutory auditors before the audit commences on the nature and scope of audit as well as have post-audit discussions to ascertain any area of concern;
- Reviewing reports furnished by statutory & internal auditors and ensuring follow-up thereon;
- Reviewing the Company's financial and risk management policies; and
- Initiating investigations into the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any.

The Committee also reviews the Management Discussion and Analysis of the financial condition and results of operations, statements of significant related party transactions and any other matter which may be a part of its terms of reference or referred to by the Board of Directors.

The Company continues to derive immense benefit from the deliberations of the Audit Committee. The Audit Committee of the Company as on 31st March, 2010 comprised of the following four directors of the Company – three non-executive & independent and one executive & non-independent:

Shri G.N.Mehra	Chairman	Independent, Non-Executive Director
Shri N.K.Bajaj	Member	Non-independent, Executive Director
Shri Romesh Lal	Member	Independent, Non-Executive Director
Shri K.R. Ramamoorthy	Member	Independent, Non-Executive Director

* Shri Mohit Satyanand, independent non-executive Director, has been nominated by the Board of Directors of the Company on 24th July, 2010, as member of the Audit Committee.

During the financial year 2009-10, Audit Committee met four times and the attendance of the Directors on the above meetings was as follows:

Director	No. of meetings held	No. of meetings attended
Shri G.N.Mehra	4	4
Shri N.K.Bajaj	4	4
Shri Romesh Lal	4	4
Shri K.R. Ramamoorthy	4	4

The Managing Director, Executive Director and other senior executives (when required) are invited to the meetings. Representatives of the statutory auditors and internal auditors are also invited to the meetings, when required. All the meetings are attended by the statutory auditors.

The Company Secretary acts as the Secretary of the Committee.

All the members of the Audit Committee were present at the last AGM held on 24th September, 2009.

All the recommendations of the Audit Committee during the year were accepted by the Board of Directors.



(b) Shareholders'/Investors' Grievance Committee

The Company has constituted Shareholders'/Investors' Grievance Committee for speedy disposal all grievances/complaints relating to shareholders/investors. The terms of reference of the Committee include the following :

- To specifically look into complaints received from the shareholders of the Company;
- To oversee the performance of the Registrar and Transfer Agent of the Company;
- To recommend measures for overall improvement in the quality of services to the investors;

The Committee as on 31.03.2010 comprised of:

Shri Praveen Kumar	Chairman	Independent, non-Executive Director
Shri G.N. Mehra	Member	Independent, non-Executive Director
Shri Mohit Satyanand	Member	Independent, non-Executive Director

During the financial year 2009-10, the Shareholders'/Investors' Grievance Committee met once on 12.03.2010. The meeting was attended by Shri Praveen Kumar and Shri Mohit Satyanand.

Shri P. K. Das, Company Secretary, is the Compliance Officer of the Company.

During the year, the Company received 2 shareholders' complaints out of which one complaint was replied/resolved to the satisfaction of the investors. As on 31st March, 2010, one complaint was pending, which has already been resolved. All valid requests for share transfers received during the year 2009-10 have been acted upon by the Company and no transfer is pending.

(c) Remuneration Committee

Independent Directors constitute the Remuneration Committee of the Board, which is responsible for determining and recommending to the Board, the remuneration payable to the Managing Director/Executive Directors. The remuneration of the working directors is decided by the Board based on the recommendation of the Remuneration Committee within the ceiling prescribed under the Companies Act, 1956. The remuneration to non-executive directors comprised of the sitting fee only.

The terms of reference of the Remuneration Committee are as follows :

- To review and recommend to the Board, the salaries, commission, other benefits and service conditions of Managing/Whole-time/Executive Directors;
- To approve the selection, appointment and remuneration of relatives of Directors for holding a office of profit pursuant to Section 314 of the Companies Act, 1956.

The Remuneration Committee as on 31.03.2010 comprised of the following directors of the Company

Shri G.N.Mehra	Chairman	Independent, non-Executive Director
Shri Romesh Lal	Member	Independent, non-Executive Director
Shri Praveen Kumar	Member	Independent, non-Executive Director

4. General Body Meetings

The last three Annual General Meetings of the Company were as under:

Financial Year	Date	Time	Place
2006-07	27.09.2007	11:00 a.m.	Chaudhary Bhawan, 'E' Block (near Jain Mandir), Kavi Nagar, Ghaziabad-201 002 (U.P.)
2007-08	26.09.2008	11:00 a.m.	Chaudhary Bhawan, 'E' Block (near Jain Mandir), Kavi Nagar, Ghaziabad-201 002 (U.P.)
2008-09	24.09.2009	11:00 a.m.	Chaudhary Bhawan, 'E' Block (near Jain Mandir), Kavi Nagar, Ghaziabad-201 002 (U.P.)

5. Disclosures

- (i) There were no transactions of material nature with the directors or the management or their subsidiaries or relatives etc. during the year that had potential conflict with the interests of the Company at large. The details of related party transactions have been reported in the Notes to Accounts.
- (ii) The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and in conformity, in all material respects, with the generally accepted accounting principles and standards in India. The estimates/judgments made in preparation of these financial statement are consistent, reasonable and on prudent basis so as to reflect true and fair view of the state of affairs and results/operations of the Company.
- (iii) The Company has well-defined Risk Management Policies for each of the businesses, duly approved by the Board, which are periodically reviewed to ensure that the executive management controls risk by means of a properly defined framework.
- (iv) The Company has not raised any funds from the capital market (public/rights/preferential issues etc.) during the financial year under review.
- (v) There was no instance of non-compliance of any matter relating to the capital markets by the Company. No penalties or strictures have been imposed on the Company by the stock exchanges, SEBI or any other statutory authorities on any matter relating to the capital market during the last three years.
- (vi) The details of the equity shares of the Company held by the Directors as on 31st March, 2010 are as under:
 Mr.N.K.Bajaj – 59,996 shares; Mr.J.K.Khaltan – 27,344 shares; Mr.A.K.Bajaj – 69,738 shares;
 Mr.V.K.Bajaj – 64,237 shares; Mr.Pavan Khaitan – 12,925 shares; Mr.G.N.Mehra - 2,375 shares;
 Mr.Romesh Lal – 500 shares; Mr.K.R.Ramamoorthy – 500 shares; Mr.Praveen Kumar – 500 shares
 and Mr.Mohit Satyanand – 500 shares.
- (vii) The Company is complying with all mandatory requirements of clause 49 of the listing agreements. Non-mandatory requirement relating to Remuneration Committee has been adopted by the Company.

6. Means of communication

The Quarterly and Annual Results are communicated to all the stock exchanges where the Company's shares are listed as soon as they are approved and taken on record by the Board of Directors of the Company. Further, the quarterly results are published in leading newspapers such as 'Financial Express' (English) and 'Jansatta' (Hindi). The results are not sent individually to the shareholders. The financial results are also displayed on the web-site of the Company at www.amritcorp.com.

The Company has an Investor Grievance Cell in the Share Department to redress the grievances/queries of the shareholders. In order to redress shareholders' queries and grievances, the Company has a separate e-mail ID info@amritcorp.com.

The Management Discussion & Analysis Report forms part of the Directors' Report.

7. Code of Conduct

The Board of Directors of the Company have adopted Code of Business Conduct & Ethics. This Code is based on three fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary conduct and is applicable to all the Directors and senior management personnel.

In terms of the requirements of Clause 49 of the Listing Agreement, the Code of Business Conduct & Ethics, as approved by the Board of Directors, has been displayed at the website of the company www.amritcorp.com, under the heading 'Investor Relations'. All the members of the Board and senior management personnel have affirmed compliance with the Code for the year ended 31st March, 2010 and a declaration to that effect signed by the Chairman & Managing Director is attached and forms part of this report.

8. Code of Conduct for Prevention of Insider Trading

The Company has a Code of Conduct for Prevention of Insider Trading in the shares and securities of the Company. This Code, inter alia, prohibits purchase/sale of shares of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company. This Code is available on the Company's website, www.amritcorp.com.

9. Disclosure regarding appointment/re-appointment of Directors

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Shri G. N. Mehra, Shri Romesh Lal and Shri A. K. Bajaj retire by rotation and are eligible for re-appointment.



The profiles in brief of the aforesaid Directors are as under:

Name of Director	Age	Qualification	Date of Appointment	No. of Shares of the Company held	Expertise	Other Directorships in public companies & membership of Committees as on 31.03.2010
Shri G. N. Mehra	77 years	M.A., LLB, IAS (Retired)	21.05.2005	2375	Distinguished bureaucrat (retired IAS officer) having long experience in administration and industrial development & management of public/private sector companies.	ABC Paper Limited Action Construction Equipment Ltd. Bharat Seats Limited Subros Limited U.P. Hotels Limited Usha Breco Limited Committee Membership Audit Committee: ABC Paper Limited – Chairman Action Construction Equipment Ltd – Member Bharat Seats Limited – Chairman Subros Limited – Chairman Usha Breco Limited – Chairman Remuneration Committee: ABC Paper Limited - Member Action Construction Equipment Ltd – Member Bharat Seats Limited – Member Subros Limited – Member Shareholders' Investors' Grievance Committee: Bharat Seats Limited - Member Subros Limited - Member
Shri Ramesh Lal	69 Years	BA, CAIIB (II)	29.04.2004	100	Wide range of experience in the field of banking, covering all facets of banking industry.	Amrit Banaspati Co. Ltd. Cantabill Retail India Ltd. Everest Bank Limited, Nepal Committee Membership Amrit Banaspati Co. Ltd. – Audit Committee, Chairman Amrit Banaspati Co. Ltd. - Remuneration Committee, Chairman Cantabill Retail India Ltd. - Remuneration Committee, Member
Shri A. K. Bajaj	48 Years	B. Sc.	01.08.1992	69,738	Industrialist with rich experience in edible oils & food industries	ABC Paper Limited Amrit Banaspati Co. Ltd. Amrit Learning Limited Amrit Realities Limited Committee Membership Shareholders' Investors' Grievance Committee: - ABC Paper Ltd - Member

10. Auditors' Certificate on Corporate Governance

A certificate has been obtained from the Auditors of the Company regarding compliance with the provisions relating to Corporate Governance as laid-down in clause 49 of the listing agreement with the stock exchanges. The same is annexed to this report.

Declaration regarding compliance of Code of Conduct

I, Naresh Kumar Bajaj, Chairman & Managing Director of Amrit Corp. Limited, hereby declare that all the Board Members and senior management personnel of the Company have affirmed compliance of the Code of Conduct for the year ended 31st March, 2010.

Place: Noida
Date : July 24, 2010

N.K.Bajaj
Chairman & Managing Director



GENERAL SHAREHOLDERS INFORMATION

• Annual General Meeting

Date	28 th September, 2010
Time	11.00 a.m.
Venue	Chaudhary Bhawan, 'E' Block (near Jain Mandir), Kavi Nagar, Ghaziabad-201 002 (U.P.)

• Financial Calendar 2010-11 (Tentative)

Board Meetings to take on record

Financial results for Quarter ended 30.06.2010	Last week of July, 2010
Financial results for Quarter ended 30.09.2010	Last week of October, 2010
Financial results for Quarter ended 31.12.2010	Last week of January, 2011
Financial results for Quarter/year ended 31.03.2011	Last week of April, 2011
Book Closure Date	20.09.2010 to 28.09.2010 (both days inclusive)

• Dividend payment date

Dividend, if any, declared in the next AGM will be paid on or after 28th September, 2010 but before the statutory time limit of 30 days from the date of declaration.

• Listing

Sl. No.	Name & address of stock exchanges
1	The Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001
2	The Uttar Pradesh Stock Exchange Ltd., "Padam Towers", 14/113, Civil Lines, Kanpur-208 001.

The Company has already paid annual listing fee for the year 2010-11 to both the stock exchanges.

• Stock Code

• The Stock Exchange, Mumbai	:	507525
• The Uttar Pradesh Stock Exchange Ltd.	:	AMRI
• Demat ISIN in NSDL and CDSL for equity shares	:	INE866E01026

● **Market Price Data**

The monthly high/low quotations of the equity shares traded at Stock Exchange, Mumbai and BSE Sensex during the financial year 2009-10 are given below:

Month	ACL Share Price (Rs.)		BSE Sensex	
	High	Low	High	Low
April, 2009	57.15	48.05	11,403.25	9,901.99
May, 2009	73.25	54.00	14,625.25	11,682.99
June, 2009	79.80	66.50	15,466.81	14,265.53
July, 2009	102.00	67.50	15,670.31	13,400.32
August, 2009	99.25	81.00	15,924.23	14,784.92
September, 2009	93.95	81.00	17,126.84	15,398.33
October, 2009	93.95	80.80	17,326.01	15,896.28
November, 2009	123.95	81.85	17,198.95	15,404.94
December, 2009	251.50	130.10	17,464.81	16,601.20
January, 2010	290.00	210.05	17,701.13	16,289.82
February, 2010	290.70	242.05	16,496.05	15,790.93
March, 2010	265.00	215.00	17,711.35	16,772.56

● **Share Transfer Agent and Demat Registrar**

The Company has appointed M/s MAS Services Ltd., New Delhi as the Registrar & Share Transfer Agent for handling both physical share registry work and demat share registry work having their office at:

M/s Mas Services Limited
 T-34, 2nd Floor, Okhla Industrial Area,
 Phase - II, New Delhi - 110 020
 Ph:- 26387281/82/83
 Fax:- 26387384
 email:- info@masserv.com
 website : www.masserv.com

● **Share Transfer System**

The transfers are normally processed within a period of 15 – 20 days from the date of receipt if the documents are complete in all respects. Requests for dematerialization of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) within 15 days. The connectivity with NSDL & CDSL is maintained through M/s MAS Services Ltd. The Shareholders have the option to open account with any of the depository participants registered with CDSL and NSDL. In the case of off-market/private transactions involving transfer of shares in physical form, SEBI has made mandatory for the transferee(s) to furnish copy of PAN card to the company/RTA. The shareholders/investors are advised to comply with the same while filing transfer documents with the Company/RTA.

• **Distribution of Equity Shareholding**

(a) **Shareholding Pattern as on 31st March, 2010**

S. No	Description	No. of shares held	Shareholding%
1.	Promoters <ul style="list-style-type: none"> Indian Promoters Persons acting in concert/relatives 	18,09,858 2,92,516	56.33 9.10
2.	Institutional Investors <ul style="list-style-type: none"> UTI & Mutual Funds Banks/Financial Institutions/Insurance Company FII's 	125 2,037 - -	- 0.06 - -
3.	Others <ul style="list-style-type: none"> Private Bodies Corporate Indian Public NRs/OBCs/Pak shareholders 	3,74,005 7,26,198 8,492	11.64 22.60 0.27
	Total	32,13,231	100.00

(b) **Distribution of Shareholding as on 31st March, 2010**

Range of holding	No. of shareholders	%age of shareholders	No. of shares	%age of Holding
1 to 5,000	18,463	99.177	2,67,418	8.322
5,001 to 10,000	45	0.242	34,137	1.062
10,001 to 20,000	26	0.140	38,451	1.197
20,001 to 30,000	8	0.043	20,777	0.647
30,001 to 40,000	9	0.048	32,958	1.026
40,001 to 50,000	5	0.027	23,155	0.721
50,001 to 1,00,000	10	0.054	74,721	2.325
1,00,001 and Above	50	0.269	27,21,614	84.700
Total	18,616	100.00	32,13,231	100.00

• **Dematerialization of Shares**

The Company has entered into an agreement with NSDL and CDSL to offer depository services to the shareholders. As on March 31, 2010, 30.42% of the shares of the Company have been dematerialized.

• **Secretarial Audit**

A qualified practicing Company Secretary carried out a secretarial audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The Secretarial Audit Report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.



- **Outstanding GDRs/ADRs/Warrants etc.**
Not applicable
- **Plant location:**
Amrit Food
Amrit Nagar, G.T.Road, Ghaziabad – 201009 (U.P.)
- **Address for correspondence:**
 - (a) **Regd. Office:**
Amrit Corp. Limited,
CM/28C (First Floor), Gagan Enclave, Amrit Nagar, G.T. Road, Ghaziabad – 201 009 (U.P.)
Tel.No.0120-2866880/2866886, Fax No.0120-2866888
e-mail : info@amritcorp.com, amritcmd@vsnl.net
website: www.amritcorp.com
 - (b) **Corporate Office:**
A-95, Sector – 65, Noida – 201 309 (U.P.)
Tel: 0120 – 4506900, Fax: 0120 – 4506910
e-mail : info@amritcorp.com
website: www.amritcorp.com
 - (c) **Registrar & Share Transfer Agent:**
Mas Services Limited
T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020
Ph:- 26387281/82/83 Fax:- 26387384
e-mail:- info@masserv.com
website: www.masserv.com

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants.

AUDITORS' CERTIFICATE REGARDING COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To the Members of Amrit Corp. Limited

We have examined the compliance of the conditions of Corporate Governance by Amrit Corp. Limited for the year ended 31st March, 2010 as stipulated in clause 49 of the listing agreement of the said Company with the stock exchanges.

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

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2010, no Investor grievances are pending against the Company for a period exceeding one month 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 V Sahai Tripathi & Co.
Chartered Accountants
Firms Registration No. 000262N

Place: Noida
Date: 24th July, 2010

Manish Mohan
Partner
M.No. 091607

CERTIFIED TRUE COPY

For AMRIT CORP. LIMITED



AUDITORS' REPORT

Company Secretary

To the Members of
Amrit Corp. Ltd.

1. We have audited the attached Balance Sheet of **Amrit Corp. Limited** as at 31st March, 2010, the Profit and Loss Account and also Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Management of Company. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we set out in the Annexure, a statement on the matters specified in paragraph 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii) 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 those books;
 - iii) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt

with by this report are in agreement with the books of account;

- iv) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report have been prepared in compliance with the applicable accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- v) On the basis of information and explanation given to us and representations obtained from the Company and taken on record by the Board of Directors, we report that there is no Director of the Company who, as at 31st March, 2010, is disqualified u/s 274 (1) (g) of the Companies Act, 1956, from being appointed as Director; and
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit and Loss Account, read together with the significant accounting policies and other notes to accounts appearing in **Schedule O** and foot-notes appearing under other schedules, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-
 - a) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2010;
 - b) In the case of the Profit and Loss Account, of the Profit for the year ending March 31st 2010;
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date

For V Sahal Tripathi & Co.
Chartered Accountants
Firms Registration No. 000262N

Manish Mohan
Partner
M.No. 091607

Place: Noida
Date: 24th July, 2010



ANNEXURE TO AUDITORS' REPORT

(Referred to in paragraph (3) of our report of even date)

Annexure referred to in paragraph (3) of Auditor's Report to the members of Amrit Corp. Limited on the financial statements for the year ended March 31, 2010

1. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The company has a phased programme of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. In accordance with such programme, the management has physically verified its fixed assets during the year and no material discrepancies were noticed by them.
(c) During the year, there was no substantial disposal of fixed assets.
2. (a) According to the information and explanations given to us, physical verification of inventories is conducted by the management at periodic intervals. These intervals are reasonable having regard to the size of the company and the nature of its inventories.
(b) The procedures followed by the company for physical verification of inventories are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification as compared to book records.
3. (a) The Company has granted unsecured loan amounting of Rs. 85 lacs to one (1) company covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year-end balances of such advances aggregates to Rs. 91.05 lacs.
(b) The rate of interest and other terms & conditions of the unsecured loans given by the Company are not prima-facie prejudicial to the interest of the company;
(c) The unsecured loan is regularly serviced as per agreed terms;
(d) There is no overdue amount in respect of the said unsecured loan;
(e) An unsecured loan of Rs. 392.73 lacs was granted to the erstwhile Amrit Banaspathi Company Ltd. (ABCL) by the then Amrit Enterprises Ltd. (now known as 'Amrit Banaspathi Co.Ltd.'). a company covered under the register maintained u/s 301 of the Act under the Modified Rehabilitation Scheme (MRS) of ABCL sanctioned by the Hon'ble Board of Industrial & Financial Reconstruction (BIFR). Out of the said unsecured loan, a sum of Rs. 88.53 lacs has devolved on the company pursuant to the Scheme of Arrangement sanctioned by the Jurisdictional High Courts and becoming effective from 1st April, 2006. Beside this, the Company has not received /obtained unsecured advances from any Company, covered in the register maintained under section 301 of the Companies Act, 1956.
(f) The MRS provided that the said loan would be subordinated to institutions/banks term loans and would be repaid after payment to all financial institutions/banks. Accordingly, the interest on the said loan has been fixed at 10% on annual basis and the repayment of the loan will commence from the financial year 2010-11 as per terms of MRS. In view of this, we are of the opinion that the rate of interest and other terms & conditions of the loan are not prejudicial to the interests of the company.
(g) Interest is being regularly paid on the above loan. However, the loan repayment will commence, as mentioned in (f) above, from the financial year 2010-11.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. There was no continuing failure to correct major weaknesses in internal controls noticed by us during the course of our audit.
5. (a) In our opinion and according to the information and explanations given to us, 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 explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding the value of Rs. five lacs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the company has complied with the directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA or any

other relevant provisions of the Act and the Rules framed there-under, wherever applicable with regard to the deposits accepted during the year. In accordance with the information and explanations given to us, there were no orders passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other "Tribunal" which have not been complied with.

7. In our opinion the company has an internal audit system which is commensurate with the size and nature of its business.
8. Maintenance of cost records has not been prescribed by the Central Govt. under clause (d) of sub section (1) of section 209 of the Act in respect of the present manufacturing activities of the company.
9. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, in our opinion the company is regular in depositing the undisputed statutory dues including provident fund, investor education & protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other material statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of the above dues which were outstanding as at 31st March, 2010 for a period of more than six months from the date of becoming payable.
- (b) According to the records of the company examined by us, the particulars of the dues outstanding of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess as at 31st March, 2010 which have not been deposited on account of disputes, are as under:

Name of the statutes	Nature of dues	Amount	Forum where dispute is pending
Income Tax Act, 1961	Withdrawal of Investment Allowance and other disallowances	Rs. 2,35,71,688/-	High Court Allahabad

10. The company has no accumulated losses as at 31st March, 2010 and has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. The company has not during the year defaulted in the re-payment of dues to the bank. The company has no loans from financial institutions nor has it issued any debentures.

12. The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company is not a chit fund, nidhi, mutual benefit fund or a society. Accordingly, the provisions of clause 4(xii) of the Order are not applicable.
14. In respect of dealing/trading in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. All the shares, securities, debentures and other investments have been held by the Company in its own name.
15. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. There is no corporate guarantee which is outstanding at the end of the year. Accordingly, clause 4(xv) of the order is not applicable.
16. Company has not obtained term loan from bank during the year ending 31st March, 2010.
17. According to the information and explanation given to us, in our opinion, there are no funds raised on a short term basis which have been used for long term investment.
18. During the year, 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. Accordingly, clause 4(xviii) of the order is not applicable.
19. The company has not issued any debentures. Accordingly, clause 4(xix) of the order is not applicable.
20. The company has not raised any money by way of public issue during the year. Accordingly, clause 4(xx) of the order is not applicable.
21. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of any such case by the management.

For V Sahai Tripathi & Co.
Chartered Accountants
Firm Registration No. 000262N

Place: Noida
Date: 24th July, 2010

Manish Mohan
Partner
M.No. 091607

CERTIFIED TRUE COPY



BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedules	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
I. SOURCES OF FUNDS			
(1) Shareholders' Funds			
(a) Capital	A	3,21,32,310	3,21,32,310
(b) Reserves and Surplus	B	26,86,03,028	25,00,41,144
(2) Loan Funds :			
(a) Secured Loans	C	2,03,54,045	2,41,89,246
(b) Unsecured Loans	D	9,18,76,845	7,98,42,563
(3) Deferred Tax Liability		71,43,224	69,81,405
TOTAL		41,98,10,452	39,31,86,668
II. APPLICATION OF FUNDS			
(1) Fixed Assets :	E		
(a) Gross block		28,15,73,832	23,89,88,753
(b) Less: depreciation		17,87,46,843	16,49,28,485
(c) Net block		8,58,27,989	7,40,60,268
(d) Capital work-in-progress		3,92,844	4,48,16,916
		8,62,20,933	11,88,77,184
(2) Investments	F	11,10,19,000	11,60,19,000
(3) Current Assets, Loans & Advances :	G		
(a) Inventories		3,98,53,864	3,91,60,862
(b) Sundry debtors		78,43,241	83,72,188
(c) Cash & bank balances		13,64,92,583	6,23,17,145
(d) Loans & advances		9,09,57,864	9,41,08,544
		27,39,47,432	20,39,58,739
Less : Current liabilities & provisions	H	5,13,76,913	4,56,68,255
Net Current Assets		22,25,70,519	15,82,90,484
TOTAL		41,98,10,452	39,31,86,668

Notes to Accounts

O

Schedules A to H & O annexed and significant Accounting Policies form part of this Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

For V Sahai Tripathi & Co.
Chartered Accountants
Firms Registration No. 000262N

N.K.Bajaj

Chairman & Managing Director

MANISH MOHAN
Partner
M. No. 091607

G.N.Mehra
Praveen Kumar
Mohit Satyanand
V.K. Bajaj

Directors

A.K. Bajaj

Managing Director

Place : Noida
Dated : July 24, 2010

J.C. Rana
P. K. Das

Executive Director
Company Secretary



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedules	Current Year (Rs.)	Previous Year (Rs.)
INCOME			
Sales/Services (TDS of Rs.24,50,411/- Previous year Rs.25,63,089/-)		33,74,50,343	31,37,87,666
Increase/(decrease) in stocks	I	8,34,770	7,20,441
Other income	J	4,80,87,308	4,45,87,784
		38,63,72,421	35,90,95,891
EXPENDITURE			
Material consumed	K	19,91,35,639	16,10,91,459
Manufacturing expenses	L	6,47,02,176	6,84,45,895
Employees' emoluments	M	3,31,48,237	3,00,41,917
Excise duty		-	-
Other expenses	N	4,78,38,477	4,59,81,440
		34,48,24,529	30,55,60,711
Profit before Depreciation		4,15,47,892	5,35,35,180
Less : Depreciation		1,19,77,630	1,23,06,244
Profit before taxation		2,95,70,262	4,12,28,936
Provision for Taxation			
- Current Tax (incl. wealth tax)		71,90,000	1,21,35,000
- MAT credit availed		(37,00,000)	(85,57,000)
- Deferred Tax		1,61,819	6,40,401
- Fringe Benefit Tax		-	8,69,029
Profit after taxation		2,59,18,443	3,61,41,506
Prior period adjustments			
- Tax adjustment		(37,258)	83,47,821
- Depreciation written back			(1,341)
Net profit for the year		2,59,55,701	2,77,95,026
Add : Balance of Profit Brought Forward		9,95,61,989	11,92,85,603
Profit available for appropriation		12,55,17,690	14,70,80,629
APPROPRIATIONS:			
a) Proposed Dividend on Equity Shares		64,26,462	64,26,462
b) Tax on dividend		10,67,355	10,92,178
c) General Reserve		2,00,00,000	4,00,00,000
Balance carried to Balance Sheet		9,80,23,873	9,95,61,989
Earning per Share (Refer Note No. 13 of Sch."O")		8.08	8.65
Notes to Accounts	O		
Additional Information	P		
Schedules I to P annexed and the significant Accounting Policies form part of this Profit & Loss Account.			
This is the Profit & Loss Account referred to in our report of even date.			
<div> <div> For V Sahai Tripathi & Co. Chartered Accountants Firms Registration No. 000262N MANISH MOHAN Partner M. No. 091607 Place : Noida Dated : July 24, 2010 </div> <div> N.K.Bajaj G.N.Mehra Praveen Kumar Mohit Satyanand V.K. Bajaj A.K. Bajaj J.C. Rana P. K. Das </div> <div> Chairman & Managing Director Directors Managing Director Executive Director Company Secretary </div> </div>			



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

(Rs. In lacs)

Particulars	31.03.2010	31.03.2009
(A) Cash flow from operating activities		
Profit before tax	295.70	412.29
Add:		
Loss on sale of investments	0.72	31.25
Depreciation	119.40	123.05
Loss on sale of assets	0.84	1.58
Interest paid	106.03	85.46
Dividend/Interest	(197.29)	(180.80)
Profit on sale of assets	(0.05)	(3.23)
Profit on sale of units	(2.23)	(0.28)
Provision written back	(12.41)	-
Operating profits before working capital changes	309.71	469.52
Adjustment for:		
Trade & other receivables	7.29	(5.84)
Loans and advances	85.87	(91.35)
Inventories	(6.83)	(14.87)
Trade payable	89.91	(0.90)
	165.84	(112.96)
Cash generation from operations	475.55	356.56
Less: Direct tax paid	(98.89)	(88.51)
Net Cash generation from operating activities	376.66	268.05
(B) Cash flow from investing activities		
Purchase of Investment	(153.00)	(150.00)
Dividend/Interest Income	197.29	180.60
Purchase of fixed assets	(77.72)	(318.56)
Sale of fixed assets	284.21	11.12
Sale of Investment	206.51	119.03
Net cash from investing activities	455.29	(155.81)
(C) Cash flow from financing activities		
Redemption of preference capital	(0.18)	(0.29)
Proceeds from borrowing of working capital	2.73	(9.82)
Proceeds from long term borrowing	(41.07)	46.25
Proceeds from unsecured loans	118.34	167.14
Interest paid	(105.04)	(85.46)
Payment of dividend (incl. tax on dividend)	(75.19)	(54.94)
Net cash used in financing activities	(100.38)	62.88
Net increase/decrease in cash & cash equivalents	731.78	175.12
Cash and cash equivalents as at 01.04.09 (opening balance)	523.17	448.05
Cash and Cash Equivalents As At 31.03.10 (closing balance)	1,354.93	623.17

NOTES: i) Figures in brackets represent cash outflows.

ii) Previous year's figures have been regrouped/recast, wherever necessary.

As per our report annexed.

For V Sahai Tripathi & Co.
Chartered Accountants
 Firms Registration No. 000262N
MANISH MOHAN
 Partner
 M. No. 091607

N.K. Bajaj

G.N. Mehra
 Praveen Kumar
 Mohit Satyanand
 V.K. Bajaj

A.K. Bajaj

Place : Noida
 Dated : July 24, 2010

J.C. Rana
 P. K. Das

Chairman & Managing Director

Directors

Managing Director

Executive Director
Company Secretary

SCHEDULES

Schedule 'A' SHARE CAPITAL

	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
Authorised		
10,00,000 - 15% Redeemable Cumulative Preference Shares of Rs. 10/- each	1,00,00,000	1,00,00,000
40,00,000 - 11% Redeemable Cumulative Preference Shares of Rs. 10/- each	4,00,00,000	4,00,00,000
2,00,00,000 - Equity Shares of Rs.10/- each	20,00,00,000	20,00,00,000
Total	25,00,00,000	25,00,00,000
Issued, Subscribed & Paid Up		
32,13,231 - Equity Shares of Rs. 10/- Each fully paid up (32,13,231)	3,21,32,310	3,21,32,310
Total	3,21,32,310	3,21,32,310

Notes:

- The paid-up share capital of the company was reduced to Rs.321.32 lacs w.e.f. 1 st April,2006 consequent to re-organisation of the capital under the Scheme of Arrangement sanctioned by the Hon'ble High Courts of Allahabad, Delhi & Chandigarh.
- Before reorganization of the equity share capital of the Company under the Scheme of Arrangement, the paid-up Capital included:
 - 72,500 equity shares allotted as fully paid up pursuant to a contract without payment being received in cash;
 - 28,80,000 equity shares issued as fully paid up bonus shares by capitalization of Reserve;
 - 7,18,000 equity shares issued as fully paid-up to financial institutions upon conversion of part of term loans;
 - 2,75,472 equity shares issued as fully paid up to the shareholders of erstwhile Amrit Protein Foods Ltd.(APFL) in pursuance of the amalgamation of APFL with the Company.

Schedule 'B' RESERVES & SURPLUS

	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
Preference Share Capital Redemption Reserve	40,50,000	40,50,000
Revaluation Reserve	64,29,155	64,29,155
General Reserve		
Balance brought forward	14,00,00,000	10,00,00,000
Add: Transfer from Profit & Loss Account	2,00,00,000	4,00,00,000
	16,00,00,000	14,00,00,000
Profit & Loss Account	9,80,21,873	9,95,61,989
Total	26,85,03,028	25,00,41,144

Schedule 'C' SECURED LOANS

	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
(a) Term Loans from		
Punjab National Bank	87,74,469	1,22,61,878
Interest accrued & due on bank loans	97,342	1,22,525
Total (a)	88,71,811	1,23,84,403
(b) Working Capital (Cash Credit) from		
Punjab National Bank	72,05,380	69,32,527
Total (b)	72,05,380	69,32,527
(c) Vehicle Loans		
Total (c)	42,77,774	48,72,316
Total (a+b+c)	2,03,54,945	2,41,89,246

Notes :

- The term loans are secured / to be secured by a equitable mortgage of the immovable properties both present and future and a first charge by way of hypothecation over the machinery, machinery spares, tools and accessories and other movable both present and future (save and except book debts) ranking pari-passu with the charges created / to be created on the Company's assets, subject to prior charge of the bankers on working capital on specified movables. The term loans are also secured by:-
 - Exclusive first charge on the assets created / to be created with Bank's Term Loans;
 - First charge on all the fixed assets of the Company ranking pari-passu with the existing charge holders;
 - Second charge on all the current assets of the company ranking pari-passu with the existing charge holders; and
 - Personal guarantees of S/Shri N.K.Bajaj, J.K.Khaitan, A.K.Bajaj and Pavan Khaitan.
- The working capital (cash credit) borrowings are secured by:-
 - Hypothecation of raw materials, stores, finished goods, stock-in-process, book-debts;
 - First charge on Current Assets ranking pari-passu with the existing chargeholders;
 - Second charge on the fixed assets of the Company ranking pari-passu with the existing chargeholders; and
 - Personal guarantees of S/Shri N.K.Bajaj, J.K.Khaitan, A.K.Bajaj and Pavan Khaitan.
- Vehicle loan(s) are secured by hypothecation of the vehicles purchased out of the said loans.

Schedule 'D' UNSECURED LOANS

	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
Fixed Deposits		
Payable within one year Rs. 4,57,97,000 (Rs. 3,49,40,000/-)	6,23,75,000	5,08,21,000
Interest Accrued & due	15,823	13,441
Other Unsecured Loans	2,92,86,122	2,90,08,122
Total	9,16,76,945	7,98,42,563

Schedule 'E' FIXED ASSETS

Particulars	Gross Block			Depreciation			Net Block	
	As at 01-04-09	Additions	See Adjustment	For the year	Upto 31-03-09	Upto 31-03-10	As at 31-03-10	As at 31-03-09
Land (free hold)	64,50,000	-	-	-	-	-	64,50,000	64,50,000
Buildings	2,53,09,290	4,79,765	-	8,65,147	-	1,13,27,000	1,44,55,995	1,49,47,327
Plant & machinery	18,46,97,516	71,49,743	4,13,683	91,20,535	3,76,254	15,24,30,658	3,80,53,400	4,00,57,631
Electric installation	44,57,443	13,66,705	-	2,31,690	-	23,26,178	34,87,971	23,13,155
Laboratory equipment	11,12,376	-	-	47,135	-	5,80,242	5,22,134	5,66,269
Water supply system	1,45,817	-	-	2,377	-	57,655	88,162	90,533
Furniture & fixtures	16,57,467	73,69,002	-	1,80,653	-	12,82,757	77,43,712	5,52,353
Vehicles	1,08,48,515	26,41,008	-	20,57,895	37,258	53,25,629	81,63,892	75,43,523
Equipment & appliances	30,91,494	36,52,284	4,76,049	2,57,315	3,42,514	16,52,157	46,17,662	13,34,128
Computer	12,74,863	7,10,315	4,20,810	1,80,903	4,04,136	7,00,527	8,63,841	3,61,103
Intangible Asset *	-	5,25,000	-	43,750	-	43,750	4,81,250	-
Total	22,89,88,753	2,38,94,321	13,09,742	1,19,77,830	11,60,172	17,57,45,943	9,16,27,969	7,40,80,268
Previous year	23,13,43,966	1,21,26,509	44,81,812	1,22,06,244	35,34,930	16,49,28,435	3,52,444	4,43,15,916
Capital work in progress at cost and advances for capital expenditure	-	-	-	-	-	-	-	-
Total							8,62,20,833	11,88,77,184

*Note: During the year the company has acquired software of Rs. 5,25,000 for internal use falling under the definition of Intangible Assets as per the Accounting Standards-26. The estimated useful life of the assets is 3 Years (36 Months). Depreciation has been charged on equitable basis over its useful life starting from the month subsequent to its acquisition or activation.



Schedule 'F' INVESTMENTS

LONG TERM INVESTMENTS (NON-TRADE)

A QUOTED

	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
(i) Purple Entertainment Ltd. 7,500 - (Previous year 7,500) Equity Shares of Rs 10/- each fully paid up	75,000	75,000
(ii) Amrit Banaspati Co. Ltd. 16,40,037 (Previous year 16,40,037) Equity Shares of Rs. 10/- each fully paid up	7,24,98,000	7,24,98,000
(iii) ABC Paper Ltd. 22,99,900 (Previous year 22,99,900) Equity Shares of Rs. 10/- each fully paid up	2,29,99,000	2,29,99,000

B UNQUOTED

(i) ABC Paper Ltd. 15,00,000 (Previous year 20,00,000) 7% Redeemable Preference Shares of Rs. 10/- each fully paid up	1,50,00,000	2,00,00,000
(ii) Amrit Pulp & Paper Industries Ltd. 39,750 (Previous year 39,750) Equity Shares of Rs.10/-each fully paid up	3,97,500	3,97,500
(iii) Amrit Digvijay Infra-Tech Pvt. Ltd. 4,950 (Previous year 4,950) Equity Shares of Rs. 10/- each fully paid up	49,500	49,500
Total	11,10,19,000	11,60,19,000

Aggregate book value-Quoted:	9,55,72,000
-Unquoted:	1,54,47,000
Aggregate market value-Quoted:	39,93,91,045

Investments purchased and sold during the year

Particulars	No. of units	Face value (Rs.)	Purchase cost (Rs.)
Fortis Flexi Debt Fund-Regular(Half Yerly Dividend)	2,94,235.92	10.00	30,00,000.00
Canara Robeco Income Dividend (income) Fund	97,888.86	10.00	15,00,000.00
Birla Sunlife Income Plus-Qtrly Dividend Reinvestment	1,31,883.20	10.00	15,00,000.00
Fortis Flexi Debt Fund-RegularPlan A-Qtrly Dividend	1,00,058.23	10.00	10,00,000.00
Birla Sunlife Dynamic Bond Fund- Retail-Qtrly Dividend Reinvestment	1,83,926.73	10.00	20,00,000.00
HDFC Short Term Plan-Growth	2,83,019.94	10.00	50,00,000.00
DSP Black Rock Top 100 Equity Fund-Regular Plan-Growth	9,551.90	10.00	8,00,000.00
HDFC Top 200 Fund-Growth	4,198.08	10.00	7,00,000.00



Schedule 'G' CURRENT ASSETS, LOANS & ADVANCES

	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
A. Current Assets		
1. Stores and spare parts	84,79,625	86,35,109
2. Stock in trade		
(a) Raw material	82,41,510	65,00,917
(b) Goods in Transit	23,75,172	20,74,834
(c) Finished products	53,56,906	45,22,136
(d) Land & Building-Realty	1,54,00,741	1,74,27,866
	3,98,53,954	3,91,60,862
3. Sundry debtors (Unsecured)		
(a) Due for more than six months		
- Considered good	1,55,156	1,17,013
- Considered doubtful	15,90,886	15,90,886
Less: Provision for doubtful debts	(15,90,886)	(15,90,886)
(b) Others (considered good)	74,88,088	82,55,175
	76,43,241	83,72,188
4. Cash & bank balances		
(a) Cash in hand	8,74,524	2,57,155
(b) With Scheduled banks		
(i) In Current Accounts	7,23,48,141	2,43,76,353
(ii) Other Deposit Accounts	4,46,20,000	2,91,15,010
(iii) In Margin Money Account*	1,30,38,301	38,75,000
(iv) Unclaimed Dividends	27,95,153	26,04,092
(v) Unclaimed Pref.Shares Redemption	12,46,780	12,63,250
(vi) Unclaimed Fractional Shares entitlement	5,68,684	8,26,285
	13,54,92,583	6,23,17,145
B. Loans & Advances (Unsecured)		
5. Advances recoverable in cash or in kind or for value to be recieved		
- Considered good	8,78,41,612	9,07,55,445
- Considered doubtful	22,33,733	22,33,733
Less: Provision for doubtful advances	(22,33,733)	(22,33,733)
6. MAT Credit Entitlement	31,15,842	33,53,099
	8,08,57,654	9,41,08,544
Total	27,39,47,432	20,39,58,739

Notes:

1. Inventories are valued as explained in the accounting policy and are as per inventory and valuation certified by the management
2. Amount due from officers of the company : Nil
Maximum amount due from officers at any time during the year Rs.20,000/- (Rs.1,10,000/-)
3. * Fixed Deposits pledged with Banks on account of Margin Money for issuing Bank Guarantees.



Schedule 'H' CURRENT LIABILITIES & PROVISIONS

A. CURRENT LIABILITIES

	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
1. Sundry creditors		
- Dues of micro and small scale enterprises	9,06,816	9,90,687
- Others	81,71,636	84,32,219
2. Other liabilities	2,39,43,749	1,83,08,487
3. Interest accrued but not due	14,06,938	11,50,118
4. Unclaimed dividends*	27,85,153	26,04,092
5. Unclaimed Redemption Amount of Preference Shares*	12,46,780	12,63,250
6. Unclaimed fractional payment	5,88,684	8,26,285

B. PROVISIONS

1. Proposed dividend	64,26,462	64,26,462
2. Corporate Tax on Dividend	10,87,355	10,92,178
3. Gratuity	-	3,75,669
4. Leave Encashment	48,43,540	41,98,808
Total	5,13,76,813	4,56,68,255

(* There is no amount due and outstanding to be credited to Investor Education and Protection Fund.)

Schedule 'I' INCREASE / (DECREASE) IN STOCK

	Current year (Rs.)	Previous Year (Rs.)
Opening Stock		
Finished Products	45,22,136	38,01,695
	45,22,136	38,01,695
Closing Stock		
Finished Products	53,56,906	45,22,136
	53,56,906	45,22,136
Increase/(Decrease) in Stock	8,34,770	7,20,441



Schedule 'J' OTHER INCOME		
	Current year (Rs.)	Previous Year (Rs.)
Other Income		
Interest received (TDS Rs.10,86,793/- (Previous year Rs.19,16,113/-)	87,82,185	89,70,625
Dividend Received		
-Long term Investments	98,08,806	87,89,787
-Current investments	3,27,274	-
Profit on sale of current investments	2,23,424	28,388
Rent received	8,46,295	8,12,933
Profit on sale of assets	5,238	3,22,901
Profit on sale of raw materials	2,56,708	-
Profit on foreign exchange fluctuation	27,598	37,581
Royalty on Gagan Brand / Logo (TDS Rs.28,68,790/- Previous year Rs.31,73,054/-)	2,52,64,341	2,49,70,782
Sundry balances adjusted	3,62,176	67,432
Provisions made previous years no longer required	8,88,379	-
Miscellaneous receipts	4,83,886	5,87,365
Total	4,80,87,508	4,45,87,784

Schedule 'K' MATERIAL CONSUMED		
	Current year (Rs.)	Previous Year (Rs.)
Raw Materials		
Opening Stock	2,39,26,783	2,60,21,084
Purchases/procurement/improvement expenses	20,06,42,267	15,89,99,158
	22,47,71,050	18,50,20,242
Less : Sales/Transfer/Loss	19,93,160	-
	22,27,77,890	18,50,20,242
Less : Closing Stock	2,36,42,251	2,39,28,783
Total	19,91,35,639	16,10,91,459

Schedule 'L' MANUFACTURING EXPENSES		
	Current year (Rs.)	Previous Year (Rs.)
Stores, spare parts,chemicals & others	3,48,33,032	3,59,00,801
Power & fuel consumed	2,17,55,476	2,54,53,582
Repairs:		
Buildings	6,79,879	6,42,023
Machinery	73,33,769	64,49,489
Total	6,47,02,176	6,84,45,895

Schedule 'M' EMPLOYEES EMOLUMENTS

	Current year (Rs.)	Previous Year (Rs.)
Salaries, wages, gratuity and bonus	2,66,93,212	2,60,08,981
Employees welfare expenses	16,48,824	15,06,711
Employer's contribution to provident fund, E.S.I., and Family Pension Fund	26,08,201	25,26,225
Total	3,31,48,237	3,00,41,917

Schedule 'N' OTHER EXPENDITURE

	Current year (Rs.)	Previous Year (Rs.)
Insurance	3,70,959	3,60,105
Rent	11,01,093	10,30,200
Rates & taxes	2,85,071	2,72,531
Research & Development	15,576	10,699
Freight & cartage on sales	38,06,585	39,31,766
Selling expenses	68,04,472	73,38,538
Interest on term loans	12,63,307	10,70,024
Interest others	94,74,155	77,95,945
Payment to auditors		
- Audit fees	76,000	60,000
- Reim. of expenses	50,225	58,525
- In other capacity	45,000	32,500
Payment to Directors for attending Board Meetings		
-As fees	7,98,000	4,20,000
-As travelling expenses	1,88,543	1,54,731
Loss on sale of fixed assets	84,208	1,58,096
Loss on sale of stores	2,92,429	11,62,021
Loss on sale of investments	72,357	28,25,528
Provisions for doubtful debts/advances	-	1,10,000
Sundry Balances written off	49,702	51,467
Miscellaneous expenses	2,30,64,784	1,91,38,764
Total	4,78,38,477	4,59,81,440



Schedule 'O' NOTES TO ACCOUNTS

A. Significant Accounting Policies

1. Basis of Preparation of Financial Statements

The Financial statements have been prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on accrual basis and are in accordance with the applicable accounting standards issued by the Institute of Chartered Accountants of India (ICAI) & prescribed in the Companies (Accounting Standards) Rules, 2006. These Accounting policies have been consistently applied, except where a newly issued accounting standard is initially adopted by the company. Management evaluates the effect of accounting standards issued on a going concern basis and ensures that they are adopted as mandated by the ICAI.

2. Fixed Assets

(a) Owned Assets

Fixed assets are stated at their original cost of acquisition inclusive of inward freight, duties, taxes and incidental expenses relating to acquisition and installation, adjusted by revaluation of land. The cost of assets under installation or under construction plus direct allocable expenses as at the Balance Sheet date are shown as capital work-in-progress.

(b) Assets taken on finance lease

Fixed assets taken on finance lease are stated at the lower of the fair value of the lease assets or the present value of minimum lease payments at the inception of the lease.

(c) Intangible Assets and Amortization

Intangible Assets & related expenditure are recognized as per criteria specified in **Accounting Standard-26 on "Intangible Assets"** issued by the Institute of Chartered Accountants of India. The cost of software purchased for internal use or main software comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable by the enterprise from the taxing authorities) and any directly attributable expenditure on making the software ready for its use. Any trade discounts and rebates are deducted in arriving at the cost.

The software is amortized over a period of 36 months from the month subsequent to the month in which it got activated for use.

3. Depreciation

- (a) Depreciation is provided at the rates specified in Schedule XIV of the Companies Act, 1956 on the following basis:

- Corporate Office	Written Down Value Method
- Amrit Food Unit	Straight Line Method

- (b) In respect of assets added/disposed off during the year depreciation is charged on a pro-rata basis with reference to the month of addition/disposal. In the case of additions, it is charged for the full month in which additions took place and in the case of sales up to the month preceding the date of sale.
- (c) Assets below Rs.5,000/- are depreciated at the rate of 100%.
- (d) In respect of fixed assets taken on finance lease, when there is reasonable certainty that the Company will obtain ownership by the end of the lease term, depreciation is provided in accordance with the policy followed by the Company for owned assets.

4. Impairment

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use the estimated future cash flows are discounted to their present value at the weighted cost of capital.

5. Investment

Investments are classified into current and long term investments. Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are stated at the lower of cost and fair value determined on an individual basis. Long term investments including interests in joint-venture companies, are carried at cost. A provision for diminution in value is made to recognize a decline other than temporary in the value of long term investments. Profit/loss on sale of investments is computed with reference to their average cost.

6. Inventories

(a) Raw materials, components, stores, spares and loose tools are valued at lower of weighted average cost.

(b) Work-in-progress

(i) Work-in-progress (other than the property development or construction related) is valued at cost determined at different stages of production which includes related overheads.

(ii) Property Development and construction-related work-in-progress is valued at cost till such time the outcome of the work cannot be ascertained and thereafter at lower of cost or net realizable value.

(c) Finished goods are valued at lower of weighted average cost or net realizable value. In the case of finished goods, cost is determined by taking material, labour and related factory overheads including depreciation and fixed production overheads which are apportioned on the basis of normal capacity.

(d) Unsold real estate inventory is valued at lower of cost or market value

7. Revenue Recognition

Revenue is recognized to the extent that it can be reliable, measured and is appropriate to the economic benefits that will flow to the company.

(a) Sale of goods

Revenue from the sale of goods is recognized when the significant risks & rewards of ownership of the goods are transferred to the customers and is stated net of rebates/trade discounts. Consignment sales are booked to the extent of consignment sales notes received from consignees. The revenue on sale of residential/commercial plots and constructed units are recognized on completion and execution of sale/conveyance deeds and on reasonable expectation of collection of the sale consideration from the customer. The estimates relating to sale value, estimated cost etc., are revised and updated periodically by the management and necessary adjustments are made in the current year's account.

(b) Royalties and Income from services

Income from royalty & services rendered is booked on accrual basis in accordance with the terms of the royalty agreements/arrangements with the concerned parties.

(c) **Interest**

Interest is recognized on a time proportion basis in accordance with agreement taking into account the amount outstanding and the rate applicable.

(d) **Dividend**

Dividend income is recognized if the right to receive the payment is established by the Balance Sheet date.

8. **Retirement and Other Employee Benefits**

(a) **Short Term Employee Benefits**

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia etc. are recognized in the period in which the employee renders the related service.

There are no other encashable short-term benefits.

(b) **Post-Employment Benefits**

(i) **Defined Contribution Plans:** The State governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.

(ii) **Defined Benefit Plans:** The employees gratuity fund scheme and provident fund scheme managed by trust are defined benefit plans.

(a) In the case of gratuity liability, the present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains and losses are recognized immediately in the Profit & Loss Account.

(b) In the case of provident fund administered by the Trust constituted by the Company, the Company makes monthly contributions as a fixed percentage of basic pay of certain specified employees to the Fund every month. The interest credited to the account of the employees is adjusted on annual basis to conform to the interest rate notified by the Govt. for the Employees Provident Fund. The Company has an obligation to make good the shortfall, if any, between the return on investment of the Trust and the notified interest rate. Pending the issuance of the guidance note from the Actuarial Society of India, the Actuary has expressed his inability to reliably measure the provident fund liability. There is no deficit in the Fund.

(c) **Long Term Employee Benefits**

Entitlements to annual leave, casual leave and sick leave are recognized when they accrue to the employees. Sick leave and casual leave can only be availed while earned leave can either be availed or encashed subject to restriction on the maximum number of accumulation of leaves. The Company determines the liability for such accumulated leaves using the projected unit credit method with actuarial valuation being carried out at each Balance

Sheet date in the similar manner as in the case of defined benefit plans as mentioned in (b) (ii) above.

- (iii) The other staff benefit schemes will be provided according to respective laws in respect of employees as and when these will be applicable on company.

9. Taxes on Income

The current charge for Income Tax is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax act, 1961.

Minimum Alternative Tax ("MAT") paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal tax in future. MAT Credit entitlement can be carried forward and utilized for a period of seven years from the year in which it is availed. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the company and the asset can be measured reliably.

Deferred tax is recognized subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between taxable profits and accounting profits. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date. Deferred tax assets on timing difference are recognized only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. However, deferred tax assets on the timing differences when unabsorbed depreciation and losses carried forward exist, are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax can be realized. Deferred tax assets are reassessed for the appropriateness of their respective carrying values at each balance sheet date.

10. Leases

- (i) Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.
- (ii) Assets taken on lease under which lessor effectively retains all significant risks & rewards of ownership have been classified as operating lease. Lease payments made under operating lease are recognized as expense in the profit & loss account on straight line basis over the primary term of the lease as mentioned in the lease agreement on accrual basis.
- (iii) Assets given under a finance lease are recognized as receivable at an amount equal to the net investment in the lease. Lease income is recognized over the period of the lease so as to yield a constant rate of return on the net investment in the lease.
- (iv) Assets leased out under operating leases are capitalized. Rental income is recognized on accrual basis over the lease term.

- (v) Initial direct costs relating to assets given on finance leases are charged to the Profit and Loss Account.

11. Research and Development

Revenue expenditure on research and development is charged under respective heads of account in the year in which it is incurred. Capital expenditure on research and development is included as part of fixed assets and depreciated on the same basis as other fixed assets.

12. Provisions and Contingencies

Provisions are recognized when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Where the Company expects a provision to be reimbursed, the reimbursement is recognized as a separate Asset, only when such reimbursement is virtually certain. Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved. Contingent Assets are neither recognized, nor disclosed. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

13. Use of Estimates

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income tax, post-sales customer support and the useful lives of fixed assets and intangible assets. Actual results could differ from those estimated. Any revision of accounting estimates is recognized prospectively in the current and future periods.

14. Foreign Currency Transaction

Foreign exchange transactions are recorded at the rates of exchange prevailing on the dates of the respective transactions. Exchange differences are recorded in the profit & loss account when the amount is actually paid on import of goods are converted into Indian Rupees. Accordingly, exchange differences arising on foreign exchange differences settled during the period are recognized in the profit and loss account of the period.

Monetary current assets and monetary current liabilities that are denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. The resulting difference is also recorded in the profit & loss account.

15. Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

16. Earnings per Share

In determining earnings per share, the Company considers the net profit after tax and includes the post-tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprise the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

The details are stated in the financial notes below which are not reproduced here. There is no diluted Earning per Share as there are no dilutive potential equity shares.

17. Segment Accounting

The Company has three primary segments namely Food, Real Estate and Services.

(a) Segment accounting policies

Segment accounting policies are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting :-

- (i) Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter-segment revenue.
- (ii) Expenses that are directly identifiable with/allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under "Un-allocable Expenditure".
- (iii) Income which relates to the Company as a whole and not allocable to segments is included in "Un-allocable Income".
- (iv) Segment result includes margins on inter-segment capital jobs, which are reduced in arriving at the profit before tax of the Company.
- (v) Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment. Un-allocable assets mainly comprise Deposits with Banks, Margin Money, Bank Balances, Investments & Deferred Tax Assets to the portfolio of the Company's core/thrust areas of business such as infrastructure development. Un-allocable liabilities include mainly Share Capital, Reserves & Surplus, Public Deposits, Provision for tax & Interest Payable on Loans.

(b) Segment transactions

Segment transactions with other business segments are accounted on the basis of cost to the segment concerned.

18. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated. The Cash Flow statement is separately attached with the Financial Statements of the company.

19. Accounting for Interest in Joint Venture

Interest in Joint venture companies is accounted as follows:-

- (i) Income on investments is recognized when the right to receive the same is established.
- (ii) Investment in such Joint Ventures is carried at cost after providing for any permanent diminution value.

B. Notes

1. Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March, 2010 amounted to Rs. 12,40,000 (Rs. 9,25,000/-).

2. Contingent Liability

(Rs.lacs)

- | | 2009-10 | 2008-09 |
|---|---------|---------|
| (a) Bank Guarantee given to the Excise Deptt. against refund of excise to Amrit Food Division as per order dated 02.02.2009 of the hon'ble Supreme Court of India | 91.63 | 91.63 |
| (b) Claims against the Company not acknowledged as debts | 7.48 | 8.91 |

3. The Company promoted in collaboration with M/s Digvijay Real Estate Developers (P) Ltd., New Delhi a joint venture company (hereinafter referred to as 'JV Company') under the name & style of "Amrit Digvijay Infra-Tech (P) Ltd." for developing a housing project at Dehradun. The company invested a sum of Rs. 49,500/- towards equity and provided Rs 85,00,000/- as unsecured loan. The JV Company has already acquired and registered in its name a portion of the land. It is facing difficulties in acquiring the balance land. Efforts are being made to sell the land already acquired and apply the proceeds in another project in Dehradun or another suitable location. Pursuant to Accounting Standard (AS) 27 – Financial Reporting on interest in Joint Venture, the disclosures relating to the joint-venture viz., Amrit Digvijay Infra-Tech Pvt. Ltd. are as follows:

- (a) The proportion of interest of the Company in the JV is by way of equal equity participation with M/s Digvijay Real Estate Developers Pvt. Ltd.;
- (b) The aggregate amount of assets, liabilities, income and expenses relating to the Company's interest in the JV as on 31st March, 2010 is as follows:

(Figures in Rupees)

	2009-10	2008-09
1. Assets		
- Fixed Assets	75,44,010	75,36,800
- Current Assets	67,500	5,68,251
2. Liabilities		
- Current Liabilities	11,76,406	11,43,508
- Unsecured Loan	85,00,000	80,00,000
3. Revenue	9,592	-
4. Expenses	10,32,736	9,56,930

- (c) The Company's share of capital commitment in the JV as on 31st March, 2010 is Rs. Nil lacs (previous year Rs. 198.78 lacs).
 - (d) The Company's share of contingent liabilities of the JV as on 31st March, 2010 is Nil (previous year Nil).
 - (e) There was no contingent liability outstanding as on 31st March, 2010 in relation to the Company's interest in the JV alongwith the co-venturer.
4. The Auditors have issued letters of confirmation in duplicate to all debtors, creditors, depositors & others for confirming their balances. Balance confirmations have been received from major

parties, except some parties whose outstandings are not material and some of whom are in dispute and/or under litigation with the Company. The balances of such parties have been incorporated in the financial statements at the value as per the books of account. The company, to the extent stated, has considered them as good and necessary provisions have been made in respect of debtors/advances under litigation and where recovery is considered doubtful.

5. The Bombay Municipal Corporation (BMC) through the Special Land Acquisition Officer had acquired freehold land belonging to the company admeasuring 3,857,069 sq.mtrs. for Rs.5,61,927/-. The company had filed a petition in the Hon'ble Bombay High Court for enhancement of compensation. By a judgement dated 24th October, 1994, the Bombay High Court enhanced the compensation, including interest, by Rs.31,27,603/- with a direction to pay further interest from 15th October, 1994 till the actual date of payment. Against the judgement by a Single Judge, the BMC filed an appeal before the Division Bench of the High Court for stay and vide order dated 21st November, 1995 the execution and operation of the judgement dated 24th October, 1994 was stayed on the condition that BMC deposits the decretal amount with upto date interest amounting to Rs.42,75,769.65 with the Court which the company was allowed to withdraw after furnishing a solvent security. Rs.32,08,889.65 was received by the Company on 5th January, 1999 and the balance on account of interest accrued thereon amounting to Rs.10,66,880/- (including TDS) was received on 15.03.2000 and these have been accounted for in the books of account for the relevant period. The appeal by BMC was finally disposed off by the Division Bench of the Bombay High Court vide order dated 29th April, 2004, which has modified the order of the Single Judge and reduced the compensation to Rs.21,01,271.97 as against the amount of Rs.32,08,889.65 decreed by the Single Judge. The Company has filed an SLP before the Hon'ble Supreme Court of India against the order as well as a stay application against the deposit of the differential amount of Rs.11,07,617.68 together with interest @ 12% thereon from 29th January, 1999. The appeal came up for hearing on 25th November, 2004 and the Hon'ble Supreme Court of India was pleased to issue a Notice on the SLP as well as on the interim stay application. There has been no further progress in this matter during the year.
6. Milk products, namely, soft serve mix and milk shake mix manufactured by Amrit Food Division and supplied to McDonald's restaurants had been held to be excisable products by the Commissioner, Central Excise, Meerut. On appeal, the CEGAT (now CESTAT) confirmed the order passed by the Commissioner. The Company filed an appeal against the CESTAT's order before the Hon'ble Supreme Court of India challenging the excisability of these products. The Hon'ble Supreme Court while setting-aside the order of CESTAT in so far as it pertained to determination of the classification of the aforesaid products, remanded the matter back to CESTAT for the purpose of disposing of the same on merit. The CESTAT after detailed arguments passed an order dated 29th March, 2006 holding inter-alia that the products in question were classifiable under Chapter 4 heading 04.04 of the Central Excise Act having 'nil' rate of duty and not under Chapter 19 heading 19.01.19, as contended by the Excise Department. The CESTAT has, thus, set-aside the order passed by the Commissioner imposing duty on the said products and the demands raised by the Excise Deptt. have also been set-aside with consequential relief. The Excise Department has, however filed an appeal before the Hon'ble Supreme Court against the order of CESTAT which has been admitted. In the meantime, Amrit Food filed appropriate application(s) seeking refund of the duty paid in the past.

On an application for stay filed by the Excise Deptt., the hon'ble Supreme Court vide order dated 2.2.2009 allowed the Company refund of Rs.91,63,301/- subject to the Company furnishing bank guarantee for the same. In compliance of the order of the hon'ble Supreme Court, the Company submitted the requisite bank guarantee to the Excise Deptt. and has received refund of



Rs.91,63,301/- from the Excise Deptt. on 01.06.2009. The Company is also entitled to interest on the refund amount as applicable under the Central Excise Act/Rules, which is under appeal before CESTAT. Necessary adjustment entries for the refund/ interest will be passed upon adjudication of the appeal by the hon'ble Supreme Court.

7. The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31.03.2010. The disclosure pursuant to the said Act is as under:

	2009-10	2008-09
(a) The principal amount remaining unpaid to any supplier as at the end of each accounting year	9,06,616	9,90,687
(b) The interest due remaining unpaid to any supplier as at the end of each accounting year	21,765	75,231
(c) The amount of interest paid by the buyer in terms of section 18	NIL	NIL
(d) Amounts of the payment made to the supplier beyond the appointed day during each accounting year	71,65,793	62,93,223
(e) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	21,765	75,231
(f) The amount of interest accrued and remaining unpaid at the end of each accounting year	21,765	75,231
(g) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Note: The information has been given in respect of such vendors who could be identified as "Micro and Small" enterprises on the basis of information available with the Company.

8. Related Party Disclosure

A. Related Parties

- (i) Key Management Personnel : Mr.N.K.Bajaj, Chairman & Managing Director
: Mr.A.K.Bajaj, Managing Director
- (ii) Associate Companies : M/s ABC Paper Ltd. (ABC Paper)
: M/s Amrit Banaspati Co. Ltd. (ABCL)
: M/s Amrit Agro Industries Ltd. (AAIL)
: M/s Amrit Learning Ltd. (ALL)
: M/s Amrit Digvijay Infra-Tech Pvt.Ltd. (ADIPL)



B. Transactions with Related Parties

(Rs. In lacs)

	Type of Transaction	ABC Paper		ASCL		AAIL		ALL		ADPL		Key Managerial Personnel	
		2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
(a)	BPO Services	132.36	134.59	85.87	81.91	-	-	-	-	-	-	-	-
(b)	GOO Receipts	22.06	22.43	5.52	5.81	-	-	1.85	1.68	-	-	-	-
(c)	Receipt of royalty for use of brand names/logo	182.40	175.84	88.28	104.11	-	-	-	-	-	-	-	-
(d)	Payment of interest on Unsecured Loan	-	-	8.86	8.85	-	-	-	-	-	-	-	-
(e)	Receipt of interest on Unsecured Loan	4.81	11.00	-	-	-	-	-	-	6.73	6.40	-	-
(f)	Dividend Income	71.50	71.50	24.80	16.40	-	-	-	-	-	-	-	-
(g)	Dividend Payment	-	-	-	-	-	-	-	-	-	-	2.58	1.26
(h)	Expenses recovered	6.48	16.10	0.51	1.14	-	-	-	-	-	-	-	-
(i)	Expenses reimbursed	0.20	-	-	0.15	-	-	-	-	-	-	-	-
(j)	Advances/ loans given	-	-	-	-	-	-	-	-	-	-	-	-
(k)	Advances/ loans recovered	100.00	-	-	-	-	-	-	-	-	-	-	-
(l)	Investment in shares	-	-	-	-	-	-	-	-	-	-	-	-
(m)	Remuneration of key managerial personnel	-	-	-	-	-	-	-	-	-	-	32.26	32.07
(n)	Assets sold	-	-	-	-	-	-	-	-	-	-	-	-
(o)	Any other transaction	-	-	-	-	-	-	-	-	-	-	-	-
Balance as on 31st March, 2010													
(*)	Unsecured Loan	-	100.00	88.53	88.53	-	-	-	-	85.00	80.00	-	-
(*)	Investments in shares	379.89	429.99	724.98	724.98	-	-	-	-	0.49	0.49	-	-
(iii)	Receivables	88.77	46.50	27.79	5.91	-	-	0.37	0.37	6.05	4.95	-	-
(iv)	Deposit Received	-	-	-	-	-	-	-	-	-	-	1.00	1.00
(v)	PF Payable	-	-	-	-	-	-	-	-	-	-	0.19	0.18

9. Segment information for the year ended 31st March, 2010

(a) Business Segments

Based on the guiding principles given in Accounting Standard AS-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company's business segments include Milk/Milk products (manufacture of dairy milk & milk products), Real Estate & Services.

(b) Geographical Segments

Since the Company's activities/operations are within the country and considering the nature of products it deals in, the risks and returns are the same and as such, there is only one geographical segment.

(c) **Segment Accounting Policies**

In addition to significant accounting policies applicable to the business segments, the accounting policies in relation to segment accounting are as under:

(i) **Segment revenue and expenses**

The revenue and expenses of segments are directly attributable to the segments.

(ii) **Segment assets and liabilities**

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets net of allowances and provisions which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets do not include income tax assets and interest bearing assets. Segment liabilities do not include interest bearing liabilities and income-tax liabilities.

(Rs. in lacs)

Particulars	Milk/Milk Products		Real Estate		Services		Total	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
External sales/ Income from services	3,123.78	2,789.30	40.22	146.88	201.50	201.70	3,374.30	3,137.88
Other income	10.88	10.48	-	-	258.06	256.84	288.94	267.32
Total revenue	3,134.66	2,799.77	40.22	146.88	459.56	458.54	3,843.44	3,405.20
Segment results	66.80	107.27	22.94	77.32	102.63	166.57	192.37	351.15
Unallocated income (net of expenses)	-	-	-	-	-	-	112.78	80.08
Interest income	-	-	-	-	-	-	87.82	89.71
Interest expenses	-	-	-	-	-	-	(107.37)	(98.66)
Profit before extra-ordinary item & tax	-	-	-	-	-	-	295.70	412.29
Extra-ordinary income	-	-	-	-	-	-	-	-
Profit before tax	-	-	-	-	-	-	295.70	412.29
Provision for taxation	-	-	-	-	-	-	36.82	134.94
Profit after tax	-	-	-	-	-	-	258.88	277.35
Segment assets	1,081.55	1,125.64	664.70	796.63	1,186.38	916.21	2,944.63	2,836.48
Unallocated assets	-	-	-	-	-	-	1,747.23	1,784.25
Segment liabilities	385.86	313.20	4.47	17.75	817.25	708.43	1,207.88	1,039.38
Unallocated liabilities	-	-	-	-	-	-	3,504.18	3,583.25
Capital expenditure	45.80	114.82	-	-	(246.40)	201.64	(202.90)	318.56
Depreciation & amortization	98.11	103.59	-	-	24.57	19.47	119.78	123.66
Non-cash expenses other than depreciation & Amortization	0.50	1.57	-	-	-	0.04	0.80	1.61

10. Fixed Assets acquired under finance lease:

Disclosure in respect of assets taken on lease under Accounting Standard AS – 19 "Accounting for Leases" issued by the Institute of Chartered Accountants of India.

(1) General description of the finance lease

The Company has entered into finance lease arrangements for vehicles. Some of the significant terms and conditions of such leases are as follows:

- Renewal for a further period on such terms and conditions as may be mutually agreed upon between lessor and the company.
- Assets to be purchased by the company or the nominee appointed by the company at the end of the lease term.

Vehicles in Fixed Assets Schedule 'E' – include assets acquired under finance lease arrangements, the details of which are given below:

Particulars	2009-10 (Rs.)	2008-09 (Rs.)
Carrying amount as on 31 st March, 2010		
Gross book value as at the beginning of the year	84,63,668	60,48,898
Less: Accumulated Depreciation	17,78,492	19,71,510
Net book value	66,85,176	40,77,388
Additions during the year	26,41,006	53,51,448
Depreciation for the year on such assets	18,26,023	17,36,843

Particulars	2009-10			2008-09		
	Total	Future finance charges	Present of minimum lease Payments at the Balance sheet date	Total	Future finance charges	Present of minimum lease Payments at the Balance sheet date
Total minimum lease payments at the Balance Sheet date	47,06,735	4,31,038	42,77,697	55,42,602	6,70,292	48,72,310
Not later than one year	31,09,876	3,35,734	27,73,942	28,73,352	4,73,805	23,99,547
Later than one year but not later than five years	15,99,059	95,304	15,03,755	26,69,250	1,96,487	24,72,763
Later than five years	-	-	-	-	-	-

11. Employee Benefits:

(a) Defined Contribution Plans

The Company has recognized the contribution/liability in the Profit & Loss Account for the financial year 2009-10.

(b) Defined Benefit Plans & Other Long Term Benefits:

The following disclosures are made in accordance with AS 15 (Revised) pertaining to Defined Benefit Plans and Other Long Term Benefits:

	Gratuity (Funded Plan)		(Rs. in lacs)	
	2009-10	2008-09	2009-10	2008-09
Amount recognized in Balance Sheet				
Present value of funded obligations	55.87	60.12	-	-
Fair value of plan assets	58.34	58.36	-	-
Present value of unfunded obligations	-	-	48.44	41.99
Unrecognized past service cost	-	-	-	-
Net (Liability)/Assets	2.48	(3.76)	(48.44)	(41.99)
Amount in Balance Sheet				
Liability	-	-	-	-
Assets	2.48	3.76	48.44	41.99
Net (Liability)/Assets	2.48	(3.76)	(48.44)	(41.99)
Expenses recognized in the Profit & Loss Account				
Opening defined benefit obligation less benefits paid	-	-	-	-
Current service cost	4.51	4.25	3.71	3.27
Interest on defined benefit obligation	4.51	3.90	3.15	2.53
Expected return on plan assets	(4.79)	(3.29)	-	-
Net actuarial losses/(gain) recognized in the year	(2.79)	(1.11)	5.04	3.03
Past service cost	-	-	-	-
Losses/(gains) on "Curtailements and Settlements"	-	-	-	(11.31)
Total, included in "Employee Benefit Expense"	1.54	3.76	11.90	7.82
Actual return on plan assets	5.72	3.97	-	-
Reconciliation of benefit obligations and plan assets for the period				
Change in defined benefit obligation	-	-	-	-
Opening defined benefit obligation	60.12	55.78	41.99	37.59
Current service cost	4.51	4.24	3.71	3.27
Interest cost	4.51	3.91	3.15	2.53
Actuarial losses/(gains)	1.86	(0.42)	5.04	3.03
Liabilities extinguished on curtailments	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Liabilities assumed on acquisition	-	-	-	-
Exchange difference on foreign plans	-	-	-	-
Benefits paid	(1.50)	(3.37)	(5.45)	(4.53)
Closing defined benefit obligation	68.66	60.12	48.44	41.99
Change in fair value of assets	-	-	-	-
Opening fair value of plan assets	58.37	46.85	-	-
Expected return on plan assets	4.79	3.29	-	-
Actuarial gain/(Losses)	8.93	0.69	-	-
Assets distributed on settlements	-	-	-	-
Contributions by employer	7.78	6.91	-	-
Assets acquired due to acquisition	-	-	-	-
Exchange difference on foreign plans	-	-	-	-
Benefits paid	(1.50)	(3.37)	-	-
Closing fair value of plan assets	68.34	58.36	-	-
Assets Information				
Category of assets				
Government of India Securities	7.19%	35.63%	-	-
State Govt. Securities	35.84%	26.02%	-	-
Corporate Bonds	38.81%	37.64%	-	-
Special Deposit Scheme	1.42%	0.41%	-	-
Equity shares of listed companies	-	-	-	-
Property	-	-	-	-
Insurance Managed Funds	-	-	-	-
Bank Balance (For Gratuity)	10.65%	-	-	-
Others	5.89%	-	-	-
Grand Total	100%	100%	-	-
Summary of the actuarial assumptions				
Discount rate	7.50%	7.00%	7.50%	7.00%
Expected rate of return on assets	8.50%	7.00%	NH	NH
Future salary increase	5.00%	4.50%	5.00%	4.50%

Notes:

- The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors.
- The Company estimates that the amount to be contributed to the Gratuity fund for the financial year 2010-11 will be Rs. Nil.
- The liability towards the earned leave for the year ended 31st March, 2010, based on actuarial valuation amounting to Rs.11.90 lacs has been recognized in the profit & loss account.

12. The deferred tax asset/(liability) comprises the following:

The Company estimates the deferred tax charge / (credit) using the applicable rate of taxation based on the impact of timing differences between financial statements and estimated taxable income for the current period. The movement of provision for deferred tax is given below:

(Rs. in lacs)

Provision for Deferred Tax	Opening Balance	Charge during the year	Credit during the Year	Closing as at 31.03.2010
Timing difference between books and tax depreciation	(100.67)	(1.95)	-	(102.62)
Unabsorbed losses	1.20	(1.20)	-	-
Provision for doubtful debts	13.00	-	-	13.00
Disallowances u/s 43-B	15.31	-	2.20	17.51
Restructuring Expenses	1.35	(0.67)	-	0.68
Total	(69.81)	(3.82)	2.20	(71.43)

13. Earning per share

(Fig. in Rupees)

Profit after taxation as per profit & loss Account
Weighted average number of equity shares outstanding
Basic and diluted earnings per share in rupee
(face value-Rs.10/- per share) including extra-ordinary income

2009-10
2,77,95,026
32,13,231
8.65

2008-09
2,77,95,026
32,13,231
8.65

14. The current tax liability has been shown net of MAT credit entitlement of Rs. 37.00 lacs.

15. Information pursuant to clause 32 of the listing agreement with stock exchanges

- Loans and advances in the nature of loans to associates/companies in which Directors are interested:

(Rs. in lacs)

ABC Paper Ltd.
Amrit Digvijay Infra-Tech Pvt.Ltd.

2009-10
100.00
80.00
180.00

2008-09
100.00
80.00
180.00

- The above loans/advances are in the nature of unsecured loans, interest bearing and repayable as per terms of agreements with the parties concerned.

16. Managerial/Directors' Remuneration

	(Fig. in Rupees)	
	2008-09	2007-08
(a) Remuneration paid to the Managing Director		
- Salary	18,96,000	17,70,000
- Contribution to Provident & Superannuation Fund	2,25,800	2,12,400
- Perquisites	11,09,425	12,24,319
- Commission	-	-
	32,26,225	32,06,719
(b) Directors' Sitting Fees	7,98,000	4,20,000
Total	40,24,225	36,26,719

The aforesaid remuneration to the Managing Director is the minimum remuneration as approved by the shareholders. The remuneration paid to Managing Director is in accordance with Schedule XIII of the Companies Act, 1956.

17. The previous year's figures have been regrouped/re-arranged, wherever necessary, to make them comparable with the figures for the current year.

Schedule "P" ADDITIONAL INFORMATION UNDER PARAGRAPHS 3&4 OF PART 2 OF SCHEDULE VI OF THE COMPANIES ACT, 1956 FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH, 2010

1. DETAILS OF CAPACITIES, PRODUCTION, STOCKS & SALES

Capacity & Production

Qty. Unit	CAPACITY		PRODUCTION			
	Licensed		Installed*		Actual	
	31.03.10	31.03.09	31.03.10	31.03.09	31.03.10	31.03.09
UHT Dairy Milk	KL					
	33,000 Per Year	33,000 Per Year	24,000 Per Year	24,000 Per Year	8,567	7,606

*The installed capacity is as per certificate given by the factory manager.



Stocks of Finished Products & Sales (Rs. in lacs)												
Stock of Finished Products								Sales Adjustment				
Opening				Closing								
01.04.2009				31.03.10				01.04.2009				
								31.03.09				
Qty. KL	Value Rs.	Qty. KL	Value Rs.	Qty. KL	Value Rs.	Qty. KL	Value Rs.	Qty. KL	Value Rs.	Qty. KL	Value Rs.	Qty. KL
UHT Dary Mik	133	45.22	149	53.57	129	38.92	133	45.22	8,551	3,123.78	7,602	2,789.30
Others	-	-	-	-	-	-	-	-	258.72	-	348.58	-

2. DETAILS OF RAW MATERIALS CONSUMED					
		Quantity consumed (KL)		Value (Rs.in lacs)	
		2009-10	2008-09	2009-10	2008-09
i)	Milk (KL)	8,787	7,877	1,973.21	1,550.19
	Others	-	-	18.15	60.73
ii)	Stores,spare parts,chemicals & others				
	a) Containers	-	-	-	-
	b) Others	-	-	349.33	359.01

3. VALUE OF MATERIALS CONSUMED (Rs. in lacs)											
2009-10						2008-09					
Indigenous	%age	Imported	%age	Total	%age	Indigenous	%age	Imported	%age	Total	%age
i) Milk (KL) & others	1,983.78	98.11	37.80	1.89	1,981.38	100.00	1,610.92	100.00	-	1,610.92	100.00
ii) Stores,spare parts, chemicals & others	349.33	100.00	-	-	349.33	100.00	359.01	100.00	-	359.01	100.00

4. FOREIGN EXCHANGE EARNING AND OUTGO (Rs. in lacs)		
	2009-10	2008-09
A. Value of Imports on CIF basis		
Capital Goods	7.14	-
Finished Products	-	-
Raw Materials	32.87	15.34
Spares/Stores	14.97	13.38
B. Earnings in Foreign Exchange		
Exports on FOB basis	-	-
Others (freight, insurance etc.)	-	-
Consultancy	-	-
C. Expenditure in Foreign Exchange		
Travelling	54.85	14.22
Others	8.18	-
Total	78.99	42.94



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(Pursuant to Part IV of Schedule VI to the Companies Act, 1956)

I REGISTRATION DETAILS

Registration No. : 946
State Code : 20
Balance Sheet Date : 31st March, 2010

Rupees '000

II CAPITAL RAISED DURING THE YEAR ENDED 31ST MARCH, 2010

Public Issue : -
Right Issue : -
Bonus Issue : -
Private Placement : -

III POSITION OF MOBILISATION AND DEVELOPMENT OF FUNDS AS AT 31ST MARCH, 2010

Total Liabilities : 4,19,810
Total Assets : 4,19,810

Sources of Funds

Paid-up Capital : 32,132
Reserves and surplus : 2,68,503
Secured Loans : 20,355
Unsecured Loans : 91,677
Deferred Tax Liability : 7,143

Total : 4,19,810

Application of Funds

Net fixed assets : 86,221
Investments : 1,11,019
Net current assets : 2,22,570

Total : 4,19,810

CERTIFIED TRUE COPY

For AMRIT CORP. LIMITED

Company Secretary

IV PERFORMANCE OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2010

i) Turnover (sale of the products/services and other income) : 3,85,538
ii) Total expenditure : 3,55,968
iii) Profit before tax : 29,570
iv) Profit after tax : 25,956
v) Earning per share (see rule 2) (face value of Rs. 10/-) : 8.08
vi) Dividend rate(%) : 20%

V PRODUCTS OF THE COMPANY

Generic name of principal products/services of the company :

Item code No.

40120.00

Product description

Dairy milk

NOTE:

The above particulars should be read along with the Balance Sheet as at 31st March, 2010, the Profit & Loss Account for the financial year ended on that date and the Schedules forming part thereof.