



**BOARD OF DIRECTORS**

**Mr. Sushil Goyal** *Chairman & Managing Director*  
**Mr. Abhey Goyal** *Whole Time Director*  
**Mr. Bishan Goyal** *Director*  
**Mr. S. C. Singhal** *Director*  
**Mr. Harsh Chander Kansal** *Director*  
**Mr. Babu Lal Jain** *Director*

**REGISTERED OFFICE**

SP-916, RIICO Industrial Area Phase - III,  
Bhiwadi - 301 019, Distt. Alwar (Rajasthan)

**INVESTORS RELATION CENTRE**

12th Floor, Bigjos Tower, A-8 Netaji Subhash Place  
Wazirpur District Centre, New Delhi - 110 034  
Phone : 011-42515151, Fax : 011-42515100  
E-mail : info@ajantasoya.com, ajantasoya@gmail.com  
Website : www.ajantasoya.com

**STATUTORY AUDITORS**

**M/s. TAS Associates**  
Chartered Accountants  
Flat No. 4, 11/71, Punjabi Bagh West  
New Delhi - 100 026

**REGISTRAR & SHARE TRANSFER AGENT**

Skyline Financial Services Pvt. Ltd.  
D-153A, 1st Floor, Okhla Industrial Area, Phase-I,  
New Delhi - 110020  
Phone No. : 011-30857575  
Fax No. : 011-30857562  
E mail : admin@skylinerta.com

**SECRETARIAL ADVISORS**

**M/s. R&D**  
*Company Secretaries*  
138-A, Pocket - F, Mayur Vihar, Phase-II  
Delhi - 110 091  
Phone/Fax : 22725301 / 22725305  
E-Mail : rndregular@gmail.com

*ALL CORRESPONDENCE RELATING TO TRANSFER  
OF SHARES, CHANGE IN ADDRESS ETC. SHOULD BE  
SENT TO THE REGISTRAR & SHARE TRANSFER  
AGENT OR INVESTORS RELATION CENTRE*

**SHARES LISTED WITH STOCK EXCHANGE AT**

**The Stock Exchange, Mumbai**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001

**BANKERS**

**State Bank of India**  
Overseas Branch  
Jawahar Vyapar Bhawan  
1, Tolstoy Marg,  
New Delhi-110 001

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## **NOTICE**

Notice is hereby given that the 20th Annual General Meeting of the Members of the Company will be held on Friday, 30th September, 2011 at 12.30 P.M. at the Registered Office and Factory Premises of the Company at SP-916, Phase III, Industrial Area, Bhiwadi, 301 019, Distt. Alwar, Rajasthan to transact the following business:

### **Ordinary Business:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2011 and Profit and Loss Account for the year ended on that date together with the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr Satish Chand Singhal who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr Abhey Goyal who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to authorize the Board to fix their remuneration.

The present Statutory Auditors M/s Tas Associates, Chartered Accountants, New Delhi, are holding the office till the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

### **Special Business:**

5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:  
"Resolved that pursuant to the provisions of sections 198, 269, 309 & 310 read with schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, Mr Sushil Goyal, Director be and is hereby re-appointed as Managing Director of the Company for a period of 3 years with effect from 26th July 2011 on the following terms and conditions:

#### **TERMS AND CONDITIONS:**

**Monthly Salary** : Rs.2,00,000/- (Rupees Two Lakh) only whether paid as Salary, allowance(s) etc.

**Perquisites** : Car to the Managing Director with driver at the cost of the company. However, Managing Director will reimburse the company for any personal use of the car.

Provided that the following perquisites will not be included in the aforesaid remuneration:

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure.

**Provided further that** payment/ re-imbusement of telephone and/ or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.

**Resolved further that** in the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.

**Resolved further that** the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to assign and delegate, from time to time, such work, duties, power and authorities to the Managing Director as it may deem fit and proper.

**Resolved further that** the Board of Directors and the Remuneration Committee of the Company be and are hereby severally authorised to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

**Resolved further that** the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to take all necessary steps to give effect to the aforesaid resolution."



6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Ordinary Resolution**:  
“**Resolved That** pursuant to the provisions of sections 198, 269, 309 & 310 read with schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, Mr Abhey Goyal, Director be and is hereby re-appointed as Whole Time Director of the Company for a period of 5 years with effect from 1st January 2012 on the following terms and conditions:  
**Terms and Conditions:**  
**Monthly Salary** : Gross monthly remuneration not exceeding Rs. 1,00,000 (Rupees One Lac only) whether paid as salary, allowance(s), perquisites or a combination thereof w.e.f. 1st January, 2012.  
Provided that the following perquisites will not be included in the aforesaid remuneration:  
a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;  
b. Gratuity payable at a rate not exceeding half a month’s salary for each completed year of service; and  
c. Encashment of leave at the end of tenure.  
**Provided further that** payment/ re-imbursment of telephone and/ or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.  
**Resolved further that** in the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.  
**Resolved further that** the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to assign and delegate, from time to time, such work, duties, power and authorities to the Whole Time Director as it may deem fit and proper.  
**Resolved further that** the Board of Directors and the Remuneration Committee of the Company be and are hereby severally authorised to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.  
**Resolved further that** the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to take all necessary steps to give effect to the aforesaid resolution.”
7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  
“**Resolved that** pursuant to the provisions of section 293(1)(d) of the Companies Act, 1956, and other applicable provisions, if any, the Board of Directors of the Company be and is hereby authorised and empowered to borrow, from time to time, any sum or sums of money from one or more bank, financial institution, Central or State Government, body corporate, firms or any other person(s), whether by way of term loan, working capital facility, cash credit facility, inter corporate loan, bill discounting, issue of debenture or bonds or any other fund based or non-fund based facility, in Indian Rupee or in Foreign Currency, whether secured or unsecured, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business) will or may exceed the aggregate of the paid up share capital and free reserves (the reserves not set apart for any specific purpose) of the Company but so however that the total amount up to which the money may be borrowed by the Board of Directors and outstanding at anytime shall not exceed the sum of Rs 500 Crores (Rupees Five Hundred Crores only) or equivalent amount in foreign currency, exclusive of interest and other charges.  
**Resolved further that** the Board of Directors of the Company be and is hereby authorised to execute such agreements, papers, deeds, and other instruments or writings containing such conditions and covenants as it may think fit to give effect to this resolution.  
**Resolved further that** the Board be and is hereby authorised to delegate all or any of the aforesaid powers to any committee of Directors/officers, one or more director/managing director or any other principal officer of the Company on such conditions as the Board may deem fit and to take all such steps that may be required to give effect to this resolution.”
8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  
“**Resolved that** pursuant to the provisions of Section 293(1)(a) of the Companies Act, 1956 and other applicable provisions, if any, the Board of Directors of the Company be and is hereby authorised and empowered to mortgage, hypothecate, pledge, charge or otherwise encumber, from time to time, all present and future, movable or immovable properties of the



Company and/ or whole of the undertakings of Company, wherever situated, in favors of Financial Institutions, Banks, Body Corporate or any other lender to secure fund based and non fund based facilities including term loan and working capital assistance obtained/to be obtained by the Company subject to the limits approved under Section 293(1)(d) of the Companies Act, 1956, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premium on prepayment, remuneration of the Agent(s)/Trustees, premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s), Debenture Trust Deed(s) or any other document, entered into/to be entered into between the Company and the Lender(s)/Agent(s) and Trustee(s) / Trustee(s), in respect of the said loans / borrowings / debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the Lender(s)/ Agent(s) and Trustee(s) /Trustee(s).

**Resolved further that** the Board of Directors of the Company be and is hereby authorised to execute such agreements, papers, deeds, and other instruments or writings containing such conditions and covenants as it may think fit to give effect to this resolution.

**Resolved further that** the Board be and is hereby authorised to delegate all or any of the aforesaid powers to any committee of Directors/officers, one or more director/managing director or any other principal officer of the Company on such conditions as the Board may deem fit and to take all such steps that may be required to give effect to this resolution.

For and on Behalf of the Board  
For **AJANTA SOYA LTD**

**SUSHIL GOYAL**  
*Chairman & Managing Director*

Date : 20th August, 2011  
Place : New Delhi

**NOTES:**

- A. Appointment of Proxy: A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The proxy form in order to be effective must be deposited with the Company not less than 48 hours before the time fixed for commencement of the Meeting.
- B. Corporate Members: Corporate Members intending to send their authorised representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
- C. Members/Proxies attending the meeting are requested to bring their copy of Annual Report to the Meeting.
- D. Queries at the AGM: Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
- E. Book Closure: The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 29th September 2011 to Friday, 30th September 2011 (both days inclusive) for the purpose of the AGM.
- F. Members are requested to notify any change in their address/ mandate/ bank details immediately to the share transfer Agent of the Company- M/s Skyline Financial Services Pvt Ltd., D-153/A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi- 110 020; Phone No. 011-30857575.
- G. Inspection of Documents: Documents referred to in the Notice etc., are open for inspection at the registered office of the Company at all working days except Saturdays between 11 A.M. and 2 P.M. up to the date of Annual General Meeting.
- H. Explanatory Statement: Explanatory Statement as required under section 173(2) of the Companies Act, 1956, in respect of Special Business under item no. 5 to 8 is enclosed herewith.
- I. The information required to be provided under the Listing Agreement regarding the Directors proposed to be reappointed is given in the annexure to the Director's Report.



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

**Item No. 5:**

Tenure of Managing Director Mr. Sushil Goyal expired on 25th July 2011. For the efficient management of the Company's affairs, the Board reappointed Mr Sushil Goyal as Managing Director on the remuneration as given in proposed resolution. Mr Sushil Goyal has been working as Managing Director of the company more than 15 years.

**I. GENERAL INFORMATION**

(1)	Nature of Industry	Ajanta Soya Limited is engaged in the business of manufacturing of Vanaspati Oil and Refined Oil	
(2)	Date or expected date of commencement of commercial production	The Company is already in existence and is in operation since February, 1992	
(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 of the Company for last 2 years is given below: <span style="float: right;">(Amount in Lacs)</span>		
<b>Particulars</b>		<b>Financial Year ended</b>	
		<b>31st March, 2011</b>	<b>31st March, 2010</b>
Net Sales		30,174.33	23,201.22
Profit on Commodities Futures		-	-
Other Income		53.69	37.79
Increase/ (Decrease) in Stocks		194.29	79.09
Total Income		30,422.31	23,318.10
Total Expenditure		30,343.15	23,267.24
Profit before tax		79.16	50.86
Provision for tax		32.83	5.71
Profit after tax		46.33	45.15
Transfer to Reserve		-	-
Paid-up Share Capital		1,189.66	1189.66
Reserves and Surplus (excluding revaluation reserve)		863.94	817.61
(5)	Export performance and net foreign exchange collaborations	The Company is not in exports	
(6)	Foreign investments or collaborators, if any	The Company has made strategic Investment in Phoenix Steel Mills Ltd., a Nigeria based company, dealing in manufacturing of steel.	

**II. INFORMATION ABOUT THE APPOINTEE**

(1)	Background details	Mr Sushil Goyal has been the Managing Director of the Company since last Thirteen years. He is instrumental in the growth of our Company over the years.  He is having more than 20 years of experience in Edible Oil Industry.
(2)	Past remuneration	Monthly Salary: Rs.1,50,000/- (Rupees One Lakh Fifty Thousand) only whether paid as Salary, allowance(s) etc.

		<p>Perquisites: Car to the Managing Director with driver at the cost of the company. However, Managing Director will reimburse the company for any personal use of the car.</p> <p>Provided that the following perquisites will not be included in the aforesaid remuneration:</p> <p>a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;</p> <p>b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and</p> <p>c. Encashment of leave at the end of tenure.</p> <p>Provided further that payment/ re-imbusement of telephone and/ or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.</p> <p>In the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.</p>
(3)	Recognition or awards	Mr Sushil Goyal is a man of rich experience in edible oil industry.
(4)	Job profile and his suitability	Mr Sushil Goyal, being the Managing Director of the Company is entrusted with substantial powers in relation to normal business matters. He is having rich experience of over 20 years in edible oil industry.
(5)	Remuneration proposed	<p>Monthly Salary:Rs. 2,00,000/- (Rupees Two Lacs) only whether paid as Salary, allowance(s) etc.</p> <p><b>Perquisites:</b> Car to the Managing Director with driver at the cost of the company. However, Managing Director will reimburse the company for any personal use of the car.</p> <p>Provided that the following perquisites will not be included in the aforesaid remuneration:</p> <p>a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;</p> <p>b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and</p> <p>c. Encashment of leave at the end of tenure.</p> <p>Provided further that payment/ re-imbusement of telephone and/ or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration. In the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.</p>
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The exact figures are not readily available. However, the proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package of top-level managerial persons having comparative qualifications and experience.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	The appointee is the main promoter of the Company. Save as the managerial remuneration he does not have any other material pecuniary relationship with the Company.

**III. OTHER INFORMATION**

(1)	Reasons for loss or inadequate profits	The Company is in profit. However fixed remuneration is proposed to be paid as minimum remuneration in the event of loss/absence/inadequacy of profits due to unavoidable circumstances.
(2)	Steps taken or proposed to be taken for improvement	The Company is taking cost cutting measures and exploring new avenues of business to improve profitability
(3)	Expected increase in productivity and profits in measurable terms	The company is expected to have improved sales and profitability figures in the next financial years.

The members' approval is required by way of a Special resolution for reappointment of Mr Sushil Goyal as Managing Director and fixing his remuneration.

The aforesaid explanatory statement for item no. 5 should also be deemed to be notice of the abstract for terms of appointment and payment of remuneration to Mr Sushil Goyal as Managing Director.

In term of the provision of Schedule XIII, additional disclosure is also given under appropriate head(s) in the Corporate Governance report annexed to the director's report.

None of the directors of the Company except Mr Abhey Goyal, Mr Bishan Goyal and Mr Sushil Goyal himself is concerned or interested in the proposed resolution.

**Item No. 6:**

Mr Abhey Goyal has been appointed as Whole Time Director of the company w.e.f. 1st January 2009 for a period of three years at a monthly remuneration of Rs. 50,000 which is increased upto Rs. 1,00,000 per month w.e.f. 1st September 2009. The tenure of Mr Abhey Goyal as Whole Time Director of the company ends on 31st December, 2011. Considering his valuable contributions to the company, the board has recommends his re-appointment for a fresh tenure of 5 years w.e.f. 1st January, 2012.

Accordingly, the resolution is placed before the members for their consideration and approval. The Board recommends the proposed resolution for adoption in the larger interest of the Company.

None of the directors of the Company except Mr Abhey Goyal, Mr Bishan Goyal and Mr Sushil Goyal is concerned or interested in the proposed resolution.

**Item No. 7 & 8:**

With the rapid growth in the turnover and overall activities of the Company, the requirement of funds has also increased. For fulfilling its requirement of funds, the company may borrow funds from the banks, financial institutions and others. So, in terms of the provisions of section 293(1)(d) of the Companies Act, 1956, consent of the members is required.

Since the Company would be required to create security in favour of the lenders by creating charge on its present and future assets, consent of the members is also required in terms of the provisions of section 293(1)(a) of the Companies Act, 1956.

Your directors recommend the resolutions.

None of the Directors is deemed to be interested or concerned in the proposed resolutions.

For and on Behalf of the Board  
For **AJANTA SOYA LTD**

**SUSHIL GOYAL**  
*Chairman & Managing Director*

Date : 20th August, 2011  
Place : New Delhi

**DIRECTORS' REPORT**

Dear Members

Your Directors have pleasure in presenting the 20th Annual Report of your Company together with the Audited Annual Accounts for the financial year ended 31st March, 2011.

**FINANCIAL HIGHLIGHTS**

(Amount in Lacs)

Particulars	Financial Year ended	
	31st March, 2011	31st March, 2010
Net Sales	30,174.33	23,201.22
Other Income	53.69	37.79
Increase/ (Decrease) in Stocks	194.29	79.09
Total Income	30,422.31	23,318.10
Total Expenditure	30,343.15	23,267.24
Profit before tax	79.16	50.86
Provision for tax	32.83	5.71
Profit after tax	46.33	45.16
Transfer to Reserve	-	-
Paid-up Share Capital	1,189.66	1189.66
Reserves and Surplus (excluding revaluation reserve)	863.94	817.61

**YEAR IN RETROSPECT**

During the year under review, total income of the Company was Rs. 30,422.31 lacs as against Rs. 23,318.10 lacs in the previous year. The Company was able to earn a marginal profit after tax of Rs. 46.33 lacs for the year as against a profit of Rs. 45.16 lacs. Your Directors are putting in their best efforts to improve the performance of the Company.

The detailed Management Discussion & Analysis Report is attached hereto with the Director's Report and should be read as part of this Directors Report.

**MATERIAL CHANGES ETC.**

Save as mentioned else where in this Report, no material changes and commitments affecting the financial position of the Company has occurred between the end of the financial year of the Company-31st March, 2011.

**DIVIDEND**

The Board of Directors of your Company has decided to retain and plough back the profits into the business of the Company, thus no dividend is being recommended for this year.

**CORPORATE GOVERNANCE**

A Report on Corporate Governance is attached as a part of this Directors Report along with the Auditors' Certificate on compliance of Clause 49 of the Listing Agreement.

**PUBLIC DEPOSITS**

During the year under report, your Company did not accept any deposits from the public in terms of the provisions of section 58A of the Companies Act, 1956.

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

- Conservation of Energy:** The Company is continuously making sincere efforts towards conservation of energy. Information as required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in **Annexure A**, forming part of this report.
- Technology Absorption:** The Company is taking care of latest developments and advancements in technology and all steps are being taken to adopt the same. The Company has spent Rs.17927.00 in the internal laboratory of the company for the quality testing of raw materials purchased and finished vanaspati/ refined oil purchased.
- Export Activities:** There was no export activity in the Company during the year under review.



**D. Foreign Exchange Earnings and Outgo:**

(Amount in Rs Lacs)

	2010-11	2009-10
<b>Total Foreign Exchange Inflow</b>		
Sale of Rice	4854.01	NIL
<b>Total Foreign Exchange outflow</b>		
i. Traveling expenses	2.36	NIL
ii. Purchase of Oil	4297.17	4011.21
iii. Purchase of Rice	4807.32	NIL
iv. Interest on rediscounting of LCs	0.93	NIL

**PARTICULARS OF EMPLOYEES**

During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and hence no particulars are required to be disclosed in this Report.

**DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr Satish Chand Singhal and Mr Abhey Goyal are liable to retire by rotation and being eligible offer themselves for re-appointment. Directors recommend their re-appointment.

**AUDITORS**

M/s Tas Associates, Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A certificate under section 224(1) of the Companies Act, 1956 regarding their eligibility for the proposed re-appointment has been obtained from them. Your Directors recommend their re-appointment.

**AUDITORS' REPORT**

Comments made by the Statutory Auditors in the Auditors' Report are self-explanatory and do not require any further clarification.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of the provisions of section 217(2AA) of the Companies Act, 1956, and to the best of their knowledge and belief and according to the information and explanations obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- in preparation of the annual accounts, the applicable accounting standards have been followed;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the profit of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- the Directors have prepared the Annual Accounts on a going concern basis.

**STOCK EXCHANGE LISTING**

The shares of the Company are listed on the Bombay Stock Exchange. The listing fee for the financial year 2011-12 has already been paid to the Bombay Stock Exchange.

**ACKNOWLEDGEMENT**

Your Directors take this opportunity to place on record their sincere appreciation for the co-operation and assistance the Company has received from Banks and various Government Departments. The Board also places on record its appreciation of the devoted services of the employees, support and co-operation extended by the valued business associates and the continuous patronage of the customers of the Company.

For and on Behalf of the Board  
For **AJANTA SOYA LTD**

Date : 20th August, 2011  
Place : New Delhi

**SUSHIL GOYAL**  
*Chairman & Managing Director*

## ANNEXURE A

**TABLE A**  
**Form for Disclosure of Particulars with respected to Conservation of Energy**

**A. POWER AND FUEL CONSUMPTION**

	Current Year	Previous Year
<b>1. Electricity</b>		
<b>(a) Purchased</b>		
Unit	5261616	5162832
Total amount	24756961	23611623
Rate/unit	4.71	4.57
<b>(b) Own generation</b>		
<b>(i) Through diesel generator</b>		
Unit	191520	402163
Units per ltr. of HSD oil	12.62	10.67
Cost/unit	2416938	4290925
<b>(ii) Through steam turbine/generator</b>		
Units	—	—
Units per ltr. of fuel oil/gas	—	—
Cost/units	—	—
<b>2. Coal (specify quality and where used)</b>		
Quantity (tones) (Pet Cock)	5998	6914
Total cost	55546868	44601400
Average rate	9260.89	6450.88
<b>3. Others/internal generation (please give details)</b>		
Quantity (Hydrogen Gas)	24378	18315
Total cost	3459085	2426362
Rate/unit	141.89	132.48
(a) Quantity {Rice Husk}(IN TONS)	—	—
Total cost	—	—
Rate/unit	—	—

**B. CONSUMPTION PER UNIT OF PRODUCTION**

	Standards (if any)	Current Year	Previous Year
Vanaspati//Refined Oil	—	—	—
Electricity	—	107.91	94.28
H.S.D	—	3.93	7.34
Coal (specify quality)	—	0.12	0.13
Others (Hydrogen Gas)	—	0.50	0.33
Others (Rice Husk)	—	—	—



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **Cautionary Statement**

The management Discussion and Analysis Report may contain certain statements that might be considered forward looking. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those expressed in the statement as important factors could influence Company's operations such as Government policies, economic development, political factors and such other factors beyond the control of the Company.

### **Overview**

During the year, the company has re-commence the business of Rice and traded 20000 MTs non basmati parboiled rice to African country to the tune of Rs.4854.01 Lacs. The company has also added vanaspati shrotering plant with capacity of 50 TPD with an expenditure of Approx. 70 lacs. Company is also concentrating on Vanaspati/Refined oil business segment

### **Industry Structure, Developments & Outlook**

Oilseeds and edible oils are two of the most sensitive essential commodities. India is one of the largest producers of oilseeds in the world and this sector occupies an important position in the agricultural economy. India is a vast country and inhabitants of several of its regions have developed specific preference for certain oils largely depending upon the oils available in the region. India today is the only country which has retail led growth left in the world, may be, along with China. This retail and mall culture in the country poses a huge opportunity to the whole edible oil sector. Inhabitants of northern plain are basically hard fat consumers and therefore, prefer Vanaspati, a term used to denote a partially hydrogenated edible oil mixture. Vanaspati has an important role in our edible oil economy. Its production is about 1.2 million tonnes annually. It has around 10% share of the edible oil market. It has the ability to absorb a heterogeneous variety of oils.

India is world's fourth largest edible oil market, after China and US and Brazil. India's annual consumption is around 10 million tonnes vis-à-vis China's 14.5 million tonnes. However, India's per capita consumption at 10.2 kg per annum is considerably lower compared to global standards. With the large population and continued strong economic growth, India is likely to register strong gains in total and per-capita edible oil consumption in the medium term.

There are two major features of Edible oil Economy, which have very significantly contributed to the development of this sector. One was the setting up of the Technology Mission on Oilseeds in 1986. This gave a thrust to Government's efforts for augmenting the production of oilseeds. The other dominant feature which has had significant impact on the present status of edible oilseeds/oil industry has been the programme of liberalisation under which the Government's economic policy allowing greater freedom to the open market and encourages healthy competition and self regulation rather than protection and control. Controls and regulations have been relaxed resulting in a highly competitive market dominated by both domestic and multinational players.

Vegetable oil consumption in India is continuously rising and has sharply increased in the last couple of years to roughly 11.2 Kg/head/year. The developed western world has a per capita consumption of 44 to 48 kg/year. According to the projections from the National Council of Applied Economic Research (NCAER), per capita consumption of Edible oils is likely to reach 13.95, 14.83 and 16.17 Kg by 2009-2010 if per capita income grows by 4%, 5% and 6% respectively.

The reference scenario is based on existing policies and assumed changes in key exogenous variables, including income growth, exchange rates, and world prices. Alternative scenarios are then evaluated relative to the reference scenario.

We examine six alternative scenarios:

- Changes in oil tariffs.
- Changes in oilseed price supports.
- Oilseed import liberalization.
- Consolidation in oilseed processing.
- Two composite scenarios, favoring producers and consumers alternately.
- Research & development in respect of Edible oils.

### **Opportunities & Threats**

The new age Indian consumer, the organized retail potential which is creating the huge consumption opportunity is by far the biggest Opportunity for companies like us. With the aspirational and rich class in India having a better penetration, our brand led growth will help the company in both the immediate and long run. Also, with the rural India being revisited by marketers through the modern retail (haat) philosophy, the opportunity is huge.



India is also seeing a great increase in life style led diseases like heart ailments and cardio vascular illness which is said to rise much higher than other nations; this creates a potential for healthy edible oil.

Competition from Indian and global players remain a matter of concern and probable threat; while the company is well prepared to tackle such issues on an ongoing basis.

**Risks & Concern**

There is stiff competition in the edible oil market with the international entrants. On a macro level business continues to be impacted by changes in Government Policy and International Oil Markets.

**Human resource / Industrial relations**

The Company recognizes the importance and contribution of its human resources for its growth and development and is committed to the development of its people.

The Company has cordial relations with employees and staff. There are no industrial relations problems during the year and the Company does not anticipate any material problems on this count in the current year.

The management is also committed to help the employees and workers to sharpen their skills and to improve their knowledge base for which continuous efforts are made on training and development.

**Internal Control Systems and Adequacy**

The Company has established internal control systems for ensuring optimum use of resources and safeguarding the assets. The Internal Control Systems and procedure are adequate and commensurate with the size of the Company. These business control procedures ensure efficient use and protection of the resources and compliance with the policies, procedures and status.

**Product wise Performance**

Presently the Company has been dealing in two segments, i.e., Vanaspati & Refined Oil and Rice. The details of the Vanaspati & Refined Oil business & Trading of Rice segment are as follows:

Product	Sales			
	Current Year (2010-11)		Previous Year (2009-10)	
	Quantity (MT)	Value (Rs Lacs)	Quantity (MT)	Value (Rs Lacs)
Vanaspati/ Refined Oils	48740.67	24915.25	54674.95	22754.60
Rice	20000.00	4854.01	Nil	Nil

## REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement a Report on Corporate Governance is given below:

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Our Company's philosophy on Corporate Governance envisages attainment of highest levels of accountability, transparency, responsibility and fairness in all aspects of its operations. Our business culture and practices are founded upon a common set of values that govern our relationships with customers, employees, shareholders, suppliers and the communities in which we operate. The Company believes that all its actions must serve the underlying goal of enhancing overall shareholder value on a sustained basis.

The Company is conscious of its responsibility as a good corporate citizen. The Company values transparency, professionalism and accountability.

### 2. BOARD OF DIRECTORS

The Company maintains an optimum combination of Executive, Non Executive and Independent Directors. The Board consists of total Six (6) directors on 31st March, 2011, out of which three (3) are independent. Mr Sushil Goyal is the Chairman cum Managing Director of the Company and Mr Abhey Goyal is the Whole Time Director. The Constitution of the Board as on 31st March, 2011 is as follows:

Name of the Director & Designation	Category	No. of positions held in other Public Companies*		
		Board	Committee	
			Membership	Chairmanship
Mr Sushil Goyal Chairman & Managing Director	Promoter & Executive	1	Nil	Nil
Mr Abhey Goyal Whole Time Director	Promoter & Executive	Nil	Nil	Nil
Mr Bishan Goyal Director	Promoter & Non Executive	Nil	Nil	Nil
Mr Satish Chand Singhal Director	Non Executive Independent	1	Nil	Nil
Mr Harsh Chander Kansal Director	Non Executive Independent	Nil	Nil	Nil
Mr Babu Lal Jain Director	Non Executive Independent	Nil	Nil	Nil

\* Only included Indian Companies

### Directors' Attendance Record

During the Financial Year 2010-11, (12) Twelve meetings of the Board of Directors were held on 01.04.2010, 05.04.2010, 23.04.2010, 30.04.2010, 31.07.2010, 17.08.2010, 21.10.2010, 13.11.2010, 14.02.2011, 25.02.2011, 05.03.2011 and 31.03.2011. The Board was duly supplied with the agenda of the meetings incorporating all material information for facilitating meaningful and focused discussions at the meeting. The intervening period between the Board Meetings was well within the maximum time gap of four months as prescribed in clause 49 of the Listing Agreement. Details of attendance of Directors in the Board meeting during the financial year 2010-11 are as under:

Name of the Director	No. of Board Meeting	Attendance at the Board Meeting	Whether attended Last AGM
Mr Sushil Goyal	12	10	YES
Mr Bishan Goyal	12	9	No
Mr Harsh Chander Kansal	12	12	YES
Mr Satish Chand Singhal	12	12	YES
Mr Abhey Goyal	12	11	No
Mr Babu Lal Jain	12	12	No

**Disclosure Regarding Appointment & Re-appointment of Directors in the ensuing AGM**

Mr. Satish Chand Singhal and Mr. Abhey Goyal, Directors who shall be retiring in this AGM, being eligible have offered themselves for re-appointment. Further, it is purposed to re-appointment of Mr. Sushil Goyal as Managing Director and Mr. Abhey Goyal as Whole Time Director for further terms. Brief particulars of these gentlemen are as follows:

Particulars	Mr Satish Chand Singhal	Mr Abhey Goyal	Mr. Sushil Goyal
DIN	00998659	02321262	00125275
Father's Name	Mr Laxmi Chand Singhal	Mr Sushil Goyal	Mr Sohan Lal Goyal
Date of Birth	1st June 1927	31st March 1987	18th May, 1961
Address	R-2/36, Raj Nagar, Sector-2, Ghaziabad	PP-1, Maurya Enclave, Pitampura, Delhi - 110034	PP-1, Maurya Enclave, Pitampura, Delhi - 110034
Designation	Director	Whole Time Director	Managing Director
Education	B.Tech (Oil)	Post Graduate in International business & finance	Graduate
Experience	40 years experience in Vanaspati Industry	International Business and administration	More than 20 Experience in Manufacturing & Trading of edible oil.
Companies in which holds Directorship	Nil	D. G. Estates Pvt Ltd Mahalaxmi Castles & Villas Pvt. Ltd.	DG Estates Pvt. Ltd. Chanderprabhu Financials Services Ltd. Swift Relocations Pvt. Ltd. Cosmic Alloys & Metal Works Pvt. Ltd. Gauri Shanker Hospitality Pvt. Ltd. Pashupati Shankar Resorts Pvt. Ltd. Sarvotum Promoters Pvt. Ltd. Indian Vanaspati Producers Association
Companies in which holds membership of committees	Nil	Nil	Nil
Shareholding in the Company (No. & %)	Nil Nil	539701 (4.54%)	513464 (4.32%)
Relationship with other Director	Nil	Son of Mr Sushil Goyal and Nephew of Mr Bishan Goyal	Brother of Mr. Bishan Goyal and Father of Mr. Abhey Goyal

**3. AUDIT COMMITTEE**
**(a) Terms of Reference**

The Audit Committee has been constituted as per Section 292A of the Companies Act, 1956 and the provisions of the Clause 49 of the Listing Agreement. The Audit Committee shall have the authority to investigate into any matter that may be prescribed and the matters listed below and for this purpose the Audit Committee shall have full access to information contained in the records of the Company and external professional advice, if necessary:

- To review the Company's financial reporting process and ensure that the financial statements give a true and fair view of the affairs of the Company.
- To review the Company's audit procedures and techniques.
- To review with the management, external and internal procedures and the adequacy of internal control systems.
- To review the quarterly and annual financial statements and submit the same to the Board.
- Any other matter that may be delegated by the Board from time to time.

**(b) Composition**

The Audit Committee of the Company comprises of one Executive and two non executive independent directors i.e. Mr Harsh Chander Kansal – as Chairman; Mr Satish Chand Singhal and Mr Bishan Goyal as the Members of the Committee.

**(c) Attendance**

The Committee met five (5) times during the Financial Year 2010-2011 on the following dates: 30.04.2010, 31.07.2010, 17.08.2010, 13.11.2010 and 14.02.2011. Details of attendance of Directors in the Audit Committee meeting are as under:

Name of the Director	Category	Attendance at the Audit Committee Meeting
Mr Harsh Chander Kansal Chairman	Non Executive Independent Director	5
Mr Satish Chand Singhal	Non Executive Independent Director	5
Mr Bishan Goyal	Promoter & Non-Executive Director	5

**4. REMUNERATION COMMITTEE**
**(a) Composition & Terms of Reference**

A Remuneration Committee of the Board of Directors was constituted comprising of three non-executive and independent directors namely Mr Harsh Chander Kansal, Chairman and Mr Babu Lal Jain & Mr Satish Chand Singhal as Members.

The Remuneration Committee has been constituted to recommend/ review and approve the remuneration payable to Managing Director, Whole time Director or other directors of the Company based on their performance.

There was no Remuneration Committee meeting during the Financial Year 2010-2011.

**(b) Remuneration Policy of the Company**

The remuneration policy of the Company is directed towards rewarding performance. The Managing Director and the Whole Time Director of the Company are entitled for payment of Remuneration as decided by the Board and approved by the members as per the provisions of the Companies Act, 1956. Directors are also entitled for the sitting fee for attending Board/ Committee Meeting except the Managing Director and Whole Time Director. However all the Non executive Directors of the Company have waived the sitting fee payable to them for attending Board/ Committee Meeting of the Company.

**(c) Details of the Directors' Remuneration for the financial year ended 31st March, 2011**

Name of Director	Sitting Fees	Salaries & Perquisites (In Rs.)	Commision, Bonus Exgratia	Total Amount (In Rs.)	No. of Shares held & %
Mr Sushil Goyal	Nil	18,00,000	Nil	18,00,000	513464 (4.32%)
Mr Abhey Goyal	Nil	12,00,000	Nil	12,00,000	539701 (4.54%)
Mr Bishan Goyal	Nil	Nil	Nil	Nil	524643 (4.41%)
Mr Satish Chand Singhal	Nil	Nil	Nil	Nil	Nil
Mr Harsh Chander Kansal	Nil	Nil	Nil	Nil	Nil
Mr Babu Lal Jain	Nil	Nil	Nil	Nil	Nil

**5. INVESTORS' GRIEVANCE COMMITTEE**

(i) The Company has constituted an "Investors' Grievance Committee" to look into redressal of Shareholder's / investors' complaints, to approve share transfer, share transmission etc and to oversee all matters connected with the Shareholders.

(ii) Composition: Mr Harsh Chander Kansal, a non-executive independent director is appointed as the Chairman of the Committee.

Name of the Director	Category	Designation
Mr. Harsh Chander Kansal	Non-executive Independent	Chairman
Mr Babu Lal Jain	Non-executive Independent	Member
Mr Satish Chand Singhal	Non-executive Independent	Member



The committee met Twelve (12) times during the year on 10.04.2010, 11.05.2010, 10.06.2010, 10.07.2010, 10.08.2010, 10.09.2010, 10.10.2010, 10.11.2010, 10.12.2010, 10.01.2011, 10.02.2011 and 10.03.2011.

- (iii) Mr Tajinder Singh Bhatia is the Compliance Officer of the Company for the purpose of Clause 47 of the Listing Agreements to look after the compliances under the Listing Agreement and other SEBI Rules & Regulations etc.
- (iv) During the year, the Company received 1 (One) complaint from the shareholders of which is disposed off. There was no pending complaint from any shareholder as on 31st March 2011.

## 6. GENERAL BODY MEETINGS

### A). Annual General Meetings: Particulars of past three Annual General Meetings of the Company:

Year	Date	Venue	Time	No. of Special Resolution(s) passed
2008	29.09.2008	SP-916, RIICO Industrial Area, Phase – III, Bhiwadi-301 019, Distt. Alwar, Rajasthan	11:30 A.M.	One
2009	30.09.2009	SP-916, RIICO Industrial Area, Phase – III, Bhiwadi-301 019, Distt. Alwar, Rajasthan	11:30 A.M.	Two
2010	30.09.2010	SP-916, RIICO Industrial Area, Phase – III, Bhiwadi-301 019, Distt. Alwar, Rajasthan	12:30 P.M.	Nil

Special Resolution passed during the last three Annual General Meeting.

Year	Date	Business passed
2008	29.09.2008	• Appointment of Mr Sushil Goyal as Managing Director of the Company w.e.f. 26th July, 2008
2009	30.09.2009	• To appoint Mr Abhey Goyal as Whole Time Director of the Company w.e.f. 1st January,2009 • To modify the remuneration of Mr Sushil Goyal, Managing Director of the Company

## 7. DISCLOSURES

### (a) Related Party Transactions

There are no materially significant related party transactions with its Promoters, the Directors or the Management, their Subsidiaries or Relatives etc., which may have potential conflict with the interest of the company at large. The other related party transactions are given in point no. 16 of Notes on Accounts annexed to and forming the part of Balance Sheet and Profit and Loss Account of the Company.

### (b) Non compliance by the Company, Penalties, Structures

There were no instances of non-compliance by the Company, penalties, structures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

### (c) Non mandatory requirements

The Company proposes to adopt the non-mandatory requirements including adoption of Whistle Blower Policy given in Annexure-3 of Clause 49 of the listing agreement in due course of time.

## 8. CODE OF CONDUCT

The Board has formulated a code of conduct for the Board members and senior management of the Company. The same has also been posted on the website of the Company. All Board members and senior management personnel have affirmed their compliance with the code.

Declaration on compliance with code of conduct by the Chairman & Managing Director:

The Board has formulated a code of conduct for the Board members and senior management of the Company, which has been posted on the website of the Company – [www.ajantasoya.com](http://www.ajantasoya.com).

It is hereby affirmed that all the Directors and senior management personnel have complied with the code of conduct framed by the Company and a confirmation to that effect has been obtained from the directors and senior management.

Sd/-  
**SUSHIL GOYAL**  
Chairman & Managing Director





**9. MEANS OF COMMUNICATION**

- (a) At present quarterly/ half-yearly reports are not being sent to each household of shareholders.
- (b) The Quarterly / half-yearly / annual accounts results are published in the English and Hindi Newspapers.
  - which newspaper normally published in Financial Express/ Pioneer (English) & Jansatta/ Hari Bhoomi (Hindi)
  - Any website where displayed Yes – [www.ajantasoya.com](http://www.ajantasoya.com)
- (c) The Management Discussion and Analysis forms a part of the Annual Report.

**10. GENERAL SHAREHOLDERS INFORMATION**

**i) Annual General Meeting**

Day & Date	Time	Venue
Friday, September 30, 2011	12.30 P.M.	SP-916, RIICO Industrial Area, Phase III, Bhiwadi-301 019, Distt. Alwar, Rajasthan

**ii) Financial Calendar**

Events	Tentative time frame
Financial Reporting for the first quarter ended 30th June, 2011	12th August, 2011 (actual)
Financial Reporting for the second quarter ending 30th September, 2011	By 14th November 2011
Financial Reporting for the third quarter ending 31st December, 2011	By 14th February 2012
Financial Reporting for the fourth quarter ending 31st March, 2012	By 15th May 2012

**iii) Dates of Book Closure** 29th September, 2011 to 30th September, 2011 (Both days inclusive)

**iv) Dividend Payment Date** Not applicable

**v) Listing on Stock Exchanges:** The Shares of the Company is listed on the Bombay Stock Exchange.

The company had filed application for delisting of shares from Calcutta Stock Exchange Association Ltd, which was approved by the Stock exchange vide letter no. CSE/LD/635/2010 dated. 10th June 2010.

**vi) Stock Code/ Symbol :** 519216 at the Bombay Stock Exchange.

**vii) Market Price Data :** High/ low of market price of the Company's equity shares traded on BSE during the last financial year were as follows:

Month	Open Price	High Price	Low Price	No. of Shares	Month	Open Price	High Price	Low Price	No. of Shares
Apr 10	8.68	11.50	8.65	1,12,743	Oct 10	13.01	14.68	12.71	1,11,125
May 10	10.16	11.45	9.50	97,103	Nov 10	13.57	14.00	12.10	1,01,544
Jun 10	9.70	11.25	9.55	78,985	Dec 10	12.83	14.67	11.50	76,902
Jul 10	10.50	12.75	9.77	1,19,006	Jan 11	13.02	14.45	11.14	54,775
Aug 10	11.99	13.99	10.62	1,18,762	Feb 11	11.70	12.46	9.17	39,211
Sep 10	13.90	19.92	12.10	6,37,706	Mar 11	9.64	10.74	8.81	25,166

Source : [www.bseindia.com](http://www.bseindia.com)

**viii) Registrar and Share Transfer Agent & Share Transfer System**

The company has appointed **M/s. Skyline Financial Services Pvt Ltd.** as its Registrar and Share Transfer Agent to carry out the process of share transfer in physical form and also demat work of the Company. The Company has authorised the Registrar and Transfer Agent to approve and execute transfer and transmission of shares subject to a maximum holding of any one person together with the existing holding not exceeding 1% of total paid up equity share capital of the Company



at the time of such transfer. Any transfer, transmission in excess of aforesaid limit of 1% is given effect by the Investor Grievance Committee of the Company. All correspondence with regard to share transfers and matters related therewith may directly be addressed to the Registrar and Share Transfer Agents at the address given below:

<b>Particulars</b>	<b>Skyline Financial Services Pvt Ltd</b>
Contact Person	Mr V K Rana
Address	D-153 A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi-110 020
Telephone No.	011-30857575 (10 Lines)
Fax No.	Fax: 011-30857562
E mail	admin@skylinerta.com

The Company's shares are traded in the Stock Exchange, Mumbai compulsorily in Demat mode. Physical shares which are lodged with the Registrar & Transfer Agent or/ Company for transfer are processed and returned to the shareholders duly transferred within the time stipulated under the Listing Agreement subject to the documents being in order.

**ix) Distribution of Shareholding as on 31st March 2011:**

Shareholding of Nominal Value of		Shareholders		Share Amount	
Rs.	Rs.	Number	% to Total	In Rs.	% to Total
(1)		(2)	(3)	(4)	(5)
Up to	5,000	15562	95.38	2,11,50,940	17.78
5,001	10000	415	2.54	33,77,690	2.84
10,001	20000	150	0.92	23,99,660	2.02
20,001	30000	49	0.30	12,49,840	1.05
30,001	40000	27	0.17	10,16,780	0.85
40,001	50000	26	0.16	12,06,480	1.01
50,001	100000	30	0.18	21,18,330	1.78
100001 and Above		57	0.35	8,64,46,260	72.66
<b>Total</b>		<b>16316</b>	<b>100.00</b>	<b>11,89,65,980</b>	<b>100.00</b>

**x) Dematerialization of shares and liquidity:** As on 31st March 2011 about 85.76% of the Company's equity paid-up capital had been dematerialized. Trading in equity shares of the Company at the Stock Exchange is permitted compulsorily in demat mode.

**xi)** There are no outstanding GDRs/ ADRs/ Warrants or any Convertible other Instruments as on the date.

**xii) Plant Locations:** The Company has Vanaspati Plant and refinery located at:

SP 916, RIICO Industrial Area  
Phase III, Bhiwadi 301 019  
Distt. Alwar, Rajasthan.

**xiii) Address for Correspondence:** The shareholders may send their communication grievances/ queries to the Registrar and Share Transfer Agents at their Address mentioned above or to the Company at:

Investor Relation Centre  
Ajanta Soya Ltd  
12th Floor, Bigjo's Tower, A-8, Netaji Subhash Place  
Wazirpur Distt.Center, Delhi 110034  
Phone: 011- 42515151  
Fax: 011- 42515100  
e-mail: ajantasoya@gmail.com ; info@ajantasoya.com  
ajantashareholder@gmail.com

**11. NON-MANDATORY REQUIREMENTS**

The Company proposes to adopt the non-mandatory requirements given in Annexure-3 of Clause 49 of the listing agreement in due course of time.



**CEO/CFO CERTIFICATION**

We, Sushil Goyal, Managing Director and Jai Gopal Sharma, Accounts Manager, responsible for the finance function certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March 2011 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Date : 20th August, 2011  
Place : New Delhi

**JAI GOPAL SHARMA**  
*Accounts Manager*

**SUSHIL GOYAL**  
*Managing Director*



AJANTA

AJANTA SOYA LIMITED

**CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF THE CONDITIONS OF  
CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

TO THE SHAREHOLDERS OF  
AJANTA SOYA LIMITED

We have examined the compliance of the conditions of Corporate Governance by Ajanta Soya Limited for the year ended 31st March 2011, as stipulated under Clause 49 of the Listing Agreement as entered into by the Company with the Stock Exchanges in India.

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 abovementioned Listing Agreement.

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

Place : New Delhi  
Dated : 20th August, 2011

For **TAS ASSOCIATES**  
*Chartered Accountants*  
*Firm Registration No.: 10520 N*

Sd/-  
**(SUBODH GUPTA)**  
*Partner*  
M. No. : 087099



**AUDITOR'S REPORT**

TO THE MEMBERS OF AJANTA SOYA LIMITED

1. We have audited the attached Balance Sheet of Ajanta Soya Limited as at March 31, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
  - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement, dealt with by this report, are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the applicable Accounting Standards referred to in section 211(3C) of the Companies Act, 1956.
  - e) On the basis of written representations received from the directors, as on 31st March, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies' Act, 1956.
  - f) To the best of our knowledge & belief, the provisions of Section 441A of the Companies Act, 1956 regarding the levy & collection of cess on turnover or gross receipts of the Company, have not yet been notified by the Central Government. Accordingly, the question of the compliance of the said section in terms of clause (g) of sub-section 3 of section 227 of the Companies Act, 1956 and clause 9 of the Annexure attached to our this report, does not arise.
  - g) In our opinion and to the best of our information and according the explanations given to us, the said accounts, together with the notes thereon, give the information required by the Companies' Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - I. in the case of the Balance Sheet, of the state of affairs of the company, as at March 31, 2011; and
    - II. in the case of the Profit and Loss Account, of the Profit of the company for the year ended on that date; and
    - III. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **TAS ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 10520 N

Sd/-

**(SUBODH GUPTA)**

Partner

M. No. : 087099

Place : New Delhi  
Dated : 20th August, 2011

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE AUDITORS REPORT OF EVEN DATE TO THE MEMBERS OF AJANTA SOYA LIMITED FOR THE YEAR ENDED MARCH 31, 2011.**

1. a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
b) During the year, these fixed assets have been physically verified by the management in a phased manner which, in our opinion, is reasonable having regard to the size of the company and nature of its fixed assets. As mentioned to us no serious discrepancies were noticed by the management on such verification.  
c) The company has not disposed off its substantial part of its fixed assets during the year.
2. a) The inventory has been physically verified by the management at reasonable intervals. In our opinion the frequency of verification is reasonable.  
b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies between physical inventory and the book records, as observed on verification, were not material in relation to the size of the company, had been properly dealt with in the books of accounts
3. (i) a) The company has granted unsecured loan to one party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.159.63 Lacs (PY.Rs 400.42) and the year-end balance of unsecured loans granted to such parties was Rs. 158.66 Lacs. (PY Rs 78.47).  
b) The rate of interest and other terms and conditions on which unsecured loans have been granted are not, prima facie, prejudicial to the interest of the company.  
c) The receipt of Principal amount and interest are regular as per stipulations if any. There is no overdue amount of loan granted during the year.
3. (ii) a) During the year, the company has taken unsecured loan from two parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.275.00 Lacs (PY. Rs 110.29 Lacs) and the year-end balance of unsecured loans taken from such parties was Rs. 1.22 Lacs (PY Rs Nil).  
b) The interest and other terms and conditions on which unsecured loans have been taken from companies listed in the register maintained under section 301 are not, prima facie, prejudicial to the interest of the company.  
c) The company is regular in repaying the principal amounts, wherever stipulated.  
d) There is no overdue amount of loans taken from companies, firms or other parties listed in the register maintained under section 301.
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 purpose of purchase of inventory and fixed assets and for sale of goods. During the course of our audit, on random test check basis, no major weakness has been noticed in the internal controls in respect of these areas.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.  
b) According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 and exceeding the value of five lakh rupees, in respect of any party during the year, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. According to information and explanations given to us, the company has not accepted any deposits to which provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under are applicable.
7. In our opinion, the company has an adequate Internal Audit system commensurate with its size and nature of its business.
8. Pursuant to the rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956, we are of the opinion that, prima facie, the prescribed accounts and records, relating to materials, labour and other items of cost, have been made and maintained.



9. a) According to the records of the company, the company is regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it.
- b) According to the records of the company and information and explanations given to us, there are no dues of Sales Tax, Income Tax, Service Tax, Custom Duty, Wealth Tax, Excise Duty and Cess on account of any dispute except the following:

S No.	Statute under which Demand arise	Amount Involved (Rs in Lacs)	Forum at which dispute is pending
1.	Rajasthan Entry Tax Act	16.59 (7.54 deposited under protest)	High Court, Jaipur
2	Income Tax	5.67	Rectification u/s 154 filed with AO

10. The company has no accumulated losses as on the balance sheet date. The company has not incurred any cash loss during the financial year covered by our audit or the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to banks. There are no dues payable to financial institutions or debenture holders on due date.
12. According to information and explanations given to us and based on the documents and records produced before us, 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. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, there is no special statute applicable to the company, hence provisions related to requirement of NOF, prudential norms for income recognition, appraisal of credit proposal etc. are not required to be complied by the company.
14. Based on our examination of the records and evaluation of the related internal controls, we are of the opinion that the company has maintained proper records of transactions and contracts in respect of trading in shares and other securities and timely entries have been made therein. All shares and securities have been held by the company in its own name.
15. According to information and explanations given to us, the terms and conditions, on which the company has given guarantee for loans taken by others from bank or financial institutions, are not prejudicial to the interest of the company, in view of the counter guarantee provided by such other person for the benefit of company which exceeds the amount of guarantee covered.
16. Based on information and explanations given to us and in our opinion, no term loan has been raised by the company during the year.
17. According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that the funds, raised on short-term basis were not used, for long-term investments.
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.
19. The company has not issued any debentures.
20. The company has not raised any money through a public issue during the year.
21. Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For **TAS ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 10520 N

Sd/-  
**(SUBODH GUPTA)**  
Partner

M. No. : 087099

Place : New Delhi  
Dated : 20th August, 2011



**BALANCE SHEET AS AT 31st MARCH 2011**

<i>Schedules</i>	<i>As at 31.03.2011 (Rs.)</i>	<i>As at 31.03.2010 (Rs.)</i>
<b>I. SOURCES OF FUND</b>		
<b>1. SHARE HOLDERS FUNDS</b>		
a) Share Capital	118,965,980	118,965,980
b) Reserves & Surplus	86,393,642	81,760,550
<b>2. LOAN FUNDS</b>		
a) Secured Loans	100,517,546	117,157,369
b) Unsecured Loans	56,725,537	-
	<u>157,243,083</u>	<u>117,157,369</u>
<b>3. DEFERRED TAX LIABILITY</b> (Refer note no. 19 of Part B of Schedule 'M')		
	17,857,587	18,967,010
<b>TOTAL</b>	<u><u>380,460,292</u></u>	<u><u>336,850,909</u></u>
<b>II. APPLICATION OF FUNDS</b>		
<b>1. FIXED ASSETS</b>		
a) Gross Block	251,614,114	243,540,954
Less : Accumulated Depreciation	<u>137,136,104</u>	<u>124,885,019</u>
	114,478,010	118,655,935
B) Capital Work in Progress	-	393,397
<b>2. INVESTMENTS</b>		
	27,827,750	27,827,750
<b>3. CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
a) Current Assets		
Inventories	179,579,986	149,762,504
Sundry Debtors	146,210,396	140,442,396
Cash & Bank Balances	29,799,137	24,059,395
b) Loans & Advances	38,042,579	21,672,205
	<u>393,632,098</u>	<u>335,936,500</u>
<b>Less: CURRENT LIABILITIES &amp; PROVISIONS</b>		
a) Current liabilities	146,861,821	139,573,288
b) Provisions	8,615,745	6,389,385
	<u>155,477,566</u>	<u>145,962,673</u>
<b>NET CURRENT ASSETS</b>	<u>238,154,532</u>	<u>189,973,827</u>
<b>TOTAL</b>	<u><u>380,460,292</u></u>	<u><u>336,850,909</u></u>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO THE ACCOUNTS</b>		

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

For **TAS ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 10520 N

Sd/-  
**(SUBODH GUPTA)**  
(Partner)  
M. No. : 087099

Place : New Delhi  
Dated : 20th August, 2011

For and on the behalf of the Board of Directors

Sd/-  
**SUSHIL GOYAL**  
(Managing Director)

Sd/-  
**JAI GOPAL SHARMA**  
(Accounts Manager)

Sd/-  
**ABHEY GOYAL**  
(Whole Time Director)

Sd/-  
**SHALINI AGRAWAL**  
(Company Secretary)





**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011**

<i>Schedules</i>	<i>2010-2011 (Rs.)</i>	<i>2009-2010 (Rs.)</i>
<b>INCOME</b>		
1. Sales		
Vanaspati/Refined Oil/Raw Oil	2,491,525,331	2,275,460,214
By Products	44,501,529	48,126,640
Rice	485,401,100	-
	<u>3,021,427,960</u>	<u>2,323,586,854</u>
Less: Excise Duty on By Products	3,994,533	3,464,839
	<u>3,017,433,427</u>	<u>2,320,122,015</u>
2. Other Income	5,368,819	3,779,470
3. Increase/(Decrease) in stocks	19,428,977	7,908,741
	<u>3,042,231,223</u>	<u>2,331,810,226</u>
<b>EXPENDITURE</b>		
1. Raw Material & Cost of Goods Sold	2,851,506,696	2,159,152,407
2. Manufacturing, Administrative and other Overheads	157,720,302	145,251,054
3. Financial Charges	12,185,530	8,416,576
4. Depreciation	12,673,750	12,068,877
5. Obsolete stock written off	-	664,720
6. Loss on Commodity Futures	-	393,851
7. Bad Debts	1,372,451	272,127
Less: Provision already made	1,148,453	20,285
	<u>223,998</u>	<u>251,842</u>
8. Provision for Doubtful Debts	5,000	216,969
9. Impairment loss on Assets (Refer Note no. 20 of part B of Schedule 'M')	-	307,570
	<u>3,034,315,276</u>	<u>2,326,723,866</u>
<b>PROFIT BEFORE TAX</b>	<u>7,915,947</u>	<u>5,086,360</u>
<b>LESS: PROVISION FOR TAXATION</b>		
— Current Tax	4,466,162	2,631,122
— Deferred Tax Charge/(Reversal)	(1,109,423)	(2,198,149)
— Wealth Tax	52,655	67,562
— (Excess)/short for earlier years (Net)	(126,539)	70,213
	<u>3,282,855</u>	<u>570,748</u>
<b>NET PROFIT FOR THE YEAR</b>	<u>4,633,092</u>	<u>4,515,612</u>
Surplus Brought Forward from Last Year	55,972,449	51,456,837
<b>SURPLUS, CARRIED TO THE BALANCE SHEET</b>	<u>60,605,541</u>	<u>55,972,449</u>
<b>BASIC &amp; DILUTED EARNING PER SHARE</b>		
— Before Extra Ordinary Items	0.38	0.39
— After Extra Ordinary Items (Refer Note no. 15 of Part B of Schedule 'M')	0.39	0.38
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS</b>		
M		

This is the Profit & Loss Account referred to in our report of even date attached

For **TAS ASSOCIATES**

Chartered Accountants

Firm Registration No.: 10520 N

Sd/-  
**(SUBODH GUPTA)**  
(Partner)  
M. No. : 087099

For and on the behalf of the Board of Directors

Sd/-  
**SUSHIL GOYAL**  
(Managing Director)

Sd/-  
**ABHEY GOYAL**  
(Whole Time Director)

Place : New Delhi  
Dated : 20th August, 2011

Sd/-  
**JAI GOPAL SHARMA**  
(Accounts Manager)

Sd/-  
**SHALINI AGRAWAL**  
(Company Secretary)

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

	<i>As at 31.03.2011 (Rs.)</i>	<i>As at 31.03.2010 (Rs.)</i>
<b><u>SCHEDULE - A : SHARE CAPITAL</u></b>		
<b>AUTHORISED</b>		
14,250,000 Equity Shares of Rs. 10/- each	<b>142,500,000</b>	142,500,000
	<b>142,500,000</b>	142,500,000
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
11,896,598 Equity Shares of Rs 10/- each, fully paid up <i>(Of the above 1,926,598 Equity Shares of Rs. 10/- each, have been issued without payment being received in cash, to the shareholders of erstwhile Kasturi Finlease &amp; Investments Limited, pursuant to the Scheme of Amalgamation during 2003-04)</i>	<b>118,965,980</b>	118,965,980
	<b>118,965,980</b>	118,965,980
<b><u>SCHEDULE -B: RESERVES &amp; SURPLUS</u></b>		
<b>Capital Reserves</b>		
— As Per Last Year	<b>4,720,000</b>	4,720,000
<b>Statutory Reserve Fund</b>		
— As per last year	<b>1,133,228</b>	1,133,228
<b>General Reserve</b>		
— As per last year	<b>19,934,873</b>	19,934,873
Surplus, being balance in the Profit & Loss Account	<b>60,605,541</b>	55,972,449
	<b>86,393,642</b>	81,760,550



**SCHEDULES FORMING PART OF THE BALANCE SHEET**

	<i>As at 31.03.2011 (Rs.)</i>	<i>As at 31.03.2010 (Rs.)</i>
<b>SCHEDULE - C : LOAN FUNDS</b>		
<b>SECURED LOANS</b>		
<b>1. Working Capital Loan from Bank</b>	<b>99,941,903</b>	<b>116,291,062</b>
i) Secured by way of first charge/hypothecation of raw material, stores and spares, work in process, finished goods, by-products, packing materials, and chemical lying at works, depots and/or in transit and receivables including entire fixed assets of the company.		
ii) Further secured by personal guarantee of Managing Director, one Director and two relatives of Managing Director of the company and corporate guarantee of another company under the same management.		
iii) Collaterally secured by way of first charge over Company's Land & Building at Bhiwadi.		
<b>2. Car Loan from Bank</b>	<b>575,643</b>	<b>866,307</b>
(Secured against hypothecation of respective assets)		
	<b>100,517,546</b>	<b>117,157,369</b>
<b>UNSECURED LOANS</b>		
— Inter Corporate Loans	<b>56,725,537</b>	—
	<b>56,725,537</b>	—

**SCHEDULE - D : FIXED ASSETS**

(Amount in Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2010	Addition during the year	Deductions during the year	As at 31.03.2011	Upto 01.04.2010	For the year	Deductions/ Adjustments	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
<b>Tangible Assets</b>										
Lease Hold Land	4,783,029	-	-	4,783,029	-	-	-	-	4,783,029	4,783,029
Buildings #	30,435,814	-	-	30,435,814	13,043,349	872,046	-	13,915,395	16,520,419	17,392,465
Plant & Machineries	176,604,379	6,611,606	-	183,215,985	96,548,292	9,460,309	-	106,008,601	77,207,384	80,056,087
Electric Installations & Fittings	4,406,812	180,188	-	4,587,000	3,530,833	216,449	-	3,747,282	839,718	875,979
Furniture & Fixtures	840,178	1,409,215	-	2,249,393	732,581	71,875	-	804,456	1,444,937	107,597
Vehicles	16,163,818	62,544	742,149	15,484,213	4,433,510	1,338,706	422,638	5,349,578	10,134,635	11,730,308
Laboratory Equipments	314,314	-	-	314,314	265,168	14,930	-	280,098	34,216	49,146
Other Equipments & Appliances	9,724,610	564,041	12,285	10,276,366	6,277,686	645,835	27	6,923,494	3,352,871	3,446,924
<b>Intangible Assets</b>										
Computer Software	268,000	-	-	268,000	53,600	53,600	-	107,200	160,800	214,400
<b>Total Current Year</b>	<b>243,540,954</b>	<b>8,827,594</b>	<b>754,434</b>	<b>251,614,114</b>	<b>124,885,019</b>	<b>12,673,750</b>	<b>422,665</b>	<b>137,136,104</b>	<b>114,478,010</b>	<b>118,655,935</b>
<b>Total Previous Year</b>	<b>225,669,536</b>	<b>22,044,579</b>	<b>4,173,161</b>	<b>243,540,954</b>	<b>115,145,008</b>	<b>12,068,877</b>	<b>2,328,866</b>	<b>124,885,019</b>	<b>118,655,935</b>	<b>-</b>

Capital Work in Progress

- 393,397

# Buildings include Rs. 28.39 Lacs & 16.29 Lacs for building purchased with physical possession under Flat Buyer's Agreement dated. 28th July, 1999 & 31st August, 2009 respectively pending Execution and Registration of Conveyance deed in the name of the Company.



**SCHEDULES FORMING PART OF THE BALANCE SHEET**

	<i>As at 31.03.2011 (Rs.)</i>	<i>As at 31.03.2010 (Rs.)</i>
<b>SCHEDULE - E: INVESTMENTS (AT COST)</b>		
<b>Long Term - Unquoted - Non-trade</b>		
In companies under the same management		
— Phoenix Steels Mills Limited (A company incorporated in Nigeria) 3,250,000 Equity shares (P.Y. 3,250,000) of NgN 1.00 each, fully paid up	1,090,250	1,090,250
— D.G Estate Pvt. Ltd. 434,000 Equity shares (P.Y. 434,000) of Rs. 10.00 each fully paid up	21,700,000	21,700,000
<b>Others</b>		
— Dhruv Globals Limited 368,050 Equity shares (P.Y. 368,050) of Rs. 10.00 each fully paid up	3,680,500	3,680,500
<b>In Units of Mutual Fund</b>		
— LIC of India - Profit Plus Growth Fund 142,216.977 (P.Y 142,810.945) (NAV as on 31/03/2011 Rs. 11.95 each and P.Y- Rs. 11.19 each)	1,357,000	1,357,000
	<b>27,827,750</b>	<b>27,827,750</b>
<b>Notes :</b>		
1 Aggregate Cost of Unquoted Investments	27,827,750	27,827,750
2 Investment made and sold during the year:		
	<i>Cost (Rs.)</i>	<i>Quantity (units)</i>
SBI Premier Liquid Fund - Super Institutional - Growth Fund	95,000,000	6,325,658
<b>SCHEDULE - F : CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>A) CURRENT ASSETS</b>		
<b>1. INVENTORIES (As valued , verified and certified by management)</b>		
i) Stock in Trade		
— Raw Material (Oil, including In-Transit)	93,092,974	83,667,718
— Packing Material	10,678,077	8,749,041
— Shares & Securities	27,955	27,955
— Others	7,833,970	8,799,757
	<b>111,632,976</b>	101,244,471
ii) Stock in Process	31,766,284	23,703,845
iii) Finished Products at factory & Depots		
— Vanaspati	31,576,440	20,057,604
— Refined Oil	2,689,366	4,035,409
— By Products	1,640,158	721,175
	<b>35,905,964</b>	24,814,188
iv) Finished Products with Consignment agent		
— Vanaspati	120,216	—
— Refined Oil	154,546	—
	<b>274,762</b>	—
	<b>179,579,986</b>	<b>149,762,504</b>
<b>2. SUNDRY DEBTORS (Unsecured &amp; considered good)</b>		
— Outstanding for a period exceeding six months	5,367,969	1,249,301
— Others	141,018,007	140,512,128
	<b>146,385,976</b>	141,761,429
Less : Provision for doubtful debts	175,580	1,319,033
	<b>146,210,396</b>	<b>140,442,396</b>



**SCHEDULES FORMING PART OF THE BALANCE SHEET**

	<i>As at 31.03.2011 (Rs.)</i>	<i>As at 31.03.2010 (Rs.)</i>
<b>3. CASH AND BANK BALANCES</b>		
i) Cash in Hand	1,372,445	646,002
ii) Balance with Scheduled Banks		
— In Current Accounts	5,185,443	6,334,139
— Fixed Deposit including interest accrued (FDR of Rs.232.41 lacs (previous year Rs. 170.79 lacs) inclusive of interest, pledged with Banks as margin money against bank guarantees and foreign letter of credit)	23,241,249	17,079,254
	<u>29,799,137</u>	<u>24,059,395</u>
<b>B) LOANS AND ADVANCES</b> (Unsecured & considered good unless otherwise stated)		
i) Advances recoverable in cash or in kind or for value to be received	5,213,560	3,650,910
ii) Security and other deposits	4,020,935	4,021,435
iii) Staff Loans & Imprest	432,289	347,682
iv) Excise Duty & Service tax Recoverable	37,786	77,643
v) Sales tax /Vat Recoverable	4,853,735	4,460,681
vi) Advance Tax/TDS/FBT	478,292	366,861
vii) Income Tax Deposit (Under protest)	-	54,149
viii) Sales Tax Deposit (Under protest)	213,000	395,200
ix) Prepaid Expenses	2,226,516	450,332
x) Loan to Body Corporate	15,866,466	7,847,312
xi) Share Application money (pending allotment)	4,700,000	-
	<u>38,042,579</u>	<u>21,672,205</u>

**SCHEDULE - G: CURRENT LIABILITIES AND PROVISIONS**

<b>A. CURRENT LIABILITIES</b>		
<b>Acceptance</b>	61,965,802	—
<b>Sundry Creditors</b>		
— Due to Micro & Small enterprises (including interest) (Refer note no.5 of part 'B' of Schedule 'M')	168,954	270,003
— Due to Other than Micro & Small enterprises	78,382,281	133,205,975
	<u>78,551,235</u>	133,475,978
Security Deposits from Dealers	701,617	471,617
Advance from Customers	211,089	880,485
Other Liabilities	5,432,078	4,745,208
	<u>146,861,821</u>	<u>139,573,288</u>
<b>B. PROVISIONS</b>		
— Provision for Taxation (Net of Advance Tax/TDS)	3,997,639	2,352,679
— Provision for Wealth tax	52,655	67,562
— Provision for Employees Benefits	4,565,451	3,969,144
	<u>8,615,745</u>	<u>6,389,385</u>



**SCHEDULES FORMING PART OF THE BALANCE SHEET**

	<i>As at 31.03.2011 (Rs.)</i>	<i>As at 31.03.2010 (Rs.)</i>
<b>SCHEDULE - H: OTHER INCOME</b>		
Hire charges {Gross, TDS Rs.NIL (P.Y. Rs.NIL)}	-	848,200
Rent Received {Gross, TDS Rs.12,685/- (P.Y. Rs.NIL )}	115,000	-
Dividend received	-	118,889
Gain on sale of Mutual fund	39,587	-
Interest on Bank deposits {Gross, TDS of Rs. 3,25,208/- (P.Y. Rs. 1,68,598)}	3,243,531	1,153,396
Interest on Security deposit (TDS Rs. 16,655/- (PY 16,655/-))	166,554	166,554
Interest on Loan (TDS Rs. 1,13,975/- (PY 89,408/-))	1,139,754	894,082
Sales tax refund received	456,543	-
Miscellaneous Income	207,850	305,970
Processing Charges earned {Gross; TDS Rs. Nil (P.Y Rs. 3,782)}	-	84,104
Profit on sale of fixed asset (Net)	-	208,275
	<b>5,368,819</b>	<b>3,779,470</b>
<b>SCHEDULE - I : INCREASE/(DECREASE) IN STOCKS</b>		
<b>VANASPATI / REFINED OIL</b>		
Opening Stock		
Finished Products	24,093,013	17,982,924
Stock in Process	23,703,845	22,075,380
By Products	721,175	550,988
	<b>48,518,033</b>	<b>40,609,292</b>
Less: Closing Stock		
Finished Goods	34,540,568	24,093,013
Stock in Process	31,766,284	23,703,845
By Products	1,640,158	721,175
	<b>67,947,010</b>	<b>48,518,033</b>
Increase/(Decrease) in stocks	<b>19,428,977</b>	<b>7,908,741</b>
<b>SCHEDULE - J : RAW MATERIAL &amp; COST OF GOODS SOLD</b>		
<b>a) Raw Materials</b>		
1. Raw Oils		
Opening Stock	83,667,718	95,639,064
Purchases	2,185,896,197	1,945,627,410
Insurance charges	1,822,117	1,349,514
Freight, Brokerage, Bank charges etc.	102,731,046	111,421,478
	<b>2,374,117,078</b>	<b>2,154,037,466</b>
Less: Closing Stock (including In-Transit)	<b>93,092,974</b>	<b>83,667,718</b>
	<b>2,281,024,104</b>	<b>2,070,369,748</b>
2. Packing Material	77,039,152	77,788,582
3. Chemicals	9,978,593	10,994,077
<b>b) Rice</b>		
Opening Stock	-	-
Purchases	480,732,180	-
Insurance charges	311,688	-
Freight, Packing, Bank charges etc.	2,420,979	-
	<b>483,464,847</b>	-
Less : Closing Stock	-	-
	<b>483,464,847</b>	-
<b>c) Shares/Securities</b>		
Opening Stock	27,955	27,955
Add : Purchase	-	-
	<b>27,955</b>	<b>27,955</b>
Less: Closing Stock	27,955	27,955
	<b>-</b>	<b>-</b>
	<b>2,851,506,696</b>	<b>2,159,152,407</b>



**SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT 31ST MARCH 2011**

	<i>2010-2011</i> <i>(Rs.)</i>	<i>2009-2010</i> <i>(Rs.)</i>
<b>SCHEDULE - K : MANUFACTURING, ADMINISTRATIVE &amp; OTHER OVERHEADS</b>		
Fuel, Power & Electricity	86,179,853	75,283,607
Rates & Taxes	543,834	291,143
Handling Charges	3,768,626	3,498,275
Laboratory Expenses	83,890	165,703
Repair & Maintenance - Plant & Machinery	6,121,171	7,196,068
Repair & Maintenance - Building	468,968	1,954,834
Salaries & Wages	10,520,499	10,070,826
Contribution to Provident & Other Funds	1,409,214	1,300,842
Provision for Retirement Benefits & Bonus	1,829,494	1,571,138
Managerial Remuneration	3,000,000	3,230,645
Staff Welfare	615,780	750,863
Rent	1,674,549	477,466
Conveyance & Vehicle Maintenance	776,623	814,139
Telephone, postage & Internet Expenses	821,333	856,199
Legal, Professional Expenses	1,714,657	1,257,119
Printing & Stationery	433,004	473,060
Insurance	2,854,605	2,909,052
Tours & Travelling	1,391,130	851,533
Charity & Donation	5,200	-
Business Promotion	249,066	763,460
Publicity & Advertisement	206,681	199,060
Freight Outward	22,532,671	20,105,719
Commission, Discounts & Selling Expenses	9,462,267	10,188,432
Membership & Subscription	78,850	66,321
Loss on Sale of Fixed Asset (Net)	39,484	-
Interest to Micro & Small enterprises	32,809	19,276
Others	906,044	956,274
	<b>157,720,302</b>	<b>145,251,054</b>

**SCHEDULE - L : FINANCIAL CHARGES**

<b>Interest on:</b>				
— Working Capital Loan	6,996,394		5,612,012	
— Others	3,030,298	10,026,692	866,662	6,478,674
Bank Charges		2,158,838		1,937,902
		<b>12,185,530</b>		<b>8,416,576</b>

**SCHEDULE - M: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS**
**A. SIGNIFICANT ACCOUNTING POLICIES**
**1. RECOGNITION OF INCOME AND EXPENDITURE:**

- i) The accounts are made on historical cost basis on going concern assumption and Revenues/Incomes and Costs/Expenditure are generally accounted on accrual, as they are earned or incurred in accordance with the Accounting Standards specified in Companies (Accounting Standards) Rules, 2006.
- ii) In case of sales & purchase, accrual is deemed to have taken place on actual delivery of goods.
- iii) In case of interest, income is recognized in relation to period to which it pertains.
- iv) In case of uncertainties as to the risks & rewards, the conservative accounting policy is adopted by way of making suitable provisions for expenses and deferring the recognition of revenues.

**2. EMPLOYEES BENEFITS:**

- i) Retirement benefits in the form of Provident fund and Family Pension fund is a defined contribution scheme and the contributions are charged to the profit and loss account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- ii) Gratuity is a defined benefit obligation. Gratuity liability is accrued and provided for on the basis of an actuarial valuation on the projected unit credit method made at the end of the financial year.
- iii) Long term compensated balances in the form of leave encashment are provided for based on actuarial valuation at the end of the financial year. The actuarial valuation is done as per projected unit credit method.
- iv) Actuarial gains/losses are debited to profit and loss account and are not deferred.

**3. FIXED ASSETS:**

- i) Fixed Assets are stated at cost, less accumulated depreciation/ amortisation, other than Leasehold Land', where no amortization is made. The properties/assets, in respect of which beneficial transfer has been affected, even though pending execution/registration, are capitalised.
- ii) In case of Fixed Assets acquired out of capital grants/subsidy, the cost is reduced to the extent of capital grant/subsidy.
- iii) The Capital work in progress is capitalized as fixed assets on the date of commissioning of the asset.
- iv) Intangible assets are measured at cost and amortized over a period for which the assets' economic benefits are expected to accrue.

**4. METHOD OF DEPRECIATION AND AMORTISATION:**

- i) Depreciation on Fixed Assets is provided at the relevant rates of depreciation in respect of Straight Line Method as specified in Schedule XIV to the Companies Act, 1956.
- ii) In view of the amendment in Schedule XIV, depreciation on assets costing up to Rs.5000/- are depreciated at the rate of 100% on pro-rata basis except those which constitute more than 10% of the total actual cost of Plant and Machinery on which the applicable rate of depreciation is charged.
- iii) Depreciation on additions to assets or on sale/adjustment of assets is calculated pro-rata from the date of such addition or up to the date of such sale/ adjustment.
- iv) No amounts are written off against Leasehold Land by way of amortization.
- v) Expenditure incurred on intangible asset being software is amortized over a period of five years.

**5. VALUATION OF INVENTORIES**

<b><i>Particulars/Item Type</i></b>	<b><i>Method of Valuation</i></b>
1 Raw Material, Packing Material & Consumables (including material in transit)	At Cost including direct procurement Overhead / Taxes.
2. Finished Goods (including goods in transit)	At cost or net realisable value, whichever is lower
3. Stock in process	At cost
4. By Products	At net realisable value
5. Loose Tools	At cost and charged off when discarded
6. Shares / Securities (Quoted)	At lower of cost or net realizable value

In the above, cost is arrived at by FIFO cost method. In case of Finished Goods and Stock in Process, it also includes excise duty (if applicable), manufacturing & related establishment overheads, depreciation etc.

All the Spares, which are primarily meant to be used for capitalization (except consumables and maintenance stores), are considered as part of the Plant & machinery and shown accordingly.



**6. RESEARCH AND DEVELOPMENT:**

Revenue expenditure including overheads on Research and Development is charged out as an expense through the natural heads of account in the year in which incurred. Expenditure, which results in the creation of capital assets, is taken to Fixed Assets and depreciation is provided on such assets, as are depreciable.

**7. EXPENDITURE DURING CONSTRUCTION PERIOD:**

All expenditure, directly related to the fixed asset including interest on borrowings for the project, incurred up to the date of installation, are directly capitalised and added, if required, pro-rata to the cost of factory buildings, wherever applicable, and plant and machinery relating thereto.

**8. INVESTMENTS:**

Long-term investments are stated at cost price. Any diminution of permanent nature in the value of the long-term investments is suitably provided for by charging off to revenue. Current (Short-term and stock in process) investments are stated at lower of cost or net realisable value.

In case of unquoted shares, the diminution in value of shares is arrived on the basis of break up value as per latest available audited balance sheet of the respective company.

**9. FOREIGN CURRENCY TRANSACTIONS:**

i) Foreign Currency transactions during the year are recorded at rates of exchange prevailing on the date of transaction. Current Assets and Current Liabilities are translated at using the year-end exchange rate. Exchange gains and losses are duly recognised in the Profit and Loss Account.

ii) In case of forward contracts, the difference between the forward rate and the exchange rate on the date of the transaction is recognised as income or expense over the life of the contract.

**10. TAXATION:**

i) Provision for current Income Tax is made on the basis of estimated taxable income after taking into consideration, estimates of benefits admissible under the provisions of Income Tax, 1961. The company provides for deferred tax liability (after netting off deferred tax assets), based on the tax effect of timing difference resulting from the recognition of items in the financial statements.

ii) Deferred tax assets (after, netting of deferred tax liabilities), are generally not recognized unless there exist strong circumstances for its adjustment/realization in near future.

iii) Provision for Wealth Tax is made on the basis of estimated taxable wealth after taking into consideration, estimates of benefits admissible under the provisions of Wealth Tax Act, 1957.

**11. ACCOUNTING FOR DEPB:**

The DEPB entitlements, against exports, are accounted on accrual basis when export materializes. In case of DEPB acquired from third parties, the same is recognised on historical cost basis.

**12. IMPAIRMENT OF ASSETS:**

Consideration is given by the management of the company at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of assets. If any indication exists, impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and value in use. Reversal of impairment losses recognised in prior years is recorded when there is indication that the impairment losses for the assets are no longer exist.

**13. FINANCE LEASE:**

Assets taken on lease are capitalized at fair value or net present value of the minimum lease payments, whichever is lower.

Depreciation on assets taken on lease is charged at the rate applicable to similar type of fixed assets as per accounting policy of the company for depreciation as above. If the leased assets are returnable to lessor on the expiry of the period, depreciation is charged over its useful life or lease period whichever is shorter.

Lease payments are apportioned between the finance charge and the reduction of the outstanding liability in respect of assets taken on lease. Sub-lease payments received/ recoverable are recognized as other income.

**14. OPERATING LEASES**

Where the Company is the Lessee:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Account on a straight-line basis over the lease term.

Where the Company is the Lessor:

Assets subject to operating leases are included in fixed assets. Lease income is recognized in the Profit and Loss



Account on a straight-line basis over the lease term. Costs including depreciation are recognized as an expense in the Profit and Loss Account. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Profit and Loss Account.

**15. PROVISIONS AND CONTINGENT LIABILITIES:**

A Provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

The disclosure is made for all possible or present obligations that may but probably will not require outflow of resources, as contingent liability in the financial statements.

**16. SEGMENT REPORTING**

**Identification of segments**

The company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

**Inter-segment Transfers**

The Company generally accounts for inter-segment sales and transfers as if the sales or transfers were to third parties at current market prices.

**Allocation of common costs**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

**Unallocated items**

Other segment includes income and expense items which are not allocated to any business segment.

**B. NOTES TO THE ACCOUNTS**

1. Contingent Liabilities, not provided for:

		(Rs. in lacs)	
		2010-2011	2009-2010
a.	Bank Guarantees / Letters of credit issued by the company in favour of		
	i Foreign Letters of Credit against import of Raw oil.	285.52	749.42
	ii) Suit filed by one supplier to the tune of Rs 1.14 Lacs adjudicated in favour of the company.	Nil	1.14
	iii) Bank Guarantee issued in favour of Joint commissioner, Sales Tax, Meerut.	2.13	-
	iv) Bills discounted with Company's Bankers against their Bills Rediscounting Scheme and remaining outstanding as on 31st March 2011. However these bills are guaranteed by respective Commercial banks .	633.75	-
	<b>TOTAL</b>	<b>921.40</b>	<b>750.56</b>

Bank Guarantees / Foreign Letters of Credit are secured by way of lien marked Fixed Deposits (inclusive of Interest) of Rs. 232.41 Lacs (Previous year Rs. 170.79 Lacs).

- b. Corporate guarantee given to a bank, in lieu of such bank having extended various secured fund based & non-fund based credit facilities, amounting in aggregate to Rs. 3,289 Lacs (Previous year Rs. 4,154 Lacs) to a related party.
- c. Demand of Rs. 5.67 Lacs raised by Income tax department in relation to TDS assessment pertaining to A.Y. 08-09 and 09-10 which is disputed by the company under rectification with Assessing Officer.

- 2. Estimated amount of contracts remaining to be executed on capital account and not provided for in these accounts (Net of Advances) Rs. Nil (Previous Year NIL Lacs)
- 3. In the opinion of the Board, the current assets, loans & advances are recoverable at par in the ordinary course of business at a price at which they are stated in the Balance Sheet. Balances of debtors and creditors, on the Balance Sheet date are subject to reconciliation and confirmation from some of the parties. However the variation is not expected to substantially vary the results of the company for the year.
- 4. Exchange rate adopted for conversion at the closing of financial year is taken at USD 1 = INR 45.21 (previous year Rs 45.00).

5. Company had sent communications to its creditors for identification of micro, small and medium enterprises. On the basis of response, to the extent received, to such communication and identification, the disclosures in respect to Micro, Small and Medium Enterprise Development Act, 2006 is as follows:

(in Rupees)

S.No	Particulars	2010-11	2009-10
i)	The Principal amount and the interest due thereon remaining unpaid to any supplier	1,68,954	2,70,003
ii)	Principal amount	59,003	1,92,861
iii)	Interest there on	77,142	57,866
iv)	The amount of Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payments made to the supplier beyond the appointed day.	—	—
v)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.)	32,809	19,276
vi)	The amount of interest accrued and remaining unpaid.	1,09,951	77,142
vii)	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 small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Not ascertainable*	Not ascertainable*

\* Since the Interest has not yet been paid till the date of signing the Balance Sheet.

**6. Disclosure for Gratuity and Leave Benefit Plans:**

The company has a defined benefit gratuity plan. The present value of obligation is determined based on actuarial valuation using the projected unit method, which recognizes each period of service as giving rise to additional unit of employee benefit Entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

**i) Changes in the present value of the defined benefit obligation are as follows (Rs):**

Particulars	Gratuity		Leave Encashment	
	2010-2011	2009-2010	2010-2011	2009-2010
Opening defined benefit obligation	31,79,979	27,65,933	7,89,165	6,40,367
Interest cost	254,398	2,21,275	63,133	51,229
Current service cost	289,505	2,78,686	93,270	1,08,595
Actual return on plan assets	N.A.	N.A.	N.A.	N.A.
Benefits paid	(92,923)	(46,385)	(1,09,398)	(55,957)
Actuarial (gain)/loss on obligation	110,279	(39,530)	(11,957)	44,931
Closing defined benefit obligation	37,41,238	31,79,979	8,24,213	7,89,165

**ii) Changes in the fair value of plan assets are as follows (Rs):**

Particulars	Gratuity		Leave Encashment	
	2010-2011	2009-2010	2010-2011	2009-2010
Opening fair value of plan assets	NIL	NIL	NIL	NIL
Expected return	N.A	N.A	N.A	N.A
Contributions by employer	NIL	NIL	NIL	NIL
Benefits paid	NIL	NIL	NIL	NIL
Actuarial gain/(losses)	NIL	NIL	NIL	NIL
Closing fair value of plan assets	NIL	NIL	NIL	NIL

**iii) Net employee benefit expense debited to Profit & Loss account (Rs):**

Particulars	Gratuity		Leave Encashment	
	2010-2011	2009-2010	2010-2011	2009-2010
Current service cost	2,89,505	2,78,686	93,270	1,08,595
Interest cost	2,54,398	2,21,275	63,133	51,229
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.
Actuarial (gain) / loss	1,10,279	(39,530)	(11,957)	44,931
Net benefit expense	6,54,182	4,60,431	1,44,446	2,04,755
Actual return on plan assets	N.A.	N.A.	N.A.	N.A.

**iv) Details of provision for Employees Benefits (Rs.)**

Particulars	Gratuity		Leave Encashment	
	2010-2011	2009-2010	2010-2011	2009-2010
Defined benefit obligation	37,41,238	31,79,979	8,24,213	7,89,165
Total value of provident fund contribution on closing liability	NIL	NIL	NIL	NIL
Fair value of plan assets	NIL	NIL	NIL	NIL
Less: Unrecognized past service cost	NIL	NIL	NIL	NIL
Plan (Liability)/ Asset	NIL	NIL	NIL	NIL

**v) Actuarial Assumptions:**

Particulars	Gratuity		Leave Encashment	
	2010-2011	2009-2010	2010-2011	2009-2010
Mortality table ( LIC)	(1994-96)	(1994-96)	(1994-96)	(1994-96)
Discount rate	8.00%	8.00%	8.00%	8.00%
Expected rate of return on plan assets	-	—	-	—
Rate of escalation in salary per annum	5.50%	5.50%	5.50%	5.50%
Employee turnover up to 30 years	3.00%	3.00%	3.00%	3.00%
Above 30 years but up to 44 years	2.00%	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%	1.00%

The estimates of future salary increase considered in actuarial valuation take into account the inflation, seniority, promotion and other relevant factors such as demand in the employment market and supply.

**Contribution to Defined Contribution Plan (Rs.)**

Particulars	2010-2011	2009-2010
Defined contribution plan and Family & Pension contribution to Provident Fund	14,09,214	13,00,842

**7. Remuneration to Managerial Personnel:**

(in Rupees)

Sr. No.	Particulars	2010-2011	2009-2010
i)	Remuneration to Managing Director	18,00,000	18,00,000
ii)	Remuneration to Whole Time Directors	12,00,000	14,30,645
iii)	Value of perquisites	Nil	Nil
<b>TOTAL</b>		<b>30,00,000</b>	<b>32,30,645</b>



8. Payment to Auditors: (in Rupees)

Sr. No.	Particulars	2010-2011	2009-2010
i)	<b>Statutory Auditors</b>		
	Audit Fees	320,000	2,30,000
	Tax Audit Fee	30,000	20,000
	Taxation Matters Fee	165,000	1,75,000
	Out of Pocket expenses	22,000	12,500
	Service Tax	36,050	25,750
	<b>TOTAL</b>	<b>573,050</b>	<b>4,63,250</b>
ii)	<b>Cost Auditors (including Service Tax)</b>	<b>45,284</b>	<b>43,964</b>
iii)	<b>Internal Auditors (including Service Tax)</b>	<b>79,416</b>	<b>80,900</b>

9. Particulars in respect of Capacities, Production/Purchase, Stocks and Sales:

(A) Manufacturing Operations:

i. For Sale:

Class of Goods	Installed capacity	Opening Stock		Actual Production	Sales		Closing Stock	
	M.T. (P.A.)	Qty. (MT)	Value (Rs. Lacs)	Qty. (MT)	Qty. (MT)	Value (Rs. Lacs)	Qty. (MT)	Value (Rs. Lacs)
Vanaspati /Refined Oil	86,000	555.43	240.93	48,759.61	48,740.67	24,915.25	574.37	345.41
Previous Year's	86,000	470.98	179.82	54,759.40	54,674.95	22,754.60	555.43	240.93

- a) The installed capacity for the finished products and date of installation, are as certified by the management and relied upon by the auditors, being a technical matter.  
b) Capacities are expressed on the basis of triple shift working of the factory.

(ii) For Captive Consumption:

Class of Goods	Installed capacity*	Opening Stock		Actual Production	Consumed*	Closing Stock	
	Nos. (P.A.)	Qty. (Nos.)	Value (Rs. Lacs)	Qty. (Nos.)	Qty. (Nos.)	Qty. (Nos.)	Value (Rs. Lacs)
P.P. Jars (15kg/Ltr.)	-	7718	3.90	181260	178895	10083	4.91
Previous Year's	-	7169	2.95	153725	153176	7718	3.90
Tin Container (15kg/Ltr.)	-	12089	6.74	734150	725660	20579	11.44
Previous Year's	-	151	0.08	886750	874812	12089	6.74

\* Installed capacities are not given, as technical estimates are not ascertainable.

(B) Trading Operations:

(i) Rice

Class of Goods	Opening Stock		Purchases		Sales		Closing Stock	
	Qty. (MT)	Value (Rs. Lacs)	Qty. (MT)	Value (Rs. Lacs)	Qty. (MT)	Value (Rs. Lacs)	Qty. (MT)	Value (Rs. Lacs)
Rice	-	-	20,000	4834.65	20,000	4854.01	-	-
Total	-	-	20,000	4834.65	20,000	4854.01	-	-
Previous Year's	-	-	-	-	-	-	-	-

**ii) Shares / Securities (Non-trade)**

Particulars	Opening Stock		Purchases	Sales/Written off		Closing Stock	
	Qty.	Value (Rs.)	Qty.	Qty.	Value (Rs.)	Qty.	Value (Rs.)
Balaji Galvanising Ltd.	9,800	9,800	—	—	—	9,800	9,800
Phytochem India Ltd.	1,000	1,000	—	—	—	1,000	1,000
Via Media (India) Ltd.	75	75	—	—	—	75	75
Shree Krishna Polyester Ltd. (Warrants)	800	800	—	—	—	800	800
Gupta Carpets Ltd.	400	280	—	—	—	400	280
Krishna Synthetics Ltd.	16,000	16,000	—	—	—	16,000	16,000
<b>Total</b>		<b>27,955</b>			<b>—</b>		<b>27,955</b>

\* None of the above companies are under the same management.

**10. Analysis of Material Consumed in Manufacturing Operation:**

Class of Goods	Unit	Current Year		Previous Year	
		Qty.	Value (Rs. Lacs)	Qty.	Value (Rs. Lacs)
Oil	M.T	51725.62	22,810.24	58,459.63	20,703.70
Packing	-		770.39		777.89
Chemicals			99.79		109.94
<b>TOTAL</b>			<b>23680.42</b>		<b>21591.53</b>

**11. Value of imported and indigenous raw materials, spare parts and components consumed in manufacturing operation and the percentage of each to the total consumption.**

Particulars	Current Year				Previous Year			
	Raw Material		Spare Parts & Components*		Raw Material		Spare Parts & Components*	
	Value (Rs. Lacs)	% to total consumption	Value (Rs. Lacs)	% to total consumption	Value (Rs. Lacs)	% to total consumption	Value (Rs. Lacs)	% to total consumption
Imported	19611.80	82.82%	—	—	18582.54	86.06%	—	—
Indigenous	4068.62	17.18%	—	—	3008.99	13.94%	—	—

\* Manufacturing process does not require any spare parts and components.

12. The value of Imports (Raw Oil) by the company on C.I.F. basis during the financial year is Rs. 4297.17 Lacs; Previous Year Rs. 4011.21 Lacs.

13. In these accounts, net loss of Rs. 14.47 Lacs (previous year, net gain of Rs. 161.76 Lacs), on account of foreign exchange fluctuation arising during the year, has been recognized under the appropriate revenue items to which it relates.

**14. Earnings and Outgo in Foreign Currency:**

(Rs. in Lacs)

	2010-2011	2009-2010
<b>Earnings:</b>		
- Sale of Rice	4854.01	Nil
<b>Outgo:</b>		
- Travelling Expenses	2.36	Nil
- Purchase of Oil	4297.17	4,011.21
- Purchase of Rice	4807.32	Nil
- Interest on rediscounting of LCs	0.93	Nil



15. The Basic and Diluted Earning per Share has been arrived as follows: (Amount in Rs.)

	2010-2011	2009-2010
Profit after extra-ordinary items		
Profit for the year	79,15,947	50,86,359
Less : Provision for Taxation (net)	3,282,855	5,70,748
	<u>4,633,092</u>	<u>45,15,611</u>
Profit before extra-ordinary items		
Profit for the year after tax	4,633,092	45,15,611
Adjustment for :		
- (Excess)/short for earlier years	(126,539)	70,213
	<u>45,06,553</u>	<u>45,85,825</u>
No. of weighted average equity shares (Basic & Diluted)	1,18,96,598	1,18,96,598
<b>BASIC &amp; DILUTED EARNING PER SHARE (RS.)</b>		
Before extra-ordinary items	0.38	0.39
After extra-ordinary items	0.39	0.38

16. Related Party Disclosures

The information given below is only in respect of the transactions entered into by the company during the year with the related parties.

A) Names of Related Parties and description of Relationship:

- i) Enterprises in which Key managerial Personnel and their Relatives have significant influence
  - Pawansut Merchants Limited (Ceases w.e.f. 01/04/2009)
  - Dhruv Globals Limited
  - Phoenix Steel Mills Limited (Company incorporated in Nigeria)
  - G.D. Ferro Alloys Private Limited
  - D.G. Estates Private Limited
  - Chander Prabhu Financial Services Limited
  - Blackstone Crushing Company Limited (Company incorporated in Nigeria)
- ii) Key Managerial Personnel:
  - Sushil Goyal, Managing Director
  - Bishan Goyal, Executive Director (Resigned w.e.f. 25/08/2009)
  - Abhey Goyal, Whole Time Director

B) Transactions during the year and Balances Outstanding as at the year end in respect of transactions entered into with the Related Parties: (Amount in Rs.)

Particulars	Key Managerial Personnel		Enterprises in which key managerial personnel & their relatives have significant influence		Associates	
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
<b>INCOME</b>						
<b>Sale:</b>						
Black Stone Crushing Co.Ltd.	-	-	48,54,01,100	-	48,54,01,100	-
Interest on loan:						
Dhruv Global Limited	-	-	11,39,754	8,94,082	11,39,754	8,94,082
<b>EXPENDITURE</b>						
<b>Managerial Remuneration:</b>						
Mr. Sushil Goyal	18,00,000	18,00,000	-	-	1800000	18,00,000
Mr. Abhey Goyal	12,00,000	9,50,000	-	-	1200000	9,50,000
Mr. Bishan Goyal	-	4,80,645	-	-	-	4,80,645
<b>Rent:</b>						
Pawansut Merchants Limited	-	-	-	60,000	-	60,000

Particulars	Key Managerial Personnel		Enterprises in which key managerial personnel & their relatives have significant influence		Associates	
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
<b>Interest on Unsecured Loan:</b>						
Chander Prabhu Financial Services Limited	-	-	-	84,986	-	84,986
G.D Ferro Alloys Private Ltd.	-	-	23,711	8,219	23,711	8,219
D.G Estates Private Limited	-	-	56,020	29,589	56,020	29,589
Purchase of Stores:						
Dhruv Global Limited	-	-	2,42,269	2,04,809	2,42,269	2,04,809
<b>Fixed Assets Purchased:</b>						
Pawansut Merchants Limited	-	-	-	16,28,795	-	16,28,795
<b>Investments made during the year:</b>						
D.G Estates Private Limited	-	-	-	70,00,000	-	70,00,000
<b>LOAN FUNDS</b>						
<b>Unsecured loan taken during the year:</b>						
G.D Ferro Alloys Private Ltd.	-	-	2,00,00,000	10,00,000	2,00,00,000	10,00,000
D.G Estates Private Ltd.	-	-	1,50,00,000	1,00,00,000	1,50,00,000	1,00,00,000
<b>Unsecured loans repaid during the year:</b>						
D.G Estates Private Ltd.	-	-	1,49,75,000	1,00,00,000	1,49,75,000	1,00,00,000
G.D Ferro Alloys Private Ltd.	-	-	1,99,75,000	1,35,00,000	1,99,75,000	1,35,00,000
Chander Prabhu Financial services Limited	-	-	-	1,20,70,000	-	1,20,70,000
<b>LOANS AND ADVANCES</b>						
<b>Unsecured Loans</b>						
<b>Granted during the year:</b>						
Dhruv Global Limited	-	-	1,50,00,000	2,50,00,000	1,50,00,000	2,50,00,000
Loans repaid during the year:						
Dhruv Global Limited	-	-	70,42,638	5,80,00,000	70,42,638	5,80,00,000
<b>Share Application money given during the year:</b>						
D.G.Estate Private Limited	-	-	47,00,000	-	47,00,000	-
G.D Ferro Alloys Private Ltd.	-	-	5,00,000	-	5,00,000	-
<b>Refund of Share Application money:</b>						
G.D Ferro Alloys Private Ltd.	-	-	5,00,000	-	5,00,000	-
<b>BALANCES OUTSTANDING AS AT MARCH 31, 2011</b>						
<b>Loan Funds:</b>						
G.D Ferro Alloys Private Ltd.	-	-	46339	-	46339	-
D.G Estates Private Limited	-	-	75418	-	75418	-
<b>Investments:</b>						
Pheonix Steel Mills Limited	-	-	10,90,250	10,90,250	10,90,250	10,90,250
D.G Estate Private Limited	-	-	2,17,00,000	2,17,00,000	2,17,00,000	2,17,00,000



Particulars	Key Managerial Personnel		Enterprises in which key managerial personnel & their relatives have significant influence		Associates	
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
Dhruv Global Limited	-	-	36,80,500	36,80,500	36,80,500	36,80,500
<b>Loans &amp; Advances:</b>						
<b>Loan to Body corporate:</b>						
Dhruv Global Limited			1,58,66,466	78,47,312	1,58,66,466	78,47,312
Share Application money given D.G.Estate Private Limited	-	-	47,00,000	-	47,00,000	-
<b>CORPORATE GUARANTEE OUTSTANDING</b>						
Guarantee issued in favour of bank on behalf of Dhruv Global Limited	-	-	32,89,00,000	41,54,00,000	32,89,00,000	41,54,00,000
Guarantee issued by Dhruv Global Limited in favour of bank on behalf of the company	-	-	66,00,00,000	46,00,00,000	66,00,00,000	46,00,00,000

**17. Segment Reporting:**

The Company has identified two reportable business segments viz. Vanaspati including refined oil segment and Rice. This business segregation forms the basis for review of operating performance by the management. In line with the practice and considering the nature of the materiality in operations, the dealing in shares/securities has not been reported as a separate segment. The accounting policies of the segments are the same, to the extent applicable, as those described in the summary of significant accounting policies as referred to in part "A" of Schedule "M" to the accounts along with the following additional policies:

- Revenue & expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- Segment assets and liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

**Primary Segment Information (by Business Segments):**

The following table presents revenue and profit / (loss) information regarding industry segments for the year ended March 31, 2011 and March 31, 2010 and certain assets and liabilities information regarding industry segments at March 31, 2011 and March 31, 2010:

(Rupees in Lacs)

Particulars	Vanaspati Refined Oil		Rice		Unallocable		Total	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
<b>Segment Revenue</b>								
Gross Segmental Revenue	25,320.32	23,201.22	4,854.01	-	48.00	-	30,222.33	23,201.22
Less: Inter Segment Adjustment	-	-	-	-	-	-	-	-
Net Segmental Revenue	25,320.32	23,201.22	4,854.0	-	48.0	-	30,222.33	23,201.22

Particulars	Vanaspati Refined Oil		Rice		Unallocable		Total	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
<b>Segmental Results</b>								
Segment Results before Interest	197.70	123.50	18.58	-	48.00	-	264.28	123.50
Less: Interest Expenses	-	-	-	-	-	-	100.27	84.17
Less: unallocable expenditure net-off unallocable income	-	-	-	-	-	-	84.85	11.53
Profit before Tax	-	-	-	-	-	-	79.16	50.86
Current Tax			-	-	-	-	44.66	26.31
Wealth Tax			-	-	-	-	0.53	0.68
Deferred Tax (Excess)/short for earlier years (Net)			-	-	-	-	(11.09)	(21.98)
							(1.27)	0.70
<b>Net Profit after Tax</b>							46.33	45.16
<b>Other Information</b>								
Segment Assets	4,848.41	4,828.14	-	-	-	-	5,126.97	4,828.14
Segment Liabilities	2,686.12	2,820.87	-	-	-	-	2,686.12	2,820.87
Capital Expenditure	88.28	220.45	-	-	-	-	88.28	220.45
Depreciation	126.74	120.69	-	-	-	-	126.74	120.69

**Geographical Segments:**

The following table shows the distribution of the Company's consolidated sales by geographical market, regardless of where the goods were produced:

Sales/ revenue by geographical market: <span style="float: right;">(Rs in Lacs)</span>		
Geographical Market Segment	2010-2011	2009-2010
Domestic Market	25,368.32	23,201.22
Overseas Market	4,854.01	-
<b>Total</b>	<b>30,222.33</b>	<b>23,201.22</b>

The Company has common fixed assets for producing / trading goods to Domestic market as well as for Overseas Markets. Hence separate figures for fixed assets have not been furnished.

**18. Operating Lease:**
**Lease Payments:**

- The Company has entered into Lease transaction mainly for leasing of Office/Residential Premises including godown and company leased accommodation for its employees. Terms of lease include terms of renewal, increase in rent in future period and terms of cancellation.
- Future obligations towards minimum lease payments under non-cancellable operating leases as on 31st March 2011 amounting to Rs 12.26 Lacs (Previous year Nil):

(Rs. in Lacs)		
	2010-2011	2009-2010
Within one year	12.26	-
Later than one year and less than five years	-	-
<b>Total operating lease commitments</b>	<b>12.26</b>	<b>-</b>

- The operating lease payments recognized in Profit & Loss A/c Rs.16.74 Lacs (P.Y. Rs. 4.77 Lacs) for the lease which commenced on or after April 01, 2001.
- General description of Lease terms:
  - Lease payments are made on the basis of agreed terms;
  - The premises are taken on operating lease for a period of six years out of which non-cancellable period is two years.

**19. Deferred Tax:**

Major components of Deferred Tax Liabilities (net of deferred tax assets) arising on account of timing differences are as under:

(Rs. In Lacs)

Particulars	2010-2011	2009-2010
<b>Deferred Tax Liabilities</b>		
— Fixed Assets	<b>197.05</b>	193.17
<b>Deferred Tax Assets</b>		
— Carry forward of unabsorbed speculative business loss	<b>1.31</b>	1.22
— Provision for Gratuity, Bonus, Leave Encashment and Provision for doubtful debts	<b>17.17</b>	2.28
Accumulated Deferred Tax Liability (net)	<b>178.57</b>	189.67
Deferred tax Charge/(Reversal) required	<b>(17.56)</b>	(31.00)
Deferred tax Charge/(Reversal) recognized for the year	<b>(11.09)</b>	(21.98)
Deferred tax Asset not recognized as uncertainty of realization in near future		
— Carry forward of Long term capital losses	<b>6.47</b>	9.02

20. The indications listed in paragraph 8 to 10 of Accounting Standard 28 on Impairment of Assets, as specified in the Companies (Accounting Standards) Rules, 2006, have been examined and on such examinations, an amount of Rs. Nil (Previous year Rs 3.08 Lacs) has been recognized in profit and loss account during the year.
21. Previous year's figures have been regrouped/reclassified, wherever considered necessary, to conform to current year's classification.
22. Information pursuant to Part - IV of the Schedule VI to the Companies Act, 1956 is given separately.

**For and on the behalf of the Board of Directors**

Sd/-  
**SUSHIL GOYAL**  
(Managing Director)

Sd/-  
**ABHEY GOYAL**  
(Whole Time Director)

Place : New Delhi  
Dated : 20th August, 2011

Sd/-  
**JAI GOPAL SHARMA**  
(Accounts Manager)

Sd/-  
**SHALINI AGRAWAL**  
(Company Secretary)

**INFORMATION PURSUANT TO PART - IV OF THE SCHEDULE VI TO THE COMPANIES ACT, 1956  
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE****I. Registration Details**

Registration No.	L15494RJ1992PLCO16617	State Code	17
Balance Sheet Date	31.03.2011		

**II. Capital Raised during the Year (Amount in Rs. Thousand)**

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

**III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousand)**

Total Liabilities	380460	Total Assets	380460
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**Sources of Funds**

Paid-up-Capital	118966	Reserves & Surplus	86394
Secured Loans	100517	Unsecured Loans	56726
Deferred Tax Liability (Net)	17857		

**Application of Funds**

Net Fixed Assets*	114478	Investments	27828
*(Includes Capital Work in Progress)			
Net Current Assets	238154	Misc. Expenditure	NIL
Accumulated Losses	NIL		

**IV. Performance of Company (Amount in Rs. Thousand)**

Turnover	3042231	Total Expenditure	3034315
Profit/Loss before Tax	7916	Profit/Loss after Tax	4633
Earning per Share in Rs.*	0.39	Dividend Rate %	NIL
(*Refer not 15 of Schedule M)			

**V. Generic Names of Three Principal Products/Services of the Company**

Item Code No.	: 2100
Product Description	: Vanaspati
Item Code No.	: 2100
Product Description	: Refined Oil
Item Code No.	:
Product Description	:

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For and on the behalf of the Board of Directors

Sd/-  
**SUSHIL GOYAL**  
(Managing Director)

Sd/-  
**ABHEY GOYAL**  
(Whole Time Director)

Place : New Delhi  
Dated : 20th August, 2011

Sd/-  
**JAI GOPAL SHARMA**  
(Accounts Manager)

Sd/-  
**SHALINI AGRAWAL**  
(Company Secretary)



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011**

	2010 - 2011 in Rupees	2009 - 2010 in Rupees
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax & Extraordinary items	7,915,947	5,086,360
Add: Non cash and Non operating items		
Depreciation	12,673,750	12,068,877
Interest Paid	12,185,530	8,416,576
Loss on Dollor Futures	-	393,851
Impairment Loss	-	307,570
Provision for doubtful debts	5,000	196,684
Provision for Leave Encashment and Gratuity	798,628	665,186
Loss on Sale of Fixed Asset	39,484	-
	<u>25,702,392</u>	<u>22,048,744</u>
<b>Less: Non Operating items</b>		
Dividend income	-	118,889
Profit on sale of Investments	39,587	-
Rent received	115,000	-
Profit on sale of fixed assets	-	208,275
Interest on loan	1,139,754	894,082
Interest on Security deposit	166,554	166,554
Interest on bank deposits	3,243,531	1,153,396
	<u>4,704,426</u>	<u>2,541,196</u>
<b>Operating Profit before Working Capital changes</b>	<u>28,913,913</u>	<u>24,593,908</u>
<b>Adjustments for:</b>		
Inventories	(29,817,481)	1,363,129
Trade & Other Receivables	(22,143,374)	(31,855,101)
Trade Payable and Other Liabilities	7,288,532	(71,213,782)
	<u>(44,672,323)</u>	<u>(101,705,754)</u>
<b>Cash Generated from operations before extraordinary item and tax</b>	<u>(15,758,410)</u>	<u>(77,111,845)</u>
Less: Taxes Paid	2,762,225	2,927,378
Less: Leave Encashment and Gratuity Paid	202,321	102,342
	<u>2,964,546</u>	<u>3,029,720</u>
Cash Flow before Extraordinary items	<u>(18,722,956)</u>	<u>(80,141,565)</u>
Extraordinary Items	-	-
<b>Net Cash from Operating Activities.....(A)</b>	<u>(18,722,956)</u>	<u>(80,141,565)</u>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(8,827,594)	(22,044,579)
Change in Capital Work in Progress	393,397	3,133,257
Interest on bank deposits	3,243,531	1,153,396
Interest on Security deposit	166,554	166,554
Interest received on loan	1,139,754	894,082
Sale of Fixed Assets	292,285	245,000
Investments in Shares & Mutual funds	-	58,106,276
Investments made in FDR (Pledged)	(6,161,995)	9,507,985
Dividend received on investments	-	118,889
Rent received	115,000	-
Profit/(Loss) on sale of Investments	39,587	-
Profit/(Loss) on Commodities Futures	-	(393,851)
	<u>(9,599,481)</u>	<u>50,887,009</u>
<b>Net Cash used in Investing Activities.....(B)</b>	<u>(9,599,481)</u>	<u>50,887,009</u>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Movement in Working Capital Loan	(16,349,159)	109,061,458
Movement in Other Loans	56,434,873	(70,715,679)
Interest Paid	(12,185,530)	(8,416,576)
	<u>27,900,184</u>	<u>29,929,203</u>
<b>Net Cash received in financing Activities.....(C)</b>	<u>27,900,184</u>	<u>29,929,203</u>
<b>D) NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<u>(422,253)</u>	<u>674,648</u>
Cash & Cash Equivalents as at year opening	6,980,141	6,305,493
Cash & Cash Equivalents as at year end	6,557,888	6,980,141

**Notes:**

- (i) Figures in brackets represent deductions and outflows
- (ii) Cash & Cash Equivalents do not include Fixed Deposits pledged with Bank and accrued interest thereon as the same are not highly liquid and readily convertible into cash.
- (iii) The previous year's figures have been restated, wherever considered necessary.

<b>For and on the behalf of the Board of Directors</b>			
Sd/-	Sd/-	Sd/-	Sd/-
<b>SUSHIL GOYAL</b>	<b>ABHEY GOYAL</b>	<b>JAI GOPAL SHARMA</b>	<b>SHALINI AGRAWAL</b>
(Managing Director)	(Whole Time Director)	(Accounts Manager)	(Company Secretary)

Place : New Delhi  
Dated : 20th August, 2011