

21<sup>st</sup>

ANNUAL REPORT

2011 - 2012



AJANTA

**AJANTA SOYA LIMITED**

**BOARD OF DIRECTORS**

<b>Mr. Sushil Goyal</b>	<i>Chairman &amp; Managing Director</i>
<b>Mr. Abhey Goyal</b>	<i>Whole Time Director</i>
<b>Mr. Bishan Goyal</b>	<i>Director</i>
<b>Mr. S. C. Singhal</b>	<i>Director</i>
<b>Mr. Harsh Chander Kansal</b>	<i>Director</i>
<b>Mr. Babu Lal Jain</b>	<i>Director</i>

**INTERNAL AUDITOR**

S.Chand Mittal & Co.  
810, GD ITL North Ex. Tower  
A-8, Netaji Subhash Place,  
New Delhi -110034

**REGISTERED OFFICE**

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

**STATUTORY AUDITORS**

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

**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

**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

**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

**SHARES LISTED WITH STOCK EXCHANGE AT**

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

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

**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 21<sup>st</sup> Annual General Meeting of the Members of the Company will be held on Friday, 28<sup>th</sup> September, 2012 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 31<sup>st</sup> March, 2012 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 Babu Lal Jain who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr Harsh Chander Kansal 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.

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

Date : 25<sup>th</sup> August, 2012  
Place : New Delhi

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

### 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, 27<sup>th</sup> September 2012 to Friday, 28<sup>th</sup> September 2012 (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. 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.

## DIRECTORS' REPORT

Dear Members

Your Directors have pleasure in presenting the 21<sup>st</sup> Annual Report of your Company together with the Audited Annual Accounts for the financial year ended 31<sup>st</sup> March, 2012.

### FINANCIAL HIGHLIGHTS

(Amount in Lacs)

Particulars	Financial Year ended	
	31st March, 2012	31st March, 2011
Total Income	<b>37,045.82</b>	30,228.02
Total Expenditure	<b>36,998.71</b>	30,148.86
Profit before tax	<b>47.11</b>	79.16
Provision for tax	<b>25.84</b>	32.83
Profit after tax	<b>21.27</b>	46.33
Transfer to Reserve	-	-
Paid-up Share Capital	<b>1,189.66</b>	1,189.66
Reserves and Surplus (excluding revaluation reserve)	<b>885.21</b>	863.94

### Year in Retrospect

During the year under review, total income of the Company was Rs. 37,045.82 lacs as against Rs. 30,228.02 lacs in the previous year. The Company was able to earn a marginal profit after tax of Rs. 21.27 lacs for the year as against a profit of Rs. 46.33 lacs. During the year the Profit of the Company is lower due to exchange fluctuation. 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 31<sup>st</sup> March, 2012 and the date of this report.

### 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

- a. **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.
- b. **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.47,267.00 in the internal laboratory of the company for the quality testing of raw materials purchased and finished vanaspati/ refined oil purchased.
- c. **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)

	2011-12	2010-11
<b>Total Foreign Exchange Inflow</b>		
Sale of Rice	<b>NIL</b>	4,854.01
Sale of Shares	<b>12.70</b>	NIL
<b>Total Foreign Exchange outflow</b>		
i. Traveling expenses	<b>NIL</b>	2.36
ii. Purchase of Oil	<b>5,659.76</b>	4,297.17
iii. Purchase of Rice	<b>NIL</b>	4,807.32
iv. Interest on rediscounting of LCs	<b>6.07</b>	0.93

**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) Amendment rules, 2011, 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 Babu Lal Jain and Mr Harsh Chander Kansal 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 31<sup>st</sup> March, 2012 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 2012-13 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**

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

Date : 25<sup>th</sup> August, 2012  
Place : New Delhi

## 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	5651514	5261616
Total amount	29769159	24756961
Rate/unit	5.27	4.71
<b>(b) Own generation</b>		
<b>(i) Through diesel generator</b>		
Unit	227040	191520
Units per ltr. of HSD oil	13.50	12.62
Cost/unit	3064694	2416938
<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)	7198	5998
Total cost	63719124	55546868
Average rate	8852	9260.89
<i>Others/internal generation (please give details)</i>		
Quantity (Hydrogen Gas)	21769	24378
Total cost	4008218	3459085
Rate/unit	184.12	141.89
(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	—	94.70	107.91
H.S.D	—	3.80	3.93
Coal (specify quality)	—	0.12	0.12
Others (Hydrogen Gas)	—	0.36	0.50
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**

The company has installed a new CPO refining and Hydrogenation system with an expenditure of approx Rs. 6.00 Crores so as to enhance the production capabilities as well as quality improvement to meet the ever growing market demand. The new installation consists of a PLC controlled Continuous Refining Plant with most modern technology, a very energy-efficient, fully automatic and eco-friendly system, which produces the quality which is best in market. It also consists of an ultra modern hydrogenation plant with very efficient mixing and sparging system of hydrogen absorption for selective hydrogenation and low catalyst consumption.

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

Edible oils constitute an important component of food expenditure in Indian households. India is one of the largest producers of oilseeds in the world and this sector occupies an important position in the agricultural economy. Historically, India has been a major importer of edible oils with almost 30-40% of its requirements being imported till 1980s. In 1986, the Government of India established the Technology Mission on Oilseeds and Pulses (TMOP) in order to enhance the production of oilseeds in the country.

The demand for edible oils in India has shown a steady growth at a CAGR of 4.43% over the period from 2001 to 2012. The growth has been driven by improvement in per capita consumption, which in turn is attributable to rising income levels and living standards.

India's annual per capita consumption has shown a steadily increasing trend from 4 kg in the 1970s to 10.2 kg in the late 1990s to current levels of 13.5 - 14 kg. However, it still ranks well below the world average of around 24 kg (per capita figures including consumption of bio-energy), thereby signifying the high growth potential of the industry.

The demand for edible oils in India has shown a compounded growth of 4.5% over the last 10 years and is estimated at 16.2 million tonnes for Oil Year (OY) 2011-12. India plays an important role in the global edible oil market, accounting for approx. 10.2% share of consumption; 7% share of oilseed production; 5% share of edible oil production and 13.6% share of world edible oil imports for OY 2009-10. As per USDA estimates, India is the third largest consumer of edible oils after China and the EU-27 countries; and will account for 11% of global edible oil demand and 16% of global imports in OY 2010-11.

There has been a significant gap between demand and supply of edible oil because of limited availability of oil seeds and shifting of acreage to other crops in the domestic market. This gap has been met through imports, which account for almost 45-50% of the total oil consumption.

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.

The Indian edible oil industry is highly fragmented, with the presence of a large number of participants in the organised and unorganised sectors. This has resulted in severe competition and inherently thin profitability margins. Further, the profitability of market participants has also been vulnerable to risks emanating from weak harvests; commodity price volatility and forex movements.

**Risks & Concern**

The Company is exposed to price fluctuation in its business. All major raw materials as well as finished goods being agro-based are subject to market price variations. Prices of these commodities continue to be linked to both domestic and international prices, which in turn are dependent on various Macro / Micro factors.

The policies announced by the Government have been progressive and are expected to remain likewise in future, and have generally taken an equitable view towards various stake holders, including domestic farmers, industry, consumers etc.

**Human resource / Industrial relations**

Management is keen on following the best practices for attracting, retaining and enhancing human resources of the Company. The company's Industrial relations continued to be harmonious during the year under review. The Company continue to invest in people through various initiatives which enable the work force to meet out the production requirements and challenges related thereto and to infuse positive enthusiasm towards the organization.

**Internal Control Systems and Adequacy**

The Internal Control Systems and procedure are adequate and commensurate with the size of the Company. The company has implemented suitable controls on ongoing basis to assure that all resources are utilized optimally, financial transactions are reported with the accuracy and all applicable laws and regulations are strictly complied with.

**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 segment is as follows:

Product	Sales			
	Current Year (2011-12)		Previous Year (2010-11)	
	Quantity (MT)	Value (Rs Lacs)	Quantity (MT)	Value (Rs Lacs)
Vanaspati/ Refined Oils	59769.39	36960.63	48740.67	24915.25
Rice	NIL	NIL	20000.00	4854.01



## **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 31<sup>st</sup> March, 2012, 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 31<sup>st</sup> March 2012 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	Nil	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 2011-12, (15) Fifteen meetings of the Board of Directors were held on 01.04.2011, 21.04.2011, 14.05.2011, 02.06.2011, 25.07.2011, 12.08.2011, 20.08.2011, 27.08.2011, 15.09.2011, 22.10.2011, 14.11.2011, 13.12.2011, 11.01.2012, 14.02.2012 and 20.03.2012. 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 2011-12 are as under:

Name of the Director	No. of Board Meeting	Attendance at the Board Meeting	Whether attended Last AGM
Mr Sushil Goyal	15	15	YES
Mr Bishan Goyal	15	12	No
Mr Harsh Chander Kansal	15	15	YES
Mr Satish Chand Singhal	15	9	YES
Mr Abhey Goyal	15	12	No
Mr Babu Lal Jain	15	15	No

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

Mr Babu Lal Jain, Director who shall be retiring in this AGM, being eligible have offered himself for re-appointment. Brief particulars of these gentlemen are as follows:

Particulars	Mr Babu Lal Jain	Mr Harsh Chander Kansal
DIN	01712332	00125411
Father's Name	Mr Ram Richhpal Jain	Mr Vijay Kumar Kansal
Date of Birth	2 <sup>nd</sup> January 1950	18 <sup>th</sup> September, 1972
Address	QU283 D, Pitampura, Delhi	83/A-3 Sector-8, Rohini, Delhi-110085
Designation	Director	Director
Education	Graduate	Graduate
Experience	International Business and administration	Marketing & Finance
Companies in which holds Directorship	Vishnu Infosys Pvt Ltd Shiv Ganga Exim Pvt Ltd	Space Realty Infratech Pvt Ltd
Companies in which holds membership of committees	Nil	Nil
Shareholding in the Company (No. & %)	Nil	Nil
Relationship with other Director	Nil	Nil

**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 2011-2012 on the following dates: 14.05.2011, 12.08.2011, 20.08.2011, 14.11.2011, and 14.02.2012. 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	4

**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.

**(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 31<sup>st</sup> March, 2012**

Name of Director	Sitting Fees	Salaries & Perquisites (In Rs.)	Commission, Bonus Exgratia	Total Amount (In Rs.)	No. of Shares held & %
Mr Sushil Goyal	Nil	22,00,000	Nil	22,00,000	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.

The committee met Twelve (12) times during the year on 11.04.2011, 10.05.2011, 10.06.2011, 11.07.2011, 10.08.2011, 10.09.2011, 10.10.2011, 11.11.2011, 10.12.2011, 10.01.2012, 10.02.2012 and 10.03.2012.

Name of the Director	Category	Attendance at the Audit Committee Meeting
Mr Harsh Chander Kansal Chairman	Non Executive Independent	12
Mr Babu Lal Jain Member	Non-executive Independent	12
Mr Satish Chand Singhal Member	Non-executive Independent	5

(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 7 (Seven) complaint from the shareholders of which is disposed off. There was no pending complaint from any shareholder as on 31<sup>st</sup> March 2012.

**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
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
2011	30.09.2011	SP-916, RIICO Industrial Area, Phase – III, Bhiwadi-301 019, Distt. Alwar, Rajasthan	12:30 P.M.	Two

Special Resolution passed during the last three Annual General Meeting.

Year	Date	Business passed
2009	29.09.2009	<ul style="list-style-type: none"> <li>To appoint Mr Abhey Goyal as Whole Time Director of the Company w.e.f. 1<sup>st</sup> January, 2009-</li> <li>To modify the remuneration of Mr Sushil Goyal, Managing Director of the Company</li> </ul>
2010	30.09.2010	NIL
2011	30.09.2011	<ul style="list-style-type: none"> <li>Re-appointment of Mr Sushil Goyal as Managing Director-</li> <li>Re-appointment of Mr Abhey Goyal as Whole Time Director</li> </ul>

## 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. 36 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(Mumbai)/ Pioneer (English)  
&/ 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 28, 2012	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 30 <sup>th</sup> June, 2012	By 14 <sup>th</sup> August, 2012 (actual)
Financial Reporting for the second quarter ending 30 <sup>th</sup> September, 2012	By 14 <sup>th</sup> November 2012
Financial Reporting for the third quarter ending 31 <sup>st</sup> December, 2012	By 14 <sup>th</sup> February 2013
Financial Reporting for the fourth quarter ending 31 <sup>st</sup> March, 2013	By 15 <sup>th</sup> May 2013

**iii) Dates of Book Closure** 27<sup>th</sup> September, 2012 to 28<sup>th</sup> September, 2012  
(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.

**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	High Price	Low Price	No. of Shares	Month	High Price	Low Price	No. of Shares
Apr 11	11.57	9.20	47,074	Oct 11	11.98	10.20	21,835
May 11	10.79	9.26	30,025	Nov 11	12.98	9.25	28,538
Jun 11	13.25	9.55	49,077	Dec 11	10.99	8.40	22,578
Jul 11	11.00	9.96	43,445	Jan 12	11.93	8.50	27,817
Aug 11	11.29	9.00	35,385	Feb 12	11.97	9.85	19,203
Sep 11	13.18	10.00	48,601	Mar 12	11.00	9.10	44,507

Source: 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:

Particulars	Skyline Financial Services Pvt Ltd
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 2012:**

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	15300	95.63	2070025	17.40
5,001	10000	378	2.36	307318	2.58
10,001	20000	143	0.89	225698	1.90
20,001	30000	46	0.29	118143	0.99
30,001	40000	27	0.17	100556	0.85
40,001	50000	23	0.14	107170	0.90
50,001	100000	27	0.17	186151	1.56
100001 and Above		56	0.35	8781537	73.82
<b>Total</b>		<b>16000</b>	<b>100</b>	<b>11896598</b>	<b>100</b>

x) **Dematerialization of shares and liquidity:** As on 31<sup>st</sup> March 2012 about 85.95% 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  
 12<sup>th</sup> 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 31<sup>st</sup> March 2012 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 : 25th August, 2012  
Place : New Delhi

**JAI GOPAL SHARMA**  
**Accounts Manager**

**SUSHIL GOYAL**  
**Managing Director**



**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 2012, 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.

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

Sd/-

**(SUBODH GUPTA)**

*Partner*

M. No. : 087099

Place : New Delhi  
Dated : 25th August, 2012



## 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 31st, 2012 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 from 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 31<sup>st</sup> March, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies' Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, 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 31st, 2012; 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 : 25th August, 2012

**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 31st, 2012.**

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 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, have 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.177.56 Lacs (PY.Rs 159.63) and the year-end balance of unsecured loans granted to such parties was Rs. 177.56 Lacs. (PY Rs 158.66 Lacs).  
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 one party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.287.50 Lacs (PY. Rs 275.00 Lacs) and the year-end balance of unsecured loans taken from such parties was Rs. 2.40 Lacs (PY Rs 1.22 Lacs).  
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 to financial institutions.
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 almost equals 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 : 25th August, 2012

**BALANCE SHEET AS AT 31ST MARCH 2012**

	Note No.	As at 31.03.2012 (Rs.)	As at 31.03.2011 (Rs.)
<b>(I) EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
a) Share Capital	2	118,965,980	118,965,980
b) Reserves & Surplus	3	88,520,979	86,393,642
<b>(2) Non current liabilities</b>			
(a) Long term borrowings	4	-	307,775
(b) Deferred tax liabilities (Net)	5	17,364,437	17,857,587
(c) Other Long term liabilities	6	870,000	695,000
(d) Long term provisions	7	4,550,085	3,961,016
<b>(3) Current liabilities</b>			
(a) Short term borrowings	8	314,767,008	216,407,705
(b) Trade payables	9	44,798,570	78,551,235
(c) Other Current liabilities	10	13,420,672	8,143,190
(d) Short term provisions	11	2,910,054	4,654,729
<b>TOTAL</b>		<b>606,167,785</b>	<b>535,937,859</b>
<b>(II) ASSETS</b>			
<b>(1) Non current assets</b>			
(a) Fixed assets	12		
(i) Tangible assets		102,841,862	114,317,210
(ii) Intangible assets		118,000	160,800
(iii) Capital work in progress		33,953,818	-
(b) Non current investments	13	26,737,500	27,827,750
(c) Long term loans and advances	14	22,993,026	21,418,442
<b>(2) Current assets</b>			
(a) Inventories	15	144,097,456	179,579,986
(b) Trade receivables	16	149,780,091	146,210,396
(c) Cash and cash equivalents	17	108,860,595	29,699,888
(d) Short term loans and advances	18	15,282,580	16,624,138
(e) Other Current Assets	19	1,502,857	99,249
<b>TOTAL</b>		<b>606,167,785</b>	<b>535,937,859</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**AND NOTES ON FINANCIAL STATEMENTS 1 to 41**

Note: The notes referred to above form an integral part of these financial statements

as per our report attached

For **TAS ASSOCIATES**

Chartered Accountants

Firm Registration No.: 10520 N

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

Place : New Delhi  
Dated : 25th August, 2012

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 STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**

	<i>Schedules</i>	<i>2011-2012 (Rs.)</i>	<i>2010-2011 (Rs.)</i>
<b>INCOME:</b>			
1. Revenue from Operations	20	3,696,063,851	3,017,433,427
2. Other Income	21	8,518,848	5,368,819
<b>TOTAL REVENUE</b>		<b>3,704,582,699</b>	<b>3,022,802,246</b>
<b>EXPENSES:</b>			
1. Raw Material & Cost of Goods Sold	22	3,479,210,666	2,373,601,687
2. Purchase of Stock in Trade (Rice)		-	476,464,959
3. Changes in Inventories of Finished Goods and Work in Progress	23	(3,126,601)	(19,428,977)
4. Employee benefits expense	24	19,254,356	17,374,987
5. Finance Costs	25	27,526,777	11,473,671
6. Depreciation & amortization expense	12	12,903,269	12,673,750
7. Other Expenses	26	163,892,949	142,497,224
8. Bad Debts		209,863	1,372,451
Less: Provision already made		-	209,863
9. Provision for Doubtful Debts		-	5,000
<b>TOTAL EXPENSES</b>		<b>3,699,871,279</b>	<b>3,014,886,299</b>
<b>PROFIT BEFORE TAX</b>		<b>4,711,420</b>	<b>7,915,947</b>
<b>LESS: PROVISION FOR TAXATION</b>			
— Current Tax		3,000,000	4,466,162
— Deferred Tax Charge/(Reversal)	5	(493,150)	(1,109,423)
— Wealth Tax		45,709	52,655
— (Excess)/short for earlier years (Net)		31,524	(126,539)
<b>NET PROFIT FOR THE YEAR</b>		<b>2,127,337</b>	<b>4,633,092</b>
<i>BASIC &amp; DILUTED EARNING PER SHARE</i>	34	<b>0.18</b>	0.39

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS 1 to 41**

*Note: The notes referred to above form an integral part of these Financial statements*

as per our report attached

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

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

Place : New Delhi  
Dated : 25th August, 2012

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)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**

	<i>2011- 2012 in Rupees</i>	<i>2010- 2011 in Rupees</i>
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax & Extraordinary items	4,711,420	7,915,947
<b>Add: Non cash and Non operating items</b>		
Depreciation and amortization expenses	12,903,269	12,673,750
Finance Costs	27,526,777	11,473,671
Loss on Commodity Futures	94,327	
Provision for doubtful debts	-	5,000
Provision for Leave Encashment and Gratuity	942,209	798,628
Loss on Sale of Fixed Asset	-	39,484
	<u>41,466,583</u>	<u>24,990,533</u>
<b>Less: Non Operating items</b>		
Net Gain on sale of Investments	319,893	39,587
Rent received	820,000	115,000
Profit on sale of fixed assets	608	-
Interest on loan	2,100,000	1,139,754
Interest on Security deposit	166,554	166,554
Interest on bank deposits	3,172,277	3,243,531
	<u>6,579,332</u>	<u>4,704,426</u>
<b>Operating Profit before Working Capital changes</b>	<b>39,598,671</b>	<b>28,202,055</b>
<b>Adjustments for:</b>		
Inventories	35,482,530	(29,817,481)
Trade & Other Receivables	(5,206,328)	(22,143,375)
Trade Payable and Other Liabilities	(28,651,764)	(52,666,829)
	<u>1,624,438</u>	<u>(104,627,686)</u>
<b>Cash Generated from operations before extraordinary item and tax</b>	<b>41,223,109</b>	<b>(76,425,632)</b>
Less: Taxes Paid	4,321,046	2,762,225
Less: Leave Encashment and Gratuity Paid	502,421	202,321
	<u>4,823,467</u>	<u>2,964,546</u>
<b>Cash Flow before Extraordinary items</b>	<b>36,399,643</b>	<b>(79,390,178)</b>
Extraordinary Items	-	-
<b>Net Cash from Operating Activities.....(A)</b>	<b><u>36,399,643</u></b>	<b><u>(79,390,178)</u></b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments towards Fixed Assets	(1,402,139)	(8,827,594)
Payment towards Capital Work in Progress	(33,953,818)	393,397
Interest on bank deposits	3,172,277	3,243,531
Interest on Security deposit	166,554	166,554
Interest received on loan	2,100,000	1,139,754
Sale Proceeds of Fixed Assets	17,625	292,285
Payments towards Investments	(65,750,000)	(95,000,000)
Sale Proceeds of Investments	67,065,816	95,039,587
Investments made in FDR (Pledged)	(82,723,215)	(6,161,995)
Rent received	820,000	115,000
	<u>(110,486,901)</u>	<u>(9,599,481)</u>
<b>Net Cash used in Investing Activities.....(B)</b>	<b><u>(110,486,901)</u></b>	<b><u>(9,599,481)</u></b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Movement in Short Term Borrowings	98,359,303	100,308,944
Movement in Long Term Borrowings	(307,775)	(267,868)
Finance Costs	(27,526,777)	(11,473,671)
	<u>70,524,750</u>	<u>88,567,405</u>
<b>Net Cash received in financing Activities.....(C)</b>	<b><u>70,524,750</u></b>	<b><u>88,567,405</u></b>
<b>D) NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>(3,562,508)</b>	<b>(422,254)</b>
Cash & Cash Equivalents as at beginning of year	6,557,888	6,980,141
Cash & Cash Equivalents as at end of year (excluding pledged FDR's)	<u>2,995,380</u>	<u>6,557,888</u>

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS 1 to 41**

Note: The notes referred to above form an integral part of these Financial statements

**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.

as per our report 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)

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

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

Place : New Delhi  
 Dated : 25th August, 2012

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### i) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared in accordance with generally accepted accounting principles in India and the historical cost convention, except for certain financial instruments which are measured at fair value. These financial instruments have been prepared to comply in all material aspects with the accounting standards notified under section 211(3C) of Companies Act, 1956 vide Companies Accounting Standards Rules, 2006

#### ii) USE OF ESTIMATE

The preparation of financial statement requires estimates and assumptions to be made that affect the reported amounts of Revenue, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

#### iii) RECOGNITION OF INCOME AND EXPENDITURE:

- i) Revenues/Incomes and Costs/Expenditure are generally accounted on accrual, as they are earned or incurred in accordance with the generally accepted Accounting principles and Accounting Standards as applicable in India.
- 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.

#### iv) 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.

#### v) 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.

#### vi) 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.

**vii) VALUATION OF INVENTORIES**

**Particulars / Items type**

**Method of valuation**

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.

**viii) 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.

**ix) 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.

**x) 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.

**xi) 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.

**xii) 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.

**xiii) 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.



**xiv) 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.

**xv) 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.

**xvi) 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.

**xvii) 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.

**xviii) EXCISE DUTY, SERVICE TAX AND SALE TAX/VALUE ADDED TAX**

Excise duty & Service tax is accounted on the basis of both, payment made in respect of goods cleared/services provided as also provision made for goods lying in companies godown. Sales tax/VAT paid is charged to profit & loss account to the extent not availed as input credit.

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	<i>As at 31.03.2012 (Rs.)</i>	<i>As at 31.03.2011 (Rs.)</i>		
<b>2 SHARE CAPITAL</b>				
<b>AUTHORISED</b>				
14,250,000 (P.Y 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 (P.Y 11,896,598) Equity Shares of Rs 10/- each, fully paid up	<b>118,965,980</b>	118,965,980		
	<b>118,965,980</b>	118,965,980		
<b>i) Reconciliation of number of Equity Shares:</b>				
Equity Shares outstanding at the beginning of the year	<b>11,896,598</b>	11,896,598		
Change in number of Equity Shares	-	-		
Equity Shares outstanding at the end of the year	<b>11,896,598</b>	11,896,598		
<b>ii) Detail of shareholders holding more than 5% Equity shares of the company:</b>				
<b>Name of Equity Shareholder</b>	<b>Number of Equity Shares</b>	<b>Percentage of shareholding</b>	<b>Number of Equity Shares</b>	<b>Percentage of shareholding</b>
Shi Ram Goyal	697,700	5.86	697,700	5.86
<b>3 RESERVES &amp; SURPLUS</b>				
<b>Capital Reserves</b>				
— As per last Balance Sheet		4,720,000		4,720,000
<b>Statutory Reserve Fund</b>				
— As per last Balance Sheet		1,133,228		1,133,228
<b>General Reserve</b>				
— As per last Balance Sheet		19,934,873		19,934,873
<b>Surplus, in statement of profit &amp; loss</b>				
As per last Balance Sheet	60,605,541		55,972,449	
Add: Profit for the year	2,127,337		4,633,092	
	<b>62,732,878</b>		<b>60,605,541</b>	
	<b>88,520,979</b>		<b>86,393,642</b>	
<b>4 LONG TERM BORROWINGS</b>				
<b>A) Secured Loans</b>				
<b>Loans from bank</b>				
Vehicle Loan	257,775		575,643	
Less: Current Maturities of Long term debts (Included in item (i) of note no. 10)	257,775	-	317,868	257,775
<b>B) Unsecured Loans</b>				
Loans & Advances from Related Parties	50,000		50,000	
Less: Current maturities of long term debts (Included in item (i) of note no. 10)	50,000	-	-	50,000
	<b>-</b>		<b>307,775</b>	

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	<i>As at</i> <b>31.03.2012</b> <i>(Rs.)</i>	<i>As at</i> <b>31.03.2011</b> <i>(Rs.)</i>
<b>5 DEFERRED TAX LIABILITY (NET):</b>		
Major components of Deferred Tax Liabilities (net of deferred tax assets) arising on account of timing differences are as under:		
<b>Deferred Tax Liabilities</b>		
— in respect of fixed assets (a)	<u>17,707,214</u>	<u>19,705,178</u>
	<u>17,707,214</u>	<u>19,705,178</u>
<b>Deferred Tax Assets</b>		
— in respect of carry forward of unabsorbed speculative business loss	127,785	130,827
— in respect of provision for Employee benefits & doubtful debts	<u>214,992</u>	<u>1,716,764</u>
(b)	<u>342,777</u>	<u>1,847,591</u>
Accumulated Deferred Tax Liability (net) (a - b)	<u>17,364,437</u>	17,857,587
Deferred tax Charge/(Reversal) recognized for the year	<u>(493,150)</u>	(1,109,423)
Note: Deferred tax Asset not recognized due to uncertainty of realization in near future:		
— in respect of carry forward of long term capital losses	725,892	646,600
<b>6 OTHER LONG TERM LIABILITIES</b>		
Security Deposits from Dealers	<u>870,000</u>	<u>695,000</u>
	<u>870,000</u>	<u>695,000</u>
<b>7 LONG TERM PROVISIONS</b>		
<b>Provision for Employees Benefits:</b>		
i) Gratuity	3,707,497	3,228,913
ii) Leave Encashment	<u>842,588</u>	<u>732,103</u>
	<u>4,550,085</u>	<u>3,961,016</u>

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

		<i>As at 31.03.2012 (Rs.)</i>	<i>As at 31.03.2011 (Rs.)</i>
<b>8 SHORT TERM BORROWINGS</b>			
<b>A) Secured Loans</b>			
<b>From Banks</b>			
<b>Rupee Loans</b>			
— Working capital loans	110,125,624		99,941,903
Working capital loans from banks are secured by way of:			
i) First charge of Hypothecation of stocks of raw material, stores and spares, work in progress, finished goods including goods in transit, book debts / receivables / foreign bills and all other current assets including entire fixed assets of the company.			
ii) Further secured by way of personal guarantee 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>— On Overdraft account</b>	<b>315,183</b>	<b>110,440,807</b>	<b>—</b>
Secured by way of Keyman Insurance policy of Managing Director			
<b>Foreign currency loans</b>			
— Buyers Credit		204,208,201	61,965,802
<i>(Secured by way of margin in the form of bank FDR's)</i>			
<b>B) Unsecured Loans</b>			
i) Loans & Advances from Related Parties	118,000		—
ii) Other loans & advances from body corporates	—	118,000	54,500,000
		<b>314,767,008</b>	<b>216,407,705</b>
<b>9 TRADE PAYABLES</b>			
<b>Sundry Creditors</b>			
— Due to Micro & Small enterprises (inc. interest)	199,703		168,954
— Due to Other than Micro & Small enterprises	44,598,867	44,798,570	78,382,281
		<b>44,798,570</b>	<b>78,551,235</b>

Note: 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:

<b>Particulars</b>			
i)	The Principal amount due and remaining unpaid to any supplier	—	59,003
ii)	Interest due on above and the unpaid interest	26,388	18,515
iii)	The amount of Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.	40,517	—
iv)	Payments made to the supplier beyond the appointed day during the year.	—	—
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.)	—	14,294
vi)	The amount of interest accrued and remaining unpaid.	95,822	1,09,951
vii)	The amount of further interest remaining due and payable 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.	<b>Not ascertainable</b>	<b>Not ascertainable *</b>

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

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	<i>As at 31.03.2012 (Rs.)</i>	<i>As at 31.03.2011 (Rs.)</i>
<b>10 OTHER CURRENT LIABILITIES</b>		
i) Current Maturities of Long term debts (Refer note no. 4)	<b>307,775</b>	317,868
ii) Interest accrued and due on short term borrowings other than banks	<b>893,341</b>	2,175,537
iii) Interest accrued but not due on short term borrowings from banks	<b>60,832</b>	-
iv) Advance from Customers	<b>305,956</b>	211,089
v) Creditors for capital expenditure	<b>5,565,257</b>	-
vi) Accrued salary & benefits		
- Salary & benefits	<b>844,459</b>	1,084,881
- Bonus & incentives	<b>589,889</b>	607,691
	<b>1,434,348</b>	1,692,572
vii) Other Payables:		
- Statutory Liabilities	<b>2,905,224</b>	1,912,775
- Security deposit from dealers	<b>6,617</b>	6,617
- Provision for expenses	<b>1,941,322</b>	1,826,732
	<b>4,853,163</b>	3,746,124
	<b>13,420,672</b>	8,143,190
<b>11 SHORT TERM PROVISIONS</b>		
Provision for Taxation ( <i>Net of Advance Tax/TDS</i> )	<b>2,409,191</b>	3,997,639
Provision for Wealth tax	<b>45,709</b>	52,655
Provision for Employee Benefits:		
- Gratuity	<b>410,814</b>	512,325
- Leave Encashment	<b>44,340</b>	92,110
	<b>455,154</b>	604,435
	<b>2,910,054</b>	4,654,729

**12 FIXED ASSETS**
*(Amount in Rupees)*

PARTICULARS	GROSS BLOCK			DEPRECIATION /AMORTOZATION				NET BLOCK		
	As at 01.04.2011	Addition	Deductions/ Adjustments	As at 31.03.2012	Upto 01.04.2011	For the year	Deductions/ Adjustments	Upto 31.03.2012	As at 31.03.2012	As at 31.03.2011
<b>(i) Tangible Assets</b>										
Lease Hold Land	4,783,029	-	-	<b>4,783,029</b>	-	-	-	-	<b>4,783,029</b>	4,783,029
Buildings #	30,435,814	-	-	<b>30,435,814</b>	13,915,395	872,046	-	<b>14,787,441</b>	<b>15,648,373</b>	16,520,419
Plant & Machineries	183,215,985	967,019	-	<b>184,183,004</b>	106,008,601	9,679,218	-	<b>115,687,819</b>	<b>68,495,185</b>	77,207,384
Electric Installations and Fittings	4,587,000	-	-	<b>4,587,000</b>	3,747,282	220,730	-	<b>3,968,012</b>	<b>618,988</b>	839,718
Furniture & Fixtures	2,249,393	300,412	17,625	<b>2,532,180</b>	804,456	106,402	608	<b>910,250</b>	<b>1,621,930</b>	1,444,937
Vehicles	15,484,213	-	-	<b>15,484,213</b>	5,349,578	1,306,641	-	<b>6,656,219</b>	<b>8,827,994</b>	10,134,635
Laboratory Equipments	314,314	90,783	-	<b>405,097</b>	280,098	17,681	-	<b>297,779</b>	<b>107,318</b>	34,216
Other Equipments & Appliances	10,276,366	30,425	-	<b>10,306,791</b>	6,923,494	644,251	-	<b>7,567,745</b>	<b>2,739,045</b>	3,352,872
<b>Total (A)</b>	<b>251,346,114</b>	<b>1,388,639</b>	<b>17,625</b>	<b>252,717,128</b>	<b>137,028,904</b>	<b>12,846,969</b>	<b>608</b>	<b>149,875,265</b>	<b>102,841,862</b>	<b>114,317,210</b>
<b>(ii) Intangible Assets</b>										
Computer Software	268,000	13,500	-	<b>281,500</b>	107,200	56,300	-	<b>163,500</b>	<b>118,000</b>	160,800
<b>Total (B)</b>	<b>268,000</b>	<b>13,500</b>	<b>-</b>	<b>281,500</b>	<b>107,200</b>	<b>56,300</b>	<b>-</b>	<b>163,500</b>	<b>118,000</b>	<b>160,800</b>
<b>Total Current Year (A + B)</b>	<b>251,614,114</b>	<b>1,402,139</b>	<b>17,625</b>	<b>252,998,628</b>	<b>137,136,104</b>	<b>12,903,269</b>	<b>608</b>	<b>150,038,765</b>	<b>102,959,862</b>	<b>114,478,010</b>
Total Previous Year	243,540,954	8,827,594	754,434	251,614,114	124,885,019	12,673,750	422,665	137,136,104	114,478,010	-
(iii) Capital Work in Progress									<b>33,953,818</b>	-

# Buildings include Rs. 44.68 Lacs under Flat Buyer's Agreement with physical possession pending Execution and Registration of Conveyance deed in the name of the Company.

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	<i>As at 31.03.2012 (Rs.)</i>	<i>As at 31.03.2011 (Rs.)</i>		
<b>13 NON CURRENT INVESTMENTS</b>				
<b>(Unquoted - at cost)</b>				
<b>Investments in Equity Instruments</b>				
<b>In associate companies</b>				
— Phoenix Steels Mills Limited (A company incorporated in Nigeria) Nil Equity shares (P.Y. 3,250,000) of NgN 1.00 each, fully paid up	—	1,090,250		
— D.G Estate Pvt. Ltd. 434,000 Equity shares (P.Y. 434,000) of Rs. 10.00 each fully paid up	<b>21,700,000</b>	21,700,000		
— Dhruv Globals Limited 368,050 Equity shares (P.Y. 368,050) of Rs. 10.00 each fully paid up	<b>3,680,500</b>	3,680,500		
<b>Investments in Mutual Fund</b>				
— LIC of India - Profit Plus Growth Fund 141,740.749 units (P.Y 142,216.977 units) (NAV as on 31/03/2012 Rs. 10.91 each and P.Y- Rs. 11.95 each)	<b>1,357,000</b>	1,357,000		
(The Investment in LIC of India is pledged with against overdraft facility granted to the company)-Refer note no. 8A				
	<b>26,737,500</b>	<b>27,827,750</b>		
<b>Notes :</b>				
1. Aggregate Cost of Unquoted Investments	<b>26,737,500</b>	27,827,750		
2. Investment made and sold during the year:				
<b>Name of fund</b>	<b>Cost</b>	<b>Quantity (in units)</b>	<b>Cost</b>	<b>Quantity (in units)</b>
SBI Premier Liquid Fund - Super Institutional — Growth Fund:	<b>65,000,000</b>	<b>1,846,002.11 units</b>	95,000,000	6,325,658.00 units
<b>14 LONG TERM LOANS AND ADVANCES</b>				
<i>(unsecured &amp; considered good)</i>				
Security and other deposits		<b>3,584,988</b>		4,020,935
Loans & Advances to Employees		<b>116,610</b>		209,079
Loans & Advances to Related Parties (Refer note no. 36B)		<b>17,756,466</b>		15,866,466
Other Advances		<b>1,534,962</b>		1,321,962
		<b>22,993,026</b>		<b>21,418,442</b>
<b>15 INVENTORIES</b>				
Raw Material (Oil):				
— At Godown	<b>20,867,394</b>		50,044,877	
— In Transit	<b>33,556,779</b>	<b>54,424,173</b>	43,048,097	93,092,974
Stock in Process		<b>37,920,214</b>		31,766,284
Finished Products		<b>33,153,397</b>		36,180,726
Packing Material		<b>10,158,989</b>		10,678,077
Chemical and Fuel		<b>3,059,882</b>		2,653,976
Stores & Spares		<b>5,352,846</b>		5,179,994
Others:				
— Shares and Securities		<b>27,955</b>		27,955
(Note: Inventories are carried at cost, or lower of cost and net realizable value)				
		<b>144,097,456</b>		<b>179,579,986</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	<i>As at</i> <b>31.03.2012</b> <i>(Rs.)</i>	<i>As at</i> <b>31.03.2011</b> <i>(Rs.)</i>
<b>16 TRADE RECEIVABLES (Unsecured &amp; considered good)</b>		
— Over six months from the date they were due for payment	<b>2,027,115</b>	5,367,969
Less : Provision for doubtful receivables	<b>175,580</b>	175,580
	<b>1,851,535</b>	5,192,389
— Others	<b>147,928,556</b>	141,018,007
	<b>149,780,091</b>	146,210,396
	<b>149,780,091</b>	146,210,396
<b>17 CASH &amp; BANK BALANCES</b>		
<b>a) Cash and Cash Equivalents</b>		
<b>Balances with Banks:</b>		
— In Current Accounts	<b>2,001,472</b>	5,185,443
— In Fixed Deposits	<b>79,055,215</b>	—
<i>(Maturing within 3 months and pledged with Banks as margin money against bank guarantees, foreign letter of credit and buyers credit)</i>		
Cash in Hand	<b>993,908</b>	1,372,445
	<b>82,050,595</b>	6,557,888
<b>b) Other Balances with Banks</b>		
— In Fixed Deposits	<b>26,810,000</b>	23,142,000
<i>(Maturing after 3 months and pledged with Banks as margin money against bank guarantees, FLC's and buyers credit.)</i>		
	<b>108,860,595</b>	29,699,888
<b>18 SHORT TERM LOANS AND ADVANCES</b>		
Advance to Suppliers	<b>4,408,518</b>	2,662,684
Loans & Advances to Employees	<b>304,966</b>	223,210
Balance with Central Excise & Service Tax Authorities	<b>3,275,780</b>	37,786
Sales tax /Vat Recoverable	<b>85,598</b>	4,853,735
Other amounts recoverable in cash or in kind or for value to be received	<b>7,207,718</b>	8,846,723
	<b>15,282,580</b>	16,624,138
<b>19 OTHER CURRENT ASSETS</b>		
Interest Accrued but not due on fixed deposits	<b>1,502,857</b>	99,249
	<b>1,502,857</b>	99,249
<b>20 REVENUE FROM OPERATIONS</b>		
<b>Sale of Products:</b>		
Vanaspati & Refined Oil	<b>3,614,746,844</b>	2,491,525,331
By Products	<b>81,317,007</b>	44,501,529
Rice	<b>—</b>	485,401,100
	<b>3,696,063,851</b>	3,021,427,960
<b>Less: Excise Duty on By Products</b>	<b>—</b>	3,994,533
	<b>3,696,063,851</b>	3,017,433,427

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	<i>As at</i> <b>31.03.2012</b> <i>(Rs.)</i>	<i>As at</i> <b>31.03.2011</b> <i>(Rs.)</i>
<b>21 OTHER INCOME</b>		
Rent Received	820,000	115,000
Net Gain on sale of Investments	319,893	39,587
Interest on:		
— Bank deposits	3,172,277	3,243,531
— Others	2,692,177	1,306,308
Unspent liabilities written back	230,865	201,350
Miscellaneous Income	1,283,636	463,043
	<u>8,518,848</u>	<u>5,368,819</u>
<b>22 COST OF MATERIAL CONSUMED</b>		
<b>a) Raw Materials</b>		
1. Raw Oils		
Opening Stock	93,092,974	83,667,718
Purchases	3,202,305,993	2,191,449,106
Freight, Brokerage, & Insurance etc.	139,933,722	104,553,163
	<u>3,435,332,689</u>	2,379,669,987
Less: Closing Stock ( <i>including In-Transit</i> )	54,424,173	93,092,974
	<u>3,380,908,516</u>	2,286,577,013
2. Packing Material	84,804,533	77,039,152
3. Chemicals	13,497,617	9,985,522
<b>b) Shares/Securities</b>		
Opening stock	27,955	27,955
Add: Purchases	—	—
	<u>27,955</u>	27,955
Less: Closing stock	27,955	27,955
	<u>—</u>	—
	<u>3,479,210,666</u>	<u>2,373,601,687</u>
<b>23 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS, AND STOCK IN TRADE</b>		
<b>Opening Inventories</b>		
Finished Products	34,540,568	24,093,013
Stock in Process	31,766,284	23,703,845
By Products	1,640,158	721,175
	<u>67,947,010</u>	48,518,033
<b>Closing Inventories</b>		
Finished Goods	31,138,310	34,540,568
Stock in Process	37,920,214	31,766,284
By Products	2,015,087	1,640,158
	<u>71,073,611</u>	67,947,010
(Increase)/Decrease in stocks	<u>(3,126,601)</u>	<u>(19,428,977)</u>
<b>24 EMPLOYEE BENEFITS EXPENSES</b>		
Salaries, Wages and Incentives	14,885,471	13,520,499
Contribution to Provident & Other Funds	1,551,174	1,409,214
Provision for Retirement Benefits & Bonus (Refer note no. 29)	2,045,627	1,829,494
Staff Welfare	772,084	615,780
	<u>19,254,356</u>	<u>17,374,987</u>



**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	<i>As at</i> <b>31.03.2012</b> <i>(Rs.)</i>	<i>As at</i> <b>31.03.2011</b> <i>(Rs.)</i>
<b>25 FINANCE COSTS</b>		
Interest on:		
— Working Capital Loan	6,595,690	6,996,394
— Others	<u>2,262,558</u>	<u>3,030,298</u>
Loss on foreign currency transaction & translation	<b>18,668,529</b>	1,446,979
	<u><b>27,526,777</b></u>	<u>11,473,671</u>
<b>26 OTHER EXPENSES</b>		
Consumption of Stores & Spares	4,278,477	5,088,952
Fuel, Power & Electricity	100,561,195	86,179,853
Handling Charges	4,913,680	3,768,626
Bank Charges	2,152,485	2,158,838
Laboratory Expenses	47,267	76,961
Repair & Maintenance - Plant & Machinery	1,263,948	1,032,219
Repair & Maintenance - Building	418,996	468,968
Rates & Taxes	949,293	543,834
Rent (Refer note no. 39)	1,605,955	1,674,549
Conveyance & Vehicle Maintenance	1,035,130	776,623
Telephone, postage & Internet Expenses	827,967	821,333
Legal, Professional Expenses	1,912,946	1,714,657
Printing & Stationery	388,402	433,004
Insurance	2,924,887	2,854,605
Tours & Travelling	1,328,649	1,391,130
Charity & Donation	14,700	5,200
Business Promotion	1,289,787	249,066
Advertisement and Publicity	198,480	206,681
Freight Outward	27,547,092	22,532,671
Commission, Discounts & Selling Expenses	9,256,337	9,462,267
Membership & Subscription	99,169	78,850
Loss on commodity Futures	94,327	—
Loss on Sale of Fixed Asset (Net)	—	39,484
Interest to Micro & Small enterprises	26,388	32,809
Miscellaneous Expenses	757,392	906,044
	<u><b>163,892,949</b></u>	<u>142,497,224</u>

**NOTES FORMING PART OF FINANCIAL STATEMENTS**
**27 Contingent Liabilities and commitments:**
**I. Contingent Liabilities:**

- a. Bank Guarantees / Letters of credit issued by the company in favour of

	2011-2012	2010-2011
i) Foreign Letters of Credit against import of Raw oil.	140,661,805	28,552,000
ii) Bank Guarantee issued in favour of Joint commissioner, Sales Tax, Meerut.	-	213000
iii) Bank Guarantee issued in favour of Punjab State Co-op. Supplies & Marketing Federation Ltd	1,500,000	-
iv) Bills discounted with Company's Bankers against their Bills Rediscounting Scheme and remaining outstanding as on 31 <sup>st</sup> March 2012. However these bills are guaranteed by respective Commercial banks.	204,208,201	63375000
<b>TOTAL</b>	<b>346,370,006</b>	<b>92,140,000</b>

Bank Guarantees / Foreign Letters of Credit are secured by way of lien marked Fixed Deposits (inclusive of Interest) of Rs. 107,368,071/- (Previous year Rs. 23,241,249/-) (Refer note no. 17 & 19)

- 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. 702,700,000/- (Previous year Rs. 328,900,000/-) to a related party.

**II. Commitments:**

Estimated amount of contracts remaining to be executed on capital account and not provided for in these accounts (Net of Advances) Rs. 99,82,202/- (Previous Year NIL).

- 28** 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.

**29 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	
	2011-2012	2010-2011	2011-2012	2010-2011
Opening defined benefit obligation	3,741,238	3,179,979	824,213	789,165
Interest cost	300,119	254,398	66,118	63,133
Current service cost	308,253	289,505	103,565	93,270
Actual return on plan assets	N.A.	N.A.	N.A.	N.A.
Benefits paid	(353,919)	(92923)	(148502)	(109,398)
Actuarial (gain)/loss on obligation	122,620	110,279	41,534	(11,957)
Closing defined benefit obligation	4,118,311	3,741,238	886,928	824,213

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

Particulars	Gratuity		Leave Encashment	
	2011-2012	2010-2011	2011-2012	2010-2011
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	
	2011-2012	2010-2011	2011-2012	2010-2011
Current service cost	308,253	289,505	103,565	93,270
Interest cost	300,119	254,398	66,118	63,133
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.
Actuarial (gain) / loss	122,620	110279	41534	(11,957)
Net benefit expense	730,992	654,182	211,217	144,446
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	
	2011-2012	2010-2011	2011-2012	2010-2011
Defined benefit obligation	4,118,311	3,741,238	886,928	824,213
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	
	2011-2012	2010-2011	2011-2012	2010-2012
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 recognized as expense for the year is as under:**

Particulars	2011-2012	2010-2011
Employer contribution to Provident & Family Pension Fund	1,551,174	1,409,214

**30 Payment to the auditors as:**

Particulars	2011-2012	2010-2011
- Statutory Auditor		
a) Statutory Audit Fees	359,552	352,960
b) Tax Audit Fe	33,708	33,090
c) For Taxation Matters	333,990	165,000
d) For Reimbursement of Services	22,000	22,000
<b>TOTAL</b>	<b>749,250</b>	<b>573,050</b>
- Cost Auditor (including Service Tax)	53,215	45,284
- Internal Auditor (including Service Tax)	79,416	79,416

**31. 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	63,650.98	3,380,908,516	51,725.62	2,286,577,013
Packing	-		84,804,533		77,039,152
Chemicals	-		13,497,617		9,985,522
<b>TOTAL</b>			<b>3,479,210,666</b>		<b>2,373,601,687</b>

**32 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	% to total	Value	% to total	Value	% to total	Value	% to total
Imported	2,841,838,539	81.68%	—	—	1,961,180,000	82.62%	—	—
Indigenous	637,372,127	18.32%	—	—	412,421,687	17.38%	—	—
	3,479,210,666	100.00%	—	—	2,373,601,687	100.00%	—	—

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

**33 The value of Imports calculated on C.I.F. basis by the company during the year in respect of:**

Particulars	2011-2012	2010-2011
Raw Material	565,975,682	429,717,000
Components and Spares	-	-
Capital Goods	-	-

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

Particulars	2011-2012	2010-2011
<b>Earnings:</b>		
- Sale of Shares	1,270,329	-
- Sale of Rice	-	485,401,100
<b>Outgo:</b>		
- Travelling Expenses	-	236,138
- Purchase of Oil	565,975,682	429,717,000
- Purchase of Rice	-	480,732,180
- Interest on Rediscounting of LCs	606,751	93,000

**35 The Basic and Diluted Earning per Share has been arrived as follows:**

(in Rupees)

Particulars	2011-2012	2010-2011
Net Profit after tax available for equity shareholders	2,127,337	4,633,092
No. of weighted average equity shares (Basic & Diluted)	11,896,598	11,896,598
Basic Earning Per share (Rs.)	0.18	0.39
Diluted Earning Per share (Rs.)	0.18	0.39

**36 Related Party Disclosures**

The information given below is 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**

Dhruv Globals Limited  
 G.D. Ferro Alloys Private Limited  
 D.G. Estates Private Limited  
 Blackstone Crushing Company Limited (Nigeria)  
 Indian Vanaspati Producer Association  
 Swift Relocations Pvt Ltd.  
 Phoenix Steel Mills Limited (Nigeria)

**ii) Key Managerial Personnel:**

Sushil Goyal, Managing Director  
 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:**

Particulars	Key Managerial Personnel		Enterprises in which key managerial personnel & their relatives have significant influence		Total	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
<b>INCOME</b>						
<b>Sale:</b>						
Black Stone Crushing Co. Ltd.	-	-	-	485,401,100	-	485,401,100
<b>Interest on loan:</b>						
Dhruv Global Limited	-	-	2,100,000	1,139,754	2,100,000	1,139,754
<b>Reimbursement of Electricity Expenses:</b>						
GD Ferro Alloys Pvt Ltd	-	-	137,824	-	137,824	-
<b>EXPENDITURE</b>						
<b>Managerial Remuneration:</b>						
Mr. Sushil Goyal	2,200,000	1,800,000	-	-	2,200,000	1,800,000
Mr. Abhey Goyal	1,200,000	1,200,000	-	-	1,200,000	1,200,000
<b>Membership Fee:</b>						
Indian vanaspati Producer Association	-	-	60,870	-	60,870	-
<b>Advertisement:</b>						
Indian vanaspati Producer Association	-	-	10,000	-	10,000	-
<b>Interest on Unsecured Loan:</b>						
G.D Ferro Alloys Private Limited	-	-	1,504	23,711	1,504	23,711
D.G Estates Private Limited	-	-	1,504	56,020	1,504	56,020
Swift Relocations Pvt Ltd.	-	-	486,810	-	486,810	-
<b>Purchase of Stores:</b>						
Dhruv Global Limited	-	-	255,786	242,269	255,786	242,269
<b>Sales Promotion Expenses:</b>						
Dhruv Global Limited	-	-	217,005	-	217,005	-

Particulars	Key Managerial Personnel		Enterprises in which key managerial personnel & their relatives have significant influence		Total	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
<b>LOAN FUNDS</b>						
<b>Unsecured loan taken during the year:</b>						
G.D Ferro Alloys Private Limited	-	-	-	20,000,000	-	20,000,000
D.G Estates Private Limited	-	-	-	15,000,000	-	15,000,000
Swift Relocations P Ltd.	-	-	79,255,000	-	79,255,000	-
<b>Unsecured loans repaid during the year:</b>						
D.G Estates Private Limited	-	-	-	14,975,000	-	14,975,000
G.D Ferro Alloys Private Limited	-	-	-	19,975,000	-	19,975,000
Swift Relocations P Ltd.	-	-	79,137,000	-	79,137,000	-
<b>LOANS AND ADVANCES</b>						
<b>Unsecured Loans Granted during the year:</b>						
Dhruv Global Limited	-	-	-	15,000,000	-	15,000,000
<b>Loans repaid during the year:</b>						
Dhruv Global Limited	-	-	-	7,042,638	-	7,042,638
<b>Share Application money given during the year:</b>						
D.G.Estate Private Limited	-	-	-	4,700,000	-	4,700,000
G.D Ferro Alloys Private Limited	-	-	-	500,000	-	500,000
<b>Refund of Share Application money:</b>						
G.D Ferro Alloys Private Limited	-	-	-	500,000	-	500,000
<b>BALANCES OUTSTANDING:</b>						
<b>Loan Funds:</b>						
G.D Ferro Alloys Private Limited	-	-	-	25,000	-	25,000
D.G Estates Private Limited	-	-	-	25,000	-	25,000
Swift Relocations P Ltd.	-	-	-	-	-	-
<b>Current Maturities of Long term debts</b>						
G.D.ferro alloys (P) Ltd	-	-	25,000	-	25,000	-
D.G Estate Pvt Ltd	-	-	25,000	-	25,000	-
M/S Swift Relocations (P) Ltd	-	-	118,000	-	118,000	-
<b>Interest accrued &amp; due on borrowings</b>						
G.D.ferro alloys (P) Ltd	-	-	22,843	21,339	22,843	21,339
D.G Estate Pvt Ltd	-	-	51,922	50,418	51,922	50,418
M/S Swift Relocations (P) Ltd	-	-	486,810	-	486,810	-
<b>Investments:</b>						
Pheonix Steel Mills Limited	-	-	-	1,090,250	-	1,090,250
D.G Estate Private Limited	-	-	21,700,000	21,700,000	21,700,000	21,700,000
Dhruv Global Limited	-	-	3,680,500	3,680,500	3,680,500	3,680,500
<b>Loans &amp; Advances</b>						
<b>Loan to Body corporate:</b>						
Dhruv Global Limited	-	-	17,756,466	15,866,466	17,756,466	15,866,466
<b>Share Application money given</b>						
D.G.Estate Private Limited	-	-	4,700,000	4,700,000	4,700,000	4,700,000
<b>CORPORATE GUARANTEE OUTSTANDING</b>						
Guarantee issued in favour of bank on behalf of Dhruv Global Limited	-	-	702,700,000	328,900,000	702,700,000	328,900,000
Guarantee issued by Dhruv Global Limited in favour of bank on behalf of the company	-	-	660,000,000	660,000,000	660,000,000	660,000,000

**37 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 note no. 1 (xviii) to the financial statements along with the following additional policies:

- i) 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".
- ii) 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".

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

The following table presents revenue and profit / (loss) information regarding industry segments for the year ended March 31, 2012 and March 31, 2011 and certain assets and liabilities information regarding industry segments at March 31, 2012 and March 31, 2011:

(Rupees in Lacs)

Particulars	Vanaspati Refined Oil		Rice		Unallocable		Total	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
<b>Segment Revenue</b>								
Gross Segmental Revenue	36,147.47	24,915.25	-	4,854.01	813.17	405.07	36,960.64	30,174.33
Less : Inter Segment Adjustment	-	-	-	-	-	-	-	-
Net Segmental Revenue	36,147.47	24,915.25	-	4,854.01	813.17	405.07	36,960.64	30,174.33
<b>Segmental Results</b>								
Segment Results before Interest	135.70	197.70	-	18.58	-	48.00	135.70	264.28
Less : Interest Expenses							88.58	100.27
Less: unallocable expenditure net-off unallocable income							-	84.85
Profit before Tax							47.11	79.16
Current Tax							30.00	44.66
Wealth Tax							0.46	0.53
Deferred Tax charge/(Reversal)							(4.93)	(11.09)
(Excess)/short for earlier years (Net)							0.32	(1.27)
Net Profit after Tax							21.27	46.33
<b>Other Information</b>								
Segment Assets	5,794.30	4,848.41	-	-	-	-	5,794.30	4,848.41
Segment Liabilities	3,813.16	2,686.12	-	-	-	-	3,813.16	2,686.12
Capital Expenditure	353.56	88.28	-	-	-	-	353.56	88.28
Depreciation	129.03	126.74	-	-	-	-	129.03	126.74

**B) 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:

(Rs in Lacs)

Geographical Market Segment	2011-2012	2010-2011
Domestic Market	36,960.64	25,320.32
Overseas Market	-	4,854.01
<b>Total</b>	<b>36,960.64</b>	<b>30,174.33</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.

**38** The amount of Borrowing cost calculated as per the provisions of Accounting standard -16 and which has been capitalized under the head capital work in progress during the year is Rs. 1,196,290/-, (PY Nil).

**39 Operating Lease:  
Lease Payments:**

- a) 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.
- b) Future obligations towards minimum lease payments under non-cancellable operating leases as on 31<sup>st</sup> March 2012 amounting to Rs. Nil (Previous year Rs. 12,26,000/-):

	2011-2012	2010-2011
Within one year	-	1,226,000
Later than one year and less than five years	-	-
<b>Total operating lease commitments</b>	-	1,226,000

- c) The operating lease payments recognized in Profit & Loss A/c Rs. 1,605,955/- (P.Y. Rs. 1,674,549/-) for the lease which commenced on or after April 01, 2001.
- d) General description of Lease terms:
- i) Lease payments are made on the basis of agreed terms;
  - ii) The premises are taken on operating lease for a period of six years and non-cancellable period is expired as on the reporting date.

**40** These financial statements have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act, 1956.

**41** Previous year's figures have been regrouped/reclassified, wherever considered necessary, to conform to current year's classification.

**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 : 25th August, 2012

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

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





# AJANTA SOYA LIMITED

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

## PROXY FORM

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member/members of the above named Company hereby appoint \_\_\_\_\_ of \_\_\_\_\_ of failing as my/our Proxy to vote for me/us on my/our behalf at the 21st Annual General Meeting of the Company to be held on Friday, 28th September, 2012 at 12.30 P.M. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

**Affix  
Revenue  
Stamp**

Signature \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Regd. Folio No. \_\_\_\_\_  
D.P. Id. No.\* \_\_\_\_\_  
Client Id No.\* \_\_\_\_\_  
No. of Shares \_\_\_\_\_

Note : This form in order to be effective should be duly stamped, completed and signed must be deposited with the company's Registered Office not less than 48 hours before the time for holding the aforesaid Meeting.

\* Applicable for investors holding shares in electronic form.



# AJANTA SOYA LIMITED

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

## ATTENDANCE SLIP

Regd. Folio No. \_\_\_\_\_

DP. Id. No. \_\_\_\_\_

Client Id No.\* \_\_\_\_\_

Mr./Ms. \_\_\_\_\_

Father's/Husband's Name \_\_\_\_\_

I certify that I am a registered Shareholder / Proxy for the registered Shareholders of the Company.

I hereby record my presence at the 21st Annual General Meeting of the Company at SP-916, RIICO Industrial Area, Phase III, Bhiwadi, Distt. Alwar, Rajasthan on Friday, 28th September, 2012 at 12.30 P.M.

Member's / Proxy's Name is BLOCK Letter

Member's / Proxy's Signature

- Notes :
- 1) Please fill in this attendance slip and hand it over at the entrance of the Meeting Hall.
  - 2) Member's Signature should be in accordance with the specimen signature registered with the Company.
  - 3) Please bring your copy of the Annual Report for reference at the Meeting.

\*Application for investors holding shares in electronic form.



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## **AJANTA SOYA LIMITED**

12th Floor, Bigjos Tower, A-8 Netaji Subhash Place,  
Wazirpur District Centre, Delhi - 110 034

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