



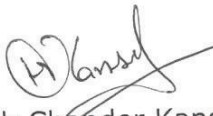




# AJANTA SOYA LIMITED

An ISO 22000 : 2005 Certified Company  
12th Floor, Bigjo's Tower, A-8, Netaji Subhash Place,  
Wazirpur District Centre, Delhi-110 088  
Tel. : 91-11-42515151 • Fax : 91-11-42515100  
E-mail :- info@ajantasoya.com  
care@ajantasoya.com  
Visit us at : www.ajantasoya.com  
CIN : L15494RJ1992PLC016617  
E Mail : ajantashareholder@gmail.com

## FORM A

### Format of covering letter of Annual Audit Report to be filed with the Stock Exchange

1.	Name of the Company:	AJANTA SOYA LIMITED
2.	Annual Financial statements for the year ended	31 <sup>st</sup> March, 2014
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	N.A.
5.	Signed by-	
	• Managing Director	For Ajanta Soya Limited  (Sushil Goyal) Chairman & Managing Director
	• CFO	 (Jai Gopal Sharma) Chief Financial Officer
	• Audit Committee Chairman	 (Harsh Chander Kansal) Audit Committee Chairman
	• Auditor of the Company	 ( Subodh Gupta) Tas Associates M. No.: 087099 Firm Reg. No.: 10520N 

23rd  
ANNUAL REPORT  
2013-14



**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<sup>1</sup></b>	<i>Director</i>
<b>Mr. Hement Kumar Bansal</b>	<i>Director</i>
<b>Mr. Harsh Chander Kansal</b>	<i>Director</i>
<b>Mr. Babu Lal Jain<sup>1</sup></b>	<i>Director</i>

<sup>1</sup>resigned w.e.f. 14th August, 2014

**STATUTORY AUDITORS**

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

**SECRETARIAL ADVISORS**

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

**SHARES LISTED WITH STOCK EXCHANGE AT**

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

**BANKERS**

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

**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)  
CIN: L15494RJ1992PLC016617

**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 : ajantashareholder@gmail.com  
Website : www.ajantasoya.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

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

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## **NOTICE**

**Notice** is hereby given that the 23rd Annual General Meeting of the Members of the Company will be held on Saturday, 27th September, 2014 at 12.30 P.M. at the Registered Office and Factory Premises of the Company at SP-916, Phase III, Industrial Area, Bhiwadi, 301019, Distt. Alwar, Rajasthan to transact the following business:

### **Ordinary Business:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2014 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 Abhey Goyal (DIN 02321262) who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"Resolved that** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s Tas Associates, Chartered Accountants (Firm Registration No.10520N), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 26th AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

### **Special Business:**

4. To appoint Shri Harsh Chander Kansal (DIN: 00125411) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"Resolved that** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Harsh Chander Kansal (DIN: 00125411), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for 5 (five) consecutive years from the Commencement of the Companies Act, 2013 till 31st March, 2019."

5. To appoint Shri Hemant Kumar Bansal (DIN: 00526206) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"Resolved that** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Hemant Kumar Bansal (DIN: 00526206), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for 5 (five) consecutive years from the Commencement of the Companies Act, 2013 till 31st March, 2019."

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"Resolved that** in supersession of the earlier resolution passed, pursuant to section 293(1) (a) of the Companies Act, 1956, the consent of the company be and is hereby accorded to the Board of Directors of the company under Section 180(1) (a) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), to mortgage and /or create charge on all the immovable and movable properties or such assets of the company wherever situated, present and future and/ or with power to enter upon and take possession of the assets of the company in certain events on such terms and conditions and at such time or times and in such form or manner as it may think fit, to or in favour of Financial Institutions/ Banks/ Trustees for the Debenture holders issued/ proposed to be issued, for an aggregate nominal value not exceeding Rs 500,00,00,000 (Rupees Five Hundred Crore only) to secure the Term Loans/ Debentures together with interest, costs, charges, expenses, and other monies including premium payable in this connection in terms of the agreement to be entered into between the company and Financial Institutions/ Banks/ Trustees for the Debenture holders, such security to rank pari-passu with, or second or subservient to, the mortgages and / or charges already created or to be created by the company or in such a manner as may be agreed to between the concerned parties and as may be thought expedient by the Board.

**Resolved further** that for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of creating mortgage/charge as aforesaid and further to do all acts, deeds, matters and things and to execute all documents, writings as may be necessary, proper or desirable or expedient to give effect to this resolution."

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"Resolved that** in supersession of the earlier resolution passed (pursuant to section 293(1)(d) of the Companies Act, 1956), the consent of the company be and is hereby accorded to the Board of Directors of the company under Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), to borrow any sum or sums of money from time to time at their discretion, for the purpose of business of the company, notwithstanding that the money or monies to be borrowed together with monies already borrowed by the company, apart from temporary loans obtained from the company's bankers in the ordinary course of business, may exceed the aggregate of the paid up share capital and free reserves of the company, provided however, that the total amount so borrowed shall not exceed Rs 500,00,00,000 (Rupees Five Hundred Crore only)."

**Resolved further that** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all acts, deeds matters and things and to execute all documents, writings as may be necessary, proper or desirable or expedient to give effect to this resolution."

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution**:

**"Resolved that** pursuant to the provisions of sections 196, 197, 198 & 203 read with schedule V of the Companies Act, 2013 and other applicable provisions, if any, Mr Sushil Goyal, Director be and is hereby re-appointed as Managing Director of the Company for a period of 3 years with effect from 26th July 2014 on the following terms and conditions:

**Terms and Conditions:**

**Remuneration:** Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand) per month only whether paid as Salary, allowance(s) etc.

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

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

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

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

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

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

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

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

**Regd. Office:**

SP-916, Phase III, Industrial Area,  
Bhiwadi, 301019, Distt. Alwar,  
Rajasthan  
**Date** : 14<sup>th</sup> August, 2014  
**Place** : New Delhi

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

**SUSHIL GOYAL**  
*Chairman & Managing Director*  
DIN: 00125275

**Notes:**

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of item no. 4 to 8 of the notice set out above is annexed herewith.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED HERewith AND, IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF ANNUAL GENERAL MEETING.
3. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY IN NUMBER AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
4. Every member entitled to vote at the meeting, or on any resolution to be moved thereat, shall be entitled during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing of the intention so to inspect is given to the company.
5. The Share Transfer Books and Register of Members of the Company will remain closed from Monday, 22nd September, 2014 to Saturday, 27th September, 2014 (both days inclusive).
6. A. Members holding shares in physical form are requested to notify/send the following to the Registrar & Transfer Agent (RTA) 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. 011-26812682-83:-
  - i) their bank account details in order to receive payment of dividend through electronic mode,
  - ii) **their email id**, in case the same have not been sent earlier, for the purpose of receiving the communication electronically,
  - iii) Any change in their address/e-mail id/ECS mandate/ bank details, share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholding into one account.
- B. Members holding shares in dematerialized form are requested to notify to their Depository Participant:
  - i) **their email id**.
  - ii) all changes with respect to their address, email id, ECS mandate and bank details.
- C. Kindly note that as per SEBI Circular CIR/MRD/DP/10/2013 dated March 21, 2013 it is mandatory for the company to print the bank account details of the investors in dividend payment instrument. Hence, you are requested to register/update your correct bank account details with the Company/RTA/Depository Participant, as the case may be.
7. The Securities and Exchange Board of India has notified that the shareholders/ transferee of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their Income Tax Permanent Account Number (PAN) card to the Company / RTA while transacting in the securities market including transfer, transmission or any other corporate action. Accordingly, all the shareholders/ transferee of shares (including joint holders) in physical form are requested to furnish a certified copy of their PAN Card to the company/ RTA while transacting in the securities market including transfer, transmission or any other corporate action.
8. The shares of the Company are under compulsory Demat trading. Members holding shares in physical form are requested to convert their shares into dematerialized form in their own interest and convenience purpose.
9. In accordance with section 20 of the Companies Act, 2013 service of documents on members by a company is allowed through electronic mode. Accordingly, as a part of Green Initiative, soft copy of the Annual Report for the year ended March 31, 2014 has been sent to all the members whose email address(es) are registered with the Company/Depository Participant(s) unless any member has requested for a hard copy of the same. Further, in terms of SEBI Circular No. CIR/CFD/DIL/7/2011 dated 05.10.2011 the hard copies of Annual Report have been sent to all other members who have not registered their email address(es). Members, who have not yet registered their email address with the Company/RTA/

Depository Participant, are requested to do the same at the earliest by submitting duly filled in "e-Communication Registration Form" (available on our website [www.ajantasoya.com](http://www.ajantasoya.com) in Investor Relation) to the Company/RTA. Members can also submit their form along with Attendance Slip at the Registration Counter at AGM. Members holding shares in dematerialized form are requested to register their email address with their Depository Participant only. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon receipt of request for the same, free of cost. The Notice of the 23rd Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website [www.ajantasoya.com](http://www.ajantasoya.com) for download by the members. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during business hours.

10. The Shareholders/Proxies are requested to produce at the Registration Counter(s) the attendance slip duly completed and signed, for admission to the meeting hall. However, in case of non-receipt of Notice of Annual General Meeting, members are requested to write to the Company at its registered office for issuing the duplicate of the same or download the same from Company's website [www.ajantasoya.com](http://www.ajantasoya.com).
11. In case you have any query relating to the enclosed Annual Accounts you are requested to send the same to the Company Secretary at the Registered Office of the Company at least 10 days before the date of Annual General Meeting so as to enable the management to keep the information ready for replying at the meeting.
12. The information required to be provided under the Listing Agreement entered into by the Company with the Stock Exchanges regarding the Directors proposed to be re-appointed are provided in the Report on Corporate Governance forming part of the Annual Report.
13. Details under Clause 49 of the Listing agreement with the Stock exchanges in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, is separately annexed hereto. The Directors seeking appointment/re-appointment have furnished the declaration under Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014 as required under section 164(2) of the Companies Act, 2013.
14. All the documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days between 11.00 am to 1.00 pm up to the date of Annual General Meeting. The Register of Directors' and Key Managerial Personnel & their Shareholding and the Register of Contracts & Arrangements in which directors are interested shall be open for inspection at the meeting to any person having right to attend the meeting.
15. **Voting through electronic means:**
  - i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, a member may exercise his right to vote by electronic means (e-voting) in respect of the resolutions contained in this notice.
  - ii) The Company is providing e-voting facility to its members to enable them to cast their votes electronically. The Company has engaged the services of National Securities Depository Limited as the Authorised Agency to provide e-voting facilities.
  - iii) The Board of Directors have appointed Mr Debabrata Deb Nath, Company Secretary in Whole Time Practice, 785, Pocket-E, Mayur Vihar-II, Delhi-110 091 as the Scrutinizer, for conducting the e-voting process in a fair and transparent manner.
  - iv) Members are requested to carefully read the instructions for e-voting before casting their vote.
  - v) The e-voting facility will be available during the following voting period after which the portal will be blocked and shall not be available for e-voting :

<b>Commencement of e-voting</b>	<b>From 9.30 a.m. (IST) on 22nd September, 2014</b>
<b>End of e-voting</b>	<b>Upto 5.30 p.m. (IST) on 23rd September, 2014</b>

- vi) The cut-off date (i.e. the record date) for the purpose of e-voting is 22nd August, 2014.
- vii) Declaration of Result of e-voting:
  - a) The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date (i.e. the record date), being 22nd August, 2014.
  - b) The Scrutinizer shall after the conclusion of e-voting period and before the closing of working hours on 26th September, 2014 unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and will make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
  - c) The Scrutinizer's decision on the validity of the vote shall be final and binding.



- d) The Results on resolutions shall be declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolutions.
  - e) The result declared along with the Scrutinizer's report shall be placed on the website of the Company ([www.ajantasoya.com](http://www.ajantasoya.com)) within 2 (two) days of passing of the resolutions at the AGM and communicated to the Stock Exchanges where the Company's shares are listed.
- viii) The procedure and instructions for e-voting are given separately.

**EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 4 & 5**

As per section 149(5) of the Companies Act, 2013 the Company is required to appoint Independent Directors under section 149(4) within a period of one year from 01.04.2014 i.e. the date of commencement of the said section and Rules made there under. Since the Company had already appointed Shri Harsh Chander Kansal and Shri Hemant Kumar Bansal as Non-Executive Independent Directors subject to retirement by rotation in the past, in terms of Companies Act, 1956 and the Listing Agreement with the stock exchanges, and who are liable to retire by rotation in the ensuing Annual General Meeting, the Board of Directors in their meeting held on 14th August, 2014 after consideration has recommended to reappoint the above said directors as Non-Executive Independent Directors within the meaning of section 149 and 152 [including section 149(10)] of the new Companies Act, 2013 read with Schedule IV attached thereto and Rules made there under, not subject to retirement by rotation, for a term of 5 (five) consecutive years from the Commencement of the Companies Act, 2013 till 31st March, 2019.

The Company has received declarations from Shri Harsh Chander Kansal and Shri Hemant Kumar Bansal that they meet the criteria of independence as prescribed under section 149 (6) of the Companies Act, 2013 and also under clause 49 of the Listing Agreement with the stock exchanges. They have further confirmed that they are not disqualified from being appointed as Director under section 164 of the said Act. The Board of Directors are of the opinion that Shri Harsh Chander Kansal and Shri Hemant Kumar Bansal are persons of integrity and possess relevant expertise and experience and are eligible and fulfills the conditions specified by the Companies Act, 2013 for the position of an independent director of the Company. The Board considers that their association as Directors will be beneficial to and in the interest of the Company. The brief resume of the said Directors, the nature of their expertise in specific functional areas, names of Companies in which they have held directorships, committee memberships/ chairmanships, their shareholding etc., are separately provided in the Report on Corporate Governance forming part of the Annual Report. A copy of respective draft letters of appointment of Shri Harsh Chander Kansal and Shri Hemant Kumar Bansal as Non-Executive Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company. The Board of directors recommends the ordinary resolutions for your approval. The said independent directors are not related to any of the directors or key managerial personnel (including relatives of directors or key managerial personnel) of the Company in terms of Section 2(77) of the Companies Act, 2013.

None of the Directors and key managerial personnel of the Company (including relatives of directors or key managerial personnel) other than the respective Non-Executive Independent Director himself is concerned or interested, financially or otherwise, in these resolutions.

**Item No. 6**

In terms of the provisions of section 180(1) (a) of the Companies Act, 2013, the consent of the members by a Special Resolution is necessary to lease or otherwise dispose off the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking the whole or substantially the whole of any such undertakings. Since mortgaging by the company of its movable or immovable properties in favour of various Financial Institutions/ Banks/ Trustees for availing terms loans/other secured borrowings is regarded as disposal of the company's properties / undertakings, it is necessary for the members to pass the resolution under section 180 (1) (a) of the Companies Act, 2013 by way of special resolution.

As required by provisions of section 180 (1) (a) of the Companies Act, 2013 and keeping in view the company's business requirements and its growth plans, it is considered desirable to increase the said limit to Rs 500,00,00,000 (Rupees Five Hundred Crore only) in line with borrowings powers envisaged for the Board.

Accordingly, the Board of Directors recommend the resolution for your approval by way of a special resolution.

None of the Directors and key managerial personnel (including relatives of directors or key managerial personnel) of the Company is concerned or interested, financially or otherwise, in this resolution.



**Item No. 7**

In terms of the provisions of section 180(1) (c) of the Companies Act, 2013, the consent of the members by a Special Resolution is necessary to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the company, apart from temporary loans obtained from the Company's bankers in the ordinary course of business.

As required by provisions of section 180(1)(c) of the Companies Act, 2013 and keeping in view the company's business requirements and its growth plans, it is considered desirable to increase the said limit to Rs 500,00,00,000 (Rupees Five Hundred Crore only).

Accordingly, the Board of Directors recommend the resolution for your approval by way of a special resolution.

None of the Directors and key managerial personnel (including relatives of directors or key managerial personnel) of the Company is concerned or interested, financially or otherwise, in this resolution.

**Item No. 8**

Tenure of Managing Director Mr Sushil Goyal expired on 25th July 2014. For the efficient management of the Company's affairs, the Board reappointed Mr Sushil Goyal as Managing Director on the remuneration as given in proposed resolution. Mr Sushil Goyal has been working as Managing Director of the company for more than fifteen years.

**I. GENERAL INFORMATION**

(1)	Nature of Industry	Ajanta Soya Limited is engaged in the business of manufacturing of Vanaspati Oil and Refined Oil	
(2)	Date or expected date of commencement of commercial production	The Company is already in existence and is in operation since February, 1992	
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
(4) Financial Performance of the Company for last 2 years is given below:			
Particulars		Financial Year ended	
		31st March, 2014	31st March, 2013
		(Amount in Rs. lacs)	(Amount in Rs. lacs)
Total Income		47475.95	41960.78
Total Expenditure		47283.66	41907.77
Profit before tax		192.28	53.00
Provision for tax		52.39	0.68
Profit after tax		139.88	52.33
Transfer to Reserve		139.88	52.33
Paid-up Share Capital		1,549.66	1,549.66
Reserves and Surplus (excluding revaluation reserve)		12,221.42	1,081.54
(5)	Export performance and net foreign exchange collaborations	The Company is not in exports	
(6)	Foreign investments or collaborators, if any	Nil	

**II. INFORMATION ABOUT THE APPOINTEE**

(1) Background details	Mr Sushil Goyal has been the Managing Director of the Company for more than Fifteen years. He is instrumental in the growth of our Company over the years.  He is having more than 20 years of experience in Edible Oil Industry.
(2) Past remuneration	Monthly Salary: Rs.2,00,000/- (Rupees Two Lac) only whether paid as Salary, allowance(s) etc.

	<p>Perquisites: Car to the Managing Director with driver at the cost of the company. However, Managing Director will reimburse the company for any personal use of the car.</p> <p>Provided that the following perquisites will not be included in the aforesaid remuneration:</p> <ol style="list-style-type: none"> <li>Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;</li> <li>Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and</li> <li>Encashment of leave at the end of tenure.</li> </ol> <p>Provided further that payment/ re-imbursement of telephone and/ or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.</p> <p>In the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.</p>
(3) Recognition or awards	<p>Mr. Sushil Goyal is a man of rich experience in edible oil industry. He is the President of Indian Vanaspati Producers Association (IVPA) and is actively involved in the Producers guild.</p>
(4) Job profile and his suitability	<p>Mr. Sushil Goyal, being the Managing Director of the Company is entrusted with substantial powers in relation to normal business matters. He is having rich experience of over 20 years in edible oil industry.</p>
(5) Remuneration proposed	<p>Monthly Salary: Rs. 2,50,000/- (Rupees Two Lac and Fifty Thousand) only whether paid as Salary, allowance(s) etc.</p> <p>Perquisites: Car to the Managing Director with driver at the cost of the company. However, Managing Director will reimburse the company for any personal use of the car.</p> <p>Provided that the following perquisites will not be included in the aforesaid remuneration:</p> <ol style="list-style-type: none"> <li>Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;</li> <li>Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and</li> <li>Encashment of leave at the end of tenure.</li> </ol> <p>Provided further that payment/ re-imbursement of telephone and/ or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.</p> <p>In the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.</p>
(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	<p>The exact figures are not readily available. However, the proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package of top-level managerial persons having comparative qualifications and experience.</p>
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	<p>The appointee is the main promoter of the Company. Save as the managerial remuneration he does not have any other material pecuniary relationship with the Company.</p>

**III. OTHER INFORMATION**

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

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

The aforesaid explanatory statement for item no. 8 should also be deemed to be notice of the abstract for terms of appointment and payment of remuneration to Mr Sushil Goyal as Managing Director.

In term of the provision of Schedule V of the Companies Act, 2013, additional disclosure is also given under appropriate head(s) in the Corporate Governance report annexed to the director's report.

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

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

**SUSHIL GOYAL**  
**Chairman & Managing Director**  
DIN: 00125275

Date : 14<sup>th</sup> August, 2014  
Place : New Delhi

**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the 23<sup>rd</sup> Annual Report of your Company together with the Audited Annual Accounts for the financial year ended 31st March, 2014.

**FINANCIAL HIGHLIGHTS****(Amount in Lacs)**

Particulars	Financial Year ended	
	31st March, 2014	31st March, 2013
Total Income	<b>47475.95</b>	41960.78
Total Expenditure	<b>47283.66</b>	41907.77
Profit before tax	<b>192.28</b>	53.00
Provision for tax	<b>52.39</b>	0.68
Profit after tax	<b>139.88</b>	52.33
Transfer to Reserve	<b>139.88</b>	52.33
Paid-up Share Capital	<b>1549.66</b>	1549.66
Reserves and Surplus (excluding revaluation reserve)	<b>1221.42</b>	1081.54
Earnings per share	<b>0.90</b>	0.44

**Year in Retrospect**

During the year under review, total income of the Company was Rs. 47,475.95 lac as against Rs. 41,960.78 lac in the previous year. The Company was able to earn a profit after tax of Rs. 139.88 lac for the year as against a profit of Rs. 52.33 lac. 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 elsewhere in this Report, no material changes and commitments affecting the financial position of the Company has occurred between the end of the financial year of the Company 31st March, 2014 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**

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to this report.

**Management's Discussion and Analysis Report**

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the BSE Ltd, is presented in a separate section forming part of the Annual Report.

**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 59,105/- 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)**

	2013-14	2012-13
<b>Total Foreign Exchange Inflow</b>		
Sale of Shares	NIL	NIL
<b>Total Foreign Exchange outflow</b>		
i. Traveling expenses	NIL	NIL
ii. Purchase of Oil	28,575.33	9,913.64
iii. Purchase of Rice	NIL	NIL
iv. Interest on rediscounting of LCs	NIL	6.07

**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**

Pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every Annual General Meeting. Consequently, Mr Abhey Goyal, Director will retire by rotation at the ensuing Annual General Meeting, and being eligible, offer himself for re-appointment in accordance with the provisions of the Companies Act, 2013. Further as per Section 149(5) of the Companies Act, 2013 the Company is required to appoint Independent Directors under Section 149(4) within a period of one year from 1st April, 2014 i.e. the date of commencement of the said Section and Rules made thereunder. Since the Company had already appointed Mr Harsh Chander Kansal and Mr Hemant Kumar Bansal as Non-Executive Independent Directors subject to retirement by rotation in the past, in terms of Companies Act, 1956 and the Listing Agreement. The Board of Directors in their meeting held on August 14, 2014 after consideration has recommended to reappoint all the aforesaid Directors as Non-Executive Independent Directors within the meaning of Section 149 and 152 [including Section 149(10)] of the new Companies Act, 2013 read with Schedule IV attached thereto and Rules made there under, not subject to retirement by rotation, for a term of 5 (five) consecutive years.

The term of appointment of Mr Sushil Goyal as Managing Director expired on 25th July, 2014. The Board of Directors in their meeting held on 26th July, 2014 re-appointed him for a fresh tenure of 3 years w.e.f. 26th July, 2014.

After the last Annual General Meeting, Mr Babu Lal Jain and Mr Bishan Goyal resigned from the board due to their pre-occupation. The Board takes this opportunity to place its gratitude for services rendered by him.

Brief resume of the Directors proposed to be reappointed, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/ chairmanships of Board/ Committees, are provided in the Report on Corporate Governance forming part of the Annual Report.

Your Directors recommend their appointment /re-appointment at the ensuing Annual General Meeting.

**Auditors**

M/s Tas Associates, Chartered Accountants, Statutory Auditors of the Company, will retire at the conclusion of the ensuing Annual General Meeting and being eligible; offer themselves for re-appointment as Statutory Auditors for the financial year 2014-15. Pursuant to Section 141 of the Companies Act, 2013 and relevant Rules prescribed there under, the Company has received certificate from the Auditors to the effect, inter-alia, that their re- appointment, if made, would be within the limits laid down by the Act, shall be as per the term provided under the Act, that they are not disqualified for such re-appointment under the provisions of applicable laws and also that there is no proceeding against them or any of their partners pending with respect to professional matter of conduct.



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## AJANTA SOYA LIMITED

The Auditors have also confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the Peer Review Board of the ICAI.

### Auditors' Report

The observations of the Auditors, together with the notes to accounts referred to in the Auditors' Report, are self-explanatory and do not call for any further explanation from the Directors.

### 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:

- a. in preparation of the annual accounts, the applicable accounting standards have been followed;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the profit of the Company for the year ended on that date;
- c. 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
- d. the Directors have prepared the Annual Accounts on a going concern basis.

### Listing

The Equity shares of the Company are presently listed at BSE Ltd, Mumbai. The Company has already paid listing fees to the Stock Exchange for the financial year 2014-2015.

### Acknowledgement

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

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

**Date** : 14<sup>th</sup> August, 2014  
**Place** : New Delhi

**SUSHIL GOYAL**  
**Chairman & Managing Director**  
DIN: 00125275

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	51,21,918	60,38,388
Total amount	3,20,18,825	3,68,80,313
Rate/unit	6.25	6.11
<b>(b) Own generation</b>		
<b>(i) Through diesel generator</b>		
Unit	70,850	2,36,920
Units per ltr. of HSD oil	18.10	14.88
Cost/unit	12,82,312	35,24,613
<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)	4,868	6,982
Total cost	4,36,36,396	6,20,65,092
Average rate	8,964	8,889
Others/internal generation (please give details)		
Quantity (Hydrogen Gas)	21,417	19,137
Total cost	58,07,320	44,02,274
Rate/unit	271.00	230.00
(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	—	67.92	89.74
H.S.D	—	0.94	3.52
Coal (specify quality)	—	0.07	0.10
Others (Hydrogen Gas)	—	0.28	0.28
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 most modernized plant for the manufacturing of Vanaspati& Refined oil was established in the year 1993 with the STATE-OF-THE ART technology of Alfa Level and market trends, the company has never let go of an opportunity to expand and modernize, to Thermos, esteemed and renowned suppliers of process plants. With changing technologies and keep up with competition and add new products, such as bakery/ biscuit/ puff products. Quality control norms are religiously followed at the unit to cater to a wide variety of the customers. With a full-fledged quality control laboratory for testing facility, analysis of all incoming materials, intermediate process quality parameters & finished products are smoothly done by a team of qualified and experienced technologists/chemists.

ASL has a major share of the market in Northern India, which is also its core market. ASL is well known for fulfilling its commitments, even under the most stringent conditions, whether to its buyers or suppliers.

Superior procurement and trading skills, continuous innovation, an endeavor to meet consumer needs and stringent quality control standards have enabled AJANTA to emerge as a highly-respected and admired Edible Oil company.

Company is also investing continuously towards energy saving by adopting appropriate technologies as a measure to contribute to reduction in industrial pollution.

### **Industrial Outlook**

Indian edible oil sector is, by and large, a price conscious and price sensitive market, as a substantial part of consumption takes place at the bottom end of the pyramid. The propensity to consume is correlated with the changes in prices of edible oil and the quantum of disposable income. Food remains an important item of expenditure to warrant large share of spending. There has been a consistent demand growth over a period and the pattern is also expected to continue in the foreseeable future. However, the pattern of consumption of edible oil is moving towards packed and/ or branded form due to factors such as, amongst others, rising incomes coupled with changes in household demographics, improving health consciousness, growing organized retail improving reach of the products across the country, visual advertisements etc. Thus the growth of edible oil in packed form has far exceeded the industry wide growth rate over the last five years. In the foreseeable future, it is envisaged that the overall quantum of edible oil consumption will continue to grow significantly in the packed segment, with the pattern of consumption shifting from unpacked to packed form, across different layers of positioning from "mass" to "class" markets. Also, owing to growing health consciousness, certain markets could be created for high value and differentiated products from health and wellness point of view. Consistency in quality and availability, market positioning, functional differentiation and perception of high value will be key deliverables for sustaining growth in niche segments.

According to the industry estimates, the consumption of edible oil is expected to increase from the current level of approximately 18 million MT to over 20 million MT by the year 2015. Due to lower domestic supply and increasing demand, the import of edible oil will rise to meet the demand-supply gap. In order to encourage farmers in taking up higher oil seeds cultivation, the Government of India declared a significant increase in the Minimum Support Prices of oil seeds (MSP), which is expected to divert higher acreage to oil seed crop.

The edible oil industry in India is in a consolidation phase. Enterprises having strong business capabilities in terms of integration of the value chain, risk management, working capital management, efficiencies in procurement, logistics and distribution, manufacturing presence at strategic locations across the country and strong consumer focus, that have undertaken expansion of their market share through organic and inorganic route coupled with introduction of new and innovative products - including presence through branded products, will enjoy the gains in the times to come.

### **Opportunities & Threats**

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



India is also seeing a great increase in life style led diseases like heart ailments and cardio vascular illness which is said to rise much higher than other nations; this creates a potential for healthy edible oil. Competition from Indian and global players remain a matter of concern and probable threat; while the company is well prepared to tackle such issues on an ongoing basis.

#### **Risks & Concern**

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**

The Company recognizes the importance and contribution of its human resources for its growth and development and is committed to the development of its people. The Company has cordial relations with employees and staff. There are no industrial relations problems during the year and

the Company does not anticipate any material problems on this count in the current year. The management is also committed to help the employees and workers to sharpen their skills and to improve their knowledge base for which continuous efforts are made on training and development.

#### **Internal Control Systems and Adequacy**

The Company has established internal control systems for ensuring optimum use of resources and safeguarding the assets.

The Internal Control Systems and procedure are adequate and commensurate with the size of the Company. These business control procedures ensure efficient use and protection of the resources and compliance with the policies, procedures and status.

#### **Product wise Performance**

Presently the Company has been dealing in Vanaspati& Refined Oil. The details of the Vanaspati& Refined Oil business segment are as follows:

Product	Sales			
	Current Year (2013-14)		Previous Year (2012-13)	
	Quantity (MT)	Value (Rs Lacs)	Quantity (MT)	Value (Rs Lacs)
Vanaspati/ Refined Oils	75441.978	47,317.60	67285.580	41,820.50

## REPORT ON CORPORATE GOVERNANCE

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

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

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

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

### 2. BOARD OF DIRECTORS

The Company maintains an optimum combination of Executive, Non-Executive and Independent Directors. The Board consists of total Six (6) directors on 31st March, 2014, 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.

None of the Directors on the Company's Board is a Member of more than ten Committees and Chairman of more than five Committees (Committees being, Audit Committee and Investors' Grievance Committee) across all the companies in which he is a Director.

Following is the list of Directors and other details as on 31st March, 2014:

Name of the Director & Designation	Category	No. of positions held in other Public Companies <sup>1</sup>		
		Board	Committee	
			Membership	Chairmanship
Mr. Sushil Goyal Chairman & Managing Director	Promoter & Executive	1	Nil	Nil
Mr. Abhey Goyal Whole Time Director	Promoter & Executive	1	Nil	Nil
Mr. Bishan Goyal <sup>2</sup> (Director)	Promoter & Non Executive	Nil	Nil	Nil
Mr. Hemant Kumar Bansal Director	Non-Executive Independent	Nil	Nil	Nil
Mr Harsh Chander Kansal Director	Non-Executive Independent	Nil	Nil	Nil
Mr. Babu Lal Jain <sup>2</sup> Director	Non-Executive Independent	Nil	Nil	Nil

<sup>1</sup>Excludes directorships in Associations, Private, Foreign and Section 25 companies.

<sup>2</sup>Resigned w.e.f. 14th August, 2014.

#### Directors' Attendance Record

During the Financial Year 2013-14, (10) Ten meetings of the Board of Directors were held on 30.04.2013, 30.05.2013, 30.07.2013, 14.08.2013, 14.08.2013, 11.10.2013, 14.11.2013, 25.01.2014, 15.03.2014 and 30.03.2014. 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 2013-14 are as under:

Name of the Director	No. of Board Meeting	Attendance at the Board Meeting	Whether attended Last AGM
Mr. Sushil Goyal	10	10	Yes
Mr Abhey Goyal	10	10	Yes
Mr Bishan Goyal <sup>1</sup>	10	9	Yes
Mr Harsh Chander Kansal	10	10	Yes
Mr Satish Chand Singhal <sup>2</sup>	10	1	No
Mr Hemant Kumar Bansal	10	7	Yes
Mr. Babu Lal Jain <sup>1</sup>	10	9	Yes

<sup>1</sup>Resigned w.e.f. 14th August, 2014.

<sup>2</sup>Mr Satish Chand Singhal ceased to be member of the Committee w.e.f. 7th August, 2013 due to his sudden demise

**DISCLOSURE REGARDING APPOINTMENT & RE-APPOINTMENT OF DIRECTORS IN THE ENSUING AGM**

Brief particulars of Directors who are appointed/re-appointed in this AGM are as follows:

Particulars	Mr. Abhey Goyal	Mr. Hemant Kumar Bansal
	1	2
DIN	02321262	00526206
Father's Name	Mr. Sushil Kumar Goyal	Mr. Ratan Kumar Bansal
Date of Birth	31 <sup>st</sup> March, 1987	6 <sup>th</sup> July, 1978
Address	PP-1, Maurya Enclave, Pitampura, Delhi-110034	I-7E, Sindhi Colony, Banipark Jaipur-302016, Rajasthan
Designation	Whole Time Director	Director
Education	Post Graduate in International business & finance	B.Tech (Chemicals) PGDM (MBA)
Experience	Over 5 Years of experience in trading of oil / Real Estate and administration	Over 10 years of experience in Real Estate and Finance
Companies in which holds Directorship*	DG Estates Pvt Ltd Space Realty Infratech Pvt Ltd Goyal Infratech Pvt Ltd R.M.S. Traders Pvt Ltd Chander Prabhu Financial Services Ltd Sarvpriya Securities Pvt Ltd	Smarthome Build-Developers Pvt Ltd
Companies in which holds membership of committees*	Nil	Nil
Shareholding in the Company (No. & %)	539701 3.48%	Nil

\* excludes Directorships in Associations, Foreign and Section 25 companies.

Particulars	Mr. Harsh Chander Kansal	Mr. Sushil Goyal
	(3)	(4)
DIN	00125411	00125275
Father's Name	Mr. Vijay Kumar Kansal	Mr. Sohan Lal Goyal
Date of Birth	18 <sup>th</sup> September, 1972	18 <sup>th</sup> May, 1961
Address	83/A-3 Sector-8, Rohini, Delhi-110085	PP-1, Maurya Enclave, Pitampura, Delhi 110 034
Designation	Director	Managing Director
Education	Graduate	Graduate
Experience	Over 10 years of Experience in Marketing & Finance	More than 20 Experience in Manufacturing & Trading of edible oil.
Companies in which holds Directorship*	Space Realty Infratech Pvt Ltd Goyal Infratech Pvt Ltd	D.G.Estates Pvt. Ltd. Chander prabhu Financials Services Ltd. Cosmic Alloys & Metals Works Pvt. Ltd. Ameri Estates Pvt Ltd Sarvpriya Securities Pvt Ltd L R Plastics Pvt Ltd Poysa Power Transmission Pvt Ltd Amar Immobiliars Pvt Ltd
Companies in which holds membership of committees*	Nil	Nil
Shareholding in the Company (No. & %)	Nil	513464 3.31%

### 3. COMMITTEES OF BOARD OF DIRECTORS

Ajanta Soya Ltd has four Board level Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee

The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference for members of various Committees. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below.

#### A. AUDIT COMMITTEE

##### 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.

##### Composition

As on 31st March, 2014 the Audit Committee of the Company comprises of two Non-Executive Independent Directors and one Promoter Director and i.e. Mr Harsh Chander Kansal - as Chairman; Mr Hemant Kumar Bansal and Mr Bishan Goyal as the Members of the Committee.

The Company Secretary of the Company is the Secretary of the Committee.

##### Meetings & Attendance

The Committee met four (4) times during the Financial Year 2013-2014 on the following dates: 30.05.2013, 14.08.2013, 14.11.2013 and 25.01.2014. 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	4
Mr. Satish Chand Singhal <sup>1</sup>	Non-Executive Independent Director	1
Mr. Hemant Kumar Bansal <sup>2</sup>	Non-Executive Independent Director	3
Mr. Bishan Goyal <sup>3</sup>	Non-Executive Independent Director	4

<sup>1</sup>Mr Satish Chand Singhal ceased to be member of the Committee w.e.f. 7th August, 2013 due to his sudden demise.

<sup>2</sup>Appointed w.e.f. 14th August, 2013.

<sup>3</sup>Resigned w.e.f. 14th August, 2014.

#### B. NOMINATION AND REMUNERATION COMMITTEE

##### Terms of Reference

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.

##### Composition

The Company has a Remuneration Committee of the Board of Directors. As on 31st March, 2014 it comprises of three Non-Executive and Independent directors namely Mr Harsh Chander Kansal, Chairman, Mr Babu Lal Jain and Mr Hemant Kumar Bansal as Members.

The Company Secretary of the Company is the Secretary of the Committee.

**Meetings & Attendance**

There were no meetings of the Remuneration Committee held during the financial year 2013-14.

**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.

**Details of the Directors' Remuneration for the financial year ended 31st March, 2014**

Name of Director	Sitting Fees	Salaries & Perquisites (In Rs.)	Commision, Bonus Exgratia	Total Amount (In Rs.)	No. of Shares held & %
Mr. Sushil Goyal	Nil	24,00,000	Nil	24,00,000	513464 3.31%
Mr. Abhey Goyal	Nil	12,00,000	Nil	12,00,000	539701 (3.48%)
Mr. Bishan Goyal <sup>1</sup>	Nil	Nil	Nil	Nil	524643 (3.39%)
Mr. Satish Chand Singhal <sup>2</sup>	Nil	Nil	Nil	Nil	Nil
Mr. Harsh Chander Kansal	Nil	Nil	Nil	Nil	Nil
Mr. Babu Lal Jain <sup>1</sup>	Nil	Nil	Nil	Nil	Nil
Mr. Hemant Kumar Bansal <sup>3</sup>	Nil	Nil	Nil	Nil	Nil

<sup>1</sup>Resigned w.e.f. 14th August, 2014.

<sup>2</sup>Mr. Satish Chand Singhal ceased to be member of the Committee w.e.f. 7th August, 2013 due to his sudden demise.

<sup>3</sup>Appointed w.e.f. 14th August, 2013.

**C. STAKEHOLDERS RELATIONSHIP COMMITTEE**
**Terms of Reference**

The Company has constituted an "Stakeholders Relationship 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.

**Composition**

As on 31st March, 2014, Committee comprises of three Non-Executive and Independent directors namely: Mr Harsh Chander Kansal, Chairman, Mr Babu Lal Jain and Mr Hemant Kumar Bansal as Members.

The Company Secretary of the Company is the Secretary of the Committee.

The committee met Twelve (12) times during the year on 11.04.2013, 10.05.2013, 11.06.2013, 10.07.2013, 10.08.2013, 10.09.2013, 10.10.2013, 11.11.2013, 10.12.2013, 11.01.2014, 10.02.2014 and 10.03.2014.

Name of the Director	Category	Attendance at the Audit Committee Meeting
Mr Harsh ChanderKansal Chairman	Non-executive Independent	11
Mr. Satish Chand Singhal <sup>1</sup> Member	Non-executive Independent	2
Mr. Hemant Kumar Bansal <sup>2</sup> Member	Non-executive Independent	7
Mr. Babu Lal Jain <sup>3</sup> Member	Non-executive Independent	11

<sup>1</sup>Mr. Satish Chand Singhal ceased to be member of the Committee w.e.f. 7th August, 2013 due to his sudden demise.

<sup>2</sup>Appointed w.e.f. 14th August, 2013.

<sup>3</sup>Resigned w.e.f. 14th August, 2014

#### Company Secretary and Compliance Officer

Ms. Priya Pandey is the Company Secretary and also 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.

#### Investor Grievance Redressal

During the year, the Company received NIL complaints from the shareholders. All the complaints were resolved. There were no pending complaints from any shareholder as on 31st March 2014.

### D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)

#### Composition

Subsequent to the end of financial year as on 31st March, 2014, the board of directors of the company in their meeting held on 30.5.2014 constituted a Corporate Social Responsibility Committee consists of three Directors, the Chairman being non-executive:

1. Mr. Harsh Chander Kansal- Chairman (Independent Director)
2. Mr. Sushil Goyal- Member (Managing Director)
3. Mr. Abhey Goyal- Member (Whole Time Director)

The Company Secretary of the Company is the Secretary of the Committee.

The role of Corporate Social Responsibility (CSR) Committee is as under:-

- a) Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in line with the provisions of the Companies Act, 2013.

#### CSR Policy of the Company

The CSR activities shall be focused not just around the plants and offices of the company, but also in other geographies based on the needs of the communities. The four focus areas where special community development programmes would be run are:

1. Eradicating hunger, poverty and malnutrition
2. Promoting Health care including Preventive health care
3. Ensuring environmental sustainability
4. Employment and livelihood enhancing vocational skills and projects

The formal CSR policy of the Company is available on the website of the Company [www.ajantasoya.com](http://www.ajantasoya.com)

- b) Recommend the amount of expenditure to be incurred on the activities as above, and
- c) Monitor the CSR Policy of the company from time to time.

### 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
2011	30.09.2011	SP-916, RIICO Industrial Area, Phase – III, Bhiwadi-301 019, Distt. Alwar, Rajasthan	12:30 P.M.	• Re-appointment of Mr. Sushil Goyal as Managing Director
2012	28.09.2012	SP-916, RIICO Industrial Area Phase - III Bhiwadi-301 019, Distt. Alwar, Rajasthan	12.30 P.M.	Nil
2013	28.09.2013	SP-916, RIICO Industrial Area Phase - III Bhiwadi-301 019, Distt. Alwar, Rajasthan	12.30 P.M.	Nil

### 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. 37 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  
DIN: 00125275

**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:** The Company's quarterly results are published in Financial Express (Mumbai) Pioneer and (English) & Hari Bhoomi (Hindi) and are displayed on its website ([www.ajantasoya.com](http://www.ajantasoya.com))
- (c) **Website:** The Company's website ([www.ajantasoya.com](http://www.ajantasoya.com)) contains a separate dedicated section 'Investor Relations' where shareholders' information is available.
- (d) **Annual Report:** The Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website ([www.ajantasoya.com](http://www.ajantasoya.com)).
- (e) **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

**10. GENERAL SHAREHOLDERS INFORMATION****i) Annual General Meeting**

Day & Date	Time	Venue
Saturday, September 27, 2014	12.30 P.M	SP-916, RIICO Industrial Area, Phase III, Bhiwadi-301 019, Distt. Alwar, Rajasthan

**ii) Financial Calendar**

Events	Tentative time frame
Financial Reporting for the first quarter ended 30th June, 2014	On 14th August, 2014 (actual)
Financial Reporting for the second quarter ending 30th September, 2014	On or before 14th November 2014
Financial Reporting for the third quarter ending 31st December, 2014	On or before By 14th January 2015
Financial Reporting for the fourth quarter ending 31st March, 2015	On or before 30th May 2015 (Audited)

- iii) **Dates of Book Closure** Monday, 22nd September 2014 to Saturday, 27th September 2014 (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 13	11.50	9.00	22163	Oct 13	10.70	8.48	17891
May 13	9.0	8.23	3100	Nov 13	10.40	9.41	10258
Jun 13	9.05	8.04	2981	Dec 13	11.50	9.75	11235
Jul 13	7.80	6.46	8041	Jan 14	11.88	10.20	63233
Aug 13	8.39	6.66	3893	Feb 14	13.00	10.41	67747
Sep 13	8.71	7.20	16314	Mar 14	12.35	11.15	35273

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 2014:**

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		14971	95.91	20056310	12.94
5,001	10000	335	2.15	2668970	1.72
10,001	20000	131	0.84	2096430	1.35
20,001	30000	46	0.29	1179700	0.76
30,001	40000	24	0.15	906930	0.59
40,001	50000	20	0.13	937850	0.61
50,001	100000	22	0.14	1469180	0.95
100001 and Above		60	0.38	125650610	81.08
<b>Total</b>		<b>15609</b>	<b>100.00</b>	<b>15,49,65,980</b>	<b>100.00</b>

- x) **Dematerialization of shares and liquidity:** As on 31st March 2014 about 89.43% of the Company's equity paid-up capital had been dematerialized. Trading in equity shares of the Company at the Stock Exchange is permitted compulsorily in demat mode.
- xi) There are no outstanding GDRs/ ADRs/ Warrants or any Convertible other Instruments as on the date.



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

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

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

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



**CEO/CFO CERTIFICATION**

We, Sushil Goyal, Managing Director and Jai Gopal Sharma, Chief Financial Officer, responsible for the finance function certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March 2014 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 : 14th August, 2014  
Place : New Delhi

**JAI GOPAL SHARMA**  
Chief Financial Officer

**SUSHIL GOYAL**  
Managing Director  
DIN: 00125275

**CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF THE CONDITIONS  
OFCORPORATE 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 2014, 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 : 14th August, 2014

**INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF AJANTA SOYA LIMITED

**Report on the financial statements**

We have audited the accompanying financial statements of Ajanta Soya Limited ("the company") which comprise the Balance Sheet as at March 31, 2014 and the statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013; and
  - (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

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

Place : New Delhi  
Dated : 30th May, 2014

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

**The Annexure referred to in our report to the members of Ajanta Soya Limited ( the Company ) for the year ended 31 March 2014. We report that:**

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) Fixed assets disposed off during the year were not substantial, therefore, do not affect the going concern assumption.
2. a) During the year, the inventories have been physically verified by the management. 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 inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
c) On the basis of our examination of the records of inventories, we are of the opinion that the company is maintaining proper records of inventories. The discrepancies between physical inventories 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 body corporate covered in the register maintained under section 301 of the Companies Act, 1956 ('the Act'). The maximum amount outstanding at any time during the year was Rs. 200.00Lacs and the year-end balance of said loans was Rs. 200.00 Lacs.  
b) In our opinion, the rate of interest and other terms and conditions on which the loan had been granted to the body corporate 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 had taken unsecured loan from three bodies corporate covered in the register maintained under section 301 of the Companies Act, 1956. The maximum balance outstanding at any time during the year was Rs. 1187.25 Lacs and the year-end balance of such loans from bodies corporate was Rs. 230.11 Lacs.  
b) In our opinion, the interest and other terms and conditions on which loans from bodies corporate had been taken are not, prima facie, prejudicial to the interest of the company.  
c) The company is regular in repaying the principal amounts, wherever stipulated and also in the payment of interest, where applicable in case of such loans taken from bodies corporate covered in the register maintained under section 301 of the Act.  
d) There is no overdue amount of loans taken from these bodies corporate covered in the register maintained under section 301.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal control system.
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 each party during the year, have been made at prices which appear reasonable as per information available with the Company.
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 cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

9. a) According to the records of the company and information and explanations given to us and records of the company examined by us, the company has been regularly depositing the 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 material statutory dues applicable to it with the appropriate authorities. We are informed that there are no undisputed statutory dues as at 31.03.2014 outstanding for a period of more than six months from the date they become payable.
- 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 which are not deposited except the followings:

Name of the Statute	Nature of the Due	Amount Involved (Rs in Lacs)	Period to which the due relates	Forum where dispute is pending
Sales/Entry Tax Act	Rajasthan entry Tax	16.59 (7.54 deposited under protest)	2007-08 to 2009-10	High Court, Jaipur
Income Tax Act	Demand on regular assessment	6.08	2010-2011	Commissioner of Income Tax Appeals
Income Tax Act	Demand on regular assessment	1.61	2009-2010	Commissioner of Income Tax Appeals
Central Excise Act	Additional duty on re-assessment	69.56 (12 lacs deposited under protest)	April 2011 to Dec, 2011	CESTAT

10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in 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 during the year short-term funds have not been used to finance 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 during the year.
20. The company has not raised any money through a public issue during the year.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the year.

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

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

Place : New Delhi  
Dated : 30th May, 2014





**BALANCE SHEET AS AT 31ST MARCH 2014**

<i>Particulars</i>	<i>Note No.</i>	<i>As at 31.03.2014 (Rs.)</i>	<i>As at 31.03.2013 (Rs.)</i>
<b>(I) EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share capital	2	154,965,980	154,965,980
(b) Reserves and surplus	3	122,142,029	108,153,573
<b>(2) Non current liabilities</b>			
(a) Long term borrowings	4	—	—
(b) Deferred tax liabilities (net)	5	18,014,138	17,148,358
(c) Other long term liabilities	6	655,907	665,907
(d) Long term provisions	7	5,794,505	4,900,315
<b>(3) Current liabilities</b>			
(a) Short term borrowings	8	21,397,856	123,675,482
(b) Trade payables	9	597,975,398	314,795,002
(c) Other current liabilities	10	24,072,773	7,554,541
(d) Short term provisions	11	4,055,619	794,558
<b>TOTAL</b>		<b>949,074,205</b>	<b>732,653,716</b>
<b>(II) ASSETS</b>			
<b>(1) Non current assets</b>			
(a) Fixed assets	12		
(i) Tangible assets		143,109,806	156,623,518
(ii) Intangible assets		5,400	61,700
(iii) Capital work in progress		—	819,304
(b) Non current investments	13	19,762,500	26,737,500
(c) Long term loans and advances	14	21,389,967	16,484,931
<b>(2) Current assets</b>			
(a) Current Investments	15	88,000,000	—
(b) Inventories	16	317,447,559	177,580,313
(c) Trade receivables	17	184,892,177	243,092,939
(d) Cash and cash equivalents	18	142,341,370	97,950,545
(e) Short term loans and advances	19	30,566,576	9,223,251
(f) Other current assets	20	1,558,850	4,079,715
<b>TOTAL</b>		<b>949,074,205</b>	<b>732,653,716</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 of even date

For **TAS ASSOCIATES**

Chartered Accountants

Firm Registration No.: 10520 N

Sd/-

**(SUBODH GUPTA)**

(Partner)

M. No. : 087099

Place : New Delhi

Dated : 30th May, 2014

For and on the behalf of the Board of Directors

Sd/-

**SUSHIL GOYAL**

(Managing Director)

DIN: 00125275

Sd/-

**JAI GOPAL SHARMA**

(Chief Financial Officer)

Sd/-

**ABHEY GOYAL**

(Whole Time Director)

DIN: 02321262

Sd/-

**PRIYA PANDEY**

(Company Secretary)

M. No. : 35815



**STATEMENTS OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2014**

	<i>Note No.</i>	<i>2013-2014 (Rs.)</i>	<i>2012-2013 (Rs.)</i>
<b>INCOME:</b>			
1. Revenue from Operations	21	4,731,760,374	4,182,050,005
2. Other Income	22	15,834,218	14,027,523
<b>TOTAL REVENUE</b>		<b>4,747,594,592</b>	<b>4,196,077,528</b>
<b>EXPENSES:</b>			
1. Raw Material & Cost of Goods Sold	23	4,508,694,097	3,950,072,469
2. Purchase of Stock in Trade (Oil)		—	34,037,100
3. Changes in Inventories of Finished Goods and Work in Progress	24	(5,522,851)	(26,475,715)
4. Employee benefits expense	25	22,974,895	20,365,046
5. Finance Costs	26	14,260,071	16,692,093
6. Depreciation & amortization expense	12	16,583,610	14,689,211
7. Other Expenses	27	171,376,627	181,396,870
<b>TOTAL EXPENSES</b>		<b>4,728,366,449</b>	<b>4,190,777,074</b>
<b>PROFIT BEFORE TAX</b>		<b>19,228,143</b>	<b>5,300,454</b>
<b>LESS: PROVISION FOR TAXATION</b>			
— Current Tax		4,418,120	1,010,000
— MAT Credit entitlement		—	(980,584)
— Deferred Tax Charge/(Reversal)	5	865,780	(216,079)
— Wealth Tax		26,983	36,053
— (Excess)/short for earlier years (Net)		(71,196)	67,860
<b>NET PROFIT FOR THE YEAR</b>		<b>13,988,456</b>	<b>5,232,594</b>
<b>BASIC &amp; DILUTED EARNING PER SHARE</b>	<b>36</b>	<b>0.90</b>	<b>0.44</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 of even date

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)

DIN: 00125275

Sd/-

**ABHEY GOYAL**

(Whole Time Director)

DIN: 02321262

Sd/-

**JAI GOPAL SHARMA**

(Chief Financial Officer)

Sd/-

**PRIYA PANDEY**

(Company Secretary)

M. No. : 35815

Place : New Delhi

Dated : 30th May, 2014

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

Particulars	Note No.	2013- 2014 (in Rupees)	2012- 2013 (in Rupees)
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before Tax & Extraordinary items		19,228,143	5,300,454
<b>Add: Non cash and Non operating items</b>			
Depreciation and amortization expenses	16,583,610		14,689,211
Finance Costs	14,260,071		16,692,093
Provision for doubtful debts	718,670		—
Provision for Employee Benefits	1,447,980		1,259,292
Loss on Sale of Fixed Asset	—	33,010,331	100,678
			32,741,274
<b>Less: Non Operating items</b>			
Net Gain on sale of Investments	3,842,434		553,033
Rent received	1,577,160		981,435
Profit on sale of fixed assets	8,963		—
Interest from bank and others	10,154,505		10,056,480
		15,583,062	11,590,948
<b>Operating Profit before Working Capital changes</b>		36,655,412	26,450,780
<b>Adjustments for:</b>			
Inventories	(139,867,246)		(33,482,857)
Trade & Other Receivables	33,754,597		(83,322,283)
Trade Payable and Other Liabilities	299,688,628	193,575,979	265,323,844
			148,518,704
<b>Cash Generated from operations before extraordinary item and tax</b>		230,231,391	174,969,484
Less: Taxes Paid	1,262,825		4,100,420
Less: Leave Encashment and Gratuity Paid	403,812	1,666,637	605,711
			4,706,131
<b>Cash Flow before Extraordinary items</b>		228,564,754	170,263,353
Extraordinary Items		—	—
<b>Net Cash from Operating Activities.....(A)</b>		<u>228,564,754</u>	<u>170,263,353</u>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payments towards fixed assets		(2,268,331)	(35,181,655)
Payment towards capital work in progress		—	(819,304)
Interest received from bank & others		10,154,505	10,056,480
Sale Proceeds of Fixed Assets		83,000	620,230
Payments towards Investments		(203,000,000)	(135,000,000)
Sale Proceeds of Investments		125,817,434	135,553,033
Change in Investments made in FDR (Pledged)		(14,790,857)	11,639,215
Rent received		1,577,160	981,435
<b>Net Cash used in Investing Activities.....(B)</b>		<u>(82,427,089)</u>	<u>(12,150,566)</u>



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (CONTD.)**

Particulars	Note No.	2013- 2014 in Rupees	2012- 2013 in Rupees
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>			
Fresh proceeds of Equity share capital (inclusive of securities premium)		–	50,400,000
Movement in Short Term Borrowings		(102,277,626)	(191,091,526)
Movement in Long Term Borrowings		–	–
Finance Costs		(14,260,071)	(16,692,093)
<b>Net Cash received in financing Activities.....(C)</b>		<b>(116,537,697)</b>	<b>(157,383,619)</b>
<b>D) NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>		<b>29,599,968</b>	<b>729,167</b>
Cash & Cash Equivalents as at beginning of year (excluding pledged FDR's)		<b>3,724,546</b>	2,995,380
Cash & Cash Equivalents as at end of year (excluding pledged FDR's)		<b>33,324,513</b>	3,724,546

**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*

- (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 of even date

**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)*

*DIN: 00125275*

Sd/-

**JAI GOPAL SHARMA**

*(Chief Financial Officer)*

Sd/-

**ABHEY GOYAL**

*(Whole Time Director)*

*DIN: 02321262*

Sd/-

**PRIYA PANDEY**

*(Company Secretary)*

*M. No. : 35815*

Place : New Delhi

Dated : 30th May, 2014

## 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) EXCISE DUTY:

Excise Duty has been accounted on the basis of both payments made in respect of goods cleared as also provision made for goods lying in factory premises. Cenvat credit is accounted on accrual basis on purchase of materials.

#### v) 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.

#### vi) 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.

#### vii) 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.

**viii) VALUATION OF INVENTORIES**

<u>Particulars / Items type</u>	<u>Method of valuation</u>
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.

**ix) 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.

**x) 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.

**xi) 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.

**xii) 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.

**xiii) 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.
- iv) Minimum Alternate Tax(MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

**xiv) 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.

**xv) 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.

**xvi) 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.

**xvii) EARNINGS PER SHARE :**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events of bonus issue and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**xviii) PROVISIONS**

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.

**xix) CONTINGENT LIABILITIES**

A disclosure is made for a contingent liability when there is a:

- possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company;
- present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- present obligation, where a reliable estimate cannot be made.

**xx) 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.

**xxi) CASH AND CASH EQUIVALENTS**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	<i>As at 31.03.2014 (Rs.)</i>	<i>As at 31.03.2013 (Rs.)</i>
<b>2 SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
15,500,000 (P.Y 15,500,000) Equity Shares of Rs. 10/- each	<b>155,000,000</b>	155,000,000
	<b>155,000,000</b>	155,000,000
<b>ISSUED, SUBSCRIBED &amp; FULLY PAID UP</b>		
15,496,598 (P.Y 15,496,598) Equity Shares of Rs 10/- each, fully paid up	<b>154,965,980</b>	154,965,980
	<b>154,965,980</b>	154,965,980
<b>i) Reconciliation of number of Equity Shares:</b>		
Equity Shares outstanding at the beginning of the year	<b>15,496,598</b>	11,896,598
Change in number of Equity Shares	-	3,600,000
Equity Shares outstanding at the end of the year	<b>15,496,598</b>	15,496,598
<b>ii) 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>
Cosmic Alloys and Metal Works Pvt. Ltd	<b>1,800,000</b>	<b>11.62</b>
Harshit Finvest Pvt. Ltd.	<b>1,800,000</b>	<b>11.62</b>
	<b>1,800,000</b>	<b>11.62</b>
<b>3 RESERVES &amp; SURPLUS</b>		
<b>Capital Reserves</b>		
— As per last Balance Sheet	<b>4,720,000</b>	4,720,000
<b>Statutory Reserve Fund</b>		
— As per last Balance Sheet	<b>1,133,228</b>	1,133,228
<b>General Reserve</b>		
— As per last Balance Sheet	<b>19,934,873</b>	19,934,873
<b>Securities premium reserve</b>		
— As per last Balance Sheet	<b>14,400,000</b>	-
Add: Amount received during the year	-	<b>14,400,000</b>
	<b>14,400,000</b>	14,400,000
<b>Surplus, in statement of profit &amp; loss</b>		
— As per last Balance Sheet	<b>67,965,472</b>	62,732,878
Add: Profit for the year	<b>13,988,456</b>	5,232,594
	<b>81,953,928</b>	67,965,472
	<b>122,142,029</b>	108,153,573
<b>4 LONG TERM BORROWINGS</b>		
<b>Unsecured Loans</b>		
Loans & Advances from Related Parties	<b>6,250,000</b>	-
Less: Current maturities of long term debts	<b>6,250,000</b>	-
	<b>-</b>	-
(Included in item (i) of note no. 10)	<b>-</b>	-

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

		<i>As at 31.03.2014 (Rs.)</i>	<i>As at 31.03.2013 (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)		20,477,438	21,676,016
		<u>20,477,438</u>	<u>21,676,016</u>
<b>Deferred Tax Assets</b>			
— in respect of carry forward of unabsorbed speculative business loss		—	2,287,155
— in respect of disallowances u/s 43B of Income Tax Act, 1961		2,463,300	2,240,503
(b)		<u>2,463,300</u>	<u>4,527,658</u>
Accumulated Deferred Tax Liability (net) (a - b)		18,014,138	17,148,358
Deferred tax Charge/(Reversal) recognized for the year		865,780	(216,079)
Note: Deferred tax Asset not recognized due to uncertainty of realization in near future:			
— in respect of carry forward of long term capital losses		825,530	691,326
<b>6 OTHER LONG TERM LIABILITIES</b>			
Security Deposits from Dealers		655,907	665,907
		<u>655,907</u>	<u>665,907</u>
<b>7 LONG TERM PROVISIONS</b>			
<b>Provision for Employees Benefits:</b>			
i) Gratuity		4,722,073	3,969,845
ii) Leave Encashment		1,072,432	930,470
		<u>5,794,505</u>	<u>4,900,315</u>

## NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31.03.2014 (Rs.)	As at 31.03.2013 (Rs.)
<b>8 SHORT TERM BORROWINGS</b>		
<b>A) Secured Loans</b>		
<b>From Banks</b>		
<b>Rupee Loans</b>		
— Working capital loans	4,636,567	120,767,176
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>	—	1,883,306
Secured by way of Keyman Insurance policy of Managing Director		122,650,482
<b>B) Unsecured Loans</b>		
i) Loans & Advances from Related Parties	16,761,289	1,025,000
	<b>21,397,856</b>	<b>123,675,482</b>

## 9 TRADE PAYABLES

<b>Acceptances</b>	579,023,367	262,743,798
<b>Others</b>		
— Due to Micro & Small enterprises (inc. interest)	27,540	332,437
— Due to Other than Micro & Small enterprises	18,924,491	51,718,767
	<b>18,952,031</b>	52,051,204
	<b>597,975,398</b>	<b>314,795,002</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:

Particulars		
i) The Principal amount due and remaining unpaid to any supplier	—	—
ii) Interest due on above and the unpaid interest	—	22,081
iii) The amount of Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.	114,088	3816
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.)	—	—
vi) The amount of interest accrued and remaining unpaid.	—	114088
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 this Act.	—	Not ascertainable *

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

## NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31.03.2014 (Rs.)	As at 31.03.2013 (Rs.)
<b>10 OTHER CURRENT LIABILITIES</b>		
Current Maturities of Long term debts (Refer note no. 4)	6,250,000	—
Interest accrued and due on short term borrowings other than banks	814,434	136,289
Interest accrued but not due on short term borrowings from banks	—	12,366
Advance from Customers	6,255,213	396,558
Creditors for capital expenditure	—	654,149
Accrued salary & benefits		
— Salary & benefits	1,017,863	846,504
— Bonus & incentives	474,890	511,514
	1,492,753	1,358,018
Other Payables:		
— Statutory Liabilities	6,919,530	3,045,956
— Expenses Payable	2,340,843	1,951,205
	9,260,373	4,997,161
	<b>24,072,773</b>	<b>7,554,541</b>
<b>11 SHORT TERM PROVISIONS</b>		
Provision for Taxation (Net of Advance Tax/TDS)	3,320,153	0
Less: MAT credit set off	200,000	36,053
	3,120,153	
Provision for Wealth tax	26,983	
Provision for Employee Benefits:		
— Gratuity	801,449	680,037
— Leave Encashment	107,034	78,468
	908,483	758,505
	<b>4,055,619</b>	<b>794,558</b>

## 12 FIXED ASSETS

(Amount in Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2013	Additions during year	Deductions during year	As at 31.03.2014	Upto 01.04.2013	For the year	Deductions/ Adjustments	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
<b>(i) Tangible Assets</b>										
Lease Hold Land	4,783,029	—	—	4,783,029	—	—	—	—	4,783,029	4,783,029
Buildings	30,435,814	1,429,383	—	31,865,197	15,659,487	919,787	—	16,579,274	15,285,923	14,776,327
Plant & Machineries	252,601,767	1,363,607	—	253,965,374	127,227,393	13,366,286	—	140,593,679	113,371,695	125,374,374
Electrical Installations	4,587,000	—	—	4,587,000	4,188,742	220,730	—	4,409,472	177,528	398,258
Furniture & Fixtures	2,532,180	136,565	—	2,668,745	1,020,739	198,498	—	1,219,237	1,449,508	1,511,441
Vehicles	14,160,280	—	541,707	13,618,573	7,281,958	1,100,269	467,670	7,914,557	5,704,016	6,878,322
Laboratory Equipments	903,294	—	—	903,294	309,801	29,402	—	339,203	564,091	593,493
Other Equipments & appliances	10,525,305	158,080	—	10,683,385	8,217,031	692,338	—	8,909,369	1,774,016	2,308,274
<b>Total (A)</b>	320,528,669	3,087,635	541,707	323,074,597	163,905,151	16,527,310	467,670	179,964,791	143,109,806	156,623,518
<b>(ii) Intangible Assets</b>										
Computer Software	281,500	—	—	281,500	219,800	56,300	—	276,100	5,400	61,700
<b>Total (B)</b>	281,500	—	—	281,500	219,800	56,300	—	276,100	5,400	61,700
<b>Total Current Year (A + B)</b>	320,810,169	3,087,635	541,707	323,356,097	164,124,951	16,583,610	467,670	180,240,891	143,115,206	156,685,218
<b>Total Previous Year</b>	252,998,628	69,135,474	1,323,933	320,810,169	150,038,765	14,689,211	603,025	164,124,951	156,685,217	102,959,863
<b>(iii) Capital Work in Progress</b>										
										819,304

# 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 31.03.2014 (Rs.)</i>	<i>As at 31.03.2013 (Rs.)</i>
<b>13 NON CURRENT INVESTMENTS</b>		
(Unquoted - at cost)		
<b>Investments in Equity Instruments</b>		
<b>In associate companies</b>		
— D.G Estate Pvt. Ltd. 294,500 Equity shares (P.Y. 434,000) of Rs. 10.00 each fully paid up	14,725,000	21,700,000
— Dhruv Globals Limited 368,050 Equity shares (P.Y. 368,050) of Rs. 10.00 each fully paid up	3,680,500	3,680,500
<b>Investments in Mutual Fund</b>		
— LIC of India - Profit Plus Growth Fund 141049.216 units (P.Y 141,426.017 units) (NAV as on 31/03/2014 Rs. 12.89 each and P.Y- Rs. 11.34 each)	1,357,000	1,357,000
	<b>19,762,500</b>	<b>26,737,500</b>
<b>Notes :</b>		
1. Aggregate Cost of Unquoted Investments	19,762,500	26,737,500
<b>14 LONG TERM LOANS AND ADVANCES</b>		
(unsecured & considered good)		
Security and other deposits	18,481,291	13,581,190
Loans & Advances to Employees	110,290	328,655
MAT Credit entitlement	780,584	980,584
Other Advances	2,017,802	1,594,502
	<b>21,389,967</b>	<b>16,484,931</b>
<b>15 CURRENT INVESTMENTS (Unquoted-at Cost)</b>		
<b>Investments in Mutual and other funds</b>		
SBI Magnum Insta Cash Fund-Regular Plan 10606.092 units, NAV as at 31.03.2014 Rs. 2838.66 each	30,000,000	—
SBI Premium Liquid Fund - Regular Plan 28820.361 Units, NAV as at 31.03.2014 Rs. 2016.73 each	58,000,000	—
	<b>88,000,000</b>	<b>—</b>
<b>Notes :</b>		
1. Aggregate Cost of Unquoted Investments	88,000,000	—
2. Aggregate Market/Fair value based on NAV	88,229,976	—

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

		<i>As at 31.03.2014 (Rs.)</i>	<i>As at 31.03.2013 (Rs.)</i>
<b>16 INVENTORIES</b>			
Raw Material (Oil):			
— At Godown	54,055,193	28,963,178	
— In Transit	139,492,359	32,591,061	61,554,239
Stock in Process	49,491,506		51,672,746
Finished Goods	53,580,671		45,876,580
Packing Material	11,313,935		8,231,086
Chemical and Fuel	3,029,086		4,586,069
Stores & Spares	6,456,854		5,631,638
Others:			
— Shares and Securities	27,955		27,955
<i>(Note: Inventories are carried at cost, or lower of cost and net realizable value)</i>			
		<u>317,447,559</u>	<u>177,580,313</u>
<b>17 TRADE RECEIVABLES (Unsecured &amp; considered good)</b>			
— Over six months from the date they were due for payment	544,846	413,088	
Less : Provision for doubtful receivables	175,580	175,580	
	369,266	237,508	
— Others	184,522,911	242,855,431	243,092,939
		<u>184,892,177</u>	<u>243,092,939</u>
<b>18 CASH &amp; BANK BALANCES</b>			
a) Cash and Cash Equivalents			
Balances with Banks:			
— In Current Accounts	32,608,058	3,154,212	
— In Fixed Deposits	108,446,857	4,741,000	
<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	716,455	570,333	8,465,545
b) Other Balances with Banks			
— In Fixed Deposits		570,000	89,485,000
<i>(Maturing after 3 months and pledged with Banks as margin money against bank guarantees, FLC's and buyers credit.)</i>			
		<u>142,341,370</u>	<u>97,950,545</u>
<b>19 SHORT TERM LOANS AND ADVANCES</b>			
<i>(unsecured &amp; considered good unless otherwise stated)</i>			
Loans & Advances to Bodies corporate- Related Party ( Dhruv Global Ltd)		20,000,000	—
Loans & Advances to Others			
Advance to Suppliers			
Considered Good		3,307,578	1,058,341
Considered Doubtful	150,000	—	—
Less: Provision for doubtful	150,000	—	—

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	<i>As at</i> <b>31.03.2014</b> <i>(Rs.)</i>	<i>As at</i> <b>31.03.2013</b> <i>(Rs.)</i>
<b>19 SHORT TERM LOANS AND ADVANCES (Contd...)</b>		
Loans & Advances to Employees	460,244	214,047
Balance with Central Excise & Service Tax Authorities	1,350,399	1,230,729
Sales tax /Vat Recoverable	721,990	1,745,748
Other amounts recoverable in cash or in kind or for value to be received	-	-
Considered Good	4,726,365	4,974,387
Considered Doubtful	568,670	-
Less: Provision for doubtful	568,670	-
	<u>30,566,576</u>	<u>9,223,252</u>
<b>20 OTHER CURRENT ASSETS</b> <i>(unsecured &amp; considered good)</i>		
Interest Accrued but not due on fixed deposits	1,558,850	4,079,715
	<u>1,558,850</u>	<u>4,079,715</u>
<b>21 REVENUE FROM OPERATIONS</b>		
<b>Sale of Products:</b>		
Vanaspati & Refined Oil	4,574,225,918	4,084,740,164
By Products	176,111,009	109,454,184
Rice	-	-
	<u>4,750,336,927</u>	<u>4,194,194,348</u>
<b>Less: Excise Duty on By Products</b>	18,576,553	12,144,343
	<u>4,731,760,374</u>	<u>4,182,050,005</u>
	<u>4,731,760,374</u>	<u>4,182,050,005</u>
<b>22 OTHER INCOME</b>		
Rent Received	1,577,160	981,435
Net Gain on sale of Investments	3,842,434	553,033
Interest on:		
— Bank deposits	7,209,015	9,287,671
— Others	2,945,490	768,809
Unspent liabilities written back	144,736	97,353
Processing fees	-	79,270
Miscellaneous Income	115,383	2,259,952
	<u>15,834,218</u>	<u>14,027,523</u>
<b>23 COST OF MATERIAL CONSUMED</b>		
<b>a) Raw Materials</b>		
1. Raw Oils		
Opening Stock	61,554,239	54,424,173
Purchases	4,195,184,345	3,657,755,832
Freight, Brokerage, & Insurance etc.	296,233,800	182,717,440
	<u>4,552,972,384</u>	<u>3,894,897,445</u>
Less: Closing Stock <i>(including In-Transit)</i>	193,547,552	61,554,239
	<u>4,359,424,832</u>	<u>3,833,343,206</u>

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	<i>As at 31.03.2014 (Rs.)</i>	<i>As at 31.03.2013 (Rs.)</i>
<b>23 COST OF MATERIAL CONSUMED (Contd...)</b>		
2. Packing Material	132,443,854	101,657,861
3. Chemicals	16,825,411	15,071,402
<b>b) Shares/Securities</b>		
Opening stock	27,955	27,955
Add: Purchases	—	—
	<u>27,955</u>	<u>27,955</u>
Less: Closing stock	<u>27,955</u>	<u>27,955</u>
	<u>4,508,694,097</u>	<u>3,950,072,469</u>
<b>24 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS, AND STOCK IN TRADE</b>		
<b>Opening Inventories</b>		
– Finished Goods	45,876,580	33,153,397
– Stock in Process	<u>51,672,746</u>	<u>37,920,214</u>
	97,549,326	71,073,611
<b>Closing Inventories</b>		
– Finished Goods	53,580,671	45,876,580
– Stock in Process	<u>49,491,506</u>	<u>51,672,746</u>
	103,072,177	97,549,326
(Increase)/Decrease in stocks	<u>(5,522,851)</u>	<u>(26,475,715)</u>
<b>25 EMPLOYEE BENEFITS EXPENSES</b>		
Salaries, Wages and Incentives	17,154,006	15,565,568
Contribution to Provident & Other Funds	2,038,957	1,605,835
Provision for Retirement Benefits & Bonus (Refer note no. 30)	2,749,467	2,406,393
Staff Welfare	<u>1,032,465</u>	<u>787,250</u>
	<u>22,974,895</u>	<u>20,365,046</u>
<b>26 FINANCE COSTS</b>		
Interest on:		
– Working Capital Loan	9,731,945	4,590,459
– Others	<u>937,256</u>	<u>181,173</u>
	10,669,201	4,771,632
Loss on foreign currency transaction & translation	45,143	9,516,878
Bank Charges	<u>3,545,727</u>	<u>2,403,583</u>
	<u>14,260,071</u>	<u>16,692,093</u>



**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	<i>As at</i> <b>31.03.2014</b> <i>(Rs.)</i>	<i>As at</i> <b>31.03.2013</b> <i>(Rs.)</i>
<b>27 OTHER EXPENSES</b>		
Consumption of Stores & Spares	7,052,628	6,568,699
Fuel, Power & Electricity	82,744,853	106,872,293
Handling Charges	8,077,977	5,941,953
Laboratory Expenses	59,105	138,106
Repair & Maintenance - Plant & Machinery	2,535,153	1,582,744
Repair & Maintenance - Building	898,045	363,127
Rates & Taxes	1,183,856	1,120,098
Rent (Refer note no. 40)	1,855,650	1,680,732
Conveyance & Vehicle Maintenance	1,778,248	1,509,416
Telephone, postage & Internet Expenses	849,078	851,255
Legal, Professional Expenses	2,406,286	2,498,865
Printing & Stationery	526,037	435,431
Insurance	2,663,252	2,380,809
Tours & Travelling	2,283,128	1,133,223
Charity & Donation	23,451	21,200
Business Promotion	1,158,889	1,947,132
Advertisement and Publicity	226,321	240,022
Freight Outward	40,768,361	32,913,335
Excise duty (prior period) -Refer note below	-	1,776,641
Commission, Discounts & Selling Expenses	12,003,705	10,235,948
Membership & Subscription	89,678	142,917
Bad debts / Claims receivable written off	500,000	79,831
Provision for Doubtful debts	718,670	-
Loss on Sale of Fixed Asset (Net)	-	100,678
Interest to Micro & Small enterprises	-	22,081
Miscellaneous Expenses	974,257	840,334
	<b>171,376,627</b>	<b>181,396,870</b>

**Note:**

- Excise Duty is paid against demand raised by the Department

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 28 Contingent Liabilities and commitments:

#### I. Contingent Liabilities:

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

	2013-2014	2012-2013
i) Foreign Letters of Credit against import of Raw oil.	770,613,990	316,820,868
ii) Bank Guarantee issued in favour of Punjab State Co-op. Supplies & Marketing Federation Ltd	1,500,000	1,500,000
iii) Bills discounted with Company's Bankers against their Bills Rediscounting Scheme and remaining outstanding as on 31st March 2014. However these bills are guaranteed by respective Commercial banks.	579,023,367	262,743,798
iv) Bank Guarantee issued in favour of Rajasthan State Pollution Control Board, Jaipur	–	240,000
v) Bank Guarantee issued in favour of Registrar, High Court of Punjab	700,000	
<b>TOTAL</b>	<b>1,351,837,357</b>	<b>581,304,666</b>

Bank Guarantees / Foreign Letters of Credit are secured by way of lien marked Fixed Deposits (inclusive of Interest) and units of mutual funds under current investments **Rs. 197016857/-** (Previous year Rs. 94,226,000/-) (Refer note no. 15,18 & 20)

- 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. 592,200,000/-** (Previous year Rs. 467,200,000/-) to a related party.
- c. Demand of Rs.69.56/-lacs raised by Excise Department in financial year 2011-2012 pending under appeal. The company had deposited an amount of Rs.12 lacs under protest which has been shown under the head short term loans and advances.
- d. Demand of Rs.7.69 lacs raised by Income Tax Department on Assessments against which are pending under appeals before commissioner appeals.

#### II. Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for in these accounts (Net of Advances) **Rs. Nil** (Previous Year Rs. Nil).

- 29 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.

#### 30 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	
	2013-2014	2012-2013	2013-2014	2012-2013
Opening defined benefit obligation	4,649,882	4,118,311	1,008,938	886,928
Interest cost	371,991	329,465	80,715	70,954
Current service cost	386,756	336,629	141,957	112,675
Actual return on plan assets	N.A.	N.A.	N.A.	N.A.
Benefits paid	(136,095)	(455,289)	(267,717)	(150,422)
Actuarial (gain)/loss on obligation	250,988	320,766	215,573	88,803
Closing defined benefit obligation	5,523,522	4,649,882	1,179,466	1,008,938

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

Particulars	Gratuity		Leave Encashment	
	2013-2014	2012-2013	2013-2014	2012-2013
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	
	2013-2014	2012-2013	2013-2014	2012-2013
Current service cost	386,756	336,629	141,957	112,675
Interest cost	371,991	329,465	80,715	70,954
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.
Actuarial (gain) / loss	250,988	320,766	215,573	88,803
Net benefit expense	1,009,735	986,860	438,245	272,432
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	
	2013-2014	2012-2013	2013-2014	2012-2013
Defined benefit obligation	5,523,522	4,649,882	1,179,466	1,008,938
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	
	2013-2014	2012-2013	2013-2014	2012-2013
Mortality table ( LIC)	(1994-96)	(1994-96)	(1994-96)	(1994-96)
Discount rate	8.75%	8.00%	8.75%	8.00%
Expected rate of return on plan assets	N.A.	N.A.	N.A.	N.A.
Rate of escalation in salary per annum	6.25%	5.50%	6.25%	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.

vi) Contribution to Defined Contribution Plan recognized as expense for the year is as under:

Particulars	2013-2014	2012-2013
Employer contribution to Provident & Family Pension Fund	2,038,957	1,605,835

31 Payment to the auditors as:

Particulars	2013-2014	2012-2013
- Statutory Auditor		
a) Statutory Audit Fees	365,170	365,170
b) Tax Audit Fee	56,180	56,180
c) For Taxation Matters	325,844	235,235
d) Limited Review	56,180	56,180
e) Other matters - certification	4,494	22,472
f) For Reimbursement of expenses	30,337	28,989
<b>T O T A L ( Including service Tax)</b>	<b>838,205</b>	<b>764,226</b>
- Cost Auditor (including expenses & service Tax)	48,877	48,500
- Internal Auditor (including Service Tax)	87,640	87,640

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

Class of Goods	Unit	Current Year		Previous Year	
		Qty.	Value (Rs.)	Qty.	Value (Rs.)
Oil	M.T	79,835.315	4,359,424,832	71,503.51	3,833,343,206
Packing	–		132,443,854		101,657,861
Chemicals	–		16,825,411		15,071,402
<b>TOTAL</b>			<b>4,508,694,097</b>		<b>3,950,072,469</b>

**33 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	4,141,695,053	91.86%	–	–	3,293,034,902	83.37%	–	–
Indigenous	366,999,044	8.14%	–	–	657,037,567	16.63%	–	–
	<b>4,508,694,097</b>	<b>100.00%</b>	<b>–</b>	<b>–</b>	<b>3,950,072,469</b>	<b>100.00%</b>	<b>–</b>	<b>–</b>

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

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

Particulars	2013-2014	2012-2013
Raw Material	<b>2,857,533,049</b>	991,364,301
Components and Spares	-	-
Capital Goods	-	-

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

Particulars	2013-2014	2012-2013
<b>Earnings:</b>	-	-
<b>Outgo:</b>		
- Purchase of Oil	<b>2,857,533,049</b>	991,364,301

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

(in Rupees)

Particulars	2013-2014	2012-2013
Net Profit after tax available for equity shareholders	<b>13,988,456</b>	5,232,594
No. of weighted average equity shares (Basic & Diluted)	<b>15,496,598</b>	12,005,091
Basic Earning Per share (Rs.)	<b>0.90</b>	0.44
Diluted Earning Per share (Rs.)	<b>0.90</b>	0.44

**37 Related Party Disclosures**

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

**A) Names of Related Parties and description of Relationship:**

**i) Enterprises in which Key managerial Personnel and their Relatives have significant influence**

Dhruv Globals Limited  
G.D. Ferro Alloys Private Limited  
D.G. Estates Private Limited  
Indian Vanaspati Producer Association  
Ajanta Realtech Pvt. Ltd. (Formerly known as Swift Relocations Pvt. Ltd.)  
Cosmic Alloys & Metal Works Pvt. Ltd.  
Chander Prabhu Financial Services Ltd.

**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	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013
<b>INCOME</b>						
<b>Interest on loan:</b>						
Dhruv Global Limited	-	-	1,732,055	117,123	1,732,055	117,123
<b>Sale of Investment in share</b>						
Chander Prabhu Financial Services Ltd.	-	-	10,602,000	-	10,602,000	-
<b>EXPENDITURE</b>						
<b>Managerial Remuneration:</b>						
Mr. Sushil Goyal	2,400,000	2,400,000	-	-	2,400,000	2,400,000
Mr. Abhey Goyal	1,200,000	1,200,000	-	-	1,200,000	1,200,000
<b>Membership Fee:</b>						
Indian vanaspati Producer Association	-	-	67,438	61,996	67,438	61,996
<b>Advertisement:</b>						
Indian vanaspati Producer Association	-	-	11,000	10,000	11,000	10,000
<b>Interest on Unsecured Loan:</b>						
G.D Ferro Alloys Private Limited	-	-	66,781	-	66,781	-
D.G Estates Private Limited	-	-	12,329	-	12,329	-
Ajanta Realtech Private Limited (Formerly known as Swift Relocations Pvt Ltd.)	-	-	838,146	151,532	838,146	151,532
<b>Purchase of Stores:</b>						
Dhruv Global Limited	-	-	324,000	355,220	324,000	355,220
<b>LOAN FUNDS (Liability)</b>						
<b>Unsecured loan taken during the year:</b>						
Ajanta Realtech Private Limited (Formerly known as Swift Relocations Pvt Ltd.)	-	-	171,800,000	50,800,000	171,800,000	50,800,000
G.D Ferro Alloys Private Limited	-	-	12,500,000	-	12,500,000	-

Particulars	Key Managerial Personnel		Enterprises in which key managerial personnel & their relatives have significant influence		Total	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013
D.G. Estates Private Limited	-	-	15,000,000	-	15,000,000	-
<b>Unsecured loans repaid during the year:</b> Ajanta Realtech Private Limited (Formerly known as Swift Relocations Pvt Ltd.)	-	-	155,038,711	49,775,000	155,038,711	49,775,000
G.D Ferro Alloys Private Limited	-	-	6,250,000	-	6,250,000	-
D.G. Estates Private Limited	-	-	15,000,000	-	15,000,000	-
<b>Share Application Money given</b> Ajanta Realtech Private Limited (Formerly known as Swift Relocations Pvt Ltd.)	-	-	20,000,000	-	20,000,000	-
<b>LOANS AND ADVANCES (Asset)</b> <b>Loans given during the year:</b> Dhruv Global Limited	-	-	20,000,000	-	20,000,000	-
<b>Loans repaid during the year:</b> Dhruv Global Limited	-	-	-	15,000,000	-	15,000,000
<b>Refund of Share Application money from :</b> G.D Ferro Alloys Private Limited Ajanta Realtech Private Limited (Formerly known as Swift Relocations Pvt Ltd.)	-	-	-	4,700,000	-	4,700,000
	-	-	20,000,000		20,000,000	-
<b>ISSUE OF SHARE CAPITAL</b> Cosmic Alloys & Metal Works Pvt. Ltd.	-	-	-	18,000,000	-	18,000,000
<b>SECURITIES PREMIUM</b> Cosmic Alloys & Metal Works Pvt. Ltd.	-	-	-	7,200,000	-	7,200,000
<b>BALANCES OUTSTANDING:</b> <b>Current Maturities of Long term debts</b> G.D.ferro alloys (P) Ltd	-	-	6,250,000	-	6,250,000	-
Ajanta Realtech Private Limited (Formerly known as Swift Relocations Pvt Ltd.)	-	-	16,761,289	1,025,000	16,761,289	1,025,000
<b>Interest accrued &amp; due on borrowings</b> G.D.ferro alloys (P) Ltd	-	-	60,103	-	60,103	-
Ajanta Realtech Private Limited (Formerly known as Swift Relocations Pvt Ltd.)	-	-	754,331	136,289	754,331	136,289
<b>Investments:</b> D.G Estate Private Limited	-	-	14,725,000	21,700,000	14,725,000	21,700,000
Dhruv Global Limited	-	-	3,680,500	3,680,500	3,680,500	3,680,500
<b>Short Term Loans &amp; Advances</b> <b>Loan to Body corporate</b> Dhruv Global Limited	-	-	20,000,000	-	20,000,000	-
<b>Interest accrued on Loan</b> Dhruv Global Limited	-	-	1,558,849	-	1,558,849	-
<b>CORPORATE GUARANTEE</b> <b>OUTSTANDING</b> Guarantee issued in favour of bank on behalf of Dhruv Global Limited	-	-	592,200,000	467,200,000	592,200,000	467,200,000
Guarantee issued by Dhruv Global Limited in favour of bank on behalf of the company	-	-	930,000,000	930,000,000	930,000,000	930,000,000

**38 Segment Reporting:**

The only segment identified by the company during the year under report is Vanaspati and Refined oil segment. This business segregation forms the basis of 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. Accordingly the segmental information as required in accordance with the Accounting Standard-17 as specified in the Companies Accounting Standards Rules, 2006 is not given, as there is only one segment of the company.

**39** The amount of Borrowing cost calculated in accordance with AS-16 and capitalized to fixed assets/cwip during the year is Rs. NIL (P.Y.Rs13,61,497).

**40 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) The operating lease payments recognized in Profit & Loss A/c Rs.18,55,650/- (P.Y.Rs.1,680,732/-) for the lease which commenced on or after April 01, 2001.
- c) 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.

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

as per our report of even date

**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)*

*DIN: 00125275*

Sd/-

**ABHEY GOYAL**

*(Whole Time Director)*

*DIN: 02321262*

Sd/-

**JAI GOPAL SHARMA**

*(Chief Financial Officer)*

Sd/-

**PRIYA PANDEY**

*(Company Secretary)*

*M. No. : 35815*

Place : New Delhi

Dated : 30th May, 2014



## AJANTA SOYA LIMITED

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

**CIN:** L15494RJ1992PLC016617

### ATTENDANCE SLIP

L.F. No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

D.P. ID*		Client ID*	
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Name(s) in full	Father's/Husband's Name	Address as Regd. with the Company
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____

I hereby record my presence at the 23<sup>rd</sup> Annual General Meeting of the Company at SP-916, RIICO Industrial Area, Phase III, Bhiwadi, Distt. Alwar, Rajasthan on Saturday, 27th September, 2014 at 12.30 P.M.

Signature of the shareholder(s)/proxy\*\*

1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_

\*Applicable for investors holding shares in electronic form. \*\*Strike out whichever is not applicable.

Note: Attendance slip is original should be complete in all respects.







**Form No. MGT-11**

**Proxy form**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

CIN : **L15494RJ1992PLC016617**  
Name of the company : **Ajanta Soya Ltd**  
Registered office : **SP-916, Phase -III, Industrial Area, Bhiwadi-301019, Rajasthan**  
Name of the member (s) :  
Registered address :  
E-mail Id :  
Folio No/ Client Id :  
DP ID :

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name: .....  
Address: .....  
E-mail Id: .....  
Signature:....., or failing him
2. Name: .....  
Address: .....  
E-mail Id: .....  
Signature:....., or failing him
3. Name: .....  
Address: .....  
E-mail Id: .....  
Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual general meeting of the company, to be held on the Saturday, 27th September, 2014 at 12.30 P.M. at SP-916, Phase -III, Industrial Area, Bhiwadi-301019, Rajasthan and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No.**

1. Adoption of Annual Audited Accounts for the financial year ended 31st March, 2014.
2. To appoint a Director in place of Mr Abhey Goyal (DIN 02321262) who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors of the Company.
4. To appoint Mr Harsh Chander Kansal as Independent Director of the Company.
5. To appoint Mr Hemant Kumar Bansal as Independent Director of the Company.
6. To give power to board u/s 180(1)(a) of the Companies Act, 2013.
7. To give power to board u/s 180(1)(c) of the Companies Act, 2013.
8. Re-appointment of Mr Sushil Goyal as Managing Director for 3 years.

Signed this ..... day of ..... 20....

Signature of Shareholder.....

Signature of Proxy holder(s).....



**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





