



**Rama Phosphates Limited**

26<sup>TH</sup> ANNUAL REPORT

2010 - 2011

**BOARD OF DIRECTORS**

**CHAIRMAN & MANAGING DIRECTOR**

D.J. Ramsinghani

**DIRECTORS**

H D Ramsinghani

D N Singh

C R Malaviya

A.P. Mohanty – Nominee Director of Bank of India  
(Upto 10/08/2011)

P. K. Srivastava - Nominee Director of Bank of India  
(From 10/08/2011)

K. Raghuraman – Special Director of BIFR  
(Upto 20/12/2010)

**COMPANY SECRETARY**

J K Parakh

**BANKERS**

Bank of India

State Bank of India

Syndicate Bank

**AUDITORS**

M/s. Dayal & Lohia

Chartered Accountants

Mumbai

**REGISTRARS & TRANSFER AGENT**

LINK INTIME INDIA PRIVATE LIMITED

C-13, Pannalal Silk Mills Compound, L.B.S. Marg,

Bhandup West, Mumbai 400078

Tel.No. 25963838 Fax No.:25946969

Email : rnt.helpdesk@linkintime.co.in

Website : www.linkintime.com

**REGISTERED OFFICE**

812, Raheja Chambers, Nariman Point,  
Mumbai 400 021

**ADMINISTRATIVE OFFICES**

51-52 Free Press House  
Nariman Point, Mumbai - 400 021.

**Indore - Madhya Pradesh**

100, Chetak Centre, R.N.T. Marg, Indore 452 001.

**Pune - Maharashtra**

P.O. Loni Kalbhor, Tal. Haveli, Dist. Pune – 412 201

**Udaipur - Rajasthan**

106, 1st Floor, 4-A Vinayak Complex,  
New Fatehpura, Udaipur-313 004

**WORKS :**

**a) Fertilizer Division**

**1) Indore - Madhya Pradesh**

20/6 KM Stone, Indore – Ujjain Road (Dharampuri),  
Dist. Indore - 453 557.

**2) Rama Krishi Rasayan**

(Division of Rama Phosphates Limited)

**Pune - Maharashtra**

P.O. Loni, Kalbhor, Pune Solapur Road, Tal. Haveli,  
Dist. Pune 412 201

**3) Udaipur - Rajasthan**

4807/11, Umra Village,  
Jamarkotra Road, Teh. Girwa,  
Dist. Udaipur 313 901

**b) Oil Division - ISO-14001 Accredited**



**Indore - Madhya Pradesh**

20/6 KM Stone, Indore – Ujjain Road (Dharampuri),  
Dist. Indore – 453 557.

## **NOTICE**

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the Members of the Company will be held on Friday the 30th day of September, 2011 at 10.00 a.m. at Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400 001 to transact the following business :-

1. To receive, consider and adopt the Profit & Loss Account for the year ended March 31, 2011 and the Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. D.N. Singh who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider, and if thought fit, to pass with or without modifications, the following Resolution, as an Ordinary Resolution :

“RESOLVED THAT the retiring Statutory Auditors M/s Dayal and Lohia (Registration No 102200W) be and they are hereby reappointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting on remuneration to be fixed by the Board of Directors.”

## **SPECIAL BUSINESS**

4. To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution :

“RESOLVED THAT subject to such approvals, consents and sanctions as may be necessary and further subject to such terms, conditions, stipulations and restrictions as may be imposed by the authorities while granting such approvals, consents and sanctions, the consent of the Members be and it is hereby accorded pursuant to the provisions of Sections 198, 269, 309 Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 for the reappointment of Mr. D.J. Ramsinghani as the Managing Director of the Company for a period of three years from April 1, 2011 on the terms and conditions as set out in the draft agreement between the Company and Mr. D.J. Ramsinghani placed before the meeting and for the purpose of identification initialed by the Chairman hereof.”

“FURTHER RESOLVED THAT the Directors be and they are hereby authorised to execute the Agreement, in terms of the said draft with such alterations, changes and/or variations as may be agreed between the Directors and Mr. D.J. Ramsinghani.”

“FURTHER RESOLVED THAT the Board of Directors be and it is hereby authorised to take such steps as may be necessary to give effect to the above Resolutions.”

## **NOTES**

1. The Explanatory Statement pursuant to the provisions of section 173 of the Companies Act, 1956 in respect of Special Business specified in the Notice is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday the 23rd day of September 2011 to Friday the 30th day of September 2011 (both days inclusive).
4. Information required to be furnished as per the Listing Agreement about Director proposed to be

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*Rama Phosphates Ltd.*

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reappointed at the forthcoming Annual General Meeting is annexed hereto.

5. Members desirous of seeking any information concerning the Accounts are requested to address their queries in writing to the Managing Director at least seven days before the date of the Meeting so that the requested information can be made available at the time of the Meeting.
6. Members are requested to bring their copies of the Annual Report to the Meeting since copies of the Annual Report will not be distributed at the Meeting.
7. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Link Intime India Private Limited.

By Order of the Board  
For RAMA PHOSPHATES LIMITED

Place : Mumbai  
Date : August 12, 2011

**J. K. PARAKH**  
COMPANY SECRETARY

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956 WITH REFERENCE TO THE SPECIAL BUSINESS SPECIFIED IN THE NOTICE CONVENING THE TWENTY SIXTH ANNUAL GENERAL MEETING OF THE COMPANY.**

**ITEM NO. 4**

The Board of Directors of the Company, at their meeting held on February 4, 2011 have reappointed Mr. D.J. Ramsinghani as the Managing Director of the Company for a period of three years from April 1, 2011 subject to such consents, approvals and sanctions as may be required :

The terms and conditions of the reappointment of Mr. D.J. Ramsinghani as the Managing Director of the Company are as follows :

1. Date of Reappointment : April 01, 2011
2. Period of Reappointment : Three years from April 01, 2011
3. Salary : Rs. 1,00,000/- per month in the grade of  
100000 – 12500 – 125000 with annual increments on  
1st April in each year.
4. Perquisites & Allowances :

In addition to the salary, Mr. D J Ramsinghani as the Managing Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, servants allowance, contribution to Provident Fund and Superannuation or Annuity Fund as per the Rules of the Company, Gratuity as per the Rules of the Company, medical reimbursement for self and family, leave travel concession for self and family, club fees, personal accident insurance for self and family, life insurance and such other perquisites and allowances in accordance with the Rules of the Company or as may be agreed to by the Board of Directors and Mr. D J Ramsinghani, PROVIDED such perquisites and allowances will be subject to a maximum of his Annual Salary.

Perquisites and allowances shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

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Provision for use of Company's car for official duties and telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling. Company's contribution to Provident Fund and Superannuation or Annuity Fund to the extent these either singly or together are not taxable under the Income-tax Act. Gratuity payable as per the rules of the Company and encashment of leave at the end of his tenure shall also not be included in the computation of limits for the remuneration or perquisites aforesaid.

5. Commission :

1% of the Net Profit subject to a maximum of his Annual Salary as may be determined by the Board of Directors of the Company at the end of each financial year, subject to the overall ceilings stipulated in Sections 198 and 309 of the Companies Act, 1956.

6. Minimum Remuneration

Notwithstanding anything herein, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above, subject to the requisite approvals being obtained.

The Draft Agreement between the Company and Mr. D.J. Ramsinghani is open for inspection of the members at the Registered Office of the Company on all days except Saturdays, Sundays and Public Holidays between 11.00 a.m. and 1.00 p.m.

Mr. D.J. Ramsinghani may be deemed to be concerned or interested in the Resolution as it relates to his own appointment. Mr. H. D. Ramsinghani may also be deemed to be concerned or interested in the resolution being related to Mr. D. J. Ramsinghani.

This Explanatory Statement along with the accompanying notice is and shall be deemed to be an abstract under section 302 of the Companies Act, 1956.

By Order of the Board  
**For RAMA PHOSPHATES LIMITED**

Place : Mumbai  
Date : August 12, 2011

**J. K. PARAKH**  
**COMPANY SECRETARY**

### INFORMATION PURSUANT TO CLAUSE 49 (VI) OF THE LISTING AGREEMENT

As required under the Listing Agreement, the particulars of Director who is proposed to be reappointed at the forthcoming Annual General Meeting are given below :

Mr. D. N. Singh is a Chemical Engineer from Banaras Hindu University and has over 45 years experience in the field of Chemicals and Petrochemicals. He has held senior positions in several companies viz. Synthetics and Chemicals Ltd., Cyanides and Chemicals Co., Alkyl Amines Chemicals Ltd. etc. Mr. D. N. Singh does not hold any Equity Shares of the Company.

He is a Director of the following companies :

- (1) Rama Petrochemicals Limited      (2) Rainbow Denim Limited  
(3) Rama Industries Limited

He is a Committee Member / Chairman in the following companies:

**Rama Petrochemicals Limited**

Audit Committee - Member  
Shareholders Committee - Member  
Share Transfer Committee - Chairman

**Rainbow Denim Limited**

Audit Committee - Member  
Shareholders Committee - Chairman  
Share Transfer Committee - Member  
Remuneration Committee - Member

**Rama Industries Limited**

Share Transfer Committee - Member

**DIRECTORS' REPORT**

Your Directors present the Twenty Sixth Annual Report together with Audited Accounts for the year ended March 31, 2011.

<b>FINANCIAL RESULTS</b>	<b>(Rs. in lacs)</b>	
	<b>YEAR ENDED 31/03/2011 (12 MONTHS)</b>	<b>PERIOD ENDED 31/03/2010 (9 months)</b>
Sales & Other Income	<b>35587.83</b>	13406.96
Profit before financial charges & Depreciation	<b>4468.73</b>	751.26
Less: Financial Charges	<b>594.44</b>	301.65
Profit before Depreciation	<b>3874.29</b>	449.61
Less : Depreciation	<b>441.65</b>	367.90
Net Profit before tax	<b>3432.64</b>	81.71
Deferred Tax Expenses	<b>490.37</b>	NIL
Net Profit Before Adjustment	<b>2942.27</b>	81.71
Prior period Adjustment (Net)	<b>52.43</b>	11.24
Capital surplus on waiver of principal liabilities by term lenders / banks	<b>351.00</b>	758.22
Waiver of Interest	<b>NIL</b>	276.22
Profit/(Loss) after adjustments	<b>3345.70</b>	1127.39
Transfer to capital reserve	(351.00)	(758.22)
Profit / (Loss) for the year / period	2994.70	369.17
Profit & Loss balance brought forward from the previous year	<b>(4859.53)</b>	(5228.70)
Balance carried to Balance Sheet	<b>(1864.83)</b>	(4859.53)

**1. RESERVE AND DIVIDEND**

In view of accumulated losses, your Directors regret their inability to recommend any dividend for the year under review.

During the year under review, the company has created capital reserve of Rs. 351 Lacs being capital surplus arising out of waiver of principal liability in respect of term loan from lender.

During the year under review, the company has allotted 1,21,36,187 equity shares of Rs. 10/- each at a premium of Rs. 20/- per share. Accordingly, share premium reserve has been increased by Rs. 2427.24 Lacs.

**2. REVIEW OF OPERATIONS**

The company manufactures phosphatic fertilizers viz., Single Super Phosphate (SSP) in both Powder and Granular form along with Mixed Fertilizers, Sulphuric Acid and Soya oil.

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It may be pertinent to note that Govt. of India thankfully finalized the revised Nutrient Based Subsidy (NBS) Policy effective from 1st May, 2010 and this placed SSP industry at par with other complex manufacturers. Moreover, the main objective of shifting from product-based subsidy (PBS) to nutrient-based subsidy (NBS) regime was to restore soil health by addressing the nutrient imbalances since sulphur has also been considered as one of the nutrients, which was neglected till now.

The average capacity utilization of SSP industry for financial year ended March 2011 has remained at 49.50%. The capacity utilization of SSP during the year was 79.61% as against 70.22% reported during the previous financial year, which is considered to be highest in the industry of our size and operations. This increased capacity utilization was mainly due to availability of raw material and de-bottlenecking activities carried out at plants with active support from consortium members bank and better management of working capital though the working capital at the disposal of company remained at comparatively lower level as against peers in the industry.

Due to expectant better realization on SSP with limited availability of working capital, the company focused its attention mainly on SSP segment which is its core competence. Hence the company made little focus on other products like mixed fertilizers – NPK, which require higher working capital and soya oil. However, during the current year the Company decided to concentrate on – NPK, Sulphuric acid, Oleum and Sulphur Trading activities etc with the sanction of additional working capital.

Due to this, during the year ended March 31, 2011 your company has achieved remarkable sales turnover of Rs. 35,425.71Lacs whilst fertilizer and chemicals division contributed Rs. 30,780.79 Lacs and soya division contributed Rs. 4644.92 Lacs. EBIDTA of the company stood at Rs. 3874.29 Lacs. This achievement is unparalleled in the entire operation since inception of the company.

During the year under review, the company has decided to utilize soya facilities depending on economic viability. Moreover, throughout the year, there was no parity in soya oil business which compelled the company to go slow in this regard to avoid losses.

During the year, subsequent to negotiation with term lender and with thrust on debt reduction exercise, the term liability has been reduced by Rs. 1160 Lacs which will improve liquidity position in the long term.

Your Directors are hopeful that with the continuance of NBS Policy with additional contribution from soya division and with the additional support from working capital bankers, the performance of the company would improve in the current year.

### 3. CAPITAL RESTRUCTURE

In accordance with the DRS sanctioned by Hon. BIFR, the company has allotted to promoters 1,21,36,190 equity shares of Rs. 10/- each at a premium of Rs. 20/-per share which has resulted in increase of equity base from present level of Rs.5.55 crores to Rs. 17.69 Crores. These shares have been listed in Bombay Stock Exchange (BSE) with lock-in period as per SEBI Guidelines.

### 4. EXPANSION ACTIVITY

At Udaipur, the production of SSP will increase from 1.32 lac MT to 1.81 lac MT in the current year. At the same time, company is also in the process of increasing capacity of GSSP from 0.66 lac MT to 1.66 lac MT. The related expansion work is going on as per schedule.

At Indore, company has already applied for environmental clearances for expansion of SSP capacity by 1.00 lac MT.

Moreover, at Pune unit with the de-bottlenecking, capacity would further increase.

At Soya oil division, company has floated enquiry for Lecithin plant which will generate value-added product.

**5. DISCHARGE FROM THE PURVIEW OF SICA** Your Directors are glad to put on record that Hon. BIFR has discharged the company from the purview of Sick Industries Company Act (SICA) 1985 subsequent to the net worth of the company becomes positive. Your Directors are thankful to respective stake holders for unstinted support during difficult phase of the company.

**6. CORPORATE GOVERNANCE**

A Report on Corporate Governance along with the Auditor's Certificate regarding Compliance of the conditions of Corporate Governance as also a Management Discussion and Analysis Report pursuant to clause 49 of the Listing Agreement are annexed hereto.

**7. DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed;
2. Appropriate policies have been selected and applied consistently and have made judgements 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 March 31, 2011 and of the Profit of the Company for the year ended March 31, 2011;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. The financial accounts have been prepared on a going concern basis.

**8. AUDIT COMMITTEE**

In accordance with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement, the Company has constituted an Audit Committee comprising of the following Directors viz. Mr. C R Malaviya (Chairman), Mr. Deonath Singh and Mr. H.D. Ramsinghani . Audit Committee acts in accordance with the terms of reference specified from time to time by the Board.

**9. SAFETY, ENVIRONMENTAL CONTROL & PROTECTION**

The Company has taken all the necessary steps for safety and environmental control & protection at its plants at Indore, Udaipur and Pune.

**10. DISCLOSURE OF PARTICULARS**

Information as required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 relating to the conservation of energy, technology absorption, foreign exchange earning and outgo is annexed hereto and forms a part of this Report.

**11. PERSONNEL**

There were no employees who were employed during the period under review or part thereof and who were in receipt of remuneration in excess of the limits specified under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended to date.

**12. DIRECTORS**

The Hon'ble Board for Industrial & Financial Reconstruction (BIFR) , vide its Order dated December 12, 2010, has discharged the Company from the purview of SICA / BIFR. Consequent to this the Hon'ble BIFR had withdrawn the nomination of Mr. K. Raghuraman from the Board of Directors of the Company with immediate effect. The Board places on record its sincere appreciation of the valuable contribution made by Mr. Raghuraman during his association with the company.



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Bank of India has withdrawn the nomination of Mr. A. P. Mohanty from the Board of Directors of the company w.e.f. 10/08/2011 and Mr. P. K. Srivastava was nominated the Nominee Director w.e.f. 10/08/2011. The Board places on record its sincere appreciation of the valuable contribution made by Mr. A. P. Mohanty during his association with the company.

Shri D.N. Singh retires from the Board of Directors by rotation and is eligible for re-appointment.

### 13. AUDITORS REPORT

Your Directors refer to the observations made by the Auditors in their Report and wish to state as follows:

In respect of ascertainment of dues with micro small and medium enterprises, the Company is revising procedure for purchase so that relevant information can be easily made available. As regards interest free loan given to sick company and its subsidiary in earlier years, the Company has made provision in the books of accounts and at the same time the Company is making full efforts for recovery of these dues.

### 14. AUDITORS

M/s. Dayal & Lohia, the Auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting and being eligible to offer themselves for reappointment. The Company has received a certificate from them certifying that their appointment, if made, would be within the limits specified under Section 224(1-B) of the Companies Act, 1956.

### 15. COST AUDIT

The Cost Account Records maintained by the Company for "Fertilizers" and "Sulphuric Acid" are subject to yearly audit by qualified Cost Auditors. The Company has appointed Mr R S Raghavan, a qualified Cost Auditor for conducting the Cost Audit of such records for the financial year 2011-12.

### 16. INDUSTRIAL RELATIONS

The Industrial Relations remained cordial at all the units of the Company during the year under review.

### 17. ACKNOWLEDGEMENT

Your Directors sincerely record their appreciation with gratitude for the continued support and assistance extended to the Company by the Financial Institutions, Banks and various Government Departments and Agencies and Creditors. The Directors place on record their appreciation for continued support of shareholders of the company. The Directors also wish to place on record the appreciation to the team of executives, staff and workers, who have shown devotion and efficiency in performing their jobs.

**For and on behalf of the Board**

Place : Mumbai  
Dated : August 12, 2011

**D J RAMSINGHANI**  
**CHAIRMAN & MANAGING DIRECTOR**

## ANNEXURE TO DIRECTORS' REPORT

**PARTICULARS PURSUANT TO 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 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2011.**

### **I. CONSERVATION OF ENERGY :**

#### **A. Energy conservation measures taken:**

Over the years, Company has taken several measures for energy conservation viz. installation of Steam Turbine and Coal Fired Furnace for Rock drying at Udaipur unit, pulsating grating furnace, regular monitoring of consumption of power through Managers, installation of energy saving fans, installation of capacitors, modification of steam traps, conversion of heaters, revamping of Turbine cooling tower, operating ball mill with the Turbine etc. In addition to this, VFD's (Variable Frequency Drives) have been installed at important locations. In order to control the power factor at "unity", APFC (Automatic Power Factor Controller) Panel has been installed.

Recycle in the process of Granulation has been reduced. This has helped in minimizing the fuel consumption.

By way of proper raw material procurement planning during monsoon, fuel consumption for Drying Operation was avoided.

#### **B. Additional investment proposals, if any, being implemented for reduction in consumption of energy :**

The Company has already invested substantial amount in the Steam Turbine and Coal Fired Furnace which are in operation. The Company has several investment proposals such as installation of additional Variable Frequency Drives, additional economizer in Sulphuric Acid plant which will increase steam generation resulting in additional power generation. The company is also exploring the possibility of fuel change over from coal to alternate fuel. Accordingly, the Company is actively considering various investment proposal for further reduction in consumption of energy.

As recommended during energy audit at Indore, 4 nos. of higher rating torque motor starters are to be replaced with latest technology Krondorfer Technology auto transformer type which will result in energy saving.

In our GSSP plant, higher HP rating motor is being replaced with suitable HP rating motor (cooler drum ID fan).

#### **C. Impact of measures at (A) and (B) above for reduction of Energy Consumption and consequent impact on the cost of production of goods :**

As a result of continuous effort, the Company has been able to achieve substantial saving in energy cost.

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D. Particulars with respect to energy consumption per unit of production:

a) **POWER AND FUEL CONSUMPTION:**

	<b>12 months year ended 31.03.2011</b>	9 months period ended 31.03.2010
<b>i) Electricity</b>		
a) Purchased:		
Units (in thousands)	<b>9945</b>	7081
Total amount (Rs. in lacs)	<b>554.31</b>	370.63
Rate / Unit (Rs.)	<b>5.56</b>	5.23
b) Own Generation:		
i) Through diesel generator:		
Units (in thousand)	<b>26.76</b>	33.44
Units per litre of diesel oil	<b>3.10</b>	2.29
Cost / Unit (Rs.)	<b>33.33</b>	15.37
ii) Through steam turbine/generator :		
Units (in thousand)	<b>7869.82</b>	3304.33
Units per M.T of Steam	<b>172.83</b>	308.19
Cost / Unit (Rs.)	<b>0.94</b>	1.23
<b>ii) Coal (Rs. in lacs)</b>	<b>258.75</b>	159.92
<b>iii) Furnace Oil (Rs. in lacs)</b>	<b>119.83</b>	46.46

b) **CONSUMPTION PER UNIT OF PRODUCTION:**

**SSP: Single Super Phosphate**

**GSSP: Granulated SSP**

**SA: Sulphuric Acid**

**SEP : Solvent Extraction Plant**

	<b>31.03.2011</b>						31.03.2010					
	<b>Refinery</b>	<b>SEP</b>	<b>SSP</b>	<b>GSSP</b>	<b>SA</b>	<b>NPK</b>	<b>Refinery</b>	<b>SEP</b>	<b>SSP</b>	<b>GSSP</b>	<b>SA</b>	<b>NPK</b>
Electricity (Units)PMT	94.24	43.09	23.16	12.58	65.74	14.83	73.82	46.57	21.82	13.01	69.06	16.00
Furnace Oil Litre / PMT	NIL	NIL	0.84	NIL	0.10	NIL	NIL	NIL	0.65	0.21	0.40	NIL
Coal Kg / PMT	87.86	62.45	NIL	29.59	NIL	14.38	128.43	70.17	NIL	32.47	NIL	27.78

**II. TECHNOLOGY ABSORPTION:**

A) RESEARCH & DEVELOPMENT (R & D)

a) Specific areas in which R & D is carried out by the Company :

The specific areas in which the R & D activities are carried out by the Company are relating to improvement in quality of the existing products and development of new products to meet market demands and change in the product mix.

1. An addition of special additives is introduced in Single Super Phosphate manufacturing process to improve the product quality and maintain freeflow of material to minimize caking tendencies.

2. A Plate Heat Exchanger & a Natural draft cooling tower for acid cooling is installed in sulphuric acid Plant thereby improved product quality consistency & water conservation.
  3. Introduction of Belt stackers (4 nos.) in Powder packing line to optimise packing capacity.
  4. Installation of Online SO<sub>2</sub> analyser in SAP & Online Fluorine analyser in SSP for continuous stack monitoring.
- b) Benefits derived as a result of R & D :
- Research and Development has always been a continuous process at various Units of the Company. The areas in which R & D is carried out are (a) minimization of effluents and (b) better sampling.
- c) Future Plan of Action :
1. The company Plans Automation in SSP manufacturing process through fully computerised DCS technology for maintaining product quality & faster curing of product.
  2. Automation in Oleum manufacturing process by installation of Auto control valves & Strength Monitoring instrument.
  3. Improvement in Fluorine scrubbing system in SSP Plant for minimising stack appearance and thus maintain good environment.
- d) Expenditure on R & D:
- Due to financial constraints, the Company was unable to make any additional investment in R & D activities.

**B) TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION :**

The Company has not imported any foreign technology.

**III. FOREIGN EXCHANGE EARNINGS AND OUTGO :**

- I. Activities relating to exports, initiatives taken to increase exports, development of new export plans.

During the year, there is NIL export. The company is looking forward for increase in exports in its Soya business.

- II. Total foreign exchange used & earned :

	(Rs. in Lacs)
Used:	7554.32
Earnings:	NIL

**For and on behalf of the Board**

Place : Mumbai  
Dated : August 12, 2011

**D J RAMSINGHANI  
CHAIRMAN & MANAGING DIRECTOR**

**REPORT ON CORPORATE GOVERNANCE**

**1. Company’s Philosophy on Corporate Governance**

As required by the Listing Agreement with various Stock Exchanges, the Company has fully implemented the code of Corporate Governance and it is committed to the philosophy of good Corporate Governance in letter and spirit.

**2. Board of Directors**

- a) The present strength of the Board consists of Five Directors. (One Executive and Four Non Executive of whom Three Directors are Independent Directors.)
- b) The attendance at Board Meetings and last Annual General Meeting of each of the Directors during the financial year of the Company was as under :

Name of Director	Category Executive, Non-executive/ Independent	Attendance at		Director- ship of other Board (including alternate Director- ships and Private Companies)	Membership/ Chairmanship of other Board Committees	
		Board Meetings	Last Annual general meeting		Chairman	Member
Mr. D. J. Ramsinghani* Chairman & Managing Director	Executive	Five	Yes	One	Nil	Nil
Mr. Deonath Singh Director	Non Executive Independent	Four	Yes	Three	One	Three
Mr. H.D. Ramsinghani* Director	Non Executive	Three	Yes	Five	One	Two
Mr. C. R. Malaviya Director	Non Executive Independent	Four	Yes	Four	One	Two
Mr. A.P. Mohanty Nominee Director – Bank of India (Upto 10/08/2011)	Non Executive Independent	Five	No	Nil	Nil	Nil
Mr. P.K. Srivastava Nominee Director – Bank of India (from 10/08/2011)	Non Executive Independent	N.A.	N.A.	Nil	Nil	Nil
Mr. K. Raghuraman Special Director – BIFR (Upto 20/12/2010)	Non Executive Independent	Three	No	Seven	Nil	Nil

- Except Mr D. J. Ramsinghani, Chairman and Managing Director and Mr H. D. Ramsinghani, Non Executive Director, who are relatives, none of the other Directors are related to each other.

- (c) During the year Five Board Meetings were held on the following dates :

April 17, 2010, May 15, 2010, August 13, 2010, November 10, 2010 and February 4, 2011.

**3. Code of Conduct**

The Company has framed a Code of Conduct for the members of the Board of Directors and Senior Management personnel of the company. The declaration by the Chairman and Managing Director regarding compliance by the members of the Board and the Senior Management personnel with the said code of conduct is annexed hereto.

**4. Audit Committee**

Role of the Audit Committee and its terms of reference include reviewing the financial statements, overseeing the Company's Annual Report process and discussions with internal and external Auditors.

The Committee presently comprises of Mr. C. R. Malaviya – Chairman, Mr. D. N. Singh and Mr. H. D. Ramsinghani.

During the year four meetings of the Audit Committee were held on May 15, 2010, August 13, 2010, November 10, 2010 and February 4, 2011. The attendance at Audit committee meetings of each of the Directors is as under:

Name of the Director	Attendance at Audit Committee Meetings
Mr. C. R. Malaviya	Four
Mr. D.N. Singh	Four
Mr. H.D. Ramsinghani	Two
Mr. K. Raghuraman (upto 20/12/2010)	Three

**5. Share Transfer Committee**

The Board has delegated the power of share transfers to a Committee of Directors comprising of Mr. D. J. Ramsinghani – Chairman, Mr. C. R. Malaviya and Mr. D. N. Singh as also to the Registrars and Transfer Agent of the Company who attend to the Share Transfer formalities, transmission of shares, issue of duplicate certificates and issue of certificates on split/consolidation/renewal etc. at least once in a fortnight. The transfers etc. approved by the Registrars and Transfer Agent and the Share Transfer Committee are also noted at every meeting of the Board of Directors. The Board has designated Mr. J. K. Parakh – Company Secretary as the Compliance Officer.

Barring certain cases pending in Courts relating to disputes over the title of shares in which the Company has been made a party, no investor complaint is pending for a period exceeding one month.

**6. Remuneration Committee**

The Remuneration Committee determines the managerial remuneration including perquisites payable to Managerial Personnel and makes recommendations to the Board of Directors.

The Committee presently comprises of Mr. C. R. Malaviya – Chairman, Mr. D. N. Singh and Mr. P. K. Srivastava and one meeting of the Remuneration Committee was held during the year under review.

**7. Shareholders/Investors Grievances Committee**

The committee presently comprises of Mr D. N. Singh – Chairman and Mr. D. J. Ramsinghani. In terms of Clause 47 of the Listing Agreement the Company has appointed Mr. J. K. Parakh – Company Secretary as the Compliance Officer and the investors are requested to register their complaints, if any, on the exclusive email ID : jparakh@ramagroup.co.in

A Summary of complaints received and resolved by the Company during the period is given below :

	Received	Cleared
Non-Receipt of Share Certificates duly transferred	47	47
Non-Receipt of Dividend Warrants	4	4
Non-Receipt of Rejected DRF	1	1
Non-Receipt of Exchange Certificate	10	10
Miscellaneous	4	4
Letters from Stock Exchanges, SEBI and Ministry of Corporate Affairs	4	4

**8. Remuneration of Directors**

(a) **Director**

The remuneration paid to the Director during the year was as follows :

Name	Designation	Remuneration (Rs. In lacs)	Sitting Fees (Rs. In lacs)
Mr. D. J. Ramsinghani	Chairman & Managing Director	15.39	Nil

(b) **Non - Executive Directors :**

The Non-Executive Directors are not paid any remuneration except sitting fees for attending meetings of the Board or Committees thereof. Details of Sitting Fees paid to the Non-Executive Directors are as follows :

Name of Director	Sitting Fees (Rs.)
Mr. H. D. Ramsinghani	7,000/-
Mr. D. N. Singh	10,000/-
Mr. C. R. Malaviya	10,000/-
Mr. A.P. Mohanty *	5,000/-
Mr. K. Raghuraman (upto 20/12/2010)	6,000/-

\* Sitting Fees paid to BOI for meetings attended by its Nominee Director Mr. A. P. Mohanty.

**9. General Body Meetings**

Financial Year	Date	Time	Location
2007-08	29/09/2008	10.00 A.M.	M C Ghia Hall, Bhogilal Hargovindas Bldg., 18/20, Kaikhushru Dubhash Marg, Mumbai 400 001
2008-09	30/11/2009	10.00 A.M.	M C Ghia Hall, Bhogilal Hargovindas Bldg., 18/20, Kaikhushru Dubhash Marg, Mumbai 400 001
2009-10	30/09/2010	10.00 A.M.	Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400001.

**10. Postal Ballot / Special Resolution**

No Resolutions were required to be approved through Postal Ballot at the last Annual General Meeting nor is any resolution proposed for passing through Postal Ballot at the ensuing Annual General Meeting.

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*Rama Phosphates Ltd.*

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Special Resolution passed in the previous Three Annual General Meetings.

<b>Date</b>	<b>Particulars</b>
29.09.2008	Appointment of Auditors Appointment of Mr. D.J. Ramsinghani as Managing Director for a period of three years w.e.f. April 01, 2008
30.11.2009	Reclassification of Authorised Share Capital of the Company Alteration of the Capital Clause of Articles of Association
30.09.2010	No Special Resolutions were passed

**11. Disclosures**

- a) There were no transactions of material nature with the Directors or the management or relatives of the Directors during the financial period, which could have potential conflict with the interests of the Company at large.
- b) Transactions with related parties as per requirements of Accounting Standard – 18 are disclosed elsewhere in the Annual Report. None of these transactions have potential conflict with interest of the Company at large.
- c) No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority on any matter related to the capital markets during the last three years.
- d) Apart from Mr D. J. Ramsinghani, Chairman and Managing Director who is related to Mr H. D. Ramsinghani, there are no other relationships between the Directors inter se.

**12. Means of communication**

The Company has not made any presentation to the institutional investors or analysts.

**13. General Shareholder Information :**

Annual General Meeting	: 30th September, 2011 at 10.00 a.m. at Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400001.
Dates of Book Closure	: 23rd September, 2011 to 30th September, 2011 (Both Days Inclusive)
Dividend payment date	: Not Applicable
Listing on Stock Exchange	: Bombay, Madras, M P, Calcutta, Ahmedabad, Delhi
Stock Code	: 524037
International Securities Identification Number allotted By NSDL	: INE809A01024

Note : The company has applied for delisting from all the Stock Exchanges except Bombay Stock Exchange Limited.



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**14. Market Price Data (High/Low in Rs. during each month) :**

<b>Month</b>	<b>High</b>	<b>Low</b>
April 2010	29.95	25.05
May 2010	38.25	27.00
June 2010	40.95	25.80
July 2010	49.45	37.00
August 2010	75.05	40.30
September 2010	86.80	62.00
October 2010	123.80	74.95
November 2010	146.80	84.55
December 2010	112.20	80.75
January 2011	101.50	59.35
February 2011	89.70	54.50
March 2011	84.75	60.75

**15. Registrars & Transfer Agent**

Link Intime India Private Limited  
C - 13, Pannalal Silk Mills Compound,  
L. B. S Marg,  
Bhandup (West), Mumbai 400078  
Tel : 25963838; Fax : 25946969;  
Email : rmt.helpdesk@linktime.co.in  
Website : www.linktime.com

**16. Distribution of Shareholding as on 31st March 2011:**

<b>Number of Equity Share Holdings</b>	<b>Number of Shareholders</b>	<b>Percentage of Shareholders</b>	<b>Number of Shares</b>	<b>Percentage of Shareholding</b>
<b>1 – 500</b>	9324	92.06	980803	5.54
<b>501 – 1000</b>	430	4.25	342817	1.94
<b>1001 – 2000</b>	177	1.75	269811	1.53
<b>2001 – 3000</b>	57	0.56	150689	0.85
<b>3001 – 4000</b>	25	0.25	89541	0.51
<b>4001 – 5000</b>	27	0.27	127939	0.72
<b>5001 – 10000</b>	42	0.41	311602	1.76
<b>10001 &amp; above</b>	46	0.45	15420011	87.15
<b>Total</b>	<b>10128</b>	<b>100.00</b>	<b>17693213</b>	<b>100.00</b>

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*Rama Phosphates Ltd.*

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**17. Shareholders' Profile as on March 31, 2011:**

Sr.No.	Category of Shareholders	No. of Shares held	% to Total Capital
1.	Promoters	14413254	81.46
2.	Foreign Collaborators	NIL	N.A.
3.	Banks	19689	0.11
4.	Financial Institutions	3640	0.02
5.	Foreign Institutional Investors	NIL	N.A.
6.	Mutual Funds	5320	0.03
7.	Domestic Companies	566758	3.21
8.	Non Resident Indians	102937	0.58
9.	General Public	2581615	14.59
	<b>Total</b>	<b>17693213</b>	<b>100.00</b>

**18. Dematerialization of shares as on March 31, 2011:**

28.59% of the Company's total equity share capital representing 5058878 Equity Shares are held in dematerialized form.

**19. Plant Location :**

- (1) 20/6, KM Stone, Indore – Ujjain Road, (Dharampuri), Indore 453 557 (M.P.)
- (2) P. O. Loni Kalbhor, Tal Haveli, Dist Pune 412 201, Maharashtra.
- (3) 4807/11, Umra Village, Jamarkotra Road, Teh. Girva, Dist. Udaipur 313 901, Rajasthan.

**20. Address for Correspondence :**

Shareholders should address all correspondence to the Company at 51/52, Free Press House, Nariman Point, Mumbai 400 021 or to the Registrar and Transfer Agent – Link Intime India Private Limited at C – 13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai 400 078.

**21. Non Mandatory Items :**

- a) At present there is no policy for fixing the tenure of independent Directors.
- b) The Company has constituted a Remuneration Committee.
- c) Half yearly financial results including summary of significant events in the past six months are presently not being sent to the Shareholders.
- d) There is no formal policy at present for training of the Board members as all the Board members are eminent and experienced professionals.
- e) There is no formal mechanism at present for evaluation of non executive Directors.
- f) The Company has not established at present any formal Whistle Blower Policy.
- g) The replies to the Qualifications in Auditors Report on the financial statement are given in the Directors Report.

**22. Appointment / Reappointment of Directors :**

Mr D. N. Singh is proposed to be reappointed at the forthcoming Annual General Meeting. The relevant information about Mr. D. N. Singh is given in the Notice convening the Annual General Meeting.

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

Place : Mumbai  
Dated : August 12, 2011

**D. J. RAMSINGHANI**  
**CHAIRMAN & MANAGING DIRECTOR**

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**DECLARATION REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT**

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant to Clause 49 of the Listing Agreement.

The Company has, in respect of the financial year ended 31/03/2011, received from the members of the Board of Directors and the Senior Management Personnel a declaration of compliance with the Code of Conduct as applicable to them.

Place : Mumbai  
Dated : August 12, 2011

**D. J. RAMSINGHANI**  
**CHAIRMAN & MANAGING DIRECTOR**

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**CERTIFICATE**

To the Members of

**RAMA PHOSPHATES LIMITED**

We have examined the compliance of conditions of Corporate Governance by **RAMA PHOSPHATES LIMITED**, for the year ended on 31st March, 2011, as stipulated in clause 49 of the Listing Agreement of the said company with stock exchange(s).

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 the 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 according to the explanations given to us and based on the representations received from the Directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

Based on the representation received from Company's Share Transfer Agents, we state that complaint letters received from shareholders during the year 01/04/2010 to 31/03/2011, have been attended.

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

For **Dayal and Lohia**  
Chartered Accountants  
(Firm Registration no 102200W)

Place : Mumbai.  
Date : August 12, 2011

**(Anil Lohia)**  
Partner  
Membership No: 31626

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### 1. INDUSTRY STRUCTURE AND DEVELOPMENTS

**Fertilizer** : The fertilizer manufacturing activities of the Company revolve around Single Super Phosphate (SSP) which is termed as poor man's fertilizer. We manufacture fertilizer in both forms, i.e. Powder and Granule. The main constituents of our SSP fertilizer is Phosphorous, Calcium and Sulphur which plays a major role in improving fertility of land.

The production of SSP remained almost stagnant during the current decade with intermittent troughs and peaks. All India capacity of SSP marginally improved from 7.781 million MT during 2009-10 to 7.915 million MT during 2010-11. Similarly all India capacity utilization of SSP increased from 42.6% during 2009-10 to 49.5% during 2010-11.

It would be pertinent to note that out of 82 units registered as manufacturers of SSP in the country, only 66 units were in operation during the year. Moreover, out of the 66 operating plants, about 25 units operated above 60% capacity utilization and the remaining 41 plants operated below 60%.

The overall consumption of SSP in the country recorded at 3.596 million MT during the year i.e. an increase of 29.2% over 2009-10 period and the majority of consumption reported during Rabi season with a sharing pattern of 54 : 46 for Kharif.

Subsequent to the announcement of Nutrient Based Subsidy (NBS) policy w.e.f. 1st May, 2010, the consumption of SSP has increased in volume which led our country to 3rd rank in global consumption of SSP next to China and Brazil.

**Soya Oil** : Soya oil provides added nutritional value and that higher middle income group families started consuming in place of traditional edible oils since it contains as low as 14% saturated fat and about 54% poly-unsaturated fat, which is very good for health. In addition to this, it is also the primary source of Omega-3s (as alpha linolenic acid) and contains no cholesterol. Moreover, refined soya oil is widely used for blending with other cooking oils including hydrogenated oils (vanaspati) as also in the manufacture of a variety of food products, including margarine. Soya oil has also found its use in industries like ink manufacture, lubricant (dip oil) and biofuel.

Among major edible oilseeds, such as groundnut, rapeseed/mustard seed, sesame, sunflower and safflower, soya bean ranks as number one in output volumes due to its high nutritional value in fat and protein yields. Hence, both soya oil and soya meal are traded globally. Whilst the production of major oilseeds remain stagnant over the last decade, cultivation of soya bean has been rising since soya bean production is relatively less volatile whilst major oilseeds depend on weather conditions. This assured supply and availability of soya seed induces many of the solvent extraction industry to go for soya seed crushing & refining.

Soya meal accounts for the largest export demand from India among all de-oiled cakes and meals since it contains highest protein and therefore used in the manufacture of compound animal and poultry feeds. Hence soya meal demand is growing steadily in domestic market also.

The production of oil seeds and edible oils have failed to keep pace with increasing demand in India which elongates the gap between demand and production since past two decades. In view of inadequate domestic production of edible oil, more and more oil has been imported for past several years and soya oil and palm oil constitute about 95% of total Indian edible oil imports. According to a Rabobank research report, backward linkage of edible oil processing is so strong that any activity on palm plantations or soya bean production is undertaken outside India would help improve the profitability of edible oil processors in India.

The domestic edible oil demand is projected to be around 21.3 million tonnes for the year 2015 as per Rabobank Research Report.

During the oil season period (Oct.2010 to Mar.2011), soya seed production was 101.30 lac MT against 97.25 lac MT during previous corresponding period. Though there was marginal increase in cultivated land during 2010-11, improved yield at 1089 kg per hectare resulted in higher production of soya seed.

**2. OPPORTUNITIES AND THREATS**

The Company is in the business of manufacture and sale Phosphatic Fertilizers and Soya Oil since more than twenty five years and established leadership in the industry. The consumption of SSP is growing in the country being competitively priced in the market as compared to other complex fertilizers. Moreover, SSP enhances the fertility of land as it contains additional nutrients viz. “Sulphur” and “Calcium” apart from Phosphorous. The recently announced Nutrient Based Subsidy (NBS) Policy and de-controlling of P&K fertilizer sector which allows freedom to fix reasonable MRP insulates volatile raw material prices. The said measures infused fresh lease of life to the industry as a whole. Recently, Govt. of India has also put SSP industry at par with other P&K fertilizers by allowing SSP industry to produce Citrate Soluble at 16%, which allows the industry to consume various grades of Rock Phosphate. In view of the same, SSP industry attracts fresh investments and new entrants are plunging in to take advantage of the situation.

Since the company has its plants at strategic locations viz., Indore in M.P. state which is the largest cultivator of Soyabean in the country, Udaipur in Rajasthan state from where the basic raw material Rock Phosphate is supplied to the entire country and Pune in Maharashtra which is the second largest producer of Sugarcane in the country. Moreover, Pune also has locational advantage due its proximity to major Ports viz. Mumbai Port and JNPT.

At Pune, we have our own railway siding facility which helps in raw material and finished products movement in bulk. Moreover, this siding facility is utilized to bring in additional revenue by renting out the same on need base since Pune is centrally located which allows rail freight movement at economical rates.

Further, we have additional edge over our competitors since we have fully integrated Sulphuric Acid production facilities at Pune and Indore, which is one of the basic raw materials for SSP fertilizer and thus reduces our dependency on Acid suppliers. We have our own turbo power-generation facility through exo-thermic heat at Pune and Indore units while producing Sulphuric Acid and thus reduce our power costs. Moreover, this facility puts the company in better situation since we can decide about our Sulphuric Acid plant operations whether to run our plant or trade-in Sulphur, the price of which is quite volatile at times.

The company’s SSP brands of both “Girnar” particularly in Madhya Pradesh & Rajasthan and “Suryaphool” in Maharashtra are well-accepted by the farming community and that company maintains its leadership in its area of operation. The “Suryaphool” brand commands premium in the market due its quality and leadership. The NPK fertilizer marketed by the company is also well-accepted in the market which brings in additional revenue to the company.

The company has requisite infrastructure including surplus land at all the locations which can be readily put on use for expansion. In line with the same, company has already commenced expansion activities at Udaipur and Indore.

Our Soya oil division is situated in Madhya Pradesh, which is the major Soya cultivating state in the country producing 59% of total production of 101.28 million MT during the year 2010. The company intends to re-launch its now defunct “Sufla” brand edible oil in the market.

With the introduction of Nutrient Based Subsidy (NBS) Policy, existing players are expanding their capacities on one hand while new players are also pitching in to take advantage of the situation on the other. This may create excess capacity trend since SSP industry is at the mercy of monsoon and any vagaries of monsoon tend to affect its fortune. Any change in the Government policy may adversely affect the industry. The inordinate delay in release of concession payment by the Government of India poses a great threat to capacity utilization. Moreover, the industry is fully dependent on single source of supplier in the country which at times put restrictions on availability of raw material. A large crushing capacity with lower availability of seeds in the country makes the soya business as speculative and volatile. Moreover, price of De-oiled cake and Soy oil is largely dependent on international market, which at times not favourable to the Indian industry.

**3. SEGMENTWISE PERFORMANCE**

The requisite information regarding Segment wise performance has been given in the Notes forming part of the Accounts.

**4. OUTLOOK**

The newly introduced Nutrient Based Subsidy (NBS) Policy coupled with penetrative marketing policy engaged by the Company hopefully would enhance operational efficiency of the company. The company is also in a position to take advantage of brand image that has been built over the period of years. All our plants are situated at strategic locations at Indore, Udaipur and Pune.

Foreseeing good prospects in Soya business, company plans to operate its oil division at optimum capacity.

Hopefully with the above initiatives, company would be in a position to deliver superior returns to the stake holders.

**5. INTERNAL CONTROL SYSTEMS**

The Company has an adequate system of internal control and conducts audit on quarterly basis at all plants and the salient points are discussed and corrective actions are taken. It also ensures that all assets are protected against loss from unauthorized use or disposition and all transactions are recorded and reported in conformity with generally accepted accounting principles.

**6. FINANCIAL PERFORMANCE**

During the year sales amounted to Rs. 35529.91 Lac as compared to Rs. 13094.50 Lac for nine months period ended March 31, 2010. The profit for the year is Rs. 3362.82 Lac as compared to Rs. 1127.39 Lac in the previous period.

**7. HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The industrial relations remained cordial during the year under review.

**8. CAUTIONARY STATEMENT**

Statements in this Report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that make a difference to the Company's operations include poor monsoon, changes in Government regulations relating to fertilizer subsidy, economic conditions affecting demand/supply, price conditions in the markets in which the company operates, competition from small scale manufacturers, litigations and industrial relations. The Company assumes no responsibility to amend, modify or revise any of the statements on the basis of subsequent developments, information or events.

**For and on behalf of the Board**

Place : Mumbai  
Dated : August 12, 2011

**D J RAMSINGHANI  
CHAIRMAN & MANAGING DIRECTOR**

## AUDITORS REPORT

To The Members of

### RAMA PHOSPHATES LIMITED,

We have audited the attached Balance Sheet of Rama Phosphates Limited as at 31st March, 2011 and also the Profit and Loss Account for the year ended on that date, and also the cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test check basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) Order, 2004 issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to above, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of accounts as required by the law have been kept by the Company so far as it appears from our examination of the books.
  - c) The Balance Sheet, the Profit and Loss Account and the Cash Flow statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Profit and Loss Account and Balance Sheet comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - e) In our opinion and based on the information and explanations given to us, none of the directors are disqualified as on 31st March, 2011 from being appointed as directors in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

Further in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and subject to:

1. *Note – 14 regarding non-disclosure of amounts overdue to micro, small and medium enterprises.*
2. *Note – 17 regarding certain interest free advances made to related parties;*  
give a true and fair view:
  - i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011; and
  - ii. in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
  - iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **Dayal and Lohia**  
Chartered Accountants  
(Firm Registration No.102200W)

Place : Mumbai  
Date : August 12, 2011

(**Anil Lohia**)  
Partner  
M.No.: 31626

**ANNEXURE TO THE AUDITOR'S REPORT**

(Referred to in paragraph 2 of our Report of even date on the accounts of Rama Phosphates Limited for the year ended 31st March, 2011.)

1. In respect of its Fixed assets:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situations of fixed assets on the basis of available information;
  - b) Management has certified that they have carried out physical verification of fixed assets and no material discrepancies have been noticed on such verification.
  - c) The Company has not disposed off any substantial part of fixed assets so as to affect its going concern.
2. In respect of its inventories:
  - a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
  - b) In our opinion, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) No material discrepancies have been noticed on physical verification of stocks as compared to book records in so far as it appears from our examination of the books.
3.
  - a) According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to the companies, firms or other parties covered in the register required to be maintained under section 301 of the Companies Act, 1956. Accordingly sub clause (b), (c) and (d) are not applicable.
  - e) The company has an outstanding loan from one party covered under the register required to be maintained under section 301 of the Companies Act, 1956, amounting to Rs.6 Crores of which Rs. 1,80,36,664/- was repaid during the year.
  - f) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions are prima facie not prejudicial to the interest of the Company.
  - g) The payments of Principal amount and interest relating to this loan are regular.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and nature of its business with regard to purchase of inventory, fixed assets and for sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
5.
  - a) The company has entered into a contract for repayment of loan alongwith interest with a party and the same has been entered into the register maintained under section 301 of the Companies Act, 1956.
  - b) The rate of interest is reasonable having regard to the prevailing market rates at the relevant time.
6. According to the information and explanation given to us, the company has not accepted any deposits u/s 58A, 58AA or any other relevant provisions of the Companies Act, 1956, during the year.
7. In our opinion, the Company has an internal audit system commensurate with the size and the nature of the business.
8. We have broadly reviewed the books of account maintained by the Company 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 in respect of the Company's Products to which the said rules are made applicable, and are of the opinion that prima facie, the prescribed accounts have been maintained. We have, however not made a detailed examination of the records with a view to determine whether they are accurate.
9.
  - a) According to the records of the Company, there were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues outstanding as on 31st March, 2011, for a period of more than six months from the date they became payable, except entry tax demand of Rs 135.78 lacs outstanding since 2007 - 2008, Central sales tax demand of Rs 12.29 lacs outstanding since 1995 - 96.



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- b) According to the records of the Company and information and explanations given to us there are no dues of sales tax, income tax, wealth tax, service tax, custom duty, excise duty on account of any disputes, except as given below: -

Statue	Rs. In lacs	Forum where dispute is Pending
Excise Duty	238.30	CESTAT - New Delhi
Service Tax	44.41	Additional Commissioner - Central Excise, Indore
MP Commercial Tax	3.58	M.P Commissioner Appeal, Bhopal
MP Commercial Tax	6.47	M.P. High Court, Indore
MP Commercial Tax	79.30	Appellate Board, Bhopal
Central Sales Tax	55.61	Appellate Board, Bhopal
Rajasthan Sales Tax	704.23	Rajasthan High Court, Jodhpur
Entry Tax	0.30	Appellate Board, Bhopal
Entry Tax	0.31	Dy. Commissioner of Appeal, Indore
Entry Tax	0.60	Dy. Commissioner of Appeal, Indore
Central Sales Tax	115.88	M.P.High Court
Income Tax	112.90	Commissioner of Income Tax (Appeals)

10. The accumulated losses of the Company have not exceeded fifty percent of its net-worth as at the end of the year and the company has not incurred cash losses in the current and immediately preceding financial year.
11. On the basis of our examination of books and according to information and explanations given to us, the loans from Banks/Institutions have been restructured as per the Corporate Debt Restructuring package sanctioned to the Company, as a consequence there of, there is no default.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or any other securities.
13. In our opinion, the Company is not a Chit Fund, Nidhi or Mutual Fund/Society and therefore the provisions of clause 4 (xiii) of the order are not applicable.
14. The Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the order are not applicable.
15. According to the information and explanations given to us, and the representations made by the management, the Company has not given any guarantee for loans taken by others from any bank or financial institution.
16. In our opinion and on the basis of information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company for the purpose for which the loans were obtained.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, during the year no funds raised on short term basis have been used for long term investment.
18. On the basis of our examination of books and according to information and explanations given to us, the Company has made preferential allotment of shares to parties and companies covered in the register required to be maintained under section 301 of the Companies Act, 1956 which is as per the Board for Industrial and Financial Reconstruction Order, the price at which the shares are issued is not prejudicial to the interest of the company.
19. The Company has not issued debentures during the year.
20. The Company has not raised any money by public issue during the year.
21. According to the information and explanations given to us, and to the best of our knowledge and belief no fraud on or by the Company, has been noticed or reported during the year.

For **Dayal and Lohia**  
Chartered Accountants  
(Firm Registration No.102200W)

Place: Mumbai  
Date: August 12, 2011

**(Anil Lohia)**  
Partner  
M.No.: 31626

*Rama Phosphates Ltd.*

**BALANCE SHEET**

	Schedule	As At 31-Mar-11 Rs.In Lacs	As At 31-Mar-10 Rs.In Lacs
<b>I SOURCES OF FUNDS</b>			
<b>1. Shareholders Funds</b>			
Share Capital	1	1,764.45	550.83
Reserves & Surplus	2	7,356.25	4,578.01
<b>2. Loan Funds :</b>			
Secured	3	3,998.89	5,481.07
Unsecured	4	967.93	775.36
<b>3. Net Deferred Tax Liability/(Assets)</b> (Refer Note no.12 of schedule 13)		90.37	(400.00)
<b>Total</b>		<b>14,177.89</b>	<b>10,985.27</b>
<b>II APPLICATION OF FUNDS</b>			
<b>1. Fixed Assets</b>	5		
Gross Block		11,850.30	11,719.65
Less: Depreciation		9,368.05	9,011.36
Net Block		2,482.25	2,708.29
Capital Work In Progress		316.43	33.46
		<b>2,798.68</b>	2,741.75
<b>2. Investments</b>	6	<b>12.49</b>	12.48
<b>3. Current Assets, Loans &amp; Advances</b>	7		
Inventories		9,600.44	8,347.01
Sundry Debtors		911.00	766.18
Cash & Bank Balances		385.91	562.27
Other Current Assets		2,757.40	1,156.49
Loans & Advances		703.75	752.31
		14,358.50	11,584.26
<b>Current Liabilities &amp; Provisions</b>	8		
Liabilities		4,641.39	8,014.83
Provisions		215.22	197.92
		<b>9,501.89</b>	3,371.51
Profit & Loss Account		1,864.83	4,859.53
<b>Total</b>		<b>14,177.89</b>	<b>10,985.27</b>

Notes on Accounts 13

Schedule 1 to 13 annexed hereto form part of the Balance Sheet and Profit & Loss Account

As per our Audit report of even date attached

For Dayal and Lohia  
Chartered Accountants  
(Firm Registration No.102200W)

For and on behalf of the Board

Anil Lohia  
Partner  
Membership No.31626

D.J. Ramsinghani  
Chairman & Managing Director

D. N. Singh  
Director

Place : Mumbai  
Dated : August 12, 2011

J. K. Parakh  
Chief Financial Officer & Secretary

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**PROFIT AND LOSS ACCOUNT**

	Schedule		For the Year ended 31-Mar-11 Rs.In Lacs 12 Months	For the period ended 31-Mar-10 Rs.In Lacs 9Months
<b>INCOME</b>				
Sales	9	35,703.73	13,187.96	
Less: Excise duty		<u>278.02</u>	<u>93.46</u>	13,094.50
Other Income			162.12	312.46
Increase / (Decrease) in Stock	10		<u>(257.67)</u>	<u>5,060.77</u>
			<u>35,330.16</u>	<u>18,467.73</u>
<b>EXPENDITURE</b>				
Manufacturing and Other expenses	11		<u>30,861.43</u>	<u>17,716.47</u>
<b>Profit before Financial charges and Depreciation</b>			4,468.73	751.26
Financial Charges	12		594.44	301.65
<b>Profit before Depreciation</b>			3,874.29	449.61
Depreciation			<u>441.65</u>	<u>367.90</u>
<b>Profit before Tax</b>			<b>3,432.64</b>	81.71
Deferred tax Expense			490.37	-
<b>Net Profit for the year/period before adjustment</b>			<b>2,942.27</b>	81.71
Prior Period adjustments (Net)			(1.43)	11.24
Depreciation of earlier years			54.62	-
Capital surplus arising out of Waiver of Principal liability by Banks & Institutions [refer note 4 (i) & 4 (ii)]			351.00	758.22
Provision for wealth tax			(0.76)	-
Waiver of Interest			-	<u>276.22</u>
<b>Profit after adjustments</b>			<b>3,345.70</b>	1,127.39
Transfer to Capital Reserve being Capital Surplus [refer note 4 (i) & 4 (ii)]			<u>(351.00)</u>	<u>(758.22)</u>
<b>Net Profit for the year/period</b>			<b>2,994.70</b>	369.17
Add: Balance brought from Previous Period			<u>(4,859.53)</u>	<u>(5,228.70)</u>
<b>Balance carried to Balance Sheet</b>			<b><u>(1,864.83)</u></b>	<b><u>(4,859.53)</u></b>
Earning Per Share (In Rs.Face value of Rs10.each) (Refer Note no 7 of schedule 13)				
Basic before extra-ordinary item			<b>16.93</b>	1.67
Basic after extra-ordinary item			<b>18.91</b>	20.29
Diluted before extra-ordinary item			<b>16.93</b>	0.57
Diluted after extra-ordinary item			<b>18.91</b>	6.97
<b>Notes on Accounts</b>	13			

**Schedule 1 to 13 annexed hereto form part of the Balance Sheet and Profit & Loss Account**

As per our Audit report of even date attached

For **Dayal and Lohia**

Chartered Accountants

(Firm Registration No.102200W)

**Anil Lohia**

Partner

Membership No.31626

**Place : Mumbai**

**Dated : August 12, 2011**

**For and on behalf of the Board**

**D.J. Ramsinghani**

**Chairman & Managing Director**

**D. N. Singh**

**Director**

**J. K. Parakh**

**Chief Financial Officer & Secretary**

*Rama Phosphates Ltd.*

**SCHEDULES 1 TO 13 FORMING PART OF THE FINANCIAL STATEMENTS**

	As At 31-Mar-11 Rs.In Lacs	As At 31-Mar-10 Rs.In Lacs
<b>SCHEDULE 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
3,10,00,000 (Previous Period 3,10,00,000)		
Equity Shares of Rs.10 each	3,100.00	3,100.00
1,00,00,000 (Previous Period 1,00,00,000)		
Preference Shares of Rs.10 each	1,000.00	1,000.00
	<u>4,100.00</u>	<u>4,100.00</u>
<b>Issued, Subscribed and paid up</b>		
1,76,93,213 (Previous period 55,57,026) Equity Shares of Rs.10 each fully paid up. Of these, 3830 (Previous period 3830) shares were issued for consideration other than cash.	1,769.32	555.70
Less: Calls in arrears	4.87	4.87
<b>Total</b>	<u>1,764.45</u>	<u>550.83</u>
<b>SCHEDULE 2</b>		
<b>RESERVES AND SURPLUS</b>		
<b>Investment Allowance Reserve</b>	-	16.50
Less: Transferred to General Reserve	-	16.50
<b>General Reserve</b>	16.50	-
Add: Transfer from Investment Allowance Reserve since utilised	16.50	16.50
<b>Share Premium Account</b>	1,699.95	
Add: Received during the year	2,427.24	1,699.95
Less: Share Premium relating to calls in arrears	7.31	7.31
	<u>4,119.88</u>	<u>1,692.64</u>
<b>Capital Redemption Reserve</b>		
As per last Balance sheet	60.00	60.00
<b>Capital Reserve</b>		
As per last Balance sheet	2,808.87	
Add: Transfer from Profit & Loss account	351.00	2,808.87
<b>Total</b>	<u>7,356.25</u>	<u>4,578.01</u>

**SCHEDULES 1 TO 13 FORMING PART OF THE FINANCIAL STATEMENTS**

	<b>As At 31-Mar-11 Rs.In Lacs</b>	<b>As At 31-Mar-10 Rs.In Lacs</b>
<b>SCHEDULE 3</b>		
<b>SECURED LOANS</b>		
<b>Term Loans</b>		
Institution	-	926.00
Others	916.78	1,150.00
<b>Banks</b>		
Cash Credit, Working Capital Demand Loans	3,082.11	3,405.07
<b>Total</b>	3,998.89	5,481.07

**Notes :**

- 1 Term Loan are secured by first pari-passu charge by way of Equitable mortgage of immovable properties, present and future and by hypothecation of all movables (excluding book debts) including movable machinery.
- 2 Working Capital facilities from the banks are secured against hypothecation of raw materials, stock in process, finished goods, stores and spares and book debts and by second charge on immovable properties of the company and further secured by personal guarantee of a Director.
- 3 The above term loans and working capital facilities are further secured by way of equitable mortgage of the properties situated at Indore owned by a firm in which a director is interested and also by property situated at Mumbai owned by another Company.

**SCHEDULE 4**

**UNSECURED LOANS**

Inter Corporate Deposit	201.00	-
Others	766.93	775.36
<b>Total</b>	967.93	775.36

## 30 SCHEDULE 5

**FIXED ASSETS**

Description of the Asset	Rs in Lacs									
	Gross Block At cost				Depreciation				Net Block	
	As at 01.04.10	Additions	Deductions/ transfers	As at 31.03.2011	As at 01.04.10	For the year	Deductions/ transfers/ adjustments	Total upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
Freehold Land & Site Dev	255.08	-	-	255.08	-	-	-	-	255.08	255.08
Building	1,747.98	-	-	1,747.98	956.07	52.17	-	1,008.24	739.74	791.91
Plant & Machinery	9,083.99	118.31	-	9,202.30	7,635.27	326.36	-	7,961.63	1,240.67	1,448.72
Railway siding	156.24	-	-	156.24	80.59	7.42	-	88.01	68.23	75.65
Furniture & Fixtures	75.11	0.23	-	75.34	59.88	2.50	-	62.38	12.96	15.23
Vehicles	184.31	31.22	13.04	202.49	117.84	(6.36)	13.04	98.44	104.05	66.46
Office Equipment	216.94	11.32	17.39	210.87	161.70	4.93	17.28	149.35	61.52	55.24
<b>Total</b>	<b>11,719.65</b>	<b>161.08</b>	<b>30.43</b>	<b>11,850.30</b>	<b>9,011.35</b>	<b>387.02</b>	<b>30.32</b>	<b>9,368.05</b>	<b>2,482.25</b>	<b>2,708.29</b>
Previous Period	11,722.04	15.11	17.50	11,719.65	8,657.64	368.35	14.63	9,011.35	2,708.29	3,064.40

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**26<sup>TH</sup> ANNUAL REPORT 2010-2011**

**SCHEDULES 1 TO 13 FORMING PART OF THE FINANCIAL STATEMENTS**

	<b>As At 31-Mar-11 Rs.In Lacs</b>	<b>As At 31-Mar-10 Rs.In Lacs</b>
<b>SCHEDULE 6</b>		
<b>INVESTMENTS</b>		
<b>( Long term - Non Trade)</b>		
<b>Quoted:</b>		
3,03,900 (Previous period 3,03,900) Equity shares of Rama Petrochemicals Ltd of Rs.10 each	12.26	12.26
<b>Unquoted:</b>		
716 (Previous period 716) Equity shares of Bombay Mercantile Co-op Bank Ltd of Rs.30 each at par	0.22	0.22
16100 (Previous period Nil) National Board of Trade Limited fully paid equity shares of Rs.10/- each including 16000 bonus shares	0.01	-
<b>Total</b>	<b>12.49</b>	<b>12.48</b>
Aggregate value of quoted investments	12.26	12.26
Aggregate value of unquoted investments	0.23	0.22
Aggregate Market value of quoted investments	27.81	27.35
<b>SCHEDULE 7</b>		
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>		
<b>Inventories :</b>		
Raw Materials	3,227.94	1,785.09
Packing Materials	130.71	107.08
Stores and Spares	403.27	358.65
Finished Goods	5,838.52	6,096.19
<b>Sub - Total</b>	<b>9,600.44</b>	<b>8,347.01</b>
<b>Sundry Debtors (Unsecured, considered good) :</b>		
Outstanding for a period exceeding six months	241.82	590.47
Less: Provision for doubtful debts	(128.40)	(296.94)
Others	797.58	472.65
<b>Sub - Total</b>	<b>911.00</b>	<b>766.18</b>

*Rama Phosphates Ltd.*

**SCHEDULES 1 TO 13 FORMING PART OF THE FINANCIAL STATEMENTS**

	As At 31-Mar-11 Rs.In Lacs	As At 31-Mar-10 Rs.In Lacs
<b>Cash and Bank Balances :</b>		
Cash in hand	14.37	25.58
Balances with Scheduled banks :		
In Current Accounts	24.75	217.63
In Deposit towards Margin Money	346.79	319.06
<b>Sub - Total</b>	<u>385.91</u>	<u>562.27</u>
<b>Other Current Assets</b>		
Subsidy receivable	2,822.44	1,156.49
Less: written off	65.04	-
Net subsidy receivable	<u>2,757.40</u>	<u>1,156.49</u>
<b>Sub - Total</b>	<u>2,757.40</u>	<u>1,156.49</u>
<b>Loans and Advances (Unsecured) :</b>		
a) Advances recoverable in cash or kind or for value to be received.		
i. Considered Good	403.69	440.31
ii. Considered doubtful	693.24	729.00
Less: Provision for doubtful	<u>(693.24)</u>	(729.00)
b) Deposits with Government departments	217.00	226.51
c) Others	83.06	85.49
<b>Sub - Total</b>	<u>703.75</u>	<u>752.31</u>

**SCHEDULE 8**

**CURRENT LIABILITIES AND PROVISIONS**

**Current Liabilities :**

Advance from customers	1,205.93	1,372.89
Sundry Creditors	2,868.59	2,392.71
Other liabilities	566.87	565.49
Share application Money	-	3,683.74
<b>Sub - Total</b>	<u>4,641.39</u>	<u>8,014.83</u>

**Provisions :**

Provision for Tax	-	12.38
Provision for Gratuity	179.47	156.66
Provision for Leave encashment	34.99	28.88
Provision for Wealth Tax	0.76	-
<b>Sub - Total</b>	<u>215.22</u>	<u>197.92</u>
<b>Total</b>	<u>4,856.61</u>	<u>8,212.75</u>



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	<b>Year ended 31-Mar-11 Rs. in Lacs 12 months</b>	Period ended 31-Mar-10 Rs. in Lacs 9 months
<b>SCHEDULE 9</b>		
<b>SALES AND OTHER INCOME</b>		
Sales including Subsidy	35,703.73	13,187.96
Less : Excise Duty	278.02	93.46
Net Sales	35,425.71	13,094.50
Profit on Transfer / Sale of Assets	0.02	24.62
Exchange Fluctuation Gain	70.13	81.12
Recovery of Doubtful debts	3.02	101.44
Provision no longer required written back	-	22.39
Interest received (TDS deducted Rs.2.57 Lacs, Previous period Rs.2.49 Lacs)	25.59	16.21
Rent received (TDS deducted Rs.5.06 Lacs, Previous period Rs.11.12 Lacs)	50.63	46.88
Miscellaneous Income	12.73	19.80
<b>Total</b>	<b>35,587.83</b>	<b>13,406.96</b>
<b>SCHEDULE 10</b>		
<b>INCREASE / (DECREASE) IN STOCK</b>		
Closing stock of Finished goods	5,838.52	6,096.19
Less: Opening stock of Finished goods	6,096.19	1,035.42
<b>Total</b>	<b>(257.67)</b>	<b>5,060.77</b>
<b>SCHEDULE 11</b>		
<b>MANUFACTURING AND OTHER EXPENSES</b>		
<b>Raw Material Cost:</b>		
Opening stock	1,785.09	820.63
Add : Purchases	24,327.31	14,202.32
	26,112.40	15,022.95
Less : Closing stock	3,227.94	1,785.09
Raw Material Consumed	22,884.46	13,237.86
Packing Material consumed	813.85	523.05
Purchase of traded goods	337.27	379.65
<b>Sub - Total (a)</b>	<b>24,035.58</b>	<b>14,140.56</b>
<b>Salary, Wages &amp; Benefits:</b>		
Salaries, Wages, Allowances, Gratuity and Others	897.60	578.33
Contribution to Provident Fund and others	59.32	36.47
Welfare and Other Benefits	42.93	24.50
<b>Sub - Total (b)</b>	<b>999.85</b>	<b>639.30</b>

*Rama Phosphates Ltd.*

	<b>Year ended 31-Mar-11 Rs. in Lacs 12 months</b>	Period ended 31-Mar-10 Rs. in Lacs 9 months
<b>Manufacturing Expenses:</b>		
Excise Duty on Variation of Finished Goods	23.82	0.39
Power and Fuel	1,018.06	591.68
Stores Consumed	664.94	450.62
Repairs & Maintenance		
Machinery	214.97	128.45
Building	9.59	11.28
Others	4.82	3.59
Other manufacturing costs	308.49	178.76
<b>Sub - Total (c)</b>	<u>2,244.69</u>	<u>1,364.77</u>
<b>Selling and Distribution Expenses</b>		
Freight Outward	2,620.35	1,091.76
Sales Promotion Expenses	65.56	29.13
Handling charges and godown rent	28.10	13.81
Discount and commission	25.28	9.46
Travelling	44.42	25.33
Others	12.31	1.32
<b>Sub - Total (d)</b>	<u>2,796.02</u>	<u>1,170.81</u>
<b>Other expenses:</b>		
Legal and professional fees	130.52	70.29
Insurance	43.04	28.02
Travelling and conveyance	112.97	69.66
Vehicle maintenance	66.37	45.00
Directors sitting fees	0.41	0.35
Rent	2.06	1.38
Rates and Taxes	17.51	7.87
Bad debts w/off	128.45	-
Miscellaneous expenses	279.62	176.81
Provision for doubtful debts	2.99	1.07
Loss on sale of Fixed assets	0.11	-
Donation	1.24	0.58
<b>Sub - Total (e)</b>	<u>785.29</u>	<u>401.03</u>
<b>Total (a+b+c+d+e)</b>	<u>30,861.43</u>	<u>17,716.47</u>
<b>SCHEDULE 12</b>		
<b>FINANCIAL CHARGES</b>		
<b>Interest on:</b>		
Fixed Loan	87.88	-
Others	506.56	301.65
<b>Total</b>	<u>594.44</u>	<u>301.65</u>

**SCHEDULE - 13**

**(Notes on the Accounts)**

**Year Ended 31st March 2011 (12 months)**

**1 SIGNIFICANT ACCOUNTING POLICIES :**

**A) GENERAL**

- 1 The accounts are prepared on the basis of the Historical Cost Convention and in accordance with generally accepted accounting principles and provisions of the Companies Act, 1956.
- 2 The company follows mercantile system of accounting and recognises income and expenditure on accrual basis. Interest on unpaid call money is accounted for as and when received.
- 3 Sales include sale of by-products and are net of sales tax if any and includes subsidy.
- 4 Investments are valued at cost of acquisition. Only permanent diminution in the value of investments meant to be held for long term is recognised.

**B) EXCISE DUTY**

Liability for excise duty payable on finished products has been accounted in respect of goods lying at the end of the year and added to the value of closing stock.

**C) FIXED ASSETS**

- (a) Fixed Assets are stated at cost of acquisition including taxes, duties, freight and other incidental expenses related to acquisition and installation of the concerned assets and net off cenvat.
- (b) Impairment of Assets :

The carrying amount of assets are reviewed at each Balance sheet date if there is any indication of impairment based on internal / external factors.

If the carrying amount of the asset exceeds its estimated recoverable amount, an impairment loss is recognised in the Profit & Loss account to the extent the carrying amount exceeds recoverable amount.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets, no longer exists or have decreased.

**D) DEPRECIATION**

Depreciation is provided on straight-line method, at the rates prescribed in Schedule XIV to the Companies Act, 1956 on a pro-rata basis commencing from the month of addition, except in case of plant and factory building of edible oil refinery and solvent extraction unit and Sulphuric acid plants where the depreciation is provided on written down value method.

**E) INVESTMENTS**

Investments are stated at cost less any diminution in their value, which is other than temporary.

**F) INVENTORIES**

Inventories are valued as under :

Raw materials, Packing : at lower of cost on FIFO basis or net realizable value. Raw materials, Work in process : materials held for use in production of inventories are not written down below cost except in the cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realizable value.

Finished goods	: at cost or net realisable value whichever is lower. The cost is computed on weighted average method and includes cost of materials, cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition.
Stores & spares	: at Cost on FIFO basis.

**G) BORROWING COST**

Borrowing costs directly attributable to the acquisition or construction of fixed assets are capitalised as part of cost of the assets, upto the date the asset is put to use. Other Borrowing cost are charged to Profit & loss account in the year in which they are incurred.

**H) SUBSIDY RECEIVABLE**

Subsidy receivable is accounted on the basis of actual sales and the deductions if any from the same, made by the Certifying Authority, are accounted as and when the same are communicated to the Company.

**I) REVENUE RECOGNITION**

1. Sales are recognised, net of returns and trade discounts, on despatch of goods to customers.
2. Sales includes sale of bye-products and are net of sales tax if any and includes subsidy.
3. Revenue in respect of insurance / other claims are recognised only when it is reasonably certain that the ultimate collection will be made.

**J) FOREIGN CURRENCY TRANSACTIONS**

Foreign currency transactions are accounted for at the exchange rates prevailing on the date of such transactions where these are not covered by forward contracts. Liabilities in foreign currencies as on the date of balance sheet are converted at the exchange rate prevailing on that date.

Exchange difference in respect of liabilities incurred to acquire fixed assets prior to April 1, 2007, are adjusted to the carrying amount of such fixed assets and in other cases, are recognised as income or expense in the period in which they arise.

**K) PROVISION FOR RETIREMENT BENEFITS**

**i) Short term Employee benefits**

Short term employee benefits are recognised as an expenses at the amount disclosed in the profit and loss account for the period in which the related service is rendered.

**ii) Post employment benefits**

Post employment benefits is determined using the projected unit credit method, with actuarial valuation being carried out at Balance sheet date. Actuarial gains and losses are recognised in full in the profit and loss account for the period in which they occur.

**Defined benefit plans :** The Government provident fund scheme is funded defined benefits scheme and the employee gratuity fund scheme is an unfunded defined benefit scheme.

**iii) Long Term Employee benefits**

The obligation for Long Term benefits such as Long Term Compensated absence, is defined benefit which is unfunded.

**L) TAXES ON INCOME**

1. Tax expense consists of both current as well as deferred tax liability. Current tax represents amount of Income tax payable including the tax payable u/s 115JB, if any, in respect of taxable income for the year.
2. Minimum alternate tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income tax within the specified period.
3. Deferred Tax is recognised on timing difference between the accounting income and the taxable income for the year that originates in one period and are capable of reversal in one or more subsequent period. Such Deferred Tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

**M) Earning per share**

The Company reports basic & diluted earnings per share (EPS) in accordance with accounting standard 20 on earnings per share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti - dilutive.

**2 CONTINGENT LIABILITIES NOT PROVIDED FOR:**

- a) Amount of Letters of Credit and Bank Guarantee issued by banks Rs. 505.48 Lacs (Previous Period Rs. 475.43 Lacs)
- b) Royalty & Environment Cess on rock phosphates claimed by RSMML Rs. 522.60 Lacs (Previous Period Rs. 522.60 Lacs)
- c) Contingent liability due to reduction in brought forward losses on account of completed assessments having a bearing on current taxable income Rs. 112.90 (Previous period Rs Nil)
- d) **CLAIMS NOT ACKNOWLEDGED AS DEBT**
  - i) Custom Duty, Excise duty, Demurrage, Sales Tax and Others Rs. 1248.98 lacs ( Previous Period Rs 1147.72 Lacs)
  - ii) Wages Rs. 32.32 lacs (Previous Period Rs. 29.59 Lacs)
  - iii) Electricity duty Rs.94.23 Lacs (Previous Period Rs.117.10 Lacs)
- 3 Estimated amount of contracts remaining to be executed on capital account (net off advances Rs.525.55 Lacs (Previous period Rs Nil )
- 4 Hon'ble BIFR has sanctioned debt rehabilitation scheme submitted by operating agency (IDBI) in consultation with Company on 6th August 2009 in line with the financial package approved by CDR on 29th May 2008. Based on this sanction order the company has given effect to the following :
  - (i) The company's liability to banks & institutions has been restructured under the modified Corporate Debt Restructure Package (CDR) w.e.f 1.4.2008 subject to fulfilment of certain terms and conditions. Accordingly, the surplus arising from waiver of principle amount has been transferred to Capital Reserve Account and interest waived on such loans has been transferred to Profit & Loss account in the respective year of finalisation of the package with the lenders.
  - (ii) The Company has allotted 1,21,36,187 equity shares of Rs.10/- each at a premium of Rs.20/- each, during the year.

**5 The disclosure required under Accounting Standard 15 “Employee Benefits”**

The obligation for Gratuity & Leave encashment is a unprovided, defined and unfunded contribution plan.

Assumptions	Gratuity		Leave encashment	
	31.3.2011	31.3.2010	31.3.2011	31.3.2010
Discount Rate	8.30%	8.00%	8.00%	8.00%
Rate of Increase in Compensation levels	4%	4%	4%	4%
Rate of return on plan assets	-	-	-	-
Withdrawal Rate	0.80%	0.80%	0.80%	0.80%
<b>Change in present value of obligations</b>				
Present value of obligation as at 1.4.2010	15,665,533	14930087	2,888,106	2,600,276
Interest cost for the period	1,182,940	798858	220,277	135,648
Service cost for the period	3,239,598	1092689	702,960	512,144
Benefits paid during the period	(1,757,565)	(1,456,337)	(269,276)	(377,505)
Actuarial (gain)/loss on obligation	(383,853)	300236	(43,187)	17,543
Present value of obligation as on 31.3.2011	17,946,653	15,665,533	3,498,880	2,888,106
<b>Changes in fair value of plan assets</b>				
Fair Value of Plan Assets at beginning of period	-	-	-	-
Expected Return of Plan Assets	-	-	-	-
Contribution during the period	1,757,565	1,456,337	269,276	377,505
Benefit paid during the period	(1,757,565)	(1,456,337)	(269,276)	(377,505)
Actuarial gain/(loss) on plan assets	-	-	-	-
Fair Value of Plan Assets at end of period	-	-	-	-
<b>Liability recognised in Balance sheet</b>				
Present value of obligation as on 31.3.2011	17,946,653	15,665,533	3,498,880	2,888,106
Fair Value of Plan Assets	-	-	-	-
Liability recognised in Balance sheet as on 31.3.2011	(17,946,653)	(15,665,533)	(3,498,880)	(2,888,106)
<b>Expenses recognised in Profit and Loss Account</b>				
Current Service Cost	3,239,598	1,092,689	702,960	512,144
Interest Cost	1,182,940	798,858	220,277	135,648
Expected return on Plan Assets	-	-	-	-
Net Actuarial (Gain)/Loss recognised for the period	(383,853)	300,236	(43,187)	17,543
Total Expenses recognised in the statement of P & L A/c	4,038,685	2,191,783	880,050	665,335
<b>Movement in the liability recognised in the Balance Sheet</b>				
Liability as on 1.4.2010	15,665,533	14,930,087	2,888,106	2,600,276
Expenses as above	4,038,685	2,191,783	880,050	665,335
Contribution paid	(1,757,565)	(1,456,337)	(269,276)	(377,505)
Liability as on 31.3.2011	17,946,653	15,665,533	3,498,880	2,888,106

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**6 REPORTING OF SEGMENT WISE REVENUE, RESULT AND OTHER DETAILS**

The company has disclosed Business Segments as its primary segments. Reporting segments have been identified as Fertilizers, Chemicals and Oil, taking into account the nature of product, the different risk and returns, the organizational structure and the internal reporting system

The company caters mainly to the need of domestic market. The direct export turnover is Nil during the year. As such there are no reportable geographical segments.

Segment revenue, Segment results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis to the respective segments.

The expenses, which are not directly relatable to the business segments, are shown as unallocated costs.

Assets and Liabilities that cannot be allocated between the segments are shown as part of unallocated assets and liabilities

(Rupees In Lacs)				
Segments	Fertilisers & Chemicals	Oil	Unallocable	Total
a Segment Revenue	<b>30,780.79</b>	<b>4,644.92</b>	<b>162.12</b>	<b>35,587.83</b>
	<i>10,419.53</i>	<i>2,674.97</i>	<i>312.46</i>	<i>13,406.96</i>
b Segment Result	<b>4,946.98</b>	<b>(313.51)</b>	<b>(4.24)</b>	<b>4,629.23</b>
	<i>897.42</i>	<i>(214.24)</i>	<i>18.58</i>	<i>701.76</i>
c Interest and financial cost - For the year	-	-	<b>(594.44)</b>	<b>(594.44)</b>
	-	-	<i>(301.65)</i>	<i>(301.65)</i>
d Net Corporate Office Expenses	-	-	-	<b>(689.09)</b>
	-	-	-	<i>727.28</i>
e Profit / (Loss) as per Profit & Loss Account	-	-	-	<b>3,345.70</b>
	-	-	-	<i>1,127.39</i>
f Segment Assets	<b>16,165.11</b>	<b>719.49</b>	<b>285.07</b>	<b>17,169.67</b>
	<i>12,972.27</i>	<i>934.24</i>	<i>431.98</i>	<i>14,338.49</i>
g Segment Liabilities	<b>7,209.55</b>	<b>769.34</b>	<b>1,934.91</b>	<b>9,913.80</b>
	<i>6,654.30</i>	<i>1,258.33</i>	<i>6,156.55</i>	<i>14,069.18</i>
h Cost Incurred during the period to acquire Segment Assets	<b>409.31</b>	<b>7.68</b>	<b>27.06</b>	<b>444.05</b>
	<i>42.84</i>	<i>0.46</i>	<i>5.27</i>	<i>48.57</i>
i Segment Depreciation	<b>394.33</b>	<b>35.78</b>	<b>11.54</b>	<b>441.65</b>
	<i>328.83</i>	<i>30.24</i>	<i>8.83</i>	<i>367.90</i>
j Non Cash Expenses other than Depreciation	<b>16.42</b>	-	<b>128.45</b>	<b>144.87</b>
	-	-	-	-

(Previous period figure shown in Italic)

**7 Earnings per share (EPS) is calculated as under :**

	31.03.2011	31.03.2010
	Rs. In lacs	Rs. In lacs
<b>(i) Basic earning per share before extra-ordinary items</b>		
a) Numerator- Net Profit / (Loss) after tax and before extraordinary items	<b>2994.70</b>	92.97
b) Denominator - number of Equity Shares outstanding	<b>17,693,213</b>	5557026
c) Nominal value of Shares (in Rs.)	<b>10</b>	10
d) Basic Earning per share	<b>16.93</b>	1.67
<b>(ii) Basic earning per share after extra-ordinary items</b>		
a) Numerator- Net Profit / (Loss) after tax and extraordinary items for basic EPS	<b>3345.70</b>	1127.39
b) Less : Arrears of preference dividend	<b>0.00</b>	0.00
Net profit attributable to equity share holders	<b>3345.70</b>	1127.39
c) Denominator - number of Equity Shares outstanding	<b>17,693,213</b>	5557026
d) Nominal value of Shares (in Rs.)	<b>10</b>	10
e) Basic Earning per share	<b>18.91</b>	20.29

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	31.03.2011 Rs. In lacs	31.03.2010 Rs. In lacs
<b>(iii) Diluted earning per share before extra-ordinary items</b>		
a) Numerator- Net Profit / (Loss) after tax and before extraordinary items	2994.70	92.97
b) Weighed Average number of equity share outstanding during the year	17,693,213	16,186,526
c) Nominal value of Shares (in Rs.)	10	10
d) Diluted Earning per share	16.93	0.57
<b>(iv) Diluted earning per share after extra-ordinary items</b>		
a) Numerator- Net Profit / (Loss) after tax and before extraordinary items	3345.70	1127.39
b) Weighed Average number of equity share outstanding during the year	17,693,213	16,186,526
c) Nominal value of Shares ( in Rs. )	10	10
d) Diluted Earning per share	18.91	6.97
<b>8 Payments to Auditors</b>	<b>31.03.2011 Rs. In lacs 12 months</b>	<b>31.03.2010 Rs. In lacs 9 months</b>
<i>Statutory Auditors:</i>		
Audit fees	5.19	3.89
Out of pocket expenses	0.05	0.13
For tax audit	1.32	0.99
Certification	4.18	1.64
Management services (including Income Tax matters)	2.28	0.87
<b>Total</b>	<b>13.02</b>	<b>7.52</b>
<b>9 Salaries, Wages &amp; Benefits includes Remuneration to Chairman &amp; Managing Director</b>	<b>31.03.2011 Rs. In lacs 12 months</b>	<b>31.03.2010 Rs. In lacs 9 months</b>
Salaries and allowances	13.29	9.97
Contribution to provident fund	1.04	0.78
Perquisites	1.06	0.65
<b>Total</b>	<b>15.39</b>	<b>11.40</b>
<b>10 Details of Expenditure allocated &amp; debited to Fixed assets during the year</b>	<b>31.03.2011 Rs. In lacs 12 months</b>	<b>31.03.2010 Rs. In lacs 9 months</b>
Manufacturing Expenses	66.39	33.17
Other Expenses	0.67	0.24
<b>Total</b>	<b>67.06</b>	<b>33.41</b>



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<b>11</b> Excise duty charged to Profit & Loss account includes Excise duty on closing stock:		
	<b>31.03.2011</b>	<b>31.03.2010</b>
	<b>Rs. In lacs</b>	<b>Rs. In lacs</b>
Excise duty on opening stock	0.39	-
Excise duty on closing stock	24.21	0.39
Excise duty charged to Profit & Loss account	23.82	0.39
<b>12 Deferred Tax</b>		
Major components of Deferred Tax arising on account of timing differences as at 31st March 2011		
	<b>31.03.2011</b>	<b>31.03.2010</b>
	<b>Rs. In lacs</b>	<b>Rs. In lacs</b>
Particulars		
a ) Deferred Tax Assets :		
Disallowance of Provisions for doubtful receivables	64.17	
Disallowance u/s 43B of Income Tax Act	124.78	
Unabsorbed depreciation & business loss under Income Tax Act	135.16	
b ) Deferred Tax Liability		
Related to Fixed Assets	414.48	
Closing Deferred tax liability / (Assets)	90.37	(400.00)
<b>13</b> The computation of net profit under Section 349 of the Companies Act, 1956, has not been given in view of the fact that no commission is proposed to be paid.		
<b>14</b> In the absence of information from suppliers of their status being micro, small and medium enterprise, amount overdue and interest payable thereon, if any, cannot be quantified.		
<b>15 Difference due to exchange rate fluctuation has been debited / credited as follows.</b>		
	<b>31.03.2011</b>	<b>31.03.2010</b>
	<b>Rs. In lacs</b>	<b>Rs. In lacs</b>
Other expenses / (Miscellaneous income) including prior period items	(70.13)	(81.12)
<b>Total</b>	<b>(70.13)</b>	<b>(81.12)</b>
<b>16 Related party disclosure under Accounting Standard -18</b>		
a) The list of the related parties as identified by the management are as under:		
<b>I) Enterprises that directly or indirectly control (through subsidiaries) or are controlled by or are under common control with the reporting enterprise</b>		
None		
<b>II) Associates, Joint ventures of the reporting entity, investing party or venturer in respect of which reporting enterprise is an associate or a joint venture.</b>		
None		
<b>III) Key Management Personnel (KMP)</b>		
D J Ramsinghani - Chairman & Managing Director		
H D Ramsinghani - Director		
<b>IV) Relative of key management personnel</b>		
Pooja D Ramsinghani		
Lajwanti D Ramsinghani		
Nilanjana H Ramsinghani		
<b>V) Enterprises over which any person described in III &amp; IV is able to exercise significant influence</b>		
Rainbow Denim Limited		
Rainbow Agri Industries Limited		
Rama Petrochemicals Limited		
Rama Industries Limited		
Rama Capital and Fiscals Services Pvt.Limited		
Blue Lagoon Investments Private Limited		
Rama Enterprises		
Jupiter Corporate Services Pvt Limited		
Nova Gelicon Pvt Limited		

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b) The following transactions were carried out with the related parties

Sr. No.	Particulars	Key Management personnel and their relatives Rs. In lacs	Enterprise over which KMP, with their relative, is able to exercise significant influence Rs. In lacs
1	Balance outstanding as of 31.03.2011		
	Receivable	-	29.41
	Payable	-	(33.02)
2	Balance outstanding as Investments as on 31.03.2011	-	12.26
3	Payment made on their behalf	-	(12.26)
4	Payment made on our behalf	-	-
5	Loans & Advances as on 31/03/2011	-	(10.18)
6	Loans & Advances received during the year	-	665.52
	Loans & Advances repaid during the year	-	(665.52)
	Loans & Advances as on 31/03/2011	-	610.00
	Interest on Loans & Advances	-	190.37
7	Shares securities premium	564.35	-
8	Shares issued	282.18	301.33
9	Sitting fees to KMP	0.07	-
10	Service/Consultancy Charges and finance charges	(0.09)	-
11	Remuneration to KMP	15.39	-
12	Sale of finished goods	(11.39)	-
13	Purchase of goods	-	1,487.63
		-	(1,232.79)
		-	133.77
		-	(314.12)

(The figures of the previous period has been shown in the bracket)

- 17 Loans and advances referred to in note 16 b (5) above includes an interest free loan of Rs. 665.52 Lacs ( Previous period Rs 665.52 Lacs) due from a sick company and its subsidiary against which provision has already been made in earlier years.

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- 18 (a) Subsidy receivable is netted of from provision for doubtful subsidy receivable aggregating Rs.37.06Lacs (Previous period Rs.102.10 Lacs)
- (b) Sales includes fertiliser subsidy of Rs.16718.50 Lacs (Previous period Rs.3003.37 Lacs). The hedging loss incurred in soya oil of Rs.102.21 Lacs. (Previous period Rs. Nil ) in commodity exchange is also netted off from sales.
- (c) Purchases are shown after netting off gain of Rs.0.61 Lacs (Previous period Rs. Nil ) due to hedging of soya seeds in commodity exchange.

19 Previous period's figures have been regrouped / rearranged, wherever necessary.

20 Current year figures are not comparable with the previous period figures consisting of 9 months.

**21 ADDITIONAL INFORMATION PURSUANT TO THE PROVISION OF PARAGRAPHS 3, 4C and 4D OF PART II OF SCHEDULE VI OF THE COMPANIES ACT**

**A) Capacity And Production**

	Installed Capacity P.A. Qty ( Mts.)	Production Qty ( Mts.)
Single Super Phosphates	478,000 (462,000)	367,823 (243,334)
Sulphuric acid	183,600 (183,600)	86,237 (38,644)
NPK	120,000 (120,000)	5,354 (6,215)
Solvent Extraction Plant, Seed Crushing	120,000 (120,000)	18,176 (12,542)
Refinery	30,000 (30,000)	410 (1,059)

Figures in the brackets are for the previous Period.

The details of the licensed Capacity has not been given as the Industries have been de-licensed.

**B) Stock of Finished Goods**

	31.03.2011		30.03.2010		30.06.2009	
	Qty ( Mts.)	Rs. In lacs	Qty ( Mts.)	Rs. In lacs	Qty ( Mts.)	Rs. In lacs
Single Super Phosphates (Powdered and granulated)	99,909	5,621.83	111,562	5,581.03	17,246	798.65
Sulphuric acid (98%)	2,741	97.89	1,095	29.19	1,561	28.82
NPK	625	43.69	1,426	99.00	2,407	149.97
Oil	99	53.95	793	325.34	74	30.13
De oiled cake	122	20.88	362	58.22	123	26.81

**C) Turnover**

	31.03.2011		31.03.2010		
	Qty ( Mts.)	Rs. In lacs	Qty ( Mts.)	Rs. In lacs	
Single Super Phosphates (Including Subsidy) (Powdered and granulated)	①	379,476	28,067.53	149,019	8,767.49
Sulphuric Acid 98%	②	84,591	1,840.47	39,110	685.39
Oil		3,873	1,843.56	1,480	621.08
De-oiled Cake		15,462	2,762.47	10,488	2,036.46
N P K		6,155	465.79	7,195	493.94
Others			445.90		490.14

① Includes 354 MT Captive consumption (Previous Period. 1250 MT)

② Includes 38,086 MT Captive consumption (Previous Period. 14,830 MT)

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**D) Raw material Consumed**

	31.03.2011		31.03.2010	
	Qty ( Mts.)	Rs. In lacs	Qty ( Mts.)	Rs. In lacs
Rock Phosphates	205,216	12,922.31	133,749	8,121.71
❶ Sulphur	35,485	2,582.70	22,207	607.71
Sulphuric acid/Spent Acid	102,404	2,912.10	81,247	1,255.58
Oil Seeds	18,176	4,033.53	12,542	2,791.31
Traded goods	-	337.27	-	379.65
Others	-	433.82	-	461.55

❶ Includes 6,419 MT For Trading (Previous Period. 9,823 MT)

**E) Value of Imported and Indigenous Raw Material Consumed.**

	31.03.2011				31.03.2010			
	Raw Materials		Stores & Spare Parts		Raw Materials		Stores & Spare Parts	
	Rs. In lacs	%	Rs. In lacs	%	Rs. In lacs	%	Rs. In lacs	%
Imported	9,786.76	42.14	-	-	5,593.01	41.07	-	-
Indigenous	13,434.97	57.86	664.94	100.00	8,024.50	58.93	450.62	100.00
Total	23,221.73	100.00	664.94	100.00	13,617.51	100.00	450.62	100.00

**F) C.I.F. Value of Imports**

	31.03.2011	31.03.2010
	Rs. In lacs	Rs. In lacs
Raw Material	7,655.30	5,100.48

**G) Earnings in Foreign Exchange**

	31.03.2011	31.03.2010
	Rs. In lacs	Rs. In lacs
FOB value of Exports	-	-

**H) Expenditure in Foreign Exchange**

	31.03.2011	31.03.2010
	Rs. In lacs	Rs. In lacs
Membership & Subscription	2.07	-

For and on behalf of the Board

D.J. Ramsinghani  
Chairman & Managing Director

D. N. Singh  
Director

Place : Mumbai  
Dated : August 12, 2011

J. K. Parakh  
Chief Financial Officer & Secretary

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**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2011**

	<b>Year ended 31-Mar-11 12 Months</b>	<b>Period ended 31-Mar-10 9 Months</b>
<b>A. Cash flow from Operating activities</b>		
Net Profit before taxation and extra ordinary items	<b>2,942.27</b>	85.26
Adjustments for -		
Depreciation	441.65	367.90
Provision for subsidy	-	(5.82)
Interest and financing charges	594.44	301.65
Loss on sale of assets	0.11	-
Profit on sale of assets	-	(24.62)
Prior period items (Net)	-	11.24
Excess provision written back	-	0.42
Deferred Tax	490.37	-
Bad debts ( Loans and Advances) off	(35.76)	-
Subsidy Written Off	0.46	-
Waiver of Interest	-	276.22
Excess provision of FBT w/off	-	2.30
Excess provision written back	(0.24)	-
Old Balances Written Off	0.03	-
Provision for doubtful debts	2.99	-
	<b>1,494.05</b>	<b>929.30</b>
<b>Operating profit before working capital changes</b>	<b>4,436.32</b>	<b>1,014.56</b>
Decrease / (Increase) in trade and other receivables	(1,697.18)	4,622.14
Decrease / (Increase) in inventories	(1,253.43)	(5,933.03)
Increase / (Decrease) in Short term borrowings	(322.97)	(19.16)
Increase / (Decrease) in trade payables	327.58	555.38
	<b>(2,946.00)</b>	<b>(774.67)</b>
<b>Cash generated from Operations</b>	<b>1,490.32</b>	<b>239.89</b>
Interest & Financial charges	<b>(594.44)</b>	<b>(301.65)</b>
<b>Cash flow before Extra-ordinary items</b>	<b>895.88</b>	<b>(61.76)</b>
<b>Extra-ordinary items</b>		
Waiver of Liabilities on account of OTS	<b>351.00</b>	<b>758.22</b>
<b>Net Cash from Operating Activities (A)</b>	<b>1,246.88</b>	<b>696.46</b>
<b>B. Cash flow from investing activities</b>		
Purchase of fixed assets	(413.61)	(45.99)
Sale of fixed assets	(0.11)	2.87
Purchase of investments	(0.01)	-
Profit on sale of Fixed assets	0.02	24.62
Provision for demunition of shares	-	(0.87)
	<b>(413.71)</b>	<b>(19.37)</b>
<b>Net cash used in Investing Activities (B)</b>	<b>(413.71)</b>	<b>(19.37)</b>
<b>C. Cash flows from financing activities</b>		
Increase in Share Capital	1,213.62	-
Increase in Share Application Money	(3,683.73)	494.89
Increase in long term borrowings	(1,159.22)	(1,044.44)
Increase in unsecured loan	192.57	(39.24)
Increase in Securities Premium	2,427.23	-
	<b>(1,009.53)</b>	<b>(588.80)</b>
<b>Net cash from Financing Activities (C)</b>	<b>(1,009.53)</b>	<b>(588.80)</b>
<b>Net increase in cash and cash equivalent (A+B+C)</b>	<b>(176.36)</b>	<b>88.29</b>
<b>Cash and cash equivalents (Opening balance)</b>	<b>562.27</b>	<b>473.99</b>
<b>Cash and cash equivalents (Closing balance)</b>	<b>385.91</b>	<b>562.27</b>

As per our Audit report of even date attached

For **Dayal and Lohia**  
Chartered Accountants  
(Firm Registration No.102200W)

**Anil Lohia**  
Partner  
Membership No.31626

**Place : Mumbai**  
**Dated : August 12, 2011**

For and on behalf of the Board

**D.J. Ramsinghani**  
Chairman & Managing Director

**D. N. Singh**  
Director

**J. K. Parakh**  
Chief Financial Officer & Secretary

*Rama Phosphates Ltd.*

**STATEMENT PURSUANT TO PART IV OF THE SCHEDULE VI OF THE COMPANIES ACT, 1956  
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

I	Registration details	
	Registration no.:	3 3 9 1 7 State code 1 1
	Balance sheet date	3 1 0 3 1 1
II	Capital Raised during the year (Amount in Rs. Lacs)	
	Public Issue	0 . 0 0 Rights issue 0 . 0 0
	Bonus issue	0 . 0 0 Private placement 0 . 0 0
III	Position of mobilization and deployment of funds (Amount Rs. In Lacs)	
	Total liabilities	1 4 1 7 7 . 8 9 Total assets 1 4 1 7 7 . 8 9
	<b>Sources of funds</b>	
	Paid up capital	1 7 6 4 . 4 5 Reserves and surplus 7 3 5 6 . 2 5
	Secured loans	3 9 9 8 . 8 9 Unsecured loans 9 6 7 . 9 3
	Deferred Tax Liability	9 0 . 3 7
	<b>Application of funds</b>	
	Net fixed assets	2 7 9 8 . 6 8 Investments 1 2 . 4 9
	Net current assets	9 5 0 1 . 8 9
	Accumulated losses	1 8 6 4 . 8 3 Misc. expenditure Nil
IV	Performance of the company (Amount Rs. In Lacs)	
	Total Income	3 5 3 3 0 . 1 6 Total expenditure 3 1 8 9 7 . 5 2
	Profit/loss before tax	3 4 3 2 . 6 4 Profit/loss after tax 3 3 4 5 . 7 0
	Earnings Per Share (Rs.)	1 8 . 9 1 Dividend rate % Nil
V	Generic names of three principal products of the company (as per monetary terms)	
	I) Item code No.	3 1 0 3 1 0 0 0
	(ITC Code)	
	Product description:	Single Super Phosphate
	II) Item code No.	1 5 0 7 9 0 1 0
	(ITC Code)	
	Product description:	Soyabean Oil - Edible Grade
	III) Item code No.	2 3 0 4 0 0 3 0
	(ITC Code)	
	Product description:	Meal of Soyabean, Solvent extracted
	IV) Item code No.	2 8 0 7 0 0 1 0
	(ITC Code)	
	Product description:	Sulphuric Acid

**Schedule 1 to 13 annexed hereto form part of the Balance Sheet and Profit & Loss Account**

As per our Audit report of even date attached

**For Dayal and Lohia**  
Chartered Accountants  
(Firm Registration No.102200W)

**Anil Lohia**  
Partner  
Membership No.31626

**Place : Mumbai**  
**Dated : August 12, 2011**

**For and on behalf of the Board**

**D.J. Ramsinghani**  
Chairman & Managing Director

**D. N. Singh**  
Director

**J. K. Parakh**  
Chief Financial Officer & Secretary

# RAMA PHOSPHATES LIMITED

Regd. Office : 812, Raheja Chambers, Nariman Point, Mumbai - 400 021.

## PROXY FORM

For Demat Shares

DP ID	
CLIENT ID	

For Physical Shares

REGD. FOLIO NO.	
NO. OF SHARES HELD	

I/We \_\_\_\_\_ s/o, w/o, d/o \_\_\_\_\_  
residing at \_\_\_\_\_  
\_\_\_\_\_ being member/member(s) of the above named company hereby  
appoint Mr./Ms. \_\_\_\_\_ residing at \_\_\_\_\_  
\_\_\_\_\_ or failing him/her Mr./Ms \_\_\_\_\_  
residing at \_\_\_\_\_

as my/our proxy to vote for me/us and on my/our behalf at the Twenty Sixth Annual General Meeting of the Company to be held on Friday, the 30<sup>th</sup> day of September, 2011 at 10.00 a.m at Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400 001 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2011

Affix  
Revenue  
Stamp of  
Rs. 0.15

Signature

(Please sign across the Stamp)

Note : This form in order to be valid should be duly stamped, completed and signed and must reach the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

# RAMA PHOSPHATES LIMITED

Regd. Office : 812, Raheja Chambers, Nariman Point, Mumbai - 400 021.

## ATTENDANCE SLIP

For Demat Shares

DP ID	
CLIENT ID	

For Physical Shares

REGD. FOLIO NO.	
NO. OF SHARES HELD	

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the Twenty Sixth Annual General Meeting of the Company to be held on Friday, the 30<sup>th</sup> day of September, 2011 at 10.00 a.m at Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400 001.

\_\_\_\_\_  
Member's/Proxy's name in BLOCK letters

\_\_\_\_\_  
Member's / Proxy's Signature

(Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand over the same at the entrance of the meeting Hall.)

**BOOK – POST**

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**Unit : Rama Phosphates Limited**

C-13, Pannalal Silk Mills Compound,

L.B. S. Marg, Bhandup (W),

Mumbai 400 078.

**CRYSTAL (022) - 6614 0900**  
cf\_lum@crystalforms.com