

Emmsons International Limited



CREATING QUALITY,
WINNING TRUST

18th Annual Report
2010 - 2011



www.emmsons.com

MANAGING DIRECTOR'S MESSAGE



Anil Monga, Managing Director

Dear Fellow Shareholders,

I have often, through my interactions with you in the past AGM's and my letters to you, stressed that growing Population, Prosperity and rising levels of Income will create a strong demand for Food and Energy. Both these Segments form the backbone of your company's present and future growth prospects and hence my firm belief that we are in an attractive, yet sustainable Industry with immensely strong growth prospects.

Our Businesses are diverse, yet connected and the creation of value for our shareholders leads our aspirations for the company we are and who we intend to be. Through this Report, I wish for you to realise and appreciate the hard work that the entire Emmsons Team has put in to achieve a strong set of Financial Results for the shareholders. While we are pleased with another good year, I am here to assure you that the team is mindful of what lies ahead and will continue to work harder than ever to achieve the goal of becoming a Global Trader of repute and expertise in the Food and Energy Business.

I also believe that the start of the decade put us at the beginning of a change in the world-order, which is as significant, if not more, as the Industrial revolution a couple of centuries ago. Also, in our Industry, Investments are for the long term and are large scale. The challenge for all of us at Emmsons is and will be to stay at the forefront of the changes in the business environment by focussing on the right products and regions and keep investing in our people, facilities and other supply chain solutions. Emmsons would continue to strive to work towards projects that, when fully integrated into our Business, helps us take advantage of the opportunities and challenges that this new world-order offers and maximise shareholder returns.

I would like to thank the Board for the imagination, the Employees for the inspiration and the shareholders for their support to help us stay focussed on building a company that keeps on delivering strong results year on year and in all its endeavours, stays Committed, Confident and keeps Creating Quality and Winning Trust.

Thanking you,

Sd/-
(Anil Monga)
Managing Director

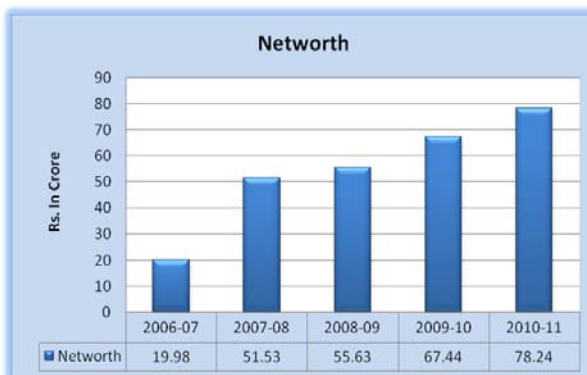
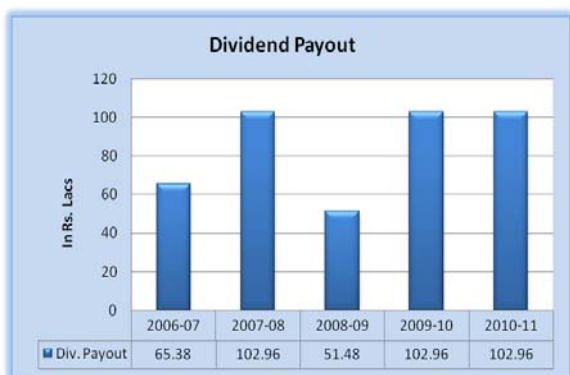
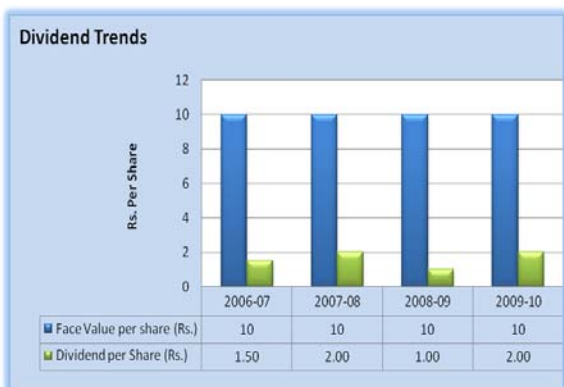
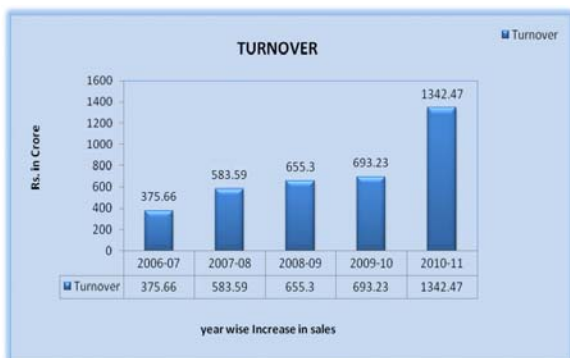
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Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send an email to emmsonsgogreen@linkintime.co.in giving details like Name and Folio No. to register the same at our Registrar and Transfer Agents.

PERFORMANCE HIGHLIGHTS



FINANCIAL HIGHLIGHTS

		(Rs. in lacs)				
PARTICULARS	2010-11	2009-10	2008-09	2007-08	2006-07	
1 Gross Turnover/Income	134246.68	69322.86	65530.05	58422.06	37565.57	
2 Earnings Before Depreciation, Interest and Tax (EBDIT)	4305.65	4147.22	2410.87	2534.60	1453.03	
3 Depreciation	58.94	49.97	46.18	33.46	26.36	
4 Profit before Tax	1469.20	2013.15	1062.55	1517.98	724.27	
5 Profit After Tax	973.21	1297.23	638.68	1008.09	638.88	
6 Equity Dividend %	20.00	20.00	10.00	20.00	15.00	
7 Dividend Payout	102.96	102.96	51.48	102.96	65.38	
8 Equity Share Capital	514.80	514.80	514.80	514.80	435.89	
9 Equity Share Warrants Allotment / Application Money	22.50	0.00	195.00	197.50	0.00	
10 Reserve and Surplus	7286.86	6229.04	4852.70	4440.93	1561.64	
11 Net Worth	7824.16	6743.85	5562.50	5153.24	1997.53	
12 Gross Fixed Assets	1397.32	1085.52	882.68	511.02	411.70	
13 Net Fixed Assets	1120.84	863.37	703.34	591.27	347.68	
14 Total Assets	58303.02	38218.94	30374.21	15934.62	18260.17	
15 Total Liabilities	50478.86	31475.09	24811.70	10781.39	16262.64	
16 Market Capitalisation	4290.87	4728.46	2059.21	7904.78	2231.77	

KEY INDICATORS

PARTICULARS	2010-11	2009-10	2008-09	2007-08	2006-07
1 Earning Per Share (Basic) - Rs.	18.90	25.20	12.41	23.12	14.66
2 Turnover Per Share - Rs.	2607.73	1346.59	1272.92	1134.85	861.81
3 Book Value Per Share - Rs.	151.55	131.00	104.26	96.26	45.83
4 Debt : Equity Ratio	2.44:1	2.47:1	2.45:1	1.47 :1	3.56 :1
5 EBDIT / Gross Turnover - %	3.21	5.98	3.68	4.34	3.87
6 Net Profit Margin - %	0.72	1.87	0.97	1.73	1.70

COMPANY INFORMATION

BOARD OF DIRECTORS

Anil Monga
Managing Director

Rajesh Monga
WholeTime Director

Shivaz Monga
Executive Director

Satish Chandra Gupta
Professional and
Independent Director

Vijay Kumar Kakkar
Professional and
Independent Director

Viresh Shankar Mathur
Professional and
Independent Director

GENERAL MANAGER (FINANCE) AND CFO

Hamant Paul

COMPANY SECRETARY & COMPLIANCE OFFICER

Suvindra Kumar

AUDITORS

SURESH & ASSOCIATES

3A Bigjo's Tower, Netaji Subhash Place, Pitampura, Delhi-I 110034.

BANKERS

ORIENTAL BANK OF COMMERCE

Overseas Branch, M-33, Greater Kailash-II,
New Delhi-I 110048

INDIAN OVERSEAS BANK

A-19/22, Moolchand Shopping Complex,
Defence Colony, New Delhi-I 110024

ALLAHABAD BANK

International Branch, 3rd Floor, I7,
Parliament Street, New Delhi - I 110001

BANK OF BARODA

Ist Floor, I6, Parliament Street,
New Delhi-I 110001

OFFICES

REGISTERED OFFICE

2637, First Floor, Naya Bazar, Delhi-I 110006

ADMN. OFFICE

101, South Delhi House, I2, Zamrudpur
Community Centre, Kailash Colony,
New Delhi-I 110048

EMMSONS SA.

Place du March 3, CP 156,
1860 Aigle, Switzerland.

EMMSONS GULF DMCC

3406, I- Lake Plaza Plot No.T2,
Jumeirah Lakes Towers, Dubai, U.A.E.

SHARE REGISTRAR

LINK INTIME INDIA PVT LTD

A-40, 2nd Floor, Naraina Industrial Area, Phase-II,
Near Batra Banquet Hall, New Delhi-I 110028

NOTICE

NOTICE is hereby given that 18th Annual General Meeting of M/s Emmons International Limited will be held on Wednesday, the 28th Day of September, 2011 at 11.00 A.M. at Niryat Bhawan, Rao Tula Ram Marg, Opp. Army Hospital Research & Referral, New Delhi -110057, to transact the following businesses :

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date together with Report of Board of Directors and Auditor's Report thereon.
2. To Declare a Dividend on Equity Shares for the financial year 2010-11.
3. To appoint a Director in place of Mr. Vijay Kumar Kakkar, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Viresh Shankar Mathur, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint M/s Suresh & Associates, Chartered Accountants, as Auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS :

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

"RESOLVED THAT pursuant to provisions of Section 198, 309 and 310 read with Schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, of the said act and pursuant to authority conferred on the Board of Directors by resolution passed at Annual General Meeting held on 28.08.2009, approval be and are hereby accorded to the increase in remuneration payable to Mr. Rajesh Monga, Whole-time Director of the Company w.e.f. 01.04.2011. The details of the increased remuneration shall be as under :

A. SALARY :

Rs. 5,00,000 (Rupees Five Lacs Only) per month in the grade of Rs. 5,00,000 - Rs. 8,00,000.

B. COMMISSION:

Such percentage of net profits as may be decided by the Board of Directors in each Financial Year.

C. PERQUISITES:

In addition to Salary and Commission, he will be entitled to Perquisites like furnished accommodation, gas, electricity, water and furnishings, medical reimbursement, leave travel concession, club fees including membership fee of two clubs, personal accident insurance etc. in accordance with the rules of the Company, such perquisites being restricted to Rs. 20,00,000/- (Rupees Twenty Lacs Only) per annum.

- i) For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Rules, wherever applicable, otherwise, at actual. Provisions for use of Company 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.
- ii) Company's contribution to Provident Fund and Superannuation Fund not exceeding twenty five percent of the remuneration shall not be included in the computation of limits for Perquisites aforesaid.
- iii) The total remuneration payable to him including Commission, value of Perquisites and Company's contribution towards Provident Fund and Superannuation Fund shall not exceed the limits set out in Section 198, 309 and schedule- XIII of the Companies Act, 1956.

D. OTHER TERMS:

- i) The total remuneration including commission perquisites and company's contribution towards provident fund and superannuation fund payable to him shall not exceed five percent where there is only one Managing/Whole-time Director and ten percent where there are more than one Managing/Whole-time Director, of the profits calculated in accordance with section 198 and 309 of the companies Act, 1956.
 - ii) The Whole-time Director shall be entitled to reimbursement of all actual expenses, including on entertainment and traveling, incurred in the course of the company's business.
 - iii) The Whole-time Director shall also be entitled to the benefits under other benefits, schemes, privileges and amenities such as hospitalization etc. as are granted to the senior executives of the company, in accordance with the company's practice, rules and regulations in force from time to time.
-

- iv) The Company or the Whole-time Director shall be entitled at any time to terminate this appointment by giving three months written notice or by any shorter notice as may be mutually agreed to, by both the parties.
- v) In the event of loss or inadequacy of profits in any financial year, the Whole-time Director shall be paid, subject to the compliance of schedule XIII of the Companies Act, 1956 in this regard, remuneration by way of salary and perquisites as specified above.
- vi) The Whole-time Director, so long as he functions as Whole-time Director, shall not be paid any sitting fee for attending meetings of the Board of Directors or Committees thereof."

"RESOLVED FURTHER THAT the Whole-Time Director will be authorized to exercise such powers of management, as may be delegated to him by the Company from time to time, subject however, to the overall superintendence, control and supervision of the Board of Directors of the company."

"RESOLVED FURTHER THAT in the event(s) of any statutory amendment or modification or relaxation in the provisions relating to the payment of remuneration to the managerial person or to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites etc. within such prescribed limits."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps expedient or desirable to give effect to this resolution."

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

"RESOLVED THAT pursuant to provisions of Section 198, 309 and 310 read with Schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, of the said act and pursuant to authority conferred on the Board of Directors by resolution passed at Annual General Meeting held on 11.08.2008, approval be and are hereby accorded to the increase in remuneration payable to Mr. Shivaz Monga, Whole-time Director, designated as Executive Director of the Company w.e.f. 01.04.2011. The details of the increased remuneration shall be as under :

A. SALARY:

Rs. 5,00,000 (Rupees Five Lacs Only) per month in the grade of Rs. 5,00,000 - Rs. 8,00,000.

B. COMMISSION:

Such percentage of net profits as may be decided by the Board of Directors in each Financial Year.

C. PERQUISITES:

In addition to Salary and Commission, he will be entitled to Perquisites like furnished accommodation, gas, electricity, water and furnishings, medical reimbursement, leave travel concession, club fees including membership fee of two clubs, personal accident insurance etc. in accordance with the rules of the Company, such perquisites being restricted to Rs. 20,00,000/- (Rupees Twenty Lacs Only) per annum.

- i) For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Rules, wherever applicable, otherwise, at actual. Provisions for use of Company 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.
- ii) Company's contribution to Provident Fund and Superannuation Fund not exceeding twenty five percent of the remuneration shall not be included in the computation of limits for Perquisites aforesaid.
- iii) The total remuneration payable to him including Commission, value of Perquisites and Company's contribution towards Provident Fund and Superannuation Fund shall not exceed the limits set out in Section 198, 309 and schedule- XIII of the Companies Act, 1956.

D. OTHER TERMS:

- i) The total remuneration including commission perquisites and company's contribution towards provident fund and superannuation fund payable to him shall not exceed five percent where there is only one Managing/Whole-time Director and ten percent where there are more than one Managing/Whole-time Director, of the profits calculated in accordance with section 198 and 309 of the companies Act, 1956.

- ii) The Executive Director shall be entitled to reimbursement of all actual expenses, including on entertainment and traveling, incurred in the course of the company's business.
- iii) The Executive Director shall also be entitled to the benefits under other benefits, schemes, privileges and amenities such as hospitalization etc. as are granted to the senior executives of the company, in accordance with the company's practice, rules and regulations in force from time to time.
- iv) The Company or the Executive Director shall be entitled at any time to terminate this appointment by giving three months written notice or by any shorter notice as may be mutually agreed to, by both the parties.
- v) In the event of loss or inadequacy of profits in any financial year, the Executive Director shall be paid, subject to the compliance of schedule-XIII of the Companies Act, 1956 in this regard, remuneration by way of salary and perquisites as specified above.
- vi) The Executive Director, so long as he functions as Executive Director, shall not be paid any sitting fee for attending meetings of the Board of Directors or Committees thereof."

"RESOLVED FURTHER THAT the Executive Director will be authorized to exercise such powers of management, as may be delegated to him by the Company from time to time, subject however, to the overall superintendence, control and supervision of the Board of Directors of the company."

"RESOLVED FURTHER THAT in the event(s) of any statutory amendment or modification or relaxation in the provisions relating to the payment of remuneration to the managerial persons or to Schedule-XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites etc. within such prescribed limits."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps expedient or desirable to give effect to this resolution."

For and on behalf of the Board

Date : 13.08.2011
Place : New Delhi

Sd/-
(ANIL MONGA)
Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF, AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. (Blank proxy form is enclosed).
2. Corporate members intending to send their authorised representative to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. The Register of Members and the Share Transfer Books of the company shall remain closed from Tuesday, the 20th Day of September, 2011 to Wednesday, the 28th Day of September, 2011 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend, if approved/declared.
4. The Dividend on equity shares, if declared at the meeting, will be payable to those share holder, whose names appear on the Companies Register of Members at the close of business hours on Monday the 19th Day of September, 2011. In respect of shares held in dematerialized form, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the depositories as at the close of business hours on Monday the 19th Day of September, 2011.
5. Members are requested to notify immediately the changes in their address, if any.
6. Members holding shares in identical order of names in more than one folio are requested to write to the Company/ Share registrar, enclosing their share certificates, to enable the Company to consolidate their holding in one folio.
7. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for identification.
8. An explanatory statement pursuant to section 173(2) of the Companies Act, 1956, relating to Special Business to be transacted at Annual General Meeting is annexed herewith.
9. **Members / Proxies are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature registered with the company for admission to the meeting hall.**

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

Item No. 6

Mr. Rajesh Monga was appointed as a Whole-time Director of the Company for a period of five years w.e.f. 1st January, 2009 by the members of the Company at 16th Annual General Meeting held on 28th August, 2009.

Mr. Rajesh Monga is a graduate and is associated with the company since its incorporation. He with his rich and varied experience in the field of procurement and trading of Agri Commodities in National & International Markets have benefited the Company, immensely. Due to his effort, the Company has recorded a remarkable progress and carried a good reputation in trading community at domestic as well as international level.

Considering his successful result oriented track, his dedication towards the work assigned, his rich and varied experience in the field of procurement and trading of Agri -Commodities and his active involvement in the affairs of the Company, the Remuneration Committee at their meeting held on 28th March, 2011 recommended the suitable and justified increment in his remuneration to the Board of Directors. The Board of Directors of the Company at their meeting held on 28th March, 2011, confirmed the revised remuneration of Mr. Rajesh Monga, to be paid with effect from 01.04.2011, subject to the approval of the members of the Company.

Pursuant to the relevant provisions of Section 198, 309 and 310 read with Schedule-XIII of the Companies Act, 1956, approval of the members is required for any kind of increase in the remuneration of Directors which exceeds the previous approved limits. Accordingly, Your Directors recommend the passing of resolution no.6 of this notice as a Special Resolution.

The detailed terms and conditions stated in the resolution no.6 and in this explanatory notes may be considered as an abstract of terms and conditions of this increment in remuneration.

Except Mr. Anil Monga, Managing Director and Mr. Shivaz Monga, Executive Director of the Company none of the other Directors are interested or concerned in the Resolution.

Item No.7

Mr. Shivaz Monga was appointed as Whole-time Director, designated as Executive Director of the Company for a period of five years w.e.f. 12th August, 2008 by the members of the Company at 15th Annual General Meeting held on 11th August, 2008.

Mr. Shivaz Monga is a bachelor in International business and human resources from Swineburne University of Melbourne, Australia and also holds master degree in professional accounting from Melbourne University, Melbourne Australia. Earlier he has worked with M/s. Emirates Trading Agency L.L.C, Dubai, U.A.E. there he was involved in trading of steel rebars and

other related items. He had started as a Manager (Exports) in your Company w.e.f, 15th June, 2004 which was approved by shareholders in Annual General Meeting held on 24.09.2004.

Taking in purview the hard work and successful result oriented track, his dedication towards the work assigned, and initiatives towards expansion of foot print of Emmons outside of India and his active participation towards administration, Human Resource of the Company, the Remuneration Committee at their meeting held on 28th March, 2011 recommended the suitable and justified increment in his remuneration to the Board of Directors. The Board of Directors of the Company at their meeting held on 28th March, 2011, confirmed the revised remuneration of Mr. Shivaz Monga, to be paid with effect from 01.04.2011, subject to the approval of the members of the Company.

Pursuant to the relevant provisions of Section 198, 309 and 310 read with Schedule-XIII of the Companies Act, 1956, approval of the members is required for any kind of increase in the remuneration of Directors which exceeds the previous approved limits. Accordingly, Your Directors recommend the passing of resolution no.7 of this notice as a Special Resolution.

The detailed terms and conditions stated in the resolution no.7 and in this explanatory notes may be considered as an abstract of terms and conditions of this increment in remuneration.

Except Mr. Anil Monga, Managing Director and Mr. Rajesh Monga, Whole- time Director of the Company none of the other Directors are interested or concerned in the Resolution.

For and on behalf of the Board

Date : 13.08.2011
Place : New Delhi

Sd/-
(ANIL MONGA)
Managing Director

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-APPOINTMENT IN FORTHCOMING ANNUAL GENERAL MEETING:

Mr. Vijay Kumar Kakkar, has been associated with the Company as its Director since February, 2003. He is an Electrical Engineer with an overall experience of over 44 years in Engineering Industries. During his career, he had worked with Multinationals and Indian Companies. With his rich experience in international business the Company has been immensely benefited. He does not hold any Directorship in other companies apart from your company.

Mr. Viresh Shankar Mathur joined the Indian Revenue Service in 1970 and served the nation till March, 2006. During the tenure of his service he had worked at various capacities. He was deputed from 1979 to 1981 as under Secretary, CBDT, and Ministry of Finance and from 1985 to 1990 as Director and controller of Aluminium, Ministry of Finance, New Delhi. He was promoted to Director General (System), Income Tax Department in December 2004 to till March, 2006. He is also attached with well-known companies in the capacity of advisor. He holds directorship in Principal Trustee Company Pvt. Ltd., Brahmaputra Infrastructure Ltd. and Technofab Engineering Ltd. apart from your Company. During his tenure as Director, the Company has been immensely benefited by his experience, particularly in the field of management and finance.

DIRECTOR'S REPORT**To the Members**

Your Directors are pleased to present the 18th Annual Report and the audited accounts of the company for the financial year ended 31st March, 2011.

FINANCIAL HIGHLIGHTS

The financial performance of the Company, for the year ended March 31, 2011 is summarised below:

Particulars	2010-2011		2009-2010	
	Amount (Rs. in Lacs)	Amount (US\$ in Million)	Amount (Rs. in Lacs)	Amount (US\$ in Million)
Gross Sales and Income	134246.68	301.07	69322.86	154.41
Profit before interest, Depreciation and taxation	4305.65	9.66	4147.23	9.24
Less: Interest and financial Charges	2777.52	6.23	2084.11	4.64
Depreciation	58.94	0.14	49.97	0.11
Profit before taxation	1469.19	3.29	2013.15	4.49
Less: Provision for taxation	499.72	1.12	716.51	1.60
Provision for deferred taxation/(tax effect of timing differences during year)	(3.73)	(0.01)	(0.59)	(0.00)
Profit after taxation	973.20	2.18	1297.23	2.89
Add : Balance brought forward from the previous year	2860.69	6.42	1819.35	4.05
Less: Short/(Excess) Provision of Income Tax in Earlier Years	43.23	0.10	(4.57)	(0.01)
Disposable Profits	3790.66	8.50	3121.15	6.95

DIVIDEND

Your Directors are pleased to recommend dividend @ 20% on 5148020 Equity Shares of Rs.10/- each (i.e. Rs. 2/- per share) for the financial year ended 31st March, 2011, which if approved at the ensuing Annual General Meeting, will be paid to:

- All those shareholders whose names appears in the Register of Members as on 19th Day of September, 2011 and ;
- All those whose names appears on the date, as mentioned above, as beneficial owners, furnished by National Securities Depository Limited and Central Depository Services (India) Limited.

BUILDING TOMMOROWS:

Your Directors and Management always have the clear views to strengthen the base and consistent future growth of the Company. The various steps were initiated in current year of reporting or even in the previous year also to achieve the higher growth of the Company. The Management has always strived to add more commodities in its trading basket to make it grand and to expand the Company's reach to most parts of the world. Since your Company has already left its footprint in various countries through their subsidiaries or associates, involving in Agro trading, commodities, food, fertilizers and energy businesses.

For the past few years, your company has been working to capture the immense opportunity of businesses involved in power & commodities sector. Our wholly owned subsidiary Emmsons Gulf DMCC has already take the first step to achieve the said objective by acquiring 25% stake in a coal mining venture in Indonesia. We would further like to inform you that your Company is taking sincere efforts towards growth and developments of such projects and shall be able to add the outputs and benefits from these projects to the main course of business, very soon.

Your Directors by taking such prominent steps have always kept the generous thought for their shareholders and their successors to 'Building Tomorrows' for them.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Overview

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India. The Management accepts responsibilities for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profit and cash flows for the year.

Industry Structure and Developments

Last year your Company raised its targets to higher levels to be achieved in due course. The plans were made and efforts were put in to achieve the set targets. The efforts turned this year into a remarkable year for the Company, as your Company have achieved the significant increase in the terms of Turnover and crossed the rupees thousand crore milestone first time in its history.

This was achieved inspite of considerably high levels of inflation in the country and the continued ban on export of major agri-product. Your management remained positive, and put all its effort to achieve the higher targets, which was significantly accomplished in this year.

When the performance improves, certain recognition also follows. We feel proud to inform you that your Company has been ranked on 18th position amongst the 'India's Fastest Growing Companies' in the Middleweight segment, as noted in BUSSINESSWORLD Magazine of 23rd May, 2011.

This year has been the year of achievements, however we will not rest on our laurels, and look forward to a further improved performance in the years to come.

Future Directions

Your Company's focus was shifted towards imports and third country trade in the last year, which took your Company in the next phase of growth and the results are noteworthy. Further impetus was provided by its UAE subsidiary, which added more commodities and markets and contributed significantly to the growth of the group. The company also expects substantial contribution to its growth trajectory from Ukraine based agricultural farming projects, with appointment of local professionals and experts. With these initiatives Your Company is very positive towards achieving greater heights in the times to come and expects to be reckoned as a reputed multinational Company.

Risk Control System

The Risk Management practices being followed by the company for the last several years are now well established. Your Company has been hedging its Imports and Exports on the main Commodity exchanges wherever possible and securing forward exchange contracts to minimize/ avoid the risk of fluctuations in foreign currency rates. Your Company has also concentrated on having strict internal control system, with proper channel reporting system and taking necessary approvals from relevant authority.

Your Company has planned to set the firm and justified control on the risks involved in various activities of its subsidiaries and ventures going in the various part of the world.

Segment wise Performance

As the company's business activity falls within single primary business segment viz. trading of commodities, hence reporting of segment wise performance is not applicable.

Internal Control system and their adequacy

Your company maintains adequate internal control system designed to provide reasonable assurance that assets are safeguarded. Transactions are executed in accordance with management's authorization and are properly recorded and accounting records are adequate for preparation of financial statements and financial information. Your company has well defined procedure to execute the financial transaction. Furthermore, the Audit Committee and the Board of Directors screen each financial transaction.

Financial and Operational Performance

Emmons delivered superior financial performance with improvements across key parameters and the turnover achieved for the year ended March 31, 2011 was Rs. 1342.47 Crore as compared to Rs. 693.23 Crore for the last financial year.

Increase in Sales over the last five years



Profit Before Tax and Profit After Tax

Company has also earned the profit after taxation Rs. 9.73 Crore during the year as Compared to Profit of Rs. 12.97 Crore and Rs. 6.39 Crore for the year 2009-10 and 2008-09 respectively.

Trends of Profit before tax and Profit after tax over last five years:



The financial statements of the company for the year under review have been prepared in Compliance with the requirements of the Companies Act, 1956 and Generally Accepted Accounting Principles in India. The management of the company accepts the responsibility for the integrity and objectivity of these financial statements.

Human Resource

We understand that the biggest asset of your Company is Human Resource. The Company has strong belief that the human resource are the driving force towards progress and success, therefore your Company continues to focus on building the skills, personalities and capabilities of its human resources to enable them to give their best as a contribution in the progress of the Company. Company continued its HR policies to create a positive work environment, ample opportunities for development and growth and high levels of motivation and engagement. The policy has always been attracting and recruiting the best available talents so that it can face business challenges ahead. The company has remained focus on strengthening human capital through continuous training and development and by upgrading the skills of employees to meet the new set of goals.

The HR continued its effort to develop and nurture the talent of its employees. During the year under review, the company conducted surveys across various categories of employees at all level to gauge the level of employee satisfaction. Based on the feedback, appropriate initiatives were taken. The Corporate Human Resources Department (HRD) of the Company is committed to retain and motivate its employee to improve their satisfaction and create a motivated, responsive and accountable organization.

The total number of employees working with the company as on the end of the year under review was seventy eight and the company continued to enjoy a cordial and harmonious relation with its employees at all level.

INSURANCE

All assets of the company including its plant and machinery and stocks have been adequately insured.

FIXED DEPOSITS

In reference to section 58A of the Companies Act, 1956, your company had not accepted any deposit from public during the year ended 31st March, 2011.

SUBSIDIARY COMPANIES

Your Company has now presence in various countries of the world through its subsidiaries and associates. Your Management has very clear vision to make your Company a global multinational in years to come. At present your Company has following overseas presence through its subsidiaries:

UNITED ARAB EMIRATES:

In the year 2009, Your Company had established its subsidiary, Emmsons Gulf DMCC in Dubai, UAE, The main activity of this Company is International trading of various commodities and fertilizers.

In a short span of time, the subsidiary has been able to establish itself well with focus on the Middle-East markets. The company has emerged as mainstay of Emmsons Group in the lucrative Middle-East Markets.

SWITZERLAND:

The Emmsons SA, was established in the year 2007 in Switzerland as a subsidiary of your Company with its main activity of International Trading & Shipping, The Swiss subsidiary could not make much headway during the year. However the Company visualizes to recover in current financial year.

INTERNATIONAL PROJECTS

INDONESIA:

Your Company had entered into a Joint Venture in the year 2008, for the purpose of acquiring Coal Mine(s) in Indonesia. Finally Emmsons Group has acquired 25% stake in a coal mining project in Indonesia through Emmsons Gulf DMCC. Your management considers the stake as a strategic asset, which will lead our entry into the power sector.

UKRAINE:

During the year farming project in Ukraine has shown the major progress, with appointment of local professionals and experts and expect the fruitful outcomes from current financial year. Steps have been taken to complete the structuring process and are likely to be completed in the coming months.

DIRECTORS

Mr. Mohammad Tariq Raza, Independent Director of the Company, resigned from the Board vide his letter dated 12th May, 2011 and the same was accepted by the Board of Directors, in their meeting held on 12th May, 2011. The Directors would like to place on record their appreciation of the contributions made by Mr. Mohammad Tariq Raza during his tenure as the Professional and Independent Director.

As per article 89 and 90 and section 255 and 256 of the Companies Act, 1956 Mr. Vijay Kumar Kakkar, and Mr. Viresh Shankar Mathur, Directors of the company retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment.

Your Directors recommend the reappointment of Mr. Vijay Kumar Kakkar and Mr. Viresh Shankar Mathur as Director of the company. Further, Pursuant to provisions of the clause 49 of the listing agreement, the brief resume of the Directors, who are to be reappointed in this Annual General Meeting, are provided in the corporate governance section, which is a part of the Annual Report of the company.

AUDITOR'S REPORT

The Auditor's observations are self explanatory and, therefore do not call for any further comments.

AUDITORS

M/s Suresh & Associates, Chartered Accountants, the Auditors of the company retire at the ensuing Annual General Meeting and have expressed their willingness and eligibility to continue in the office, if re-appointed.

Members are requested to re-appoint them and authorize the Board to fix their remuneration and pay out of pocket expenses.

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CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, Corporate Governance Report, Managing Director's and Auditor's Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report.

LISTING OF SECURITIES

The Equity shares of the company are listed in The Bombay Stock Exchange, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai only. The scrip code for The Stock Exchange, Mumbai is 532038.

The company had duly paid the listing fee to the aforesaid Stock Exchange for the financial Year 2011-2012.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOING

As the company is not covered in schedule A of Companies (Disclosure of particulars in report of Board of Directors) Rules, 1988, provisions of Section 217(1) (e) of the Companies Act, 1956 are not applicable.

STATEMENT OF PARTICULARS OF EMPLOYEES

During the year, no employee of the Company received a salary of more than Rs. 60.00 Lacs per annum or Rs. 5.00 Lacs per month. Accordingly, no particulars of employees are to be given pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956.

DIRECTOR'S RESPONSIBILITY STATEMENT

As required under section 217(2AA) of the Companies Act, 1956, it is hereby stated that:

- a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the Directors have selected such accounting policies and applied them consistently and 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 at the end of the financial year and of the profit or loss of the company for the period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- d) the Directors have prepared the Annual Accounts on a going concern basis.

ACKNOWLEDGEMENT

It is our strong belief that caring for our business constituents has ensured our success in the past and will do so in the future. Your Directors acknowledge with sincere gratitude to the co-operation and assistance extended by various Central and State Government Authorities, Bankers, Overseas traders, customers, retailers and other associated with the company as its trading partners for their continued support & trust and the shareholders of the company for reposing their confidence in the management of the company.

We wish to place on record our appreciation for the untiring efforts and contributions made by the employees at all levels to ensure that the company continues to grow and excel.

For and on behalf of the Board

Date : 13.08.2011
Place : New Delhi

Sd/-
(ANIL MONGA)
Managing Director

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

"The primary purpose of corporate leadership is to create wealth legally and ethically. This translates to bringing a high level of satisfaction to five constituencies - customers, employees, investors, vendors and the society-at-large. The raison d'être of every corporate body is to ensure predictability, sustainability and profitability of revenues year after year."

In consonance of above mentioned quote, Emmsons as a Listed Company and good corporate entity is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability paving the way in building confidence among all its stakeholders for achieving sustainable long term growth and profitability. We understand that Corporate governance is a reflection of our culture, policies, relationship with stakeholders, and our commitment to values. Therefore, Emmsons has always strived to ensure the best corporate governance practices.

The compatibility of corporate governance practices with global standards has also become an important constituent of corporate success. The practice of good corporate governance has therefore become a necessary pre-requisite for any Company to manage effectively in the globalized market. Objectives of Corporate Governance Good governance are integral to the very existence of a company. It inspires and strengthens investor's confidence by ensuring company's commitment to higher growth and profits.

BOARD OF DIRECTORS

COMPOSITION OF THE BOARD

The Board of Directors of the Company comprises Six Members out of which Three are Executive Directors including the Managing Director and rest of three are Non Executive Directors. This Combination is of an optimum combination of Executive and Non-Executive Directors with fifty percent of independent Directors. None of the Non-Executive & Independent Directors of the company have any pecuniary relationship or transactions with the Company, promoters, and management, which may affect their judgement in any manner.

The breakup of the total composition of Board of Directors is as follows:

Sl. No.	Name	Designation	Executive/Non Executive/Independent
1.	Mr. Anil Monga	Managing Director	Executive
2.	Mr. Rajesh Monga	Whole time Director	Executive
3.	Mr. Shivaz Monga	Executive Director	Executive
4.	Mr. Vijay Kumar Kakkar	Director	Non Executive & Independent
5.	Mr. Viresh Shankar Mathur	Director	Non Executive & Independent
6.	Mr. Satish Chandra Gupta	Director	Non Executive & Independent

DETAILS OF DIRECTOR'S ATTENDANCE IN THE BOARD MEETINGS AND THE LAST AGM ALONGWITH THEIR DIRECTORSHIP:

Sl. No.	Name of Directors	Attendance at the Company's Meetings	Directorship of other Indian Companies	No. of Chairmanship/ Membership of other Board Committees	Attendance at the last AGM
1.	Mr. Anil Monga	23	1	Nil	Yes
2.	Mr. Rajesh Monga	23	Nil	Nil	Yes
3.	Mr. Vijay Kumar Kakkar	21	Nil	Nil	Yes
4.	Mr. Viresh Shankar Mathur	21	3	Nil	Yes
5.	Mr. Satish Chandra Gupta	19	11	Nil	Yes
6.	Mr. Shivaz Monga	22	Nil	Nil	Yes
7.	Mr. Mohammad Tariq Raza (Resigned w.e.f. 12.05.2011)	15	N.A	N.A	Yes

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NO. OF BOARD MEETINGS HELD DURING THE FINANCIAL YEAR 2010-11

During the year under review, The Board of Directors met Twenty Three (23) times on the dates as given herein below:

No. of Board Meetings Held	Dates of Board Meeting	No. of Board Meetings Held	Dates of Board Meeting
01	22.04.2010	13	28.10.2010
02	26.04.2010	14	08.11.2010
03	26.05.2010	15	10.11.2010
04	18.06.2010	16	12.11.2010
05	21.06.2010	17	15.11.2010
06	25.06.2010	18	11.12.2010
07	02.07.2010	19	05.01.2011
08	27.07.2010	20	19.01.2011
09	17.08.2010	21	02.02.2011
10	30.08.2010	22	22.02.2011
11	29.09.2010	23	28.03.2011
12	14.10.2010	–	–

REMUNERATION PAID TO DIRECTORS

Details of Remuneration paid to Directors for the year 2010-11.

No Remuneration was paid to Non- Executive Directors during the financial year ended 31st March, 2011. However the remuneration of Executive Directors is decided by the Board of Directors with due approval of the shareholders of the company and is also approved by the Remuneration Committee of the company. The details of the remuneration paid to the Directors including Managing Director and Whole-time Director during the financial year 2010-11 is as under :

Name	Designation	Tenure of appointment	Salary (Rs.)	Sitting Fees (Rs.)	Commission (Rs.)	Provident Fund Contribution (Rs.)	Other Perquisite (Rs.)	Gross Remuneration (Rs.)
Mr. Anil Monga	Managing Director	Five years w.e.f. 01.09. 2010	4036458	Nil	–	–	20400	4056858
Mr. Rajesh Monga	WholeTime Director	Five years w.e.f. 01.01.2009	3229167	Nil	–	–	–	3229167
Mr. Shivaz Monga	Executive Director	FiveYears w.e.f. 12.08.2008	2421875	Nil	–	–	624338	3046213
Mr. Vijay Kumar Kakkar	Independent Director	–	Nil	1,80,000	Nil	Nil	Nil	1,80,000
Mr. Viresh Shankar Mathur	Independent Director	–	Nil	1,80,000	Nil	Nil	Nil	1,80,000
Mr. S.C. Gupta	Independent Director	–	Nil	1,00,000	Nil	Nil	Nil	1,00,000
Mr. Mohammad Tariq Raza	Independent Director	–	Nil	70,000	Nil	Nil	Nil	70,000

BOARD PROCEDURE AND AVAILABILITY OF INFORMATION TO THE BOARD

Before each meeting, the Company sends to the Board of Directors, Agenda for the meeting along with comprehensive notes and information which is material for facilitating effective discussion and decision making at their meetings. The Senior

Management of the Company, alongwith Managing Director, make representation to the Board of Directors giving details of business strategy, performance, progress and other important developments with the organization on a periodical basis. The Minutes of the proceeding of the Board of Directors are noted and after due approval recorded timely. The Board has access to all the information of the Company including following information as specified in Annexure IA to the Clause 49 of the Listing Agreement:

- Annual Operating plans and budgets, capital budgets, and any updates thereon,
- Quarterly Unaudited / Audited results of the Company,
- Information on recruitment and removal of senior officers just below the Board level,
- Declaration of Dividend (Interim/ Final),
- Materially important litigation, show cause, demand, prosecution and penalty notices,
- Details of Subsidiaries and its updates,
- Details of any joint venture or collaboration agreement,
- Quarterly details of foreign exchange exposure and the steps taken by management to limit the risk of adverse exchange rate movements,
- Minutes of meetings of audit committee and other committees of the Board,
- Status of Legal Cases,
- Compliance certificate of all laws applicable to the Company,
- All other information which is relevant for decision-making by the Board.

MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

There are no materially significant transactions with related parties i.e. promoters, directors or the management, conflicting with the Company's interest, except for drawing remuneration. There were also no instances of non-compliance on any matter related to the Capital Markets. There were no penalties imposed against the Company by the statutory authorities in this regard. Further the attention of Members is drawn to the disclosures of transaction with related parties set out in Notes on Accounts in Schedule 21 to the annual accounts.

BOARD COMMITTEES

The Board of Directors of your Company has constituted three committees namely: Audit Committee, Remuneration Committee and Shareholders & Investors Grievance Committee. The terms of reference of these Committees detailing their scope of work are determined by the Board from time to time. The minutes of the meetings of Audit Committee, Remuneration Committee and Shareholders & Investors Grievance Committee are placed before the Board of Director for their perusal. The details as to the composition, terms of reference, number of meetings and attendance, etc. of these Committees are provided hereunder:

AUDIT COMMITTEE

The Audit Committee comprised of Mr. Viresh Shankar Mathur, Mr. Vijay Kumar Kakkar and Mr. Mohammad Tariq Raza in the year 2010-11, however Mr. Mohammad Tariq Raza has given his resignation from the Board of Directors w.e.f 12.05.2011. In his replacement Board in its meetings held on 12.05.2011 decided to appoint Mr. Satish Chandra Gupta as a member of the Audit Committee with immediate effect. Further Mr. Viresh Shankar Mathur is presently the Chairman of the committee. The minutes of each Audit Committee meeting are placed before and discussed in the Board.

The Audit Committee of the company is constituted as per the provisions of clause 49 of the listing agreement and section 292A of the Companies Act, 1956. The main terms of reference of the committee, inter alia, includes the following functions:

1. Overview the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor's and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to the ;

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly, half yearly, nine months and annual financial statements standalone as well as consolidated before submission to the Board for approval.
 6. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
 7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal Audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 8. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 9. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The details as to the date(s) on which the meetings were held and attendance of the members of the Committee during the financial year ended 31st March, 2011 are as follows:

Sl. No.	Dates on which meetings were held	Sl. No.	Dates on which meetings were held
1	22nd April, 2010	4	12th November, 2010
2	27th July, 2010	5	19th January, 2011
3	17th August, 2010	–	–

Sl. No.	Name of the Members	Meetings held	Meetings attended
1	Mr. Viresh Shankar Mathur	5	5
2	Mr. Vijay Kumar Kakkar	5	5
3	Mr. Mohammad Tariq Raza	5	2

REMUNERATION COMMITTEE

a) Constitution and Terms of Reference

The Remuneration Committee comprised of Mr. Viresh Shankar Mathur, Mr. Vijay Kumar Kakkar and Mr. Mohammad Tariq Raza in the year 2010-11, however Mr. Mohammad Tariq Raza has given his resignation from the Board of Directors w.e.f 12.05.2011, In his replacement Board in its meeting held on 12.05.2011 has decided to appoint Mr. Satish Chandra Gupta as a member of the Remuneration Committee with immediate effect.

The Remuneration Committee is constituted as per the provisions of schedule XIII of the Companies Act, 1956 and clause 49 of the listing agreement entered by the company with the Stock Exchanges.

The Broad terms of reference of the Remuneration Committee are to review the performance of the Executive Directors, after considering the Company's performance and recommend to the Board, remuneration including salary, perquisites and commission to be paid to the Company's Executive Directors, keeping in view the overall remuneration structure in the industry.

The details as to the date(s) on which the meetings were held and attendance of the members of the Committee during the financial year ended 31st March, 2011 are as follows:

Sl. No.	Dates on which meetings were held
1	26th April, 2010
2	28th March, 2011

Sl. No.	Name of the Members	Meetings held	Meetings attended
1	Mr. Vijay Kumar Kakkar	2	2
2	Mr. Viresh Shankar Mathur	2	2
3	Mr. Mohammad Tariq Raza	2	1

b) Remuneration Policy

The Company paid sitting of Rs. 20,000/- per meeting to the non-executive directors for attending the meeting of the Board and Rs. 10,000/- per meeting for attending the audit Committee. The Company pays remuneration by way of salary, perquisites, allowances and commission to the executive directors. Salary is paid with in the range approved by the shareholders. The increments, as and when proposed are referred to the remuneration committee, which is later on recommended to the Board to which Board after due consideration give their due approval

SHAREHOLDERS & INVESTORS GRIEVANCES COMMITTEE

The Board of Directors of the Company has constituted the Shareholders & Investors Grievances Committee which is chaired by Mr. Vijay Kumar Kakkar, Non-Executive/Independent Director to specially look into the redressal of shareholders complaints. The other two members of the committee are Mr. Anil Monga and Mr. Rajesh Monga, Directors of the company.

Mr. Suvindra Kumar, Company Secretary is the Compliance officer of the Company as per the Listing Agreement, whose e-mail id: co.secy@emmsons.com

The main areas and functions looked after by Share Transfer and Shareholders & Investors Grievances Committee is as under:

1. Redressal of shareholders and investors complaints like transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends etc.
2. Consolidation and sub-division of share certificates.
3. Approving the transfer(s), transmission(s) and issue of duplicate share certificates.
4. To oversee the performance of the Registrar and Transfer Agent of the Company.

During the year under review, complaints received regarding non receipt of dividend, non receipt of Annual report, and issue of fully paid stickers etc. from shareholders/investors, which have been duly resolved.

The details of grievances received from the shareholders during the year and their status on 31st March, 2011 is given below:

Complaints outstanding as on April 1, 2010	Nil
Complaints received during the year ended March 31,2011	1
Complaints resolved during the year ended March 31,2011	1
Complaints outstanding as on Mrach31, 2011	Nil

Management

A detailed report on the Management discussion and Analysis is given separately in the Director's report and is a part of Annual Report.

Disclosure by Management

During the year 2010-11, there were no materially significant related party transactions, i.e., transaction of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries and relatives etc. that may have potential conflict with the interest of the Company at large. Though all details relating to financial and commercial transactions where directors may have a potential interest are provided to the Board, and interested directors neither participate in the discussion, nor do they vote on such matters.

Attention of Members is drawn to the disclosures of transactions with related parties set out in Notes on Accounts under Accounting Standard (AS 18), - Schedule 21, forming part of the Annual Report.

Code of Business Conduct and Ethics for Directors and Senior Management

The Company has adopted the Code of Business Conduct ethics for all directors, officers and employees of the Company ("the Code"). This Code is a comprehensive Code applicable to all Directors, Officers and employees of

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the Company. The Code while laying down, in detail, the standard of business conduct, ethics and governance, centers around the following theme-

"All Directors, Officers and employees of the Company are committed to conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. This code is intended to provide guidance and help in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct, and to help foster a culture of honesty and accountability. Each Director, officer and employee is expected to comply with the letter and spirit of this Code".

A copy of the code has been put on the Company's website www.emmsons.com

The Code has been circulated to all Directors, Officers and Employees of the Company and they have affirmed the compliance of the same.

A declaration signed by the Managing Director is given below:

"I hereby confirm that:

The Company has obtained from all directors, officers and employees, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors and Senior Management in respect of the financial year 2010-11".

For and on behalf of the Board

Date : 13.08.2011
Place : New Delhi

Sd/-
(ANIL MONGA)
Managing Director

Information required under clause 49VI A of the listing agreement executed with the stock exchanges with respect to the reappointment of Directors:

Mr. Vijay Kumar Kakkar, has been associated with the Company as its Director since February, 2003. He is an Electrical Engineer with an overall experience of over 44 years in Engineering Industries. During his career, he had worked with Multinationals and Indian Companies. With his rich experience in international business the Company has been immensely benefited. He does not hold any Directorship in other companies apart from your company.

Mr. Viresh Shankar Mathur joined the Indian Revenue Service in 1970 and served the nation till March, 2006. During the tenure of his service he had worked at various capacities. He was deputed from 1979 to 1981 as under Secretary, CBDT, and Ministry of Finance and from 1985 to 1990 as Director and controller of Aluminium, Ministry of Finance, New Delhi. He was promoted to Director General (System), Income Tax Department in December 2004 to till March, 2006. He is also attached with well-known companies in the capacity of advisor. He holds directorship in Principal Trustee Company Pvt. Ltd., Brahmputra Infrastructure Ltd. and Technofab Engineering Ltd. apart from your Company. During his tenure as Director, the Company has been immensely benefited by his experience, particularly in the field of management and finance.

General Body Meetings

Details of the Extra Ordinary General Meeting and Annual General Meetings held during the last three years are as under:

Sl. No.	Date and Year of EGM/AGM	Time of EGM/AGM	Venue of EGM/AGM
1.	29th September, 2010	11.00A.M	Niryat Bhawan, Rao Tula Ram Marg, Opp. Army Hospital Research & Referral, New Delhi -110057
2.	21st May, 2010 (EGM)	11.00 A.M.	Jaypee Vasant Continental, Vasant Vihar, New Delhi-110057
3.	28th August, 2009	11.00 A.M.	Jaypee Vasant Continental, Vasant Vihar, New Delhi-110057
4.	11th August, 2008	11.00 A.M.	Jaypee Vasant Continental, Vasant Vihar, New Delhi-110057
5.	28th January, 2008 (EGM)	11.00 A.M.	Rockland Inn, B-207, C.R. Park (Near Nehru Place) , New Delhi-110019

Resolutions are generally passed on a show of hands. No resolution was put through postal ballot in the Extra Ordinary General Meeting held on 21st May, 2010 and 17th Annual General Meeting held on 29th September, 2010.

Means of Communications

a) Communication to Shareholders

- The Company has been maintaining a functional websites i.e., www.emmsons.com and has also complied with Clause 54 of the Listing Agreement. With containing the basic information of the Company, e.g. details of its business, financial information, shareholding pattern, compliance with Corporate Governance and contact information of designated official of the Company who are responsible for assisting and handling investor grievances.
- Quarterly/Halfyearly/Nine-months and Annual Financial Results of the Company are published in Leading English and Hindi Dailies like Business Standard.
- All important information pertaining to the Company is also mentioned in the Annual Report of the Company which is circulated to the members and others entitled thereto for each financial year.

Your Company provides necessary information to the Stock Exchange in terms of the Listing Agreement and other rules and regulations issued by Securities Exchange Board of India.

b) Investor Grievance

As mentioned before, the Company has constituted Shareholders & Investors Grievances Committee to look after and redress Shareholder's and Investor's Complaints.

c) Share transfer

The Company has outsourced its share transfer function to M/s Link Intime India Pvt. Ltd. which is registered with SEBI as category I Registrar and Transfer Agent.

d) Details of Non-Compliance

There has been no instance of the Company not complying with the matters related to capital markets.

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General Shareholders Information

Office Addresses:

Registered Office - 2637, 1st Floor, Naya Bazar, Delhi-110 006

Administrative office -101/12, Zamrudpur Community Centre, Kailash Colony, New Delhi- 110 048.

Annual General Meetings:

No. of Meeting	Year	Location	Date & Time
18th	2010-11	Niryat Bhawan, Rao Tula Ram Marg, Opp. Army Hospital Research & Referral, New Delhi -110057	28.09.2011 11.00 A.M

Financial Calendar:

Financial Year: 1st April to 31st March.

Book Closure:

The Register of members and transfer books of the company will remain closed from Tuesday the 20th Day of September, 2011 to Wednesday the 28th Day of September, 2011 (both days inclusive).

Dividend:

A final dividend of Rs. 2/- (Rupees Two) per share has been recommended on 13th day of August, 2011 by the Board of Directors and subject to the approval from shareholders at the ensuing Annual General Meeting, will be paid after the Annual General Meeting as follows:

- to those members whose names appear on the Company's register of members, after giving effect to all valid share transfers in physical form lodged on or before Monday the 19th Day of September, 2011; and
- in respect of shares held in electronic form, to those members whose names appear in the statement of beneficial ownership furnished by NSDL and CDSL as at the closing hours of Monday the 19th Day of September, 2011.

Registrar and Transfer Agent (R&TA):

All inquires relating to shareholders accounting records, share transfers, transmission of shares, change of address, non-receipt of dividend, loss of share certificates etc. should be addressed to the Registrar and Transfer Agent (RTA) of the Company. The address for the correspondence is:

M/s Link Intime India Pvt. Ltd.

A-40, 2nd Floor, Naraina Industrial Area, Phase-II,

Near Batra Banquet Hall, New Delhi-110028

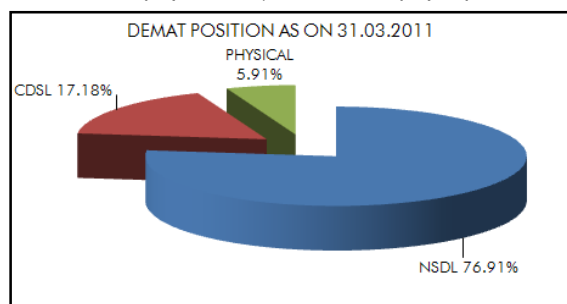
Tel: 011-41410592, 41410594

Contact Person: Mr. Bharat Bhushan

The RTA processes shares sent for transfer, transmission etc. every 15-20 days from the date of receipt thereof. Transfers/transmissions that are complete in all respects are processed and the certificates in respect thereof are returned to the lodger/shareholder within 30 days of lodgement.

Details about Company's Dematerialised shares:

As at the end of 31st March, 2011, 48,43,656 Equity Shares (94 % of the equity capital of the company) were dematerialized.



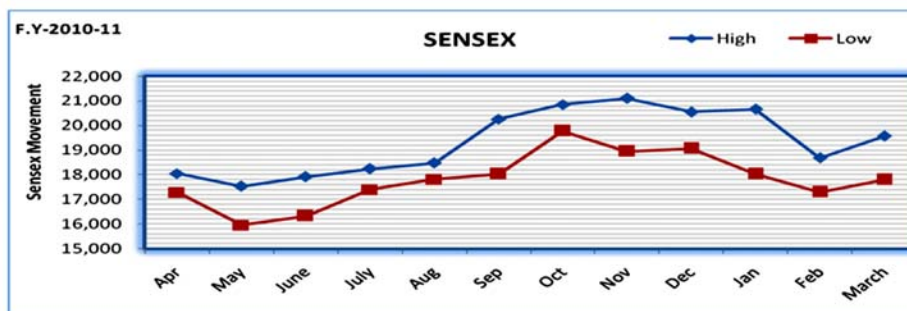
Details of Share Capital of the company as on 31st March, 2011 is as under:

Authorized Capital	: Rs. 15,00,00,000/-
Issued and Subscribed Capital	: Rs. 5,14,80,200/-
Paid Up Capital	: Rs. 5,14,80,200/-

Stock Price Data:

The Monthly high and low prices of your Company's shares in comparison with high and low of the Sensex for the relevant month for the year ended 31st March, 2011 are given below:

Month	Share price (in Rs.)		SENSEX	
	Highest	Lowest	Highest	Lowest
April	152.00	92.50	18,047.86	17,276.80
May	136.00	105.00	17,536.86	15,960.15
June	131.60	113.00	17,919.62	16,318.39
July	131.60	101.00	18,237.56	17,395.58
August	119.70	96.40	18,475.27	17,819.99
September	121.70	97.00	20,267.98	18,027.12
October	121.90	101.50	20,854.55	19,768.96
November	123.95	93.25	21,108.64	18,954.82
December	125.00	103.00	20,552.03	19,074.57
January	111.05	88.00	20,664.80	18,038.48
February	97.90	76.00	18,690.97	17,295.62
March	104.00	77.25	19,575.16	17,792.17

Our Stock Performance:**Sensex Movement :****Distribution of Shareholding as on 31st March, 2011:**

Range	Folio	Shares
No. of Shares	Number	% age
Up to 2500	1106	62.557
2501-5000	250	14.140
5001-10000	160	9.050
10001-20000	93	5.260
20001-30000	26	1.471
30001-40000	20	1.131
40001-50000	14	0.792
50001-100000	41	2.319
100001 and Above	58	3.281
Total	1768	100.000

Range	Folio	Shares
No. of Shares	Number	% age
Up to 2500	82791	1.608
2501-5000	107641	2.091
5001-10000	137663	2.674
10001-20000	152941	2.971
20001-30000	69379	1.348
30001-40000	77573	1.507
40001-50000	67274	1.307
50001-100000	313620	6.092
100001 and Above	4139138	80.403
Total	5148020	100.000

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Emmsons International Limited

We have examined the compliance of conditions of Corporate Governance by Emmsons International Ltd., for the year ended on 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statement 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 made by Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the shareholder's & investor's Grievances Committee.

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

For **SURESH & ASSOCIATES**
FRN: 003316N
Chartered Accountants

Date : 13.08.2011
Place : New Delhi

Sd/-
(CA SURESH K. GUPTA)
Partner
M. NO. 080050

CEO/CFO CERTIFICATION

To
Board of Directors
Emmsons International Limited

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

Date : 13.08.2011
Place : New Delhi

Sd/-
(ANIL MONGA)
Managing Director

Sd/-
(HAMANT PAUL)
G. M. (Finance)

AUDITOR'S REPORT

To
The Members of
M/s EMMSONS INTERNATIONAL LIMITED

1. We have audited the attached Balance Sheet of EMMSONS INTERNATIONAL LIMITED (the Company) as at 31st March, 2011 and also related Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report)(Amendment) Order 2004 (together the "Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act 1956 of India ("the Act") and on the basis of such checks of books and records of the Company as we considered appropriate and according to information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:-
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit ;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement, dealt with by this report, are in agreement with the books of account ;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement, dealt with by this report, comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act;
 - (v) On the basis of written representations received from the directors, as on 31st March, 2011, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with notes thereon and attached thereto, give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the balance Sheet, of the state of affairs of the Company as at 31st March, 2011
 - (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date and
 - (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **SURESH & ASSOCIATES**
FRN: 003316N
Chartered Accountants

Sd/-
(CA SURESH K. GUPTA)
Partner
M. NO. 080050

Date : 13.08.2011
Place : New Delhi

ANNEXURE TO AUDITOR'S REPORT
Referred to Paragraph 3 of our report of even date attached

- I a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of the assets.
- b) According to information and explanation given to us, the fixed assets of the Company have been physically verified by the management at reasonable intervals during the year. No material discrepancies have been noticed on such verification.
- c) In our opinion and according to the information and explanations given to us, there was no substantial disposal of fixed assets by the Company during the year.
- II a) As explained to us, the inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable considering size and nature of the business.
- b) In our opinion and according to information and explanation given to us, the procedures of physical verification of inventory, followed by the management, are reasonable and adequate.
- c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory and no material discrepancies as compared to book records were noticed on physical verification.
- III We are informed that the Company has granted unsecured loans to the two companies covered in the register maintained under Section 301 of the Act. The Company has given advances to its wholly owned two subsidiaries aggregating to Rs. 5318.67 lacs, out of which Rs. 3093.27 lacs has been received back. The terms of advances are not prejudicial to the interest of the Company.
- IV In our opinion and according to information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for purchase of inventory and fixed assets and sale of goods. Further, on the basis of our examination of the books and records of the Company, and according to information and explanations given to us, we have not observed any continuing failure to correct major weaknesses in the aforesaid internal control system.
- V a) In our opinion and according to information and explanation given to us, the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered in the register required to be maintained under that section have been so entered
- b) In respect of the transactions made in pursuance of such contracts or arrangements and exceeding value Rupees Five Lacs in respect of any party during the year, because of the absence of the comparable prices and variation in the quality of the goods involved, we are unable to comment whether the transactions were made at prevailing market prices at the relevant time.
- VI In our opinion and explanation given to us, the Company has not accepted any deposit from the public within the meaning of sections 58A and 58AA of the Act and rules framed there under.
- VII In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- VIII To the best of our knowledge and as explained, the maintenance of the cost records have not been prescribed by the Central Government under section 209(1)(d) of the Act, for any of the products of the Company.
- IX a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, employee's state insurance, Income Tax, VAT, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Cess and other statutory dues as applicable with appropriate authorities.
- b) There are no disputed liabilities in respect of PF, ESI, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues which are outstanding as at 31st March, 2011 except following liabilities:

S. No.	Period of demand	Amount Involved	Particulars of demand	Appeal Pending Before
1	AY 2004-05	Rs. 1.67 lacs	Demand under Income Tax Act	CIT (Appeals)- , New Delhi
2	AY 2004-05	Rs. 6.92 lacs	Demand under Income Tax Act	CIT (Appeals)- , New Delhi
3	A.Y 2008-09	Rs. 10.11 lacs	Demand under Income Tax Act	Rectification filed before assessing officer.

- X There are no accumulated losses of the Company as at 31.03.2011. The Company has also not incurred any cash losses during the financial year ended on that date and in the immediately preceding financial year.
- XI As per explanation and information provided to us, the Company has not defaulted in repayment of dues to any financial institution and banks as at the balance sheet date.
- XII According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loan and advances on basis of security by way of pledge of shares, debentures, other securities.
- XIII The provisions of clause (xiii) are not applicable to the Company.
- XIV As per information given to us, Company is not dealing or trading in shares, securities, debentures and other investments.
- XV In our opinion and according to the information and explanations given to us, the Company has given guarantee for loans taken by others from banks or financial institutions and terms and conditions whereof are not prejudicial to the interest of Company.
- XVI In our opinion and according to information given to us, term loan availed by Company were prima facie applied by Company during the year for the purpose for which they were obtained.
- XVII As per information and explanation given to us and overall examination of balance sheet of the Company, we report that funds raised on short term basis have prima facie not being used for long term investment and vice versa.
- XVIII As per information and explanation given to us the Company has made preferential allotment of equity warrants convertible into equity shares to the parties and companies covered in the register maintained under section 301 of the Companies Act and the price of such issue is not prejudicial to the interest of the company.
- XIX As per information and explanation given to us the Company has not issued any debentures and no security has been created against the debentures.
- XX As per the information and explanation given to us, the company has not raised money by public issue during the year ending 31.03.2011.
- XXI Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information & explanation given to us by the management, we report that no fraud on or by the company has been noticed or reported during the year.

For **SURESH & ASSOCIATES**
FRN: 003316N
Chartered Accountants

Sd/-
(CA SURESH K. GUPTA)
Partner
M No. 080050

Date : 13.08.2011
Place : New Delhi

BALANCE SHEET AS AT 31ST MARCH, 2011

PARTICULARS	SCHEDULE	As At 31 March, 2011 Rs.	As At 31 March, 2010 Rs.
I. SOURCES OF FUNDS			
Shareholders Funds			
(a) Share Capital	1	51480200	51480200
(b) Equity Warrants	2		
–Partly Paid up Equity Warrants		2250000	–
(c) Reserves and Surplus	3	728685681	622904453
Deferred Tax Liability		2109673	2482741
Loan Funds			
(a) Secured Loans	4	1903364937	1617434083
(b) Unsecured Loans	5	–	43413493
TOTAL		2687890491	2337714971
II. APPLICATION OF FUNDS			
Fixed Assets			
(a) Gross Block	6	133007867	103676459
(b) Less: Depreciation		27648536	22215531
Net Block		105359331	81460928
Capital Work in Progress		6724388	4875629
Investments	7	62305383	64697524
Current Assets, Loans & Advances			
(a) Inventories	8	994582911	1891444925
(b) Sundry Debtors	9	2818128166	506734870
(c) Cash and Bank balances	10	492854195	123214931
(d) Loans and Advances	11	1350347550	1149464886
		5655912822	3670859612
Less: Current Liabilities & Provisions			
(a) Current Liabilities	12	3082843697	1410478028
(b) Provisions	13	59567737	73700695
		3142411434	1484178722
Net Current Assets		2513501389	2186680889
TOTAL		2687890491	2337714971
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS			
	21		

As per our separate report of even date attached

For **SURESH & ASSOCIATES**
FRN: 003316N
Chartered Accountants

Sd/-
(CA Suresh K. Gupta)
Partner
M. No. 080050

Sd/-
(Hamant Paul)
GM (Finance)

Sd/-
(Suvindra Kumar)
Company Secretary

Sd/-
(Rajesh Monga)
Director

Sd/-
(Anil Monga)
Managing Director

Date : 13.08.2011
Place : New Delhi

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

PARTICULARS	SCHEDULE	As At 31 March, 2011 Rs.	As At 31 March, 2010 Rs.
INCOME			
Sales of Products and other income	14	13424668331	6932285923
TOTAL		13424668331	6932285923
EXPENDITURE			
Cost of Goods Sold	15	12257953036	6065083884
Direct Expenses	16	628398428	343649285
Office and Administrative Expenses	17	81588457	80920321
Financial Charges	18	277752000	208410841
Selling & Distribution Expenses	19	6895042	6781208
Other Expenses	20	19268026	21128784
TOTAL		13271854989	6725974323
Profit before Depreciation		152813342	206311600
Depreciation		5893828	4997021
Profit before Taxation		146919514	201314579
Provision For Taxation		49971584	71651028
Provision for Deferred Income Tax Liability/(Asset) (Tax effect of timing differences during the year)		(373068)	(59666)
Profit after Taxation		97320998	129723217
Balance of Profit brought Forward from Previous Years		286069453	181935056
Less/(Add): Short/ (Excess) Provision of Income Tax for earlier Years		4323456	(457033)
Balance Available for Appropriation		379066996	312115305
APPROPRIATIONS			
Transfer to General Reserve		7300000	14000000
Proposed Dividend		10296040	10296040
Tax on Dividend		1670275	1749812
Surplus Carried Forward		359800681	286069453
		379066996	312115305
EARNINGS PER SHARE (RS.)			
Basic		18.90	25.20
Diluted		18.90	25.20
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	21		

As per our separate report of even date attached

For **SURESH & ASSOCIATES**
FRN: 003316N
Chartered Accountants

Sd/-
(CA Suresh K. Gupta)
Partner
M. No. 080050

Sd/-
(Hamant Paul)
GM (Finance)

Sd/-
(Suvindra Kumar)
Company Secretary

Sd/-
(Rajesh Monga)
Director

Sd/-
(Anil Monga)
Managing Director

Date : 13.08.2011
Place : New Delhi

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

		(Rs. In `000) Year ended 31st March, 11	(Rs. In `000) Year ended 31st March, 10
A.	CASH FLOW FROM OPERATING ACTIVITIES :		
	Net Profit/(Loss) before taxation and extraordinary items	146920	201315
	Adjustment for :		
	(Profit)/Loss on sale of fixed assets	242	648
	Depreciation	5894	4997
	Foreign exchange (Gain)/Loss	-	-
	Discarding of assets	-	67
	FCTR Written off	-	-
	(Profit)/Loss on sale of Investment	-	3768
	Dividend income	(152346)	(88)
	Interest Expenses	269685	201611
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	270394	412319
	Adjustment for :		
	(Increase)/Decrease in Sundry Debtors & other receivables	(2512276)	15040
	(Increase)/Decrease in Inventories	896862	(689883)
	Increase/(Decrease) in Sundry Creditors & other payables	1675584	278181
	Cash generated from operations	330564	15657
	Direct Tax Paid	71566	37394
	Interest paid	-	-
	Cash flow before extraordinary items	258998	(21737)
	Extraordinary items	-	-
	NET CASH FROM OPERATING ACTIVITIES	258998	(21737)
B.	CASH FLOW FROM INVESTING ACTIVITIES :		
	Purchase of fixed assets	(33706)	(19683)
	Sale of fixed assets	3671	2843
	Investment in Others	-	(20927)
	Capital WIP	(1849)	(4876)
	Investment in Subsidiaries	-	(37606)
	Sale of Investments	2392	25780
	Dividend received	152346	88
	NET CASH USED IN INVESTING ACTIVITIES	122855	(54380)
C.	CASH FLOW FROM FINANCING ACTIVITIES :		
	Proceeds from Equity Share Warrants (Application Money)	2,250	-
	Securities premium	24750	-
	Net Proceeds from long term borrowings	358128	304981
	Net Proceeds/(Repayment) of short term borrowings	(115610)	43413
	Interest Paid	(269685)	(201611)
	Dividend paid	(12046)	(6023)
	NET CASH USED IN FINANCING ACTIVITIES	(12214)	140760
	Net increase in cash and cash equivalents	369639	64643
	Opening cash and cash equivalents balance (See Note)	123215	58572
	Closing cash and cash equivalents balance (See Note)	492854	123215
	Note to the cash flow statement		
	Cash and Cash Equivalents		
	Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts.		
	- Cash in hand and balances with banks	220846	76386
	- Margin with Bank and Accrued Interest	272008	46829
	- Cash and cash equivalents as restated	492854	123215

For and on behalf of Board

Sd/-
(Hamant Paul)
GM (Finance)Sd/-
(Suvindra Kumar)
Company SecretarySd/-
(Rajesh Monga)
DirectorSd/-
(Anil Monga)
Managing Director

As per our separate report of even date attached

FOR SURESH & ASSOCIATES
FRN: 003316N
CHARTERED ACCOUNTANTSSd/-
(CA Suresh K. Gupta)
Partner
Membership No. 080050Date : 13.08.2011
Place : New Delhi

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2011

PARTICULARS	As At 31 March, 2011 Rs.	As At 31 March, 2010 Rs.
SCHEDULE 1 : SHARE CAPITAL		
AUTHORISED		
15000000 Equity Shares of Rs 10/- each (Previous Year 15000000 Equity Shares of Rs. 10/- each)	15000000	15000000
ISSUED, SUBSCRIBED, CALLED AND PAID UP		
5148020 Equity shares of Rs 10/- each (Previous Year 5148020 Equity Shares of Rs. 10/- each)	51480200	51480200
	51480200	51480200
SCHEDULE 2 : EQUITY WARRANTS		
Partly Paid up Convertible Equity Warrants (Paid up Money @ Rs 2.50 per Equity warrant on allotment of 900000 equity warrants of Rs. 10/- each issued at premium of Rs. 110/- each Convertible in to equity share of Rs. 10/- each)	2250000	-
	2250000	-
SCHEDULE 3 : RESERVES AND SURPLUS		
General Reserve	131300000	124000000
Capital Reserve	23451000	23451000
Security Premium Account	214134000	189384000
Profit and Loss Account	359800681	286069453
	728685681	622904453
SCHEDULE 4 : SECURED LOANS		
a) Long Term Secured Loan		
Vehicle Loans from HDFC Bank (Secured against hypothecation of Cars)	381521	-
Vehicle Loans from ICICI Bank (Secured against hypothecation of Cars)	112393	2992513
Vehicle Loans from Kotak Mahindra Prime Limited (Secured against hypothecation of Cars)	6732322	2593293
Vehicle Loans from Tata Capital Ltd. (Secured against hypothecation of Cars)	161938	554676
Corporate Loan from Indian Overseas Bank (Secured against the personal guarantees of Directors)	267660000	-
ECB from Allahabad Bank, Hongkong Branch (Secured against the personal guarantees of Directors, immovable property of the company and pledge of the Shares)	89220000	-
Sub Total (a)	364268174	6140482
b) Short Term Secured Loan		
Packing Credit with Oriental Bank of Commerce (Secured against hypothecation of Stocks and advances, equitable mortgage of Properties and Personal guarantees of Directors)	177134456	614079856
Packing Credit with Indian Overseas Bank (Secured against hypothecation of Stocks and advances, equitable mortgage of Properties and Personal guarantees of Directors)	238623042	262640008
Packing Credit with Bank of Baroda (Secured against hypothecation of Stocks, equitable Mortgage of Properties and Personal guarantees of Directors)	243691768	-
Packing Credit with Allahabad Bank (Secured against hypothecation of current assets ,equitable Mortgage of Properties and Personal guarantees of Directors)	376313534	216735049
PCFC with Standard Chartered Bank (Secured against hypothecation of current assets ,equitable Mortgage of Properties and Personal guarantees of Directors)	-	444658500
Buyer's Credit through Oriental Bank of Commerce (Secured against hypothecation charge over the goods, equitable mortgage of Properties and Personal guarantees of Directors)	198077993	38954958
Buyer's Credit through Indian Overseas Bank (Secured against hypothecation charge over the goods, equitable mortgage of Properties and Personal guarantees of Directors)	91127970	34225230
Buyer's Credit through Bank of Baroda (Secured against hypothecation charge over the goods, equitable mortgage of Properties and Personal guarantees of Directors)	214128000	-
Sub Total (b)	1539096763	1611293601
Total (a + b)	1903364937	1617434083
SCHEDULE 5 : UNSECURED LOANS		
Purchase Bill Finance from Standard Chartered Bank	-	43413493
	-	43413493

EMMSONS

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE 6 : FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRICIATION				NET BLOCK	
	As At 01.04.2010	Addition During the Period	Deduction/ Adjustments	As At 31.03.2011	As At 01.04.2010	For the Period	Deduction/ Adjustments	As At 31.03.2011	As At 31.03.2011	As At 31.03.2010
Land	6310228	-	3208552	3101676	-	-	-	-	3101676	6310228
Building	40317893	24850000	-	65167893	1680882	1041490	-	2722372	62445521	38637011
Plant & Machinery	794946	-	-	794946	364457	37759	-	402216	392730	430489
Furniture & Fixture	5680260	-	-	5680260	2138569	359561	-	2498130	3182130	3541691
Vehicles	35350472	7467464	1165592	41652344	11087983	3478651	460823	14105811	27546533	24262489
Computers	5206664	218674	-	5425338	4739484	427854	-	5167338	258000	467180
Office Equipments & Fittings	8879848	593054	-	9472902	2025318	464278	-	2489596	6983306	6854530
Generator	978848	576360	-	1555208	106416	68532	-	174948	1380260	872432
Website Development Charges	151900	-	-	151900	70242	15190	-	85432	66468	81658
Trade Mark	5400	-	-	5400	2180	513	-	2693	2707	3220
TOTAL (Current Year)	103676459	33705552	4374144	133007867	22215531	5893828	460823	27648536	105359331	81460928
TOTAL (Previous Year)	88267607	19682595	4273743	103676459	17933677	4997021	715167	22215531	81460928	70333930

PARTICULARS	As At 31 March, 2011 Rs.	As At 31 March, 2010 Rs.
SCHEDULE 7 : INVESTMENTS		
-Investment in Subsidiary	41070980	41070980
Emmsons SA (99999 equity Shares of CHF 10/- Each fully paid up) (Previous year 99999 equity Shares pf CHF 10/- Each fully paid up)		
Emmsons Gulf DMCC (4 Shares of AED 50000/- Each fully paid up) (Previous year 4 Shares of AED 50000/- Each Fully Paid up)	2706064	2706064
-Others		
Fully Paid up Quoted equity shares	9755339	12147480
Fully Paid up Unquoted equity shares	8773000	8773000
	62305383	64697524
SCHEDULE 8 : INVENTORIES (As taken, Valued and Certified by the management)		
Trade Stock	976136200	1826568703
Packing Material	18446711	19170718
Goods in Transit	-	45705504
	994582911	1891444925

**SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH, 2011**

PARTICULARS	As At 31 March, 2011 Rs.	As At 31 March, 2010 Rs.
SCHEDULE 9 : SUNDRY DEBTORS		
Considered good:		
Outstanding for a period exceeding six months	48818326	52970234
Other Debts	2761058702	446097059
Considered doubtful	8251139	7667577
	2818128166	506734870
SCHEDULE 10 : CASH AND BANK BALANCES		
Cash in Hand	2653417	1247779
Balances with Schedule Banks		
-Current accounts	34873885	74575163
-EEFC accounts	183318545	563091
-Margin Money deposits	267275012	46196259
-Accrued Interest on deposits	4733336	632639
	492854195	123214931
SCHEDULE 11 : LOANS AND ADVANCES		
Advances recoverable in cash or in Kind or for Value to be received	1335945342	1130672727
Security Deposits	14402208	18792158
	1350347550	1149464886
SCHEDULE 12 : CURRENT LIABILITIES		
Sundry Creditors	3041661673	1365372985
Other Liabilities	41182024	45105043
	3082843697	1410478028
SCHEDULE 13 : PROVISIONS		
Provision for Income Tax	35416604	52688058
Provision for Wealth Tax	171584	151028
Provision for Gratuity	8222428	5976378
Provision for Leave Encashment	3790806	2839379
Provision for Proposed Dividend	10296040	10296040
Provision for Dividend Distribution Tax	1670275	1749812
	59567737	73700695

EMMSONS**SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2011**

PARTICULARS	As At 31 March, 2011 Rs.	As At 31 March, 2010 Rs.
SCHEDULE 14 : SALES AND OTHER INCOME		
Sale of Products		
Domestic	2239048279	2888590997
Exports	10859775376	3498236222
	13098823655	6386827219
Difference in Exchange	35417251	119664731
Export Incentives received	88431650	89054989
Discount Received	7302241	18675739
Other Incomes	152346343	153485
Forward Contract Forex Gain	37490231	315843411
Receipt from Hotel Booking	4856960	2066349
	13424668331	6932285923
SCHEDULE 15 : COST OF GOODS SOLD		
Opening Stock	1891444925	1201562294
Add: Purchases	11361091022	6754966515
Less: Closing Stock	994582911	1891444925
	12257953036	6065083884
SCHEDULE 16 : DIRECT EXPENSES		
Brokerage and Commission	7220756	9999377
Detention, Demurrage & Claim	19880137	12572957
Forward Contract Commodity loss	-	6125666
Contract Settlements	-	15962201
Corporation / Export Cess	35259	586501
Freight & Cartage	526264429	216738208
Fumigation & Phyto Expenses	7447852	7717664
Godown, Ground Rent & Storage	31511368	43168463
Inspection Charges	9629862	6811847
Packing Charges	120967	2714991
Insurance	14552217	11380598
Port Charges	6083556	7623916
Processing/Sotex Charges	1132114	147736
Survey Fees	182171	232322
Hotel Booking Charges	4337740	1866839
	628398428	343649285

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2011

PARTICULARS	As At 31 March, 2011 Rs.	As At 31 March, 2010 Rs.
SCHEDULE 17 : OFFICE & ADMINISTRATIVE EXPENSES		
Electricity & Water Expenses	1102652	1194878
Gratuity	2269164	381379
Managerial Remuneration	9709408	18358294
Postage and Telegram	670333	565335
Printing, Stationery, Periodicals & Books	1690596	1113374
Rent & Taxes	2007197	1523347
Repairs and Maintenance	4058038	3178226
Retainership & Consultancy Charges	1187677	793125
Salary and other amenities	31808817	30688079
Telephone Expenses	3179399	3762743
Travelling Expenses (including Foreign Travel)		
-Directors	8439765	5765042
-Others	12848198	11436083
Vehicle Repair & Maintenance Expenses	2617213	2160415
	81588457	80920321
SCHEDULE 18 : FINANCIAL CHARGES		
Bank Charges & Interest	28066522	207602990
ECGC Premium Indirect	8066959	6799642
Other Interest	536491	751535
	289269971	215154167
Less: Interest received	11517971	6743327
	277752000	208410841
SCHEDULE 19 : SELLING & DISTRIBUTION EXPENSES		
Advertisement and Publicity	833680	752598
Business Promotion	3957494	3179376
Documentation Charges	1026664	308735
Discount Allowed	51644	2476194
Balance Written off	1025560	64304
	6895042	6781208
SCHEDULE 20 : OTHER EXPENSES		
Auditor's Remuneration	551500	551500
Festival Celebration	4029927	901877
Insurance Claim Written off	-	5903912
Stamping & Filing Fees	1304678	481143
Legal and Professional Charges	8875530	6961999
Licence & Registration Fees	581725	1672291
Loss on Sale of Fixed Assets	242210	647909
Meeting & Seminar Expenses	350994	384332
Membership Fees and Subscriptions	733993	1880006
Miscellaneous Expenses	1965886	1244093
Security Transaction Tax	101582	239723
Sitting Fee	530000	260000
	19268026	21128784

SCHEDULE 21 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

I. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

The Financial Statements have been prepared to comply with the Mandatory Accounting Standards issued by The Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The Financial Statements have been prepared under the historical cost convention on accrual basis. The Accounting Policies have been consistently applied by the Company unless otherwise stated.

2. REVENUE RECOGNITION

The accrual basis of accounting has been followed in respect of income and expenditure. Sales figures are net of sales tax. The Export Sale is recognized at the time of issuance of Bill of Lading.

Interest income is recognized on an accrual basis on time proportionate basis, based on interest rates implicit in the transaction.

Dividend income is recognized on receipt basis.

3. ACCOUNTING FOR TAXES ON INCOME

The Deferred tax expense or benefit is recognized on timing differences being the difference between taxable incomes and accounting incomes that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

4. FOREIGN CURRENCY TRANSACTIONS

(i) Foreign Currency transactions during the year are recorded at the rate of exchange prevailing on the date of transaction. Foreign Currency monetary assets and liabilities are translated into Rupees at the rate of exchange prevailing on the date of the Balance Sheet except investment in shares of subsidiary company which has been carried at historic cost. All Exchange differences are dealt with in the Profit and Loss Account except for investment in overseas subsidiary. Foreign Currency monetary items are reported using the closing rate.

(ii) Where the company has entered into forward exchange contracts, the difference between the forward rate and spot rate at the date of the contract is recognized in the statement of the profit and loss over the life of the contract and difference between the spot rate at the date of contract and the exchange rate prevailing on the Balance Sheet date is recognized as per Accounting Standard (AS) - 11 (Revised) issued by the Institute of Chartered Accountants of India. Any Profit or Loss arising on cancellation or renewal of forward exchange contract is recognized as Income or as expenses for the year.

5. FIXED ASSETS

Fixed Assets are stated at cost less accumulated depreciation. The company has capitalized all costs relating to acquisition and installation of fixed assets.

6. DEPRECIATION

Depreciation on fixed assets is provided using straight-line method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956, except on intangible assets, which are not specified in the above schedule. Amortization on intangible assets has been provided in compliance of Accounting Standard AS-26.

7. INVENTORIES

Items of Inventories are valued at cost or net realizable value, whichever is lower.

8. RETIREMENT BENEFITS

- 1) Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- 2) Defined Benefit Plans:
 - Leave Salary of employees on the basis of actuarial valuation as per AS 15.
 - Gratuity Liability on the basis of actuarial valuation as per AS 15.
- 3) Defined Contribution Plans:

Provident fund & ESI on the basis of actual liability accrued and paid to authorities.

EMPLOYEE BENEFITS: As per the Accounting Standard 15 'Employee Benefits' the disclosure of employee benefit as defined in the Accounting Standard are given below:

(a) Defined Contribution Plan: -

Contribution to Defined Contribution Plans, recognized as expenses for the year is as under:

(Rs. In Lacs)

Particulars	Current Year	Previous Year
Employer's Contribution to Provident Fund	3.35	3.12
Employer's Contribution to ESI	1.69	0.76

(b) Defined Benefit Plan: -

i) Expenses recognized during the period:

(Rs. In Lacs)

Particulars	Gratuity		Leave Encashment	
	Current Year	Previous Year	Current Year	Previous Year
Current Service Cost	9.61	8.43	3.75	4.97
Past Service Cost	-	-	-	-
Interest Cost	4.66	3.92	2.21	1.93
Expected Return on Plan Assets	-	-	-	-
Accumulated Loss/ Gain	8.42	(8.54)	4.08	(2.51)
Total Expenses recognized during the year	22.69	3.81	10.04	4.39

ii) Reconciliation of opening & closing balances of obligations:

(Rs. In Lacs)

Particulars	Gratuity		Leave Encashment	
	Current Year	Previous Year	Current Year	Previous Year
Obligation as on beginning of the year	59.76	55.95	28.39	24.73
Current service cost	9.61	8.43	3.75	4.96
Past Service Cost	-	-	-	-
Interest cost	4.66	3.92	2.21	1.93
Actuarial Gain / (Loss)	8.42	(8.54)	4.08	(2.51)
Settlement	(0.23)	-	(0.53)	(0.72)
Obligation as on closing of the year	82.22	59.76	37.90	28.39

iii) Change in Plan Assets: There is no change in Plan Assets in the case of Gratuity and Leave Encashment because there is no funded scheme taken by the Company.

iv) Reconciliation of fair value of assets and obligations:

(Rs. In Lacs)

Particulars	Gratuity		Leave Encashment	
	Current Year	Previous Year	Current Year	Previous Year
Fair Value of Plan Assets	-	-	-	-
Present Value of obligation	82.22	59.76	37.91	28.39
Amount Recognised in Balance Sheet	82.22	59.76	37.91	28.39

v) Actuarial Assumptions:

1) Demographic assumptions: As shown in para 18(i) of the report.

2) Financial Assumptions:

(Rs. In Lacs)

Particulars	Gratuity		Leave Encashment	
	Current Year	Previous Year	Current Year	Previous Year
Discount Rate	8.00%	7.80%	8.00%	7.80%
Rate of increase in Compensation Level	5.00%	5.00%	5.00%	5.00%
Rate of Return on Plan Assets	-	-	-	-

The estimate of future salary increase takes into account regular increment, promotional increases and other relevant factors such as supply and demand in the employment market.

9. EXPORT BENEFITS/ INCENTIVES

Export Entitlements in respect of the exports made under various scheme are recognized in the Profit and Loss Account when the right to receive credit as per the terms of the Schemes are established.

10. EARNINGS PER SHARE

Basic Earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted Earnings per share are not different from basic earning per share.

11. RECOGNITION OF PRIOR PERIOD ITEMS

Prior period expenses and incomes below Rs.15000/- are treated as current year's expenses / incomes.

II. NOTES ON ACCOUNTS

1. Previous year's figures have been regrouped, rearranged, reworked and reclassified wherever necessary to make them comparable with corresponding figures of current year.
2. Figures have been rounded off to the nearest rupee. Figures in bracket indicate negative balances.
3. Amount under the head "Partly Paid up Equity Warrants" amounting to Rs. 27000000/- has been received as part payment for allotment of 900000 equity warrants of Rs. 10/- each at a premium of Rs. 110/-, convertible into same number of equity share, to the promoter group on preferential basis in accordance with in principle approval from Bombay Stock Exchange. Balance consideration to be demanded at the time of exercise of option by the warrants holder.
4. The loans and advances include the following :-

	CURRENT YEAR (Rs. in Lacs)	PREVIOUS YEAR (Rs. in Lacs)
a) Amount due by firms and companies, in which directors are interested :		
Due at the end of the year	NIL	NIL
Max. Outstanding during the year	NIL	NIL
b) Amount due from Subsidiary at the end of the year	10754.00	3256.00
Max. Outstanding during the year	10779.06	3734.00
c) Dues from Directors :		
Due at the end of the year	NIL	NIL
Max. Outstanding during the year	NIL	NIL

5. ACCOUNTING FOR TAXATION ON INCOME AS PER AS-22.

As per the mandatory Accounting Standard -22 on "Accounting for Taxes on Income" issued by the ICAI, the company has recorded the cumulative Deferred tax liability / (Assets) in respect of timing differences as at 31st March 2011.

(Rs. In Lacs)

Deferred Tax Liability	Current Year	Previous Year
Liability as on beginning of the year	24.83	25.42
Deferred tax expense for the year Charged to P & L Account	(3.73)	(0.59)
Liability as on closing of the year	21.10	24.83

6. WEALTH TAX :

The provision of taxable wealth has been made as per the provisions of the Wealth Tax Act, 1957.

7. INCOME TAX :

Provision for Income Tax has been made as per the provisions of Income Tax Act, 1961.

8. Balances of Debtors, Creditors, Loans and advances are subject to Confirmation. The debtors include an amount of Rs. 43.19 Lacs (Previous year: Rs. 43.19 Lacs), for which the company had obtained a decree against State Bank of India and Unialchem Fertilizer Limited. The execution of Decree is in abeyance as the State bank of India has filed an appeal in the Supreme Court of India. The management is confident of recovering the amount after the disposal of at the appeal and the amount is considered good for recovery.
9. A sum of Rs. 580.39 Lacs (Previous Year Rs. 580.39 lacs) paid by the company to Food Corporation of India and others against purchases of rice and wheat on account of arbitrary price increase by FCI in violation of its contractual obligation with the company, has not been treated as part of purchase cost for the concerned financial year and the same is shown under Loans and advances. Company is taking all remedies for recovery for said amount in accordance with legal opinion obtained by the company.
- 10. SUITS FILED AGAINST THE COMPANY:**
- (I) The company has entered an arbitration suit against the Punjab State Warehousing Corporation. The arbitration tribunal has issued its award for Rs.890.25 lacs. However, both the parties have filed separate applications in the court with requests for setting aside the award. The case is still in progress and as such quantification of any liability or recovery, if any, is not possible, hence no provision for the same has been made. However, the company is fairly confident of its position and expects to get a favorable judgment in the case.
- (II) The Olympia Spinning & Weaving Mills Ltd. Pakistan had commenced arbitration proceeding against Company for recovery of alleged claim on account of non supply of cotton. The arbitration tribunal has issued an award for USD 607852.00 (Equivalent Rs.271.04 Lacs) against the company. Olympia has filed an application of execution of award in Delhi High Court. The company has opposed the execution and the case is still in progress and the company is fairly confident of its position in the case, hence no provision for the same has been made. The company expects to get a favorable decision in the case.
- (III) In arbitration proceedings in London, an award for USD 8428725.96 (Equivalent Rs.3758.37 Lacs) had been passed against the company. The arbitration proceedings were started by M/s Bunge (London) Limited in respect of purchase contracts for Sugar. The company has been advised by the lawyers that it has strong defence available, hence no provision for the same has been made.

11. MANAGERIAL REMUNERATION :

(Rs. in Lacs)

	CURRENT YEAR	PREVIOUS YEAR
a) Remuneration to Managing Director		
Salary	37.50	30.00
Bonus	2.87	3.75
Perquisites	0.20	2.04
Commission	Nil	74.80
	<u>40.57</u>	<u>110.59</u>
b) Remuneration to Whole time Director		
Salary	30.00	24.00
Bonus	2.29	3.00
Perquisites	Nil	Nil
Commission	Nil	12.50
	<u>32.29</u>	<u>39.50</u>
c) Remuneration to Executive Director		
Salary	22.50	18.00
Bonus	1.72	2.25
Perquisites	6.24	6.96
Commission	Nil	12.50
	<u>30.46</u>	<u>39.71</u>
Total Managerial Remuneration	103.32	189.80

12. AUDITOR'S REMUNERATION :

(Rs. In Lacs)

	CURRENT YEAR	PREVIOUS YEAR
a) As Statutory Auditors	3.31	3.31
b) Taxation Matters	1.10	1.10
c) Tax Audit Fee	0.66	0.66
d) Limited Review Audit	0.44	0.44
e) Company Law matters	-	-
Total	5.51	5.51

13. SEGMENT REPORTING :

Segment reporting as per AS-17 is not applicable to the company as it does not have any reportable Segment.

- 14.** Disclosure of Sundry Creditors under current Liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Amounts due as on 31st March, 2011 to Micro, Small and Medium Enterprises on account of principal amount together with Interest, aggregate to Rs. Nil. (Previous Year: Rs. NIL).

- 15. Contingent Liabilities not provided for : (Amount Rs. in Lacs)**
- a) Guarantees to sales tax authorities : Rs. 5.90 (Previous year Rs.5.90)
 - b) Corporate Guarantees for Credit facilities to subsidiary : Rs.15254.04 (Previous year 2893.50)
 - c) Letter of Credit issued for purchases : Rs.7427.57 (Previous year 862.50)
 - d) Other Guarantees : Rs. 3523.63 (Previous year Rs. 827.43)
 - e) The Entry Tax demands Rs. 11.43 lacs raised by the authorities have been protested by the company and final determination is yet to be made by the appellate authorities. The company has however made the payment against these demands under protest and the same is included in the list of Loans and advances. In the event case is finally decided against the Company the said amount of Rs. 11.43 Lacs shall be required to be charged as an expense to Profit & Loss account.
 - f) Tax Demand totaling Rs. 8.60 Lacs for Assessment year 2004-2005 raised by the Income Tax Department is being contested by the Company in appeal. No provision has been made for the liability in the accounts under report. Other Tax demand of Rs. 10.11 Lacs For Assessment Year 2008-2009 raised by Income Tax Department is under rectification for apparent error.

16. RELATED PARTIES DISCLOSURES:

As required by Accounting Standard-18, "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, relevant information is provided here below:

Related parties with whom transactions have taken place during the year:

S.NO.	NAMES	RELATIONSHIP
a)	Mr.Anil Monga	Key Managerial Personnel
b)	Mr. Rajesh Monga	Key Managerial Personnel
c)	Mr. Shivaz Monga	Key Managerial Personnel
d)	Mr.Vijay Kumar Kakkar	Key Managerial Personnel
e)	Mr.Viresh Shankar Mathur	Key Managerial Personnel
f)	Mr. Mohd. Tariq Raza	Key Managerial Personnel
g)	Mr. Satish Chandra Gupta	Key Managerial Personnel
h)	Ms. Manya Kumar	Key Managerial Personnel's relative
i)	M/s Emmsons S.A.	Subsidiary (Control Exists)
j)	M/s Emmsons Gulf DMCC	Subsidiary (Control Exists)

Following are the details of the transactions with the related parties :

Nature of Transactions	Related Parties	Amount (Rs. in Lacs)
Salaries, Allowances & Perquisites	Key Managerial Personnel's	103.32
Salaries, Allowances & Perquisites	Key Managerial Personnel's Relatives	2.73
Sitting Fee	Key Managerial Personnel's	5.30
Rent	Key Managerial Personnel's	3.00
Investment in Shares	Subsidiaries	Nil
Sales to Subsidiaries	Subsidiaries	12952.30
Purchase from Subsidiaries	Subsidiaries	5421.91

17. EARNINGS PER SHARE :

Basic and diluted earnings per share are calculated by dividing the net Profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The Company has not issued any potential equity shares, accordingly, basic, and diluted earning per share are the same.

S.N	PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
a)	Profit after taxation and exceptional items (Rs.)	97320998	129723217
b)	Weighted average number of shares outstanding during the year	5148020	5148020
c)	Nominal Value Per Share (Rs.)	10	10
d)	Basic and diluted earning per share (In Rs.) d = (a/b)	18.90	25.20

III. ADDITIONAL INFORMATION PURSUANT TO PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956 :**A) Particulars of Capacity and Production are not applicable.****B) Purchase, Sales and Stocks.**

	OPENING STOCK		PURCHASES		SALES		CLOSING STOCK	
	QTY/MT	(RS.IN'000)	QTY/MT	(RS.IN'000)	QTY/MT	(RS.IN'000)	QTY/MT	(RS.IN'000)
1 SULPHUR	0.000	0	11295.000	91319	5705.670	51261	5589.330	45085
(PREVIOUSYEAR)*	(4116.282)	(34206)	(100.000)	(1056)	(4215.500)	(10017)	0.000	0
2 COAL	3556.175	13676	116997.000	358938	111023.000	353226	9530.175	44545
(PREVIOUSYEAR)*	(16896.895)	(103978)	(59287.000)	(141250)	(72566.000)	(190728)	(3556.175)	(13676)
3 WHEAT	1653.010	24532	309443.472	4414053	311101.762	4790714	0.000	0
(PREVIOUSYEAR)*	0.000	0	(3926.780)	(53886)	(2273.770)	(32720)	(1653.010)	(24532)
4 RICE	8125.287	512766	117720.693	3378427	119904.679	3736249	5948.468	445051
(PREVIOUSYEAR)*	(14034.556)	(498859)	(56001.814)	(1873338)	(61638.763)	(2113303)	(8125.287)	(512766)
5 SUGAR	36670.440	1246795	10200.000	295133	45448.960	1447885	1327.620	48356
(PREVIOUSYEAR)*	(1139.450)	(24635)	(78500.000)	(2399745)	(42892.081)	(1315628)	(36670.440)	(1246795)
6 SOYABEAN	0.000	0	12998.435	240383	12738.395	258836	0.000	0
(PREVIOUSYEAR)*	(847.375)	(17874)	(9272.380)	(205538)	(9373.240)	(183049)	0.000	0
7 BARLEY	1734.265	15375	0.000	0	1719.660	15805	0.000	0
(PREVIOUSYEAR)*	0.000	0	(2634.275)	(23418)	(900.010)	(8033)	(1734.265)	(15375)
8 MAIZE	1582.675	14433	185399.465	1925286	159625.148	1795313	24324.527	294025
(PREVIOUSYEAR)*	(17181.880)	(150191)	(139460.522)	(1280415)	(152190.006)	(1484399)	(1582.675)	(14433)
9 RAPESEED	0.000	0	8693.070	92304	8455.000	92754	15.095	161
(PREVIOUSYEAR)*	(230.445)	(2327)	(13881.375)	(154538)	(13735.055)	(146534)	0.000	0
10 CHICK PEAS	0.000	0	2478.400	61278	2488.260	58848	0.000	0
(PREVIOUSYEAR)*	(1381.476)	(30788)	(2436.340)	(59102)	(3813.106)	(93036)	0.000	0
11 YELLOW PEAS	2771.215	40761	28299.010	409625	24700.686	415430	6361.725	97135
(PREVIOUSYEAR)*	(20882.155)	(301300)	(27648.909)	(424327)	(45678.235)	(686957)	(2771.215)	(40761)
12 TOOR WHOLE	0.000	0	0.000	0	0.000	0	0.000	0
(PREVIOUSYEAR)*	(239.197)	(6827)	0.000	0	(239.020)	(9333)	0.000	0
13 LENTILS	5.260	178	0.000	0	5.600	202	0.000	0
(PREVIOUSYEAR)*	0.000	0	(558.898)	(19999)	(553.626)	(21768)	(5.260)	(178)
14 PIGEON PEAS	80.000	3759	0.000	0	42.140	1159	37.860	1779
(PREVIOUSYEAR)*	0.000	0	(80.000)	(3704)	0.000	0	(80.000)	(3759)
15 BAGS (In No.) (USED/ NEW)	1354303.000	19171	2988654.000	37182	2202500.000	20221	1383534.000	18447
(PREVIOUSYEAR)**	(2377366.000)	(30576)	(3893618.000)	(51709)	(2985300.000)	(25002)	(1354303.000)	(19171)

NOTES :

* The Opening and Closing stocks Includes the stocks in Transit.

** Rice and Wheat is purchased in jute bags and purchase of rice and wheat includes the cost of jute bags. Bags quantities are in numbers.

		CURRENT YEAR (Rs. in Lacs)	PREVIOUS YEAR (Rs. in Lacs)
C)	Earnings in Foreign Currency	39553.00	30544.00
	Export of Goods calculated on FOB value	—	—
	Service Charges Received	—	—
D)	CIF Value of Import (including Highseas Purchases)	9300.00	26651.00
E)	Expenditure in Foreign Currency		
	Professional Fees	41.00	34.00
	Other Matters	1800.00	473.00
	Dividend Paid	0.22	1.11

For **SURESH & ASSOCIATES**

FRN: 003316N

Chartered Accountants

Sd/-

(CA Suresh K. Gupta)

Partner

M. No. 080050

Date : 13.08.2011

Place : New Delhi

For and on behalf of Board

Sd/-

(Hamant Paul)

GM (Finance)

Sd/-

(Suvindra Kumar)

Company Secretary

Sd/-

(Rajesh Monga)

Director

Sd/-

(Anil Monga)

Managing Director

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I.	REGISTRATION DETAILS : Registration No. State Code Balance Sheet Date	053060 55 31st March, 2011
II.	CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS) Public Issue Rights Issue Employees Stock Options Bonus Issue Private Placement	NIL NIL NIL NIL NIL
III.	POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. THOUSANDS) Total Liabilities Total Assets SOURCES OF FUNDS Paid-Up-Capital Partly Paid Equity Warrants Reserves & Surplus Unsecured Loans Secured Loans Deferred tax liability APPLICATION OF FUNDS Net Fixed Assets Investments Net Current Assets Misc. Expenditure Accumulated Losses	2687890 2687890 51480 2250 728685 Nil 1903365 2110 112084 62305 2513501 NIL NIL
IV.	PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSANDS) Turnover Total Expenditure Profit/Loss before Tax Profit/Loss after tax Earning Per Share (Rs.) Dividend Rate (%)	13424668 13277749 146919 97321 18.90 20%
V.	GENERIC NAMES OF THREE PRINCIPAL PRODUCTS OF THE COMPANY Item Code No. Product Description Item Code No. Product Description Item Code No. Product Description	10060 Rice 170100 Sugar 27011920 Coal

For **SURESH & ASSOCIATES**

FRN: 003316N

Chartered Accountants

Sd/-
(CA Suresh K. Gupta)
Partner

M. No. 080050

Date : 13.08.2011

Place : New Delhi

For and on behalf of Board

Sd/-
(Hamant Paul)
GM (Finance)Sd/-
(Suvindra Kumar)
Company SecretarySd/-
(Rajesh Monga)
DirectorSd/-
(Anil Monga)
Managing Director

BALANCE SHEET AS AT 31ST MARCH, 2011 (US\$)

(Fig. in Millions)

PARTICULARS	EMMONS INTERNATIONAL LIMITED INDIA	EMMONS SA SWITZERLAND	EMMONS GULF DMCC DUBAI	CONSOLIDATED
I. SOURCES OF FUNDS				
Shareholders Funds				
(a) Share Capital	1.15	1.08	0.05	1.15
(b) Equity Warrants – Party Paid up Equity Warrants	0.05	0.00	0.00	0.05
(c) Reserves and Surplus	16.34	(0.58)	3.39	18.14
Deferred Tax Liability	0.05	0.00	0.00	0.00
Loan Funds				
(a) Secured Loans	42.69	0.00	18.25	77.30
(b) Unsecured Loans	0.00	0.00	0.00	0.00
Minority Interest	0.00	0.00	0.00	0.00
TOTAL	60.28	0.50	21.69	96.64
II. APPLICATION OF FUNDS				
Fixed Assets				
(a) Gross Block	2.98	0.03	0.68	3.63
(b) Less: Depreciation	0.62	0.02	0.02	0.66
Net Block	2.36	0.00	0.66	2.97
Capital Work in Progress	0.15	0.00	0.00	0.15
Investments	1.40	0.00	0.00	0.42
Current Assets, Loans & Advances				
(a) Inventories	22.31	0.00	0.07	39.28
(b) Sundry Debtors	63.20	0.00	13.06	71.03
(c) Cash and Bank balances	11.05	0.00	4.21	15.27
(d) Loans and Advances	30.28	2.04	17.57	44.75
	126.84	2.04	34.91	170.34
Less: Current Liabilities & Provisions				
(a) Current Liabilities	69.14	1.54	13.87	75.96
(b) Provisions	1.34	0.01	0.01	1.35
	70.47	1.54	13.88	77.31
Net Current Assets	56.37	0.50	21.03	93.03
Deferred Tax Assets	0.00	0.00	0.00	0.07
Miscellaneous Expenditure (To the extent not written off)	0.00	0.00	0.00	0.00
TOTAL	60.28	0.50	21.69	96.64

Conversion Rate to INR to US\$ as per closing price as on 31.03.2011

EMMSONS

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011 (US\$)

(Fig. in Millions)

PARTICULARS	EMMSONS INTERNATIONAL LIMITED INDIA	EMMSONS SA SWITZERLAND	EMMSONS GULF DMCC DUBAI	CONSOLIDATED
INCOME				
Sales of Products and other income	301.07	0.04	187.76	447.69
TOTAL	301.07	0.04	187.76	447.69
EXPENDITURE				
Cost of Goods Sold	274.90	0.06	182.83	417.84
Direct Expenses	14.09	0.00	0.00	14.09
Office and Administrative Expenses	1.83	0.39	0.36	2.58
Financial Charges	6.23	(0.00)	1.17	7.40
Selling & Distribution Expenses	0.15	0.00	0.00	0.15
Other Expenses	0.43	0.02	0.50	0.96
TOTAL	297.64	0.47	184.86	443.02
Profit before Depreciation	3.43	(0.43)	2.91	4.67
Depreciation	0.13	0.00	0.02	0.15
Profit before Taxation	3.29	(0.44)	2.89	4.52
Provision For Taxation	1.12	0.00	0.00	1.12
Provision for Deferred Income Tax Liability/(Asset)	(0.01)	0.00	0.00	(0.13)
Profit after Taxation	2.18	(0.44)	2.89	3.53
Balance of Profit brought Forward from Previous Years	6.42	(0.14)	0.50	6.71
Less/ (Add): Short/ (Excess) Provision of Income Tax for earlier Years	0.10	0.00	0.00	0.10
Less: Minority Interest	0.00	0.00	0.00	(0.00)
Balance Available for Appropriation	8.50	(0.58)	3.39	10.15
APPROPRIATIONS				
Transfer to General Reserve	0.16	0.00	0.00	0.16
Proposed Dividend	0.23	0.00	0.00	0.23
Tax on Dividend	0.04	0.00	0.00	0.04
Surplus Carried Forward	8.07	(0.58)	3.39	9.71
	8.50	(0.58)	3.39	10.15
EARNINGS PER SHARE (Fig. in Cents)				
Basic				0.69
Diluted				0.69

Conversion Rate to INR to US\$ as per closing price as on 31.03.2011

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANIES**

NAME OF THE SUBSIDIARY	Emmons SA	Emmons Gulf DMCC
1. Financial year of the Subsidiary ended on	31.03.2011	31.03.2011
2. Date from which they become subsidiary	03.09.2007	01.02.2009
3. Share of the subsidiary held by the company as on 31st March, 2011.		
a) Number & face value	99,999 equity shares of CHF 10/- each fully paid up	4 Shares of AED 50,000/- each
b) Extent of holding	99.99%	100.00%
4. The net aggregate amount of the subsidiary Companies Profit/(Loss) so far as it concerns the member of the holding Company		
a) Not dealt with in the holding Company's accounts		
i) For the financial year ended 31 st March, 2011	Net Loss of Rs. 1,95,34,013.00	Rs. 12,88,66,784.00
ii) upto the previous financial year of the subsidiary company	Rs. 9,84,536.42	Rs. 2,21,91,294.20
b) Dealt with in the holding Company's accounts		
i) For the financial year ended 31 st March, 2011	Nil	Nil
ii) For the previous financial year of the subsidiary company since they become the holding Company's subsidiaries	Nil	Nil

Sd/-
(Hamant Paul)
GM (Finance)

Sd/-
(Suvindra Kumar)
Company Secretary

Sd/-
(Rajesh Monga)
Director

Sd/-
(Anil Monga)
Managing Director

FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES

EMMSONS S.A

I. Report of the Statutory Auditor on the Limited Statutory Examination

As statutory auditors, we have examined the financial statements (Balance Sheet, Income Statement and Notes) of Emmsons SA for the year ended 31st March 2011.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss Law.

We conducted our examination in accordance with the Swiss Standards on the Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational procedures and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements and the proposed appropriation of available earnings do not comply with Swiss Law and the Company's articles of incorporation.

Aigle, 28 July 2011

**Baker & Norton
Fiduciaire SA**

Sd/-
Regis Devenes
Expert-reviser agree

Enclosures : – Financial statements consisting of :
– Balance Sheet
– Income Statement
– Notes to Financial Statement
– Result Sharing
– Rating

EMMSONS S.A. - AIGLE
2. BALANCE SHEET AT 31 MARCH, 2011

	31.03.2011 (In CHF)	31.03.2010 (In CHF)	31.03.2011 (In INR)	31.03.2010 (In INR)
ASSETS				
Current Assets				
BNP Paribas 86070/1C	-36.26	1772.67	-1743	73771
BNP Paribas 86070/3E EUR	16.75	1518.73	805	63203
BNP Paribas 86070/2D USD	4486.00	54760.12	215669	2278880
BNP Paribas 86070/4F GBP	41.48	694.25	1994	28892
Debtors	0.00	76919.35	-	3201052
Advances Recoverable	1879972.03	8810528.40	90381517	366656187
Prepaid assets	941.55	14605.85	45266	607832
VAT receivable	9023.78	13160.50	433827	547683
	1894445.33	8973959.87	91077335	373457500
Fixed Assets				
Set up costs	1440.00	2860.00	69229	119021
Computers	2400.00	3900.00	115382	162301
	3840.00	6760.00	184612	281322
TOTAL ASSETS	1898285.33	8980719.87	91261947	373738822
	31.03.2011 (In CHF)	31.03.2010 (In CHF)	31.03.2011 (In INR)	31.03.2010 (In INR)
LIABILITIES				
Current Liabilities				
Others Payables	1403030.37	7820658.00	67452074	325462051
Creditors	19102.65	281068.20	918379	11696846
Expenses payable	10275.00	6801.00	493981	283028
	1432408.02	8108527.20	68864434	337441925
Equity				
Shareholder's capital	1000000.00	1000000.00	48075990	41615686
	1000000.00	1000000.00	48075990	41615686
Result				
Previous year result	-127807.33	-151465.15	-6144464	-6303326
Net profit exercise	-406315.36	23657.82	-19534013	984536
	-534122.69	-127807.33	-25678477	-5318790
TOTAL LIABILITIES	1898285.33	8980719.87	91261947	373738822

EMMSONS S.A. - AIGLE
3. INCOME STATEMENT 2010/2011
(As 1st April, 2010 at 31st March, 2011)

	31.03.2011 (In CHF)	31.03.2010 (In CHF)	31.03.2011 (In INR)	31.03.2010 (In INR)
INCOME	107069.14	1245498.31	5147455	51832267
PURCHASES	54371.89	719096.17	2613982	29925681
GROSS MARGIN I	52697.25	526402.14	2533472	21906586
Salary and personnel costs	31891.60	40012.55	1533220	1665150
Rent	-	525.00	-	21848
Administrative expenses	1078.36	6983.75	51843	290634
Auditing and accounting fees	8465.65	19222.80	406995	799970
Consulting Fees	276156.00	368282.00	13276473	15326308
Expenses Ukraine	53785.39	88057.50	2585786	3664573
Other charges	-	11477.18	-	477631
OTHER OPERATING CHARGES	371377.00	534560.78	17854317	22246114
OPERATING PROFIT I (before financial result)	-318679.75	-8158.64	-15320844	-339527
Financial costs	-3330.84	-21307.52	-160133	-886727
Interest	4382.61	1610.00	210698	67001
Exchange rate differential	-7605.67	-35023.23	-365650	-1457516
Loan Exchange rate differential	-62344.51	28330.76	-2997274	1179004
FINANCIAL RESULT	-68898.41	-26389.99	-3312359	-1098238
OPERATING PROFIT 2- cash flow (before depreciation)	-387578.16	-34548.63	-18633204	-1437765
Depreciation	-2920.00	-3927.75	-140382	-163456
RESULT BEFORE EXCEPTIONAL PRODUCTS	-390498.16	-38476.38	-18773586	-1601221
Benefit on sale apartment	-	63800.00	-	2655081
Loss on Harry James Loan	-13030.40	-	-626449	-
RESULT (before tax)	-403528.56	25323.62	-19400035	1053860
Tax	-2786.80	-1665.80	-133978	-69323
NET LOSS EXERCISE	-406315.36	23657.82	-19534013	984536

4. NOTES TO FINANCIAL STATEMENT ART, 663B CO

	2011	2010
4.01 Global amount of the guarantees, obligations of guarantees and constitution of pledges in favour of third	NONE	NONE
4.02 Global amount of the credits pawned or to yield to guarantees proper engagements and credits subject to property	NONE	NONE
4.03 Amount of the debts rising contracts of leasing not carried to the assessment	NONE	NONE
4.04 Value of the insurance fire of the body immobilization	NONE	NONE
4.05 Amount debts towards the institutions of precaution in favour of the personnel	NONE	NONE
4.06 Amount, rate of interest and expiries of the loans debenture Holder emitted by the Company	NONE	NONE
4.07 Essential participation	NONE	NONE
4.08 Global amount coming from dissolution of the reserves of replacement or the latent reserves	NONE	NONE
4.09 Indications on the object and the amount of the revaluations	NONE	NONE
4.10 Clean actions held by the Company	NONE	NONE
4.11 Amount of the authorized increase and the conditional Increase of capital	NONE	NONE
4.12 Realization of an evaluation of the risk	NONE	NONE
4.13 Motives which led to the resignation of the organ of revision	NONE	NONE
4.14 Other indications envisaged by the law	NONE	NONE
The agreement of the loans according to these companies could be checked :		
- Central Pacific Ltd.	\$ 248594.50	Rs. 11084829
- Central Pacific Ltd.	€ 410000.00	Rs. 25928400
- LLC Krinichkaskoe	\$ 250000.00	Rs. 11147500

EMMONS S.A. - AIGLE**5. RESULT SHARING**

Your Board of Directors propose to report, an opening balance, the previous year result to 31st March 2011 from Fr.-534122.69 (Rs. -25678477) on the following manner:

	(In CHF)	(In INR)
Previous Year Result	-127807.33	-6144464
Net Loss Exercise 01.04.10-31.03.11	-406315.36	-19534013
ACCUMULATED LOSS BALANCE	-534122.69	-25678477

6. RATING**6.01 Fixed Assets**

Particulars	Book value at 01.04.2010		Purchase 2010-2011		Depreciation/ Sale 2010-2011		Book Value 31.03.2011	
	(In CHF)	(In INR)	(In CHF)	(In INR)	(In CHF)	(In INR)	(In CHF)	(In INR)
Set up cost	2860.00	137497	-	-	1420	68268	1440.00	69229
Computers	3900.00	187496	-	-	1500	72114	2400.00	115382
	6760.00	324994	-	-	2920	140382	3840.00	184612

6.02 Advances Recoverable

Emmons Grains Ltd	655710.00	31523907
Emmons Grains Ltd	405498.63	19494748
Emmons Gulf DMCC	139123.50	6688500
Central Pacific Ltd.	230568.90	11084828
Advances to supplier	449071.00	21589533
	1879972.03	90381517

6.03 Others Payables

Central Pacific Ltd	537682.20	25849604
LLC Krinichkaskoe	231872.50	11147500
Emmons International Ltd	633475.67	30454970
	1403030.37	67452074

6.04 Expenses payable

Provision accounting fees 2010/2011	5000.00	240380
Provision EBGC Domiciliation 2010	375.00	18029
Provision tax 2009/2010 and 2010/2011	4900.00	235572
	10275.00	493981

EMMSONS GULF DMCC

DIRECTOR'S REPORT

Your Directors have pleasure in presenting herewith their report together with the Audited Accounts for the financial year ended 31.03.2011.

REVIEW OF OPERATIONS

Since your Company's prominent business activity is trading in commodities, it has achieved the immense success this year and has drawn remarkable footprint in its business sector. The growth of your Company was considerable in this year since it has accomplished the noteworthy turnover.

Your Company also considered increasing the trading basket with an addition of few more commodities. The business which was accomplished through newly added commodities was outstanding this year and added considerably in the turnover of the Company.

FINANCIAL RESULTS

The sales, gross profit, net profit etc. for the year ended 31st March, 2011 were as follows:

S. No.	Particulars	Year Ended 31.03.2011 AED	Year Ended 31.03.2010 AED	Year Ended 31.03.2011 Rs.	Year Ended 31.03.2010 Rs.
1.	Revenue	685,356,038	82,374,111	8,315,630,416	1,002,867,700
2.	Gross Profit	13,458,532	4,130,429	163,296,406	50,286,113
3.	Profit from Operating Activities	14,917,689	2,060,008	181,000,796	25,079,670
4.	Profit for the Year/ Total Comprehensive Income for the Year	10,620,918	1,822,761	128,866,784	22,191,294

RESULTS

The Gross profit and the Net profit for the year amounted to AED 13,458,532 (Rs. 163,296,406) and AED 10,620,918 (Rs. 128,866,784), respectively.

INVESTMENT IN COAL MINE IN INDONESIA

During the year under review your Company acquired 25% stake in PT Star Emmsons Indonesia, a Company formed in Indonesia, which holds stake in a Coal Mining company in Indonesia. The stake was acquired in joint venture with another Dubai based Group.

SHAREHOLDER INTEREST

The Shareholder's and their Interest as at the end of 31 March, 2011 was as follows:

Name of the Shareholders	No. of Shares	% of holdings	AED	Rs.
Emmsons International Ltd.	4	100%	200,000/-	2,426,660/-

BOARD OF DIRECTORS

S. No.	Name	Designation	Date of Appointment	Date of Superannuation
1.	Mr. Kanishk Monga	Director	01.02.2009	N.A
2.	Mr. Shivaz Monga	Director	01.02.2009	N.A

There has been no change in the Board of Directors of the Company during the year.

STATUTORY AUDITOR

A resolution to re-appoint M/s PKF as auditors and fix their remuneration will be put to the Board for their approval.

The Statutory Auditors have audited the Accounts of the Company for the above said period. The audited accounts, and the required annexure together with the Independent Auditor's Report thereon are annexed to this Report.

Reservation, Qualification of Auditors: The Independent Auditor's Report refers the Note 15 with regard to trade payable as at 31 March, 2011, which states as follows:

"Trade payable include AED 7,864,500 (Rs. 95,422,338) due to Emmons International Ltd (EIL) on account of purchases, as against the balance of AED 74,504,920 (Rs. 903,990,546) confirmed by EIL as at 31 March, 2011. The difference of AED 66,640,420 (Rs. 808,568,208) represents value of goods shipped by EIL prior to 31 March, 2011 and in Transit as at the reporting date. The same has been accounted as purchase subsequent to the reporting date."

Explanations of the Board:

This purchase was done on transfer of title of shipping documents and same was done by company's bankers after reporting date and accordingly purchase is booked on the bases of transfer of title of shipping documents.

ACKNOWLEDGEMENT

The Directors take this opportunity to record their appreciation for the employees and gratitude for the valuable support extended to the Company by its bankers & members.

The Directors also thanks to the Statutory Auditors M/s PKF and for their valued cooperation.

On behalf of the Board

Place : Dubai
Date : 29.06.2011

Sd/-
(Kanishk Monga)
Director

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
EMMSONS GULF DMCC**

Report on the financial statements

We have audited the accompanying financial statements of EMMSONS GULF DMCC, which comprise the statement of financial position as at 31st March 2011 and the statement of comprehensive income statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information set out on pages 3 to 20.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

Auditor's responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for qualified opinion

We refer to note 15 with regard to trade payables balances as at 31st March 2011.

Qualified opinion

In our opinion, except for the effect of adjustments in any, as might have been determined to be necessary on account of the matter stated above, the financial statements give a true and fair view of the financial position of EMMSONS GULF DMCC as of 31st March 2011, and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards.

Emphasis of matter

Without qualifying our opinion, we draw attention to note 14 which states that bank borrowings and loans are subject to certain financial covenants.

Report on other legal and regulatory requirements

We further confirm that the financial statements comply with provisions of implementing Regulation No.1/03 issued by the Dubai Multi Commodity Centre Authority.

Sd/-
PKF
Dubai
United Arab Emirates
7 June 2011

EMMONS GULF DMCC
STATEMENT OF FINANCIAL POSITION
31 MARCH 2011

	Notes	2011 AED	2010 AED	2011 Rs.	2010 Rs.
NON-CURRENT ASSETS					
Property, plant and equipment	6	2437422	2367571	29573972	28824111
Advance against Investment	7	31043228	-	376656798	-
		<u>33480650</u>	<u>2367571</u>	<u>406230770</u>	<u>28824111</u>
CURRENT ASSETS					
Inventory	8	253782	-	3079213	-
Trade and other receivables	9	81529929	39040920	989227088	475305617
Amount due from a related party	10	-	2562840	-	31201423
Cash and cash equivalents	11	99359	1800231	1205552	21917002
Other current financial assets	12	15380325	4379220	186614097	53315031
		<u>97263395</u>	<u>47783211</u>	<u>1180125950</u>	<u>581739072</u>
TOTAL ASSETS		<u>130744045</u>	<u>50150782</u>	<u>1586356720</u>	<u>610563183</u>
CURRENT LIABILITIES					
Short Term Loan from Bank	13	18375000	-	222949388	-
Other bank borrowings	14	48134237	26495949	584027137	322576245
Trade and other payables	15	35149677	15102410	426481576	183865040
		<u>101658914</u>	<u>41598359</u>	<u>1233458101</u>	<u>506441285</u>
NON-CURRENT LIABILITIES					
Provision for staff end of service gratuity	16	35419	3461	429749	42136
Long term loan from a related party	17	565150	4241200	6857134	51634700
		<u>600569</u>	<u>4244661</u>	<u>7286883</u>	<u>51676836</u>
SHAREHOLDER'S FUNDS					
Share capital	18	200000	200000	2426660	2434910
Retained earnings		12443679	1822761	150982890	22191294
Equity funds		12643679	2022761	153409550	24626204
Loan from the shareholder	19	15840883	2285001	192202186	27818858
		<u>28484562</u>	<u>4307762</u>	<u>345611736</u>	<u>52445062</u>
TOTAL EQUITY AND LIABILITIES		<u>130744045</u>	<u>50150782</u>	<u>1586356720</u>	<u>610563183</u>

The accompanying notes form an integral part of these financial statements.

The report of the independent auditor is enclosed herewith.

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them. We confirm that we have made available all relevant accounting records and information for their compilation.

Authorised for issue by the board of directors on 31 May 2011.

For **EMMONS GULF DMCC**

Sd/-

DIRECTORS

EMMSONS GULF DMCC

STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 MARCH 2011

	Notes	01.04.2010 to 31.03.2011 AED	01.02.2009 to 31.03.2010 AED	01.04.2010 to 31.03.2011 Rs.	01.02.2009 to 31.03.2010 Rs.
REVENUE		685356038	82374111	8315630416	1002867700
Purchase of Inventory		(672151288)	(78243682)	(8155413223)	(952581587)
Change in Inventory		253782	–	3079213	–
GROSS PROFIT		13458532	4130429	163296406	50286113
Other operating income	21	4673071	61798	56699773	752363
Staff costs	22	(757991)	(93864)	(9196932)	(1142752)
Depreciation	23	(59228)	(18942)	(718631)	(230610)
Other operating expenses	24	(2396695)	(2019413)	(29079820)	(24585444)
PROFIT FROM OPERATING ACTIVITIES		14917689	2060008	181000796	25079670
Interest income	25	212936	23822	2583616	290022
Finance costs	26	(4509707)	(261069)	(54717628)	(3178397)
PROFIT FOR THE YEAR / PERIOD		10620918	1822761	128866784	22191294
Other comprehensive income		–	–	–	–
TOTAL COMPREHENSIVE INCOME FOR THE YEAR / PERIOD		10620918	1822761	128866784	22191294

The accompanying notes form an integral part of these financial statements.

The report of the independent auditor is enclosed herewith.

STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 MARCH 2011

	Share capital		Retained earnings		Total	
	AED	Rs.	AED	Rs.	AED	Rs.
Issue of share capital	200000	2426660	–	–	200000	2426660
Total comprehensive income for the period	–	–	1822761	22116106	1822761	22116106
As at 31.03.2010	200000	2426660	1822761	22116106	2022761	24542766
Total comprehensive income for the year	–	–	10620918	128866784	10620918	128866784
As at 31.03.2011	200000	2426660	12443679	150982890	12643679	153409550

The accompanying notes form an integral part of these financial statements.

The report of the independent auditor is enclosed herewith.

EMMONS GULF DMCC
STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2011

Notes	01.04.2010 to 31.03.2011 AED	01.02.2009 to 31.03.2010 AED	01.04.2010 to 31.03.2011 Rs.	01.02.2009 to 31.03.2010 Rs.
Cash used in operations				
Cash used in operations 26	(7686649)	(21856099)	(93264418)	(266088161)
Finance costs paid	(4509707)	(261069)	(54717628)	(3178397)
Net cash used in operating activities	(12196356)	(22117168)	(147982046)	(269266558)
Cash flows from investing activities				
Purchase of property, plant and equipment	(129079)	(2386513)	(1566154)	(29054721)
Increase in other current financial assets	(11001105)	(4379220)	(133479707)	(53315031)
Advance against investments	(31043228)	-	(376656798)	-
Decrease/ (Increase) in amount due from a related party	2562840	(2562840)	31095707	(31201423)
Interest received	212936	23822	2583616	290022
Net cash used in investing activities	(39397636)	(9304751)	(478023336)	(113281153)
Cash flows from financing activities				
Issue of share capital	-	200000	-	2434910
Receipts from bank loan	18375000	-	222949388	-
(Payment)/receipt from bank overdraft (Net)	(1909100)	3439641	(23163683)	41876080
Proceeds from trust receipts (net)	22611698	23056308	274354515	280700165
Proceeds from bills discounted	935690	-	11353007	-
(Payment)/Receipt of long term loan from a related party	(3676050)	4241200	(44602617)	51634700
Receipt of loan from the shareholder	13555882	2285001	164477583	27818858
Net cash from financing activities	49893120	33222150	605368193	404464713
Net (decrease)/increase in cash and cash equivalents	(1700872)	1800231	(20637190)	21917002
Cash and cash equivalents at beginning of year/ period	1800231	-	21842743	-
Cash and cash equivalents at end of year/period 11	99359	1800231	1205553	21917002

The accompanying notes form an integral part of these financial statements.

The report of the independent auditor is enclosed herewith.

EMMSONS GULF DMCC**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011****I. LEGAL STATUS AND BUSINESS ACTIVITY**

- a) **EMMSONS GULF DMCC** is a limited liability company registered in Dubai Multi Commodity Centre, Dubai, United Arab Emirates in accordance with laws and regulations issued by Dubai Multi Commodities Centre Authority. The registered office is P. O. Box 486125, Dubai, UAE. The company was registered on 1 February 2009 and commenced operations on 13 April 2009.
- b) The company is engaged in the business of trading in agricultural commodities.
- c) The company is a wholly owned subsidiary of Emmsons International Limited which is considered to be the ultimate parent company.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted, and which have been consistently applied, are as follows:

a) Basis of preparation

The financial statements are presented in UAE Dirhams and prepared using historical cost, and in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB) and which are effective for accounting periods beginning on or after 1 January 2010, and the requirement of the laws and regulations of Dubai Multi Commodity Centre Authority.

b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated from the date the asset is available for use until it is derecognised, using the straight-line method over the estimated useful lives of the assets as follows:

Freehold property	60 years
Furniture, fixtures and office equipment	6 - 16 years

An assessment of depreciation method, useful lives and residual values is undertaken at each reporting date and, where material, if there is a change in estimate, an appropriate adjustment is made to the depreciation charge.

c) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is arrived at using the specific identification method and comprises invoice value plus applicable landing charges less discounts. Net realizable value is based on estimated selling price less any estimated cost of completion and disposal.

d) Staff end-of-service gratuity

Provision is made for end-of-service gratuity payable to the staff at the reporting date in accordance with the local labour laws.

e) Revenue

Revenue represents the amount invoiced, net of discounts and returns, for goods delivered during the period. The company's sales are in the form of Merchanting Trade or Third Country Trade. The company sells the goods to its customers on the basis of transfer of documents received from suppliers. Revenue is recognised when significant risks and rewards relating to the ownership of goods concerned are transferred to customer and is based on amount invoiced to customers for trans-shipment made during the period.

f) Leases

Leases under which substantially all the risks and rewards of ownership of the related asset remain with the lessor are classified as operating leases and the lease payments are charged to profit or loss on a straight-line basis over the period of the lease.

g) Foreign currency transactions

Transactions in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling on the date of the transactions.

Monetary assets and liabilities expressed in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling at the reporting date.

Gains or losses resulting from foreign currency transactions are taken to profit or loss.

h) Cash and cash equivalents

Cash and cash equivalents comprise cash, bank current accounts, bank deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investment.

i) Financial instruments

Financial assets and financial liabilities are recognised when, and only when, the company becomes a party to the contractual provisions of the instrument.

Financial assets are de-recognised when, and only when, the contractual rights to receive cash flows expire or when substantially all the risks and rewards of ownership have been transferred.

Financial liabilities are de-recognised when, and only when, they are extinguished, cancelled or expired.

Current financial assets that have fixed or determinable payments and for which there is no active market, which comprise trade and other receivables and related party receivables are classified as loans and receivables and stated at cost or, if the impact is material, at amortised cost using the effective interest method, less any write down for impairment losses plus reversals of impairment losses. Impairment losses and reversals thereof are recognised in profit or loss.

Current and non-current financial liabilities, which comprise short term bank loan, other bank borrowings, trade and other payables, related party payables and loan from the shareholder are measured at the cost or, if the impact is material, at amortised cost using the effective interest method.

3. SIGNIFICANT JUDGMENTS EMPLOYED IN APPLYING ACCOUNTING POLICIES

The significant judgments made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

Impairment

At each reporting date, management conducts an assessment of property, plant and equipment, and all financial assets to determine whether there are any indications that they may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made. In the case of loans and receivables, if an amount is deemed irrecoverable, it is written off to profit or loss or, if previously a provision was made, it is written off against the provision. Reversals of provisions against loans and receivables are made to the extent of the related amounts being recovered.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

Key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

Carrying values of property, plant and equipment

Residual values are assumed to be zero unless a reliable estimate of the current value can be obtained for similar assets of ages and conditions that are reasonably expected to exist at the end of the asset's estimated useful lives.

Inventory provisions

Management regularly undertakes a review of the company's inventory, stated at AED 253,782 /Rs.3079213 (previous year AED Nil/Rs. Nil) in order to assess the likely realisation proceeds, taking into account purchase and replacement prices, technological changes, age, likely obsolescence, the rate at which goods are being sold and the physical damage. Based on the assessment assumptions are made as to the level of provisioning required.

Doubtful debt provisions

Management regularly undertakes a review of the amounts of loans and receivables owed to the company either from third parties, (see Note 9) or from related parties (see Note 10) and assesses the likelihood of non-recovery. Such assessment is based upon the age of the debts, historic recovery rates and assessed creditworthiness of the debtor. Based on the assessment assumptions are made as to the level of provisioning required.

Impairment

Assessments of net recoverable amounts of property, plant, equipment and all financial assets other than loans and receivables (see above) are based on assumptions regarding future cash flows expected to be received from the related assets.

Staff end-of-service gratuity

The company computes the provision for the liability to staff end-of-service gratuity stated at AED 35,419 /Rs.429749 (previous year AED 3,461/Rs. 42136) assuming that all employees were to leave as of the reporting date. The management

is of the opinion that no significant difference would have arisen had the liability been calculated on an actuarial basis as salary inflation and discount rates are likely to have approximately equal and opposite effects.

5. ADOPTION OF NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS

The following International Financial Reporting Standards, amendments thereto and interpretations that became effective for the current reporting period and which are applicable to the company are as follows. Their adoption has resulted in presentation and disclosure changes only:

- Improvements to IFRS
 - IAS1: Presentation of Financial Statements
 - IAS7: Statement of Cash Flows
 - IAS17: Leases
 - IAS18: Revenue
 - IAS36: Impairment of Assets
 - IAS39: Financial Instruments: Recognition and Measurement

The following International Financial Reporting Standards, amendments thereto and interpretations that are assessed by management as likely to have an impact on the financial statements have been issued by the IASB prior to the date the financial statements were authorised for issue but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods. It is anticipated that their adoption in the relevant accounting periods will have an impact only on presentation and disclosures within the financial statements:

- IAS24: Related Party Disclosures (1 January 2011)
- Improvements to IFRS
 - IFRS 7: Financial Instruments: Disclosures (1 January 2011)
 - IAS 1: Presentation of Financial Statements (1 January 2011)
- Amendments to IFRS7: Disclosures - Transfers of Financial Assets (1 July 2011)
- IFRS 9: Financial Instruments (1 January 2013)

6. PROPERTY, PLANT AND EQUIPMENT

	Freehold Property		Furniture, fixtures and office equipment		Vehicle		Total	
	AED	Rs.	AED	Rs.	AED	Rs.	AED	Rs.
Cost								
Additions	2094367	25411583	292146	3544695	–	–	2386513	28956278
As at 31 March 2010	2094367	25411583	292146	3544695	–	–	2386513	28956278
Additions	–	–	20390	247398	108689	1318756	129079	1566154
As at 31 March 2011	2094367	25411583	312536	3792093	108689	1318756	2515592	30522432
Accumulated depreciation								
Depreciation	11686	141790	7256	88039	–	–	18942	229829
As at 31 March 2010	11686	141790	7256	88039	–	–	18942	229829
Depreciation	33948	411901	20839	252846	4441	53884	59228	718631
As at 31 March 2011	45634	553691	28095	340885	4441	53884	78170	948460
Net book values								
As at 31 March 2010	2082681	25269793	284890	3456656	–	–	2367571	28726449
As at 31 March 2011	2048733	24857892	284441	3451208	104248	1264872	2437422	29573972

Note:

Freehold property with net book value of AED 2,069,123/ Rs.25,105,290 (previous year AED 2,082,681/ Rs. 25,355,703) representing Unit No.3406 at Lake Plaza Building, Jumeriah Lake Towers, Dubai is mortgaged to Bank of Baroda against facilities granted.

	2011 AED	2010 AED	2011 Rs.	2010 Rs.
7. ADVANCE AGAINST INVESTMENTS				
Advance against investments in shares of PT Star Emmons, Indonesia* (PTSEI)	3 1043228	-	376656798	-
8. INVENTORY				
Goods held for Sale	253782	-	3079213	-
9. TRADE AND OTHER RECEIVABLES				
Trade receivables	47992933	24537269	582312654	298730198
Advances	32516208	12206891	394528907	148613400
Prepayments	59734	46874	724771	570670
Other receivables	924854	2249886	11221531	27391349
Deposit	36200	-	439225	-
	81529929	39040920	989227088	475305617

*Represents advance paid for acquisition of 100% of the issued and paid up share capital in PTSEI, a company formed in Indonesia, for total consideration of AED 269,917,725 / Rs.3274992733.

An age analysis of trade receivables that are past due but not impaired is as follows:

0-60 days	16275781	12405825	197478934	151035332
60-120 days	8041069	-	97564702	-
over 120 days	2767235	-	33575692	-
Trade receivables not past due and not impaired	20908848	12131444	253693325	147694867

At the reporting date, there are no trade receivables which are considered to be impaired due to non-recovery or perceived difficulty in recovery.

The company holds post-dated cheques amounting to AED 26,928,369 / Rs. 326729980 (previous year AED 21,781,285/ Rs. 265177334) as security against trade receivables.

10. RELATED PARTIES

The company enters into transactions with entities that fall within the definition of a related party as contained in International Accounting Standard 24. The management considers such transactions to be in the normal course of business and at prices determined by the management.

Related parties comprise the parent company, companies under common ownership/ management control and directors.

At the reporting date significant balances with related parties were as follows:

	Parent company		Directors		Companies under common ownership/ management control		Total 2011		Total 2010	
	AED	Rs.	AED	Rs.	AED	Rs.	AED	Rs.	AED	Rs.
Trade and other receivable	5349789	64910595	3377811	40983994	-	-	8727600	105894589	-	-
	-	-	1872130	22792340	-	-	-	-	1872130	22792340
Trade and other payables	7864500	95422338	-	-	-	-	7864500	95422338	-	-
	1603174	19517921	-	-	-	-	-	-	1603174	19517921
Long term loan from a related party	-	-	-	-	565150	6857134	565150	6857134	-	-
	-	-	-	-	4241200	51634700	-	-	4241200	51634700
Loan from the shareholder	15840883	192202186	-	-	-	-	15840883	192202186	-	-
	2285001	27818858	-	-	-	-	-	-	2285001	27818858
Due from a related party	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	2562840	31201423	-	-	2562840	31201423

All balances are unsecured and are expected to be settled in cash. Repayment and other terms are set out in Note 17, 19 and 28.

EMMSONS

Significant transactions with related parties during the period were as follows:

	Parent company		Companies under common ownership/ management control		Directors		Total 01.04.2010 To 31.03.2011 (Note 31)		Total 01.02.2009 To 31.03.2010 (Note 31)	
	AED	Rs.	AED	Rs.	AED	Rs.	AED	Rs.	AED	Rs.
Sales	44584181	540953243	-	-	-	-	44584181	540953243	-	-
Purchase	38767699	470380122	-	-	-	-	38767699	470380122	-	-
	5405409	65808420	-	-	-	-	-	-	5405409	65808420
Management Remuneration	-	-	-	-	550500	6679382	550500	6679382	-	-
	-	-	-	-	160000	1947928	-	-	160000	1947928
Purchase of property, plant and equipment	-	-	-	-	-	-	-	-	-	-
	-	-	2028400	24694856	-	-	-	-	2028400	24694856

The parent company has provided corporate guarantee to a bank on behalf of the company. (refer Note 13)

The company also provides funds to/receives funds from related parties as working capital facilities free of interest.

	2011 AED	2010 AED	2011 Rs.	2010 Rs.
11. CASH AND CASH EQUIVALENTS				
Cash on hand		17563	213097	822549
Bank balances in current accounts		81796	992455	21094452
	99359	1800231	1205552	21917002

12. OTHER CURRENT FINANCIAL ASSETS

Fixed deposits	15380325	4379220	186614097	53315031
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Fixed deposits are held under lien with banks for facilities granted by the bank.

13. SHORT TERM LOAN FROM BANK

Loan from Bank of Baroda	18375000	-	222949388	-
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The loan is obtained for making part payment for acquisition of additional stake in Bara Energi Makmur through PT Star Emmsons, Indonesia.

The loan is secured against:

- Undertaking to create pari-passu charge by way of pledge of existing 25% of shares allotted by M/s PT Star Emmsons, Indonesia.
- Pledge on additional shares to be allotted by M/s PT Star Emmsons, Indonesia to borrower company, acquired from Emirates Trading Agency.
- Personal guarantees of the Shri Anil Monga and Shri Rajesh Monga.
- Corporate guarantee of M/s. Emmsons International Limited.
- Undertaking from Emmsons International Limited to fund shortfall of debts servicing obligations of borrower by infusion of funds by way of equity/ subordinated loans.
- Undertaking that the proceeds of the proposed debt raised for the mining operations of Bara Energi Makmur by the borrower or its subsidiary/JV companies shall be first utilised for repayment of outstanding under the facility.

14. OTHER BANK BORROWINGS

Overdrafts	1530541	3439641	18570513	41876080
Trust receipts	45668006	23056308	554103617	280700165
Bills discounted	935690	-	11353007	-
	48134237	26495949	584027137	322576245

An analysis by bank of amounts outstanding is as follows:

Bank of Baroda	48134237	23489292	584027138	285971550
Standard Chartered Bank	-	3006657	-	36604695
	48134237	26495949	584027138	322576245

Bank facilities are secured against:

- Lien over fixed deposits.
- Assignment of leasehold rights and mortgage of office building located at Unit no 3406 on Plot No. JLT-PH2 T2 Jumeirah Lake Towers.
- Assignment of leasehold rights and mortgage of residential flat registered in the name of Mr. Kanishk Monga,
- Corporate guarantee of Emmsons International Limited.
- Cash margin of AED 1.525 million /18.50 Million to meet shortfall in collateral securities.
- Personal guarantees of Mr Anil Monga, Mr Shivaz Monga and Mr Kanishk Monga.
- Subordination of loan from shareholder.

The bank borrowings are subject to certain financial covenants including debt/equity ratio not to exceed 3:1, current ratio to be maintained above 1.33 and maintain net worth of AED 57.523 million /Rs. 697.94 Million as at 31 March 2011.

A maturity analysis of the total bank borrowings is as follows:

	2011 AED	2010 AED	2011 Rs.	2010 Rs.
0-3 Months	46603696	23056308	565456625	280700165
Overdraft	1530541	3439641	18570513	41876080
Short Term Loan	18375000	-	222949388	-
Presented as current Liabilities	66509237	26495949	806976526	322576245

15. TRADE AND OTHER PAYABLES

Trade payables [refer note (a)]	32288325	14751292	391763934	179590336
Accruals	146731	242080	1780331	2947215
Advance received from customers	2219422	109038	26928913	1327489
Other Payable	495199	-	6008398	-
	35149677	15102410	426481576	183865040

a) Trade payables include AED 7,864,500/ Rs. 95422338 due to Emmsons International Limited (EIL) on account of purchases, as against the balance of AED 74,504,920 / Rs.903990546 confirmed by EIL as at 31 March 2011. The difference of AED 66,640,420/ Rs.808568208 represents value of goods shipped by EIL prior to 31 March 2011 and in transit as at the reporting date. The same has been accounted as purchases subsequent to the reporting date.

b) The entire trade and other payables are payable within one year.

16. PROVISION FOR STAFF END-OF-SERVICE GRATUITY

Opening Balance	3461	-	41993	-
Provision for the period	31958	3461	387756	42136
Closing Balance	35419	3461	429749	42136

17. LONG TERM LOAN FROM RELATED PARTY

This represents long term loan from a related party, free of interest upto 31 March 2012. Further loan is subject to 5% interest, payable from 31 March 2012. The loan is repayable by 31 March 2015 with a put option to the company to repay at any time during the tenure without any prepayment charges or penalty.

	2011 AED	2010 AED	2011 Rs.	2010 Rs.
18. SHARE CAPITAL				
Issued and paid up:				
4 shares of AED 50000 each	200000	200000	2426660	2434910
19. LOAN FROM SHAREHOLDERS				
Opening Balance	2285001	-	27724603	-
Amounts Introduced	1355882	2285001	164477583	27818858
	15840883	2285001	192202186	27818858

Loan from shareholder is unsecured and interest free with no fixed repayment schedule

20. MANAGEMENT OF CAPITAL

The company's objectives when managing capital are to ensure that the company continues as a going concern and to provide the shareholder with a rate of return on their investment commensurate with the level of risk assumed.

Capital comprises equity funds as presented in the statement of financial position together with amounts due from related parties and loan from the shareholder. Debt comprises total amounts owing to third parties, net of cash and cash equivalents.

The company is subject to any externally imposed capital requirements as per provision of the bank facilities granted.

Funds generated from internal accruals together with funds received from related parties are retained in the business, net of dividend declared, to limit bank borrowings within covenants and according to the business requirements and maintain capital at desired levels. The nature of such covenants is set out in Note 14.

	01.04.2010 to 31.03.2011 AED (Note 31)	01.02.2009 to 31.03.2010 AED (Note 31)	01.04.2010 to 31.03.2011 Rs. (Note 31)	01.02.2009 to 31.03.2010 Rs. (Note 31)
21. OTHER OPERATING INCOME				
Contract Cancellation Charges	4035422	–	48962986	–
Commission income	592031	55320	7183290	673496
Miscellaneous income	45618	6478	553497	78867
	4673071	61798	56699773	752363
22. STAFF COSTS				
Staff salaries and benefits	726033	90403	8809176	1100616
Staff end-of-service gratuity	31958	3461	387756	42136
	757991	93864	9196932	1142752
23. DEPRECIATION				
Depreciation of property, plant and equipment	59228	18942	718631	230610
24. OTHER OPERATING EXPENSES				
Management remuneration	550500	160000	6679382	1947928
Contract cancellation charges	–	1494616	–	18196277
Other expenses	1846195	364797	22400438	4441239
	2396695	2019413	29079820	24585444
25. INTEREST INCOME				
On Bank deposits	212936	23822	2583616	290022
26. FINANCE COST				
Interest on bank loans and Overdrafts	2997581	261069	36370550	3178397
Other Bank Charges	1512126	–	18347078	–
	4509707	261069	54717628	3178397
27. CASH GENERATED FROM OPERATIONS				
Profit for the year / Period	10620918	1822761	128866784	22191294
Adjustment for:				
Depreciation of property, plant and equipment	59228	18942	718631	230610
Finance cost	4509707	261069	54717628	3178397
Interest Income	(212936)	(23822)	(2583616)	(290022)
Operating Profit before changes in operating assets and liabilities	14976917	2078950	181719427	25310280
Increase in inventory	(253782)	–	(3079213)	–
Increase in trade and other receivable	(42489009)	(39040920)	(515531893)	(475305617)
Increase in trade and other payable	20047267	15102410	243239505	183865040
Increase in staff gratuity provision	31958	3461	387756	42136
	(7686649)	(21856099)	(93264418)	(266088161)

28. FINANCIAL INSTRUMENTS

The net carrying amounts as at the reporting date of financial assets and financial liabilities are as follows:

	Loan and receivables		Financial Liabilities		Loan and receivables		Financial Liabilities	
	2011 AED	2010 AED	2011 AED	2010 AED	2011 Rs.	2010 Rs.	2011 Rs.	2010 Rs.
Trade and other receivables	52402278	28748521	-	-	635812560	350000295	-	-
Amount due from related party	-	2562840	-	-	-	31201423	-	-
Cash and cash equivalents	99359	1800231	-	-	1205553	21917002	-	-
Other current financial assets	15380325	4379220	-	-	186614097	53315031	-	-
Short term loan from bank	-	-	18375000	-	-	-	222949388	-
Other bank borrowing	-	-	48134237	26495949	-	-	584027138	322576245
Trade and other payables	-	-	32307156	14875872	-	-	391992416	181107041
Long term loan from a related party	-	-	565150	4241200	-	-	6857134	51634700
Loan from shareholders	-	-	15840883	2285001	-	-	192202186	27818858
	67881962	37490812	115222426	47898022	823632210	456433751	1398028262	583136844

Management of risk

The management conducts and operates the business in a prudent manner, taking into account the significant risks to which the business is or could be exposed.

The primary risks to which the business is exposed, which are unchanged from the previous year, comprise credit risks, liquidity risks and market risks (including currency risks, cash flow interest rate risks and fair value interest rate risks).

Credit risk is managed by assessing the creditworthiness of potential customers and the potential for exposure to the market in which they operate, combined with regular monitoring and follow-up. As part of the company's credit risk management, where it is considered necessary, such receivables are covered by letters of credit or bank guarantees in favour of the company, issued by high credit quality financial institutions.

Management continuously monitors its cash flows to determine its cash requirements and makes comparison with its funded and un-funded facilities with banks in order to manage exposure to liquidity risk.

The company buys and sells goods and services in foreign currencies. Exposure is minimized where possible by denominating such transactions in US dollars to which the UAE Dirham is pegged.

Borrowing facilities are regularly reviewed to ensure that the company obtains the best available pricing, terms and conditions on its borrowings.

Exposures to the aforementioned risks are detailed below:

Credit risk

Financial assets that potentially expose the company to concentrations of credit risk comprise principally bank accounts, trade and other receivables and amounts due from related parties.

The company's bank accounts are placed with high credit quality financial institutions.

Amounts due from related parties, trade and other receivables are stated net of the allowance for doubtful recoveries. At the reporting date, the company's maximum exposure to credit risk from such receivables situated outside the UAE is as follows:

	Trade Receivables		Advances		Other Receivable	
	2011 AED	2010 AED	2011 AED	2010 AED	2011 AED	2010 AED
GCC Countries	-	2255311	126524	126524	-	-
India	5349789	-	23610117	10119000	924854	2013854
United Kingdom	-	-	526922	-	-	-
Thailand	-	-	-	-	-	236032
Sri Lanka	7282476	-	-	-	-	-
	12632265	2255311	24263563	10245524	924854	2249886

EMMSONS

	Trade Receivables		Advances		Other Receivable	
	2011 Rs.	2010 Rs.	2011 Rs.	2010 Rs.	2011 Rs.	2010 Rs.
GCC Countries	-	27457396	1535154	1540373	-	-
India	64910595	-	286468633	123194267	11221531	24517765
United Kingdom	-	-	6393303	-	-	-
Thailand	-	-	-	-	-	2873583
Sri Lanka	88360466	-	-	-	-	-
	153271061	27457396	294397089	124734640	11221531	27391349

At the reporting date, 44% of trade receivables were due from three customers (previous year 50% from three customers).

At the reporting date, 87% of advances were due from six parties (including director) (previous year 98% from three parties).

At the reporting date, 100% of other receivables were due from two parties (previous year 100% from three parties).

There is no significant concentration of credit risk from customers outside the industry in which the company operates.

Currency risk

There are no significant currency risks as substantially all financial assets and financial liabilities are denominated in UAE Dirhams or US Dollars to which the Dirham is fixed.

Reasonably possible changes to exchange rates at the reporting date are unlikely to have had a significant impact on profit or equity

Interest rate risk

Fixed deposit accounts are subject to fixed interest rates at levels generally obtained in the UAE and are therefore exposed to fair value interest rate risk. Bank borrowings are subject to floating interest rates at levels generally obtained in the UAE or are linked to LIBOR and are therefore exposed to cash flow interest rate risk.

At the reporting date, if interest rates had been 1% higher or lower, interest expenses on bank borrowings would have been AED 373,151/ Rs. 4527553 (previous year AED 264,959/ Rs.3225756) higher or lower resulting in equity being lower or higher by AED 373,151 / Rs.4527553 (previous year AED 264,959/ Rs. 3225756).

Fair values

The fair value of a financial instrument is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair values of the financial assets and financial liabilities which are required to be carried at cost or at amortised cost approximate to their carrying value except from long term loan from a related party which due to its terms and nature, would have fair value below its carrying value.

	2011 AED	2010 AED	2011 Rs.	2010 Rs.
29. OTHER CONTRACTED COMMITMENTS				
For investment in subsidiary (Refer Note 7)	238874498	-	2898335947	-
30. CONTINGENT LIABILITIES				
Letters of guarantee	17727708	62450	215095599	760301
Unutilized balance of letter of credits	14489342	-	175803533	-

31. COMPARATIVE FIGURES

Previous period financial statements covered the period from 1 February 2009 to 31 March 2010, and accordingly these are not strictly comparable with that of the current year which are for a period of twelve months.

For **EMMSONS GULF DMCC**

Sd/-

DIRECTORS

AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF EMMSONS INTERNATIONAL LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF EMMSONS INTERNATIONAL LIMITED

We have examined the attached Consolidated Balance Sheet of Emmsons International Limited and its subsidiaries as at March 31, 2011 and the consolidated Profit and Loss account for the period then ended.

These Financial Statements are the responsibility of the group's Management. Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards of India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the Financial Statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall Financial Statements. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the Financial Statements of subsidiaries, Financial Statements of subsidiaries reflect the following total assets as at 31st March 2011 and Revenue for the period then ended.

(INR in lacs)

S.No	Name of the Subsidiary	Total Assets	Total Revenue
1	Emmsons S.A.	912.62	51.47
2	Emmsons Gulf DMCC	15863.56	83156.30

These Financial Statements have been audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of the subsidiaries, is based solely on the report of the other auditors.

We Report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India and on the basis of the separate audited Financial Statements of Emmsons International Limited and its subsidiaries included in the Consolidated Financial Statements.

On the basis of the information and explanation given to us and on the consideration of the separate audit reports on individual audited Financial Statements of Emmsons International Limited and its aforesaid subsidiaries, we are of the opinion that :

1. The Consolidated Balance sheet gives a true and fair view of the Consolidated state of affairs of Emmsons International Limited and its subsidiaries as at March 31, 2011 and
2. The Consolidated Profit and Loss Account gives a true and fair view of the Consolidated results of operations of Emmsons International Limited and its subsidiaries for the period then ended
3. The Consolidated Cash flow statement gives a true and fair view of the consolidated cash flow of Emmsons International Limited and its subsidiaries for the year then ended.

For **SURESH & ASSOCIATES**

FRN : 003316N

Chartered Accountants

Sd/-

(CA Suresh K. Gupta)

Partner

M. No. 080050

Date : 13.08.2011

Place : New Delhi

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

PARTICULARS	SCHEDULE	As At 31 st March, 2011 Rs.	As At 31 st March, 2010 Rs.
I. SOURCES OF FUNDS			
Shareholders Funds			
(a) Share Capital	1	51480200	51480200
(b) Equity Warrants	2		
–Party Paid up Equity Warrants		2250000	–
(c) Reserves and Surplus	3	808761195	638495844
Deferred Tax Liability		–	1386177
Loan Funds			
(a) Secured Loans	4	3446629512	1940010328
(b) Unsecured Loans	5	–	43413493
Minority Interest		251	347
TOTAL		4309121158	2674786390
II. APPLICATION OF FUNDS			
Fixed Assets	6		
(a) Gross Block		161994512	131195393
(b) Less: Depreciation		29600908	23404382
Net Block		132393605	107791011
Capital Work in Progress		6724388	4875629
Investments	7	18528339	20920480
Current Assets, Loans & Advances			
(a) Inventories	8	1751647687	1891444925
(b) Sundry Debtors	9	3167436535	808666120
(c) Cash and Bank balances	10	680890569	200891709
(d) Loans and Advances	11	1995550547	1347816783
		7595525339	4248819537
Less: Current Liabilities & Provisions			
(a) Current Liabilities	12	3387136934	1633996457
(b) Provisions	13	60233058	73742831
		3447369992	1707739288
Net Current Assets		4148155347	2541080249
Deffered Tax Assets		3250250	–
Miscellaneous Expenditure (To the extent not written off)		69229	119021
TOTAL		4309121158	2674786390
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	21		

As per our separate report of even date attached

For **SURESH & ASSOCIATES**

FRN: 003316N

Chartered Accountants

Sd/-
(CA Suresh K. Gupta)
Partner

M. No. 080050

Date : 13.08.2011

Place : New Delhi

For and on behalf of Board

Sd/-
(Hamant Paul)
GM (Finance)

Sd/-
(Suvindra Kumar)
Company Secretary

Sd/-
(Rajesh Monga)
Director

Sd/-
(Anil Monga)
Managing Director

**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR
ENDED 31ST MARCH, 2011**

PARTICULARS	SCHEDULE	As At 31 st March, 2011 Rs.	As At 31 st March, 2010 Rs.
INCOME			
Sales of Products and other income	14	19962585308	7919836412
TOTAL		19962585308	7919836412
EXPENDITURE			
Cost of Goods Sold	15	18631362381	6979553397
Direct Expenses	16	628398428	362254542
Office and Administrative Expenses	17	114980361	105038609
Financial Charges	18	329835447	212118942
Selling & Distribution Expenses	19	6895042	6781208
Other Expenses	20	42701908	26847624
TOTAL		19754173567	7692594321
Profit before Depreciation		208411740	227242091
Depreciation		6684573	5331993
Profit before Taxation		201727167	221910098
Provision For Taxation		50105562	71720351
Provision for Deferred Income Tax Liability/(Asset) (Tax effect of timing differences during the year)		(5732991)	(1156230)
Profit after Taxation		157354596	151345976
Balance of Profit brought Forward from Previous Years		299386015	175631729
Less/(Add): Short/(Excess) Provision of Income Tax for earlier Years		4323456	(457033)
Less: Minority Interest		(230)	(69)
Balance Available for Appropriation		452417385	327434808
APPROPRIATIONS			
Transfer to General Reserve		7300000	14000000
Proposed Dividend		10296040	10296040
Tax on Dividend		1670275	1749812
Surplus Carried Forward		433151070	301388956
		452417385	327434808
EARNINGS PER SHARE (RS.)			
Basic		30.57	29.40
Diluted		30.57	29.40
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	21		

As per our separate report of even date attached

For **SURESH & ASSOCIATES**

FRN: 003316N

Chartered Accountants

Sd/-
(CA Suresh K. Gupta)
Partner

M. No. 080050

Date : 13.08.2011

Place : New Delhi

For and on behalf of Board

Sd/-
(Hamant Paul)
GM (Finance)

Sd/-
(Suvindra Kumar)
Company Secretary

Sd/-
(Rajesh Monga)
Director

Sd/-
(Anil Monga)
Managing Director

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

PARTICULARS	(Rs. in '000) Year ended 31 st March, 2011	(Rs. in '000) Year ended 31 st March, 2010
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit/(Loss) before taxation and extraordinary items	201727	221910
Adjustment for :		
Misc. Expenditure Written Off	68	448
(Profit)/Loss on sale of fixed assets	242	648
Depreciation	6685	5332
Transfer To Capital Reserve On Consolidation	-	-
Discarding of assets	-	-
Transfer To FCTR	(6453)	2484
FCTR Written off	-	-
(Profit)/Loss on sale of Investment	-	-
Dividend income	(152346)	(88)
Interest Expenses	321768	205319
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	371691	436053
Adjustment for :		
(Increase)/Decrease in Sundry Debtors	(2358770)	(252270)
(Increase)/Decrease in Inventories	139797	(689883)
(Increase)/Decrease in other receivables	(647734)	(123292)
Increase/(Decrease) in Sundry Creditors & other payables	1753140	352862
Increase/(Decrease) in Provisions	15551	3263
Cash generated from operations	(726324)	(273267)
Income Tax Paid	(71465)	(37075)
Wealth Tax Paid	21	3
FBT Paid	-	(390)
Interest paid	-	-
Cash flow before extraordinary items	(797768)	(310730)
Extraordinary items	-	-
NET CASH FROM OPERATING ACTIVITIES	(797768)	(310730)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	(35272)	(45825)
Capital WIP	(1849)	(4876)
Sale of fixed assets	3758	28336
Purchase of Investments	-	-
Sale of Investments	2392	8622
Dividend received	152346	88
NET CASH USED IN INVESTING ACTIVITIES	121376	(13655)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Minority Interest	-	1
Proceeds from Equity Share Warrants (Application Money)	2250	-
Increase in Securities premium A/c	24750	-
Net Proceeds from long term borrowings	358128	(12672)
Net Proceeds from short term borrowings	1148491	640230
Proceeds From Unsecured Loans	(43413)	43413
Miscellaneous Expenditure	-	-
Interest Paid	(321768)	(205319)
Dividend paid	(12046)	(6023)
NET CASH USED IN FINANCING ACTIVITIES	1156391	459629
Net increase in cash and cash equivalents	479999	135244
Opening cash and cash equivalents balance (See Note)	200892	65648
Closing cash and cash equivalents balance (See Note)	680891	200892

Note to the cash flow statement**Cash and Cash Equivalents**

Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts.

- Cash in hand and balances with banks	222268	100748
- Margin with Bank and Accrued Interest	458622	100144
- Cash and cash equivalents as restated	680891	200892

For and on behalf of Board

Sd/-
(Hamant Paul)
GM (Finance)

Sd/-
(Suvindra Kumar)
Company Secretary

Sd/-
(Rajesh Monga)
Director

Sd/-
(Anil Monga)
Managing Director

As per our separate report of even date attached

FOR SURESH & ASSOCIATES
FRN: 003316N
CHARTERED ACCOUNTANTS

Sd/-
(CA Suresh K. Gupta)
Partner
Membership No. 080050

Date : 13.08.2011
Place : New Delhi

**SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2011**

PARTICULARS	As At 31 st March, 2011 Rs.	As At 31 st March, 2010 Rs.
SCHEDULE 1 : SHARE CAPITAL		
AUTHORISED		
15000000 Equity Shares of Rs 10/- each (Previous Year 15000000 Equity Shares of Rs. 10/- each)	150000000	150000000
ISSUED, SUBSCRIBED, CALLED AND PAID UP		
5148020 Equity shares of Rs 10/- each (Previous Year 5148020 Equity Shares of Rs. 10/- each)	51480200	51480200
	<u>51480200</u>	<u>51480200</u>
SCHEDULE 2 : EQUITY WARRANTS		
Partly Paid up Convertible Equity Warrants (Paid up Money @ Rs 2.50/- per equity warrant on allotment of 900000 equity warrants of Rs 10/- each issued at premium of Rs 110/- each Convertible in to equity share of Rs. 10/- each)	2250000	-
	<u>2250000</u>	<u>-</u>
SCHEDULE 3 : RESERVES AND SURPLUS		
General Reserve	131300000	124000000
Capital Reserve	23451000	23451000
Capital reserve on Consolidation	(481)	(416)
Security Premium Account	214134000	189384000
Foreign Currency Translation Reserve	6725606	272304
Profit and Loss Account	433151070	301388956
	<u>808761195</u>	<u>638495844</u>
SCHEDULE 4 : SECURED LOANS		
a) Long Term Secured Loan		
Vehicle Loans from HDFC Bank (Secured against hypothecation of Cars)	381521	-
Vehicle Loans from ICICI Bank (Secured against hypothecation of Cars)	112393	2992513
Vehicle Loans from Kotak Mahindra Prime Limited (Secured against hypothecation of Cars)	6732322	2593293
Vehicle Loans from Tata Capital Ltd. (Secured against hypothecation of Cars)	161938	554676
Corporate Loan from Indian Overseas Bank (Secured against the personal guarantees of Directors)	267660000	-
ECB from Allahabad Bank, Hongkong Branch (Secured against the personal guarantees of Directors , immovable property of the company and pledge of the Shares)	89220000	-
Sub Total (a)	<u>364268174</u>	<u>6140482</u>
b) Short Term Secured Loan		
Packing Credit with Oriental Bank of Commerce (Secured against hypothecation of Stocks and advances, equitable mortgage of Properties and Personal guarantees of Directors)	177134456	614079856
Packing Credit with Indian Overseas Bank (Secured against hypothecation of Stocks and advances, equitable mortgage of Properties and Personal guarantees of Directors)	238623042	262640008
Packing Credit with Bank of Baroda (Secured against hypothecation of Stocks, equitable Mortgage of Properties and Personal guarantees of Directors)	243691768	-
Packing Credit with Allahabad Bank (Secured against hypothecation of current assets ,equitable Mortgage of Properties and Personal guarantees of Directors)	376313534	216735049
PCFC with Standard Chartered Bank (Secured against hypothecation of current assets ,equitable Mortgage of Properties and Personal guarantees of Directors)	-	444658500
Buyer's Credit through Oriental Bank of Commerce (Secured against hypothecation charge over the goods, equitable mortgage of Properties and Personal guarantees of Directors)	198077993	38954958
Buyer's Credit through Indian Overseas Bank (Secured against hypothecation charge over the goods, equitable mortgage of Properties and Personal guarantees of Directors)	91127970	34225230
Buyer's Credit through Bank of Baroda (Secured against hypothecation charge over the goods, equitable mortgage of Properties and Personal guarantees of Directors)	214128000	-
Bank of Baroda-Overdrafts/Trust Receipts/Bill Discounted	584027137	285971550
Standard Chartered Bank-Overdrafts/Trust Receipts	-	36604695
Short Term Loan from Bank of Baroda	222949388	-
Foreign Bills Discounted from Oriental Bank of Commerce	532420350	-
Foreign Bills Discounted from Indian Overseas Bank	101933850	-
Foreign Bills Discounted from Bank of Baroda	101933850	-
Sub Total (b)	<u>3082361338</u>	<u>1933869846</u>
Total (a + b)	<u>3446629512</u>	<u>1940010328</u>
SCHEDULE 5 : UNSECURED LOANS		
Purchase Bill Finance from Standard Chartered Bank	-	43413493
	<u>-</u>	<u>43413493</u>

**SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2011**

SCHEDULE 6 : FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 01.04.2010	Addition During the Year	Deduction/ Adjustments	As At 31.03.2011	As At 01.04.2010	For the Year	Deduction/ Adjustments	As At 31.03.2011	As At 31.03.2010	As At 31.03.2011
Land	6310228	-	3208552	3101676	-	-	-	-	3101676	6310228
Building	63944137	24850000	86392	88707745	2606503	1453391	482	4059412	84648332	61337633
Plant & Machinery	794946	-	-	794946	364457	37759	-	402216	392730	430489
Furniture & Fixture	9237006	247398	12051	9472353	2226908	612407	299	2839016	6633337	7010098
Vehicles	35350472	8786220	1165592	42971100	11087983	3532535	460823	14159695	28811404	24262488
Computers	5542609	218674	-	5761283	4914375	499968	26443	5387900	373383	628233
Office Equipments & Fittings	8879848	593054	-	9472902	2025318	464278	-	2489596	6983306	6854530
Generator	978848	576360	-	1555208	106416	68532	-	174948	1380260	872432
Website Development Charges	151900	-	-	151900	70242	15190	-	85432	66468	81658
Trade Mark	5400	-	-	5400	2180	513	-	2692	2708	3221
TOTAL (Current Year)	131195393	35271706	4472587	161994512	23404382	6684573	488047	29600908	132393605	107791011
TOTAL (Previous Year)	114601991	46292301	29698898	131195393	18787557	5331993	715167	23404382	107791011	95814434

PARTICULARS	As At 31 st March, 2011 Rs.	As At 31 st March, 2010 Rs.
SCHEDULE 7 : INVESTMENTS		
Fully Paid up Quoted equity shares	9755339	12147480
Fully Paid up Unquoted equity shares	8773000	8773000
	<hr/> 18528339 <hr/>	<hr/> 20920480 <hr/>
SCHEDULE 8 : INVENTORIES (As taken, Valued and Certified by the management)		
Trade Stock	979215413	1826568703
Packing Material	18446711	19170718
Goods in Transit	753985563	45705504
	<hr/> 1751647687 <hr/>	<hr/> 1891444925 <hr/>

**SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2011**

PARTICULARS	As At 31st March, 2011 Rs.	As At 31st March, 2010 Rs.
SCHEDULE 9 : SUNDRY DEBTORS		
Considered good		
Outstanding for a period exceeding six months	48818326	52970234
Other Debts	3110367071	748028309
Considered doubtful	8251139	7667577
	3167436535	808666120
SCHEDULE 10 : CASH AND BANK BALANCES		
Cash in Hand	2866514	2070328
Balances with Schedule Banks		
-Current accounts	36083065	98114361
-EEFC accounts	183318545	563091
-Margin Money deposits	453889109	99511290
-Accrued Interest on deposits	4733336	632639
	680890569	200891709
SCHEDULE 11 : LOANS AND ADVANCES		
Advances recoverable in cash or in Kind or for Value to be received	1980709114	1329024624
Security Deposits	14841433	18792158
	1995550547	1347816783
SCHEDULE 12 : CURRENT LIABILITIES		
Sundry Creditors	3273981756	1556660167
Other Liabilities	113155179	77336291
	3387136934	1633996457
SCHEDULE 13 : PROVISIONS		
Provision for Income Tax	35652176	52688058
Provision for Wealth Tax	171584	151028
Provision for Gratuity	8652177	6018514
Provision for Leave Encashment	3790806	2839379
Provision for Proposed Dividend	10296040	10296040
Provision for Dividend Distribution Tax	1670275	1749812
	60233058	73742831

**SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2011**

PARTICULARS	As At 31 st March, 2011 Rs.	As At 31 st March, 2010 Rs.
SCHEDULE 14 : SALES AND OTHER INCOME		
Sale of Products		
Domestic	2239048279	2888590997
Exports	17343109317	4485307414
	<u>19582157596</u>	<u>7373898411</u>
Difference in Exchange	33300514	119391665
Export Incentives received	88431650	89054989
Discount Received	7302241	18675739
Other Incomes	209046116	905847
Forward Contract Forex Gain	37490231	315843411
Receipt from Hotel Booking	4856960	2066349
	<u>19962585308</u>	<u>7919836412</u>
SCHEDULE 15 : COST OF GOODS SOLD		
Opening Stock	1891444925	1201562294
Add: Purchases	18491565143	7669436028
Less: Closing Stock	1751647687	1891444925
	<u>18631362381</u>	<u>6979553397</u>
SCHEDULE 16 : DIRECT EXPENSES		
Brokerage and Commission	7220756	9999377
Detention, Demurrage & Claim	19880137	12572957
Forward Contract Commodity loss	-	6125666
Contract Settlements	-	34158478
Corporation / Export Cess	35259	586501
Freight & Cartage	526264429	217147187
Fumigation & Phyto Expenses	7447852	7717664
Godown, Ground Rent & Storage	31511368	43168463
Inspection Charges	9629862	6811847
Packing Charges	120967	2714991
Insurance	14552217	11380598
Port Charges	6083556	7623916
Processing/Sotex Charges	1132114	147736
Survey Fees	182171	232322
Hotel Booking Charges	4337740	1866839
	<u>628398428</u>	<u>362254542</u>

**SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2011**

PARTICULARS	As At 31st March, 2011 Rs.	As At 31st March, 2010 Rs.
SCHEDULE 17 : OFFICE & ADMINISTRATIVE EXPENSES		
Electricity & Water Expenses	1102652	1194878
Gratuity	2269164	423515
Managerial Remuneration	16388790	20306222
Postage and Telegram	670333	565335
Printing, Stationery, Periodicals & Books	1690596	1113374
Rent & Taxes	2007197	1545195
Repairs and Maintenance	6695667	7133433
Retainership & Consultancy Charges	1187677	793125
Salary and other amenities	55815442	48780153
Telephone Expenses	3179399	3762743
Travelling Expenses (including Foreign Travel)		
-Directors	8439765	5765042
-Others	12848198	11436083
Vehicle Repair & Maintenance Expenses	2617213	2160415
Miscellaneous Expenditure Written off	68268	59094
	<u>114980361</u>	<u>105038609</u>
SCHEDULE 18 : FINANCIAL CHARGES		
Bank Charges & Interest	335544283	211668115
ECGC Premium Indirect	8066959	6799642
Other Interest	536491	751535
	<u>344147733</u>	<u>219219292</u>
Less: Interest received	14312285	7100350
	<u>329835447</u>	<u>212118942</u>
SCHEDULE 19 : SELLING & DISTRIBUTION EXPENSES		
Advertisement and Publicity	833680	752598
Business Promotion	3957494	3179376
Documentation Charges	1026664	308735
Discount Allowed	51644	2476194
Balances Written off	1025560	64304
	<u>6895042</u>	<u>6781208</u>
SCHEDULE 20 : OTHER EXPENSES		
Auditor's Remuneration	958495	1351470
Festival Celebration	4029927	901877
Insurance Claim Written off	-	5903912
Stamping & Filing Fees	1304678	481143
Legal and Professional Charges	8875530	6961999
Licence & Registration Fees	581725	1672291
Loss on Sale of Fixed Assets	242210	647909
Meeting & Seminar Expenses	350994	384332
Membership Fees and Subscriptions	733993	1880006
Miscellaneous Expenses	24992773	6162963
Security Transaction Tax	101582	239723
Sitting Fee	530000	260000
	<u>42701908</u>	<u>26847624</u>

SCHEDULE 21: SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTING TO THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT AS AT 31ST MARCH 2011.

A SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

The Financial Statements have been prepared under the historical cost convention on accrual basis, in accordance with the generally accepted accounting principles in respective country of establishment. The Accounting Policies have been consistently applied by the Company unless otherwise stated.

2. USE OF ESTIMATES

The preparation of financial statements is in conformity with generally accepted accounting principals requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

3. REVENUE RECOGNITION

The accrual basis of accounting has been followed in respect of income and expenditure. Sales figures are net of sales tax. The Export Sale is recognized at the time of issuance of Bill of Lading.

Interest income is recognized on an accrual basis on time proportionate basis, based on interest rates implicit in the transaction.

Dividend income is recognized on receipt basis.

4. ACCOUNTING FOR TAXES ON INCOME

Tax expense comprises of current tax and deferred tax. Provision for current income tax is made on the taxable income at the applicable tax rates.

The Deferred tax expense or benefit is recognized on timing differences being the difference between taxable incomes and accounting incomes that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

5. FOREIGN CURRENCY TRANSACTIONS

(i) Foreign Currency transactions during the year are recorded at the rate of exchange prevailing on the date of transaction. Foreign Currency monetary assets and liabilities are translated into Rupees at the rate of exchange prevailing on the date of the Balance Sheet except investment in shares of subsidiary company which has been carried at historic cost. All Exchange differences are dealt with in the Profit and Loss Account except for investment in overseas subsidiary. Foreign Currency monetary items are reported using the closing rate.

(ii) Where the company has entered into forward exchange contracts, the difference between the forward rate and spot rate at the date of the contract is recognized in the statement of the profit and loss over the life of the contract and difference between the spot rate at the date of contract and the exchange rate prevailing on the balance Sheet date is recognized as per Accounting Standard (AS) - 11 (Revised) issued by the Institute of Chartered Accountants of India. Any Profit or Loss arising on cancellation or renewal of forward exchange contract is recognized as Income or as expenses for the year.

6. FIXED ASSETS

Fixed Assets are stated at cost less accumulated depreciation. The company has capitalized all costs relating to acquisition and installation of fixed assets.

7. INVENTORIES

Items of Inventories are valued at cost or net realizable value, whichever is lower.

8. RETIREMENT BENEFITS

Retirement and other employee benefits to employees comprise payment of gratuity, leave encashment and provident fund under the scheme of the company in respect of employee in India, due provisions has been made for gratuity and leave encashment based on actuarial valuation as prescribed in AS 15 issued by ICAI. In respect of employees outside India provisions for Liability on retirement and other benefits have been made in accordance with applicable laws of concerned countries.

9. EXPORT BENEFITS/ INCENTIVES

Export Entitlements in respect of the exports made under various scheme are recognized in the Profit and Loss Account when the right to receive credit as per the terms of the Schemes are established.

10. EARNINGS PER SHARE

Basic Earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted Earnings per share are not different from basic earning per share.

11. INVESTMENTS

Investments other than in subsidiary have been accounted as per Accounting Standard (AS) 13 on Accounting for Investment.

B NOTES ON ACCOUNTS TO THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

1. PRINCIPLE OF CONSOLIDATION

The consolidated financial statements relate to Emmsons International Limited (the Company) and its subsidiaries companies, Emmsons SA & Emmsons Gulf DMCC. The consolidated financial statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiaries companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profit or losses in accordance with Accounting Standard (AS)-21 - "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
- Minority Interest's Share of the net profit of consolidated subsidiaries for the year is identified and adjusted against the income/ loss of the group in order to arrive at the net income attributed to shareholders of the Company.
- Since the company holds 99.99% stake in the subsidiary company therefore, Minority Interest's Share of the net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet under the head Reserve & Surplus together with other reserves of the group company.
- Accounts of subsidiaries companies have been drawn up in accordance with accounting principles followed in country where subsidiaries companies have been incorporated. While consolidating results of subsidiaries companies some of the items have been re-classified so that consolidated financial statements are prepared in a manner so as to comply with accounting policies followed in India.

2. THE SUBSIDIARIES COMPANIES CONSIDERED IN THE CONSOLIDATED FINANCIAL STATEMENTS :

	Name of the Subsidiaries	Country of Incorporation	Proportion of ownership interest
1.	Emmsons S.A.	Switzerland	99.99%
2.	Emmsons Gulf DMCC	Dubai	100.00%

3. RELATED PARTIES DISCLOSURES :

As required by Accounting Standard-18, "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, relevant information is provided here below:

Related parties with whom transactions have taken place during the year:

S. No.	Names	Relationship
a)	Mr. Anil Monga	Key Managerial Personnel
b)	Mr. Rajesh Monga	Key Managerial Personnel
c)	Mr. Shivaz Monga	Key Managerial Personnel
d)	Mr. Vijay Kumar Kakkar	Key Managerial Personnel
e)	Mr. Viresh Shankar Mathur	Key Managerial Personnel
f)	Mr. Mohd. Tariq Raza	Key Managerial Personnel
g)	Mr. Satish Chandra Gupta	Key Managerial Personnel
h)	Mr. Jonathan Grange	Key Managerial Personnel
i)	Mr. Kanishk Monga	Key Managerial Personnel
J)	Mrs. Manya Kumar	Key Managerial Personnel's relative
k)	M/s Emmsons S.A.	Subsidiary (Control Exists)
l)	M/s Emmsons Gulf DMCC	Subsidiary (Control Exists)
m)	M/s Star Emmsons International Ltd.	Associate Concern

EMMSONS

Following are the details of the transactions with the related parties :

Nature of Transactions	Related Parties	Amount (Rs. in Lacs)
Salaries, Allowances & Perquisites	Key Managerial Personnel's	302.88
Salaries, Allowances & Perquisites	Key Managerial Personnel's Relatives	2.73
Sitting Fee	Key Managerial Personnel's	5.30
Rent	Key Managerial Personnel's	3.00
Advances	Key Managerial Personnel's	409.84

4. ACCOUNTING FOR TAXATION OF INCOME AS PER AS - 22

As per the mandatory Accounting Standard - 22 on "Accounting for Taxes on Income" issued by the ICAI, the company has recorded the cumulative Deferred Tax Liability (Net) in respect of timing differences as at 31st March 2011.

Consolidated Deferred Tax Asset/ Liability	Rs. in Lacs
Deferred tax Liability Emmsons International Ltd	21.10
Losses of Emmsons SA available for set off for Tax Benefit	254.75
Tax Asset computed @ 21.4% of losses available for set off	(53.60)
Company's Stake @99.99%	(53.60)
Deferred Tax assets as on 31.03.2011	32.50

5. SEGMENT REPORTING AS PER AS - 17:

Company is primarily engaged in business of trading accordingly company is single business segment company. The geographic segments have been identified as below :

	(Rs. In Lacs)			
	Current Year		Previous Year	
	India	Outside India	India	Outside India
Total Revenue	134246.68	83753.61	69322.86	10551.79
Less : Inter Segment	12952.53	5421.91	676.29	-
External Revenue	121294.15	78331.70	68646.57	10551.79
Segment results before interest and Tax	4246.72	1068.91	4097.25	243.04
Less: Interest Expense	2777.52	520.83	2084.11	37.08
Profit before Tax	1469.20	548.08	2013.14	205.96
Less: Current Tax	499.72	1.34	716.51	0.69
Fringe benefit Tax			-	-
Deferred Tax	(3.73)	(53.60)	(0.60)	(10.96)
Net Profit after Tax	973.21	600.34	1297.23	216.23
Segment assets	53959.49	23605.42	34525.09	9300.17
Segment Liabilities	49829.46	19110.54	31475.09	5450.41
Capital Expenditure	221.05	15.66	148.07	11.12
Depreciation	58.94	7.91	49.97	3.35

6. EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The company has not issued any potential equity share; accordingly, basic and diluted earnings per share are the same.

S.No	Particulars	CurrentYear	PreviousYear
a	Profit after taxation and exceptional items (Rs.)	157354596	151345976
b	Weighted average number of shares outstanding during the year	5148020	5148020
c	Nominal Value Per Share (Rs.)	10	10
d	Basic and diluted earning per share (In Rs.) d = (a/b)	30.57	29.40

7. Contingent Liabilities not provided for**: (Amounts Rs. In Lacs)**

- a) Guarantees to sales tax authorities : Rs. 5.90 (Previous year Rs.5.90)
- b) Corporate Guarantees for Credit facilities to subsidiary : Rs. 2893.50 (Previous year 2893.50)
- c) Letter of Credit issued for purchases : Rs. 9185.60 (Previous year 862.50)
- d) Other Guarantees : Rs. 5674.53 (Previous year Rs. 835.03)
- e) The Entry Tax demands Rs. 11.43 Lacs raised by the authorities have been protested by the company and final determination is yet to be made by the appellate authorities. The company has however made the payment against these demands under protest and the same is included in the list of Loans and advances. In the event case is finally decided against the Company the said amount of Rs. 11.43 Lacs shall be required to be charged as an expense to Profit & Loss account.
- f) Tax Demands totaling Rs. 8.60 Lacs for Assessment Year 2004-2005 raised by the Income Tax Department is being contested by the Company in appeal. No provision has been made for the liability in the accounts under report. Other Tax demand of Rs. 10.11 Lacs for Assessment Year 2008-2009 raised by Income Tax Department is under rectification for apparent error.
8. The Previous year Figures have been re-arranged and re grouped wherever necessary to make them comparable with those of current year.
9. Schedule No. 1 to 20 form integral part of the consolidated Balance Sheet and profit & Loss Account ended on 31st March, 2011.

For **SURESH & ASSOCIATES**

FRN: 003316N

Chartered Accountants

Sd/-
(CA Suresh K. Gupta)
Partner
M. No. 080050

Date : 13.08.2011

Place : New Delhi

For and on behalf of Board

Sd/-
(Hamant Paul)
GM (Finance)Sd/-
(Suvindra Kumar)
Company SecretarySd/-
(Rajesh Monga)
DirectorSd/-
(Anil Monga)
Managing Director



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EMMSONS INTERNATIONAL LIMITED

2637, FIRST FLOOR, NAYA BAZAR, DELHI-110 006

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Master Folio No.

NAME AND ADDRESS OF THE SHAREHOLDER

No. of Shares held :

I/We hereby record my/our presence at the 18th ANNUAL GENERAL MEETING of the Company held on Wednesday, the 28th day of September, 2011 at 11.00 A.M. at Niryat Bhawan, Rao Tula Ram Marg, Opp. Army Hospital Research & Referral, New Delhi -110057.

(
NAME OF THE SHAREHOLDER OR PROXY
(In Block Letters)

(
Signature of the Shareholder or Proxy

PROXY FORM

EMMSONS INTERNATIONAL LIMITED

2637, FIRST FLOOR, NAYA BAZAR, DELHI-110 006

I/We _____
of _____ being
a member/members of EMMSONS INTERNATIONAL LIMITED appoint _____ of
_____ or falling him/her _____
of _____ as my/our proxy to attend and vote for me/us and on my/our behalf at the 18th
ANNUAL GENERAL MEETING of the Company held on Wednesday, the 28th day of September, 2011 at 11.00 A.M. at Niryat
Bhawan, Rao Tula Ram Marg, Opp. Army Hospital Research & Referral, New Delhi -110057 and at any adjournment thereof.

Signed this _____ day of _____ 2011.

Affix a
Rupee One
Revenue
Stamp

Note : This Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.

NO GIFTS WILL BE GIVEN AT THE ANNUAL GENERAL MEETING.

AT EMMSONS, THE WORLD IS A CLOUD, FULL OF OPPORTUNITIES !



An international company, recognised around the world in procurement and distribution of:

Agriculture:

Rice, Wheat, Pulses,
Corn, Oilseeds, Sugar
Oilmeals, & Edible Oils

Fertilizers:

Urea,
DAP, NPK
& Rock Phosphate

Energy and Industrial Raw Materials:

Iron-ore, Coal,
Bauxite & Sulphur

A Publically Traded Company on the Bombay Stock Exchange, Emmsons is one of the leaders in trading of various Agricultural Commodities, Raw Materials, Minerals & Fertilizers globally. Headquartered in New Delhi, India, Emmsons has the ability to source directly or indirectly through various reputed Suppliers around the World. It is also able to use the same strengths to market various products globally. Emmsons Prides itself on having, at its helm, a highly qualified team of motivated professionals, who manage and run the various Business Verticals with a view to build relationships beyond Business, thereby,

CREATING QUALITY & WINNING TRUST.



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2010-2011



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