

Creating Quality, Winning Trust

19th Annual Report 2011-2012



Emmsons International Limited



www.emmsons.com

MANAGING DIRECTOR'S MESSAGE



Anil Monga, Chairman & Managing Director

Dear Shareholders,

My last communication highlighted our vision to carry on Creating Quality and Winning trust though staying Focussed on our goals, Confident in our approach and Committed in delivering the right results for everyone associated with Emmsons. I am very happy to share that despite the challenging times, The Company was able to grow its business, profitably and at the same time, make our clients feel more secure about their Food and Energy requirements.

The General Macro environment was highlighted with civil unrest in Middle-East, Drought in Eastern Europe, Flooding in the US and a greater Political uncertainty in India, amongst many other events. The company had to navigate through all of these as almost all the events, directly or indirectly, affected the Commodities and the currencies that the company based its Trading model on. In spite of all that, to create the set of results that Emmsons has is a testament to the guidance of the Board of Directors and the efforts of the Emmsons TEAM, on the ground and in the offices world-wide. The Emmsons TEAM, with the right mixture of experienced and seasoned professionals and ambitious youth, was able to translate the vision and goals of the company into a great set of numbers, both on the Top line basis and Profitability.

Due to the events highlighted above, The Company remains a staunch supporter of the belief that it holds in the importance and future of the business in not just merely trading Food and Energy commodities but also to eventually get deeper into the Supply Chain management through ownership of either the source or the distribution networks. All this, in the coming years will complement our Global sourcing and Distribution of various commodities, shipping capability as well as ability to get funding at the right costs. The Projects undertaken are being worked on at a fast pace and full efforts are on to get them off the ground in the most efficient and effective a time as possible.

In spite of global markets again looking uncertain and clients facing the kind of volatility never seen before in our commodities; We, at Emmsons, stand Committed and confident, to build on the solid foundation of results this year and marching ahead in another year of creating More Quality and even Winning more Trust.

Thanking you and the Board for their support and Guidance in building an organisation that operates with excellence and keeps creating shareholder value, at the same time, serving the clients to secure their most basic needs- Food and Energy.

Thanking you,

Sd/-

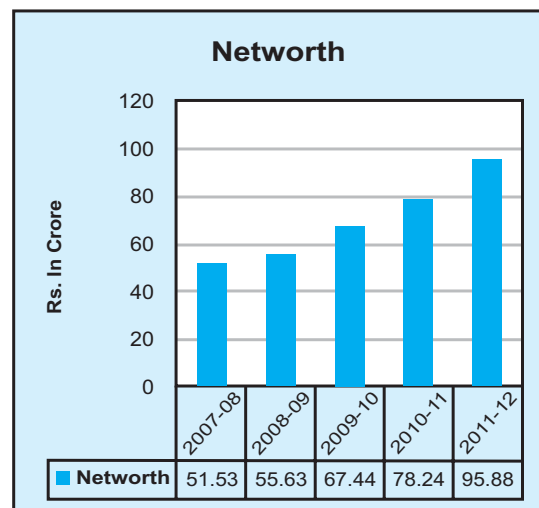
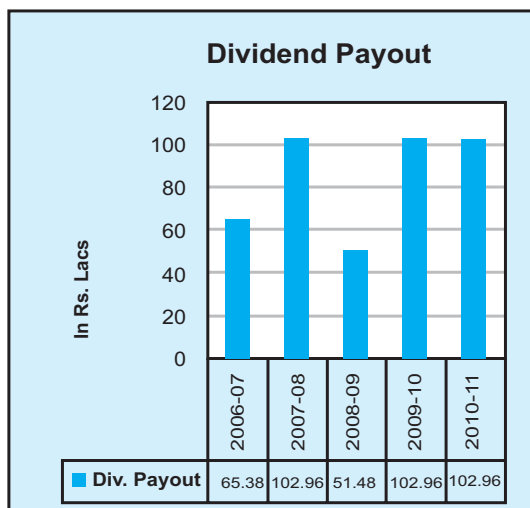
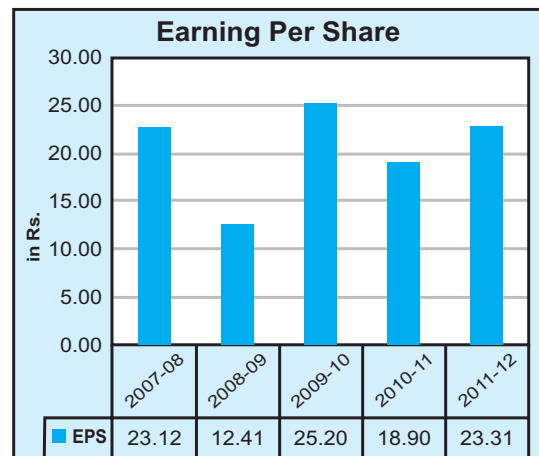
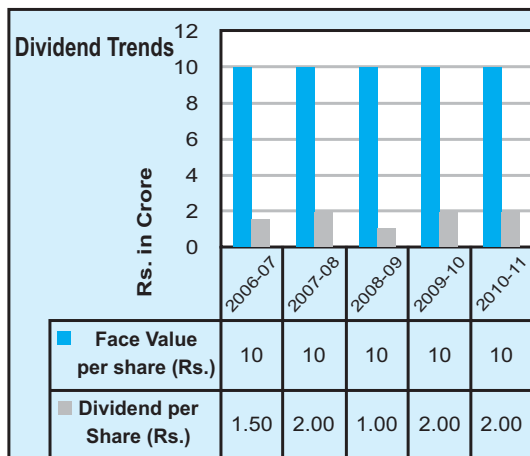
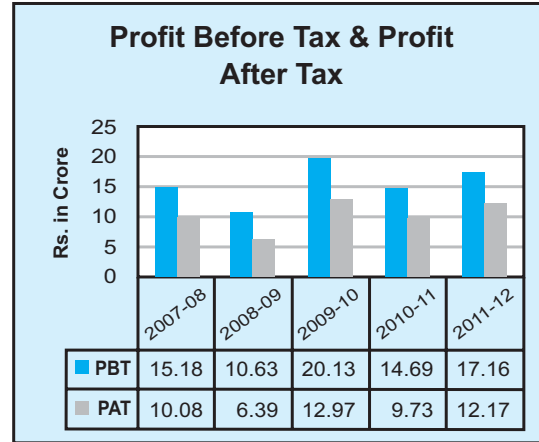
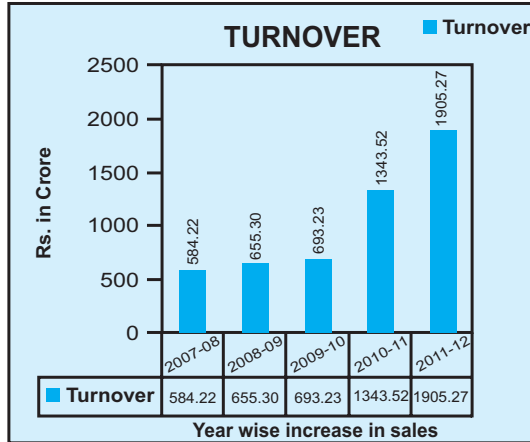
(Anil Monga)
Chairman & Managing Director

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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.



FINANCIAL HIGHLIGHTS

(Rs. in lacs)					
PARTICULARS	2011-12	2010-11	2009-10	2008-09	2007-08
1 Gross Turnover/Income	190527.45	134351.70	69322.86	65530.05	58422.06
2 Earnings Before Depreciation, Interest and Tax (EBDIT)	6824.99	4420.83	4147.22	2410.87	2534.60
3 Depreciation	72.97	58.94	49.97	46.18	33.46
4 Profit before Tax	1716.39	1469.20	2013.15	1062.55	1517.98
5 Profit After Tax	1217.23	973.21	1297.23	638.68	1008.09
6 Equity Dividend %	25.00	20.00	20.00	10.00	20.00
7 Dividend Payout	149.95	102.96	102.96	51.48	102.96
8 Equity Share Capital	599.80	514.80	514.80	514.80	514.80
9 Equity Share Warrants Allotment / Application Money	0.00	22.50	0.00	195.00	197.50
10 Reserve and Surplus	8988.28	7286.86	6229.04	4852.70	4440.93
11 Net Worth	9588.09	7824.16	6743.85	5562.50	5153.24
12 Gross Fixed Assets	1668.73	1397.32	1085.52	882.68	511.02
13 Net Fixed Assets	1346.63	1120.84	863.37	703.34	591.27
14 Total Assets	77353.31	58303.02	38218.94	30374.21	15934.62
15 Total Liabilities	67765.23	50478.86	31475.09	24811.70	10781.39
16 Market Capitalisation	7095.66	4290.87	4728.46	2059.21	7904.78

KEY INDICATORS

PARTICULARS	2011-12	2010-11	2009-10	2008-09	2007-08
1 Earning Per Share (Basic) - Rs.	23.31	18.90	25.20	12.41	23.12
2 Turnover Per Share - Rs.	3176.52	2607.73	1346.59	1272.92	1134.85
3 Book Value Per Share - Rs.	159.85	151.55	131.00	104.26	96.26
4 Debt : Equity Ratio	5.53:1	2.44:1	2.47:1	2.45:1	1.47 :1
5 EBDIT / Gross Turnover - %	3.58	3.29	5.98	3.68	4.34
6 Net Profit Margin - %	0.64	0.72	1.87	0.97	1.73

CORPORATE INFORMATION

BOARD OF DIRECTORS

Anil Monga
Chairman & 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 10034.

BANKERS

ORIENTAL BANK OF COMMERCE

Overseas Branch, M-33, Greater Kailash-II,
New Delhi-I 10048

INDIAN OVERSEAS BANK

A-19/22, Moolchand Shopping Complex,
Defence Colony, New Delhi-I 10024

ALLAHABAD BANK

International Branch, 3rd Floor, I7,
Parliament Street, New Delhi - I 10001

BANK OF BARODA

Ist Floor, I6, Parliament Street,
New Delhi-I 10001

OFFICES

REGISTERED OFFICE

2637, First Floor, Naya Bazar, Delhi-I 10006

ADMN. OFFICE

101, South Delhi House, 12, Zamrudpur
Community Centre, Kailash Colony,
New Delhi-I 10048

EMMSONS S.A.

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.

EMMSONS GRAINS LIMITED

6, Karaiskaki Street,
3032, Limassoi, Cyprus

**SHARE REGISTRAR
LINK INTIME INDIA PVT LTD**

A-40, 2nd Floor, Naraina Industrial Area, Phase-II,
Near Batra Banquet Hall, New Delhi-I 10028

NOTICE

NOTICE is hereby given that 19th Annual General Meeting of M/s Emmsons International Limited will be held on Tuesday, the 25th Day of September, 2012 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, 2012 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 2011-12.
3. To appoint a Director in place of Mr. S.C. Gupta, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Rajesh Monga, 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.

For and on behalf of the Board

Date : 14.08.2012
Place : New Delhi

Sd/-
(ANIL MONGA)
Chairman & 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 Saturday, the 15th Day of September, 2012, to Tuesday, the 25th Day of September, 2012 (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 holders, whose names appear on the Companies Register of Members at the close of business hours on Friday, the 14th Day of September, 2012. 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 Friday the 14th Day of September, 2012.
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. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for identification.
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.**

For and on behalf of the Board

Date : 14.08.2012
Place : New Delhi

Sd/-
(ANIL MONGA)
Chairman & Managing Director

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

Mr. Satish Chandra Gupta is a former Chairman & Managing Director of Punjab National Bank and Indian Overseas Bank. He is a Commerce Graduate from Agra University, Master of Commerce from Meerut University and also a Certified Associate of Indian Institute of Bankers.

He started his career with State Bank of India in the year 1966 and moved to Syndicate Bank as a probationer officer. In 1972 he joined Oriental bank of Commerce and worked for over 27 years in different capacities from Manager to General Manager (Credit) in Corporate office at New Delhi, where he handled Credit, Credit Policy, Planning and Development, Marketing, International Banking Division, Domestic & International Treasuries, Accounts, Merchant Banking and Recovery & Law etc. He was also associated in merger of two Co-operative Banks namely Bari Doab Mercantile Bank Limited and Punjab Co-operative Bank Limited with Oriental Bank of Commerce. He also participated actively in the public issue of Oriental Bank of Commerce as General Manager.

In the year 1999 he was promoted and transferred to Indian Overseas Bank as an Executive Director thereafter in the year 2001 he got another promotion in the same bank as Chairman & Managing Director.

In May, 2005, he was given charge of the largest Public Sector bank i.e. Punjab National bank as its Chairman & Managing Director which he retained till his superannuation in May, 2007. He has been associated with our Company since 6th June, 2008. He holds Directorship in the following companies apart from your company :

Sl. No.	Name of the Company	Year of Appointment
1.	Jai Balaji Industries Ltd	30/06/2008
2.	ISMT Limited	31/07/2008
3.	Cordial LT Communications Pvt. Ltd.	12/09/2008
4.	Sagacious Financial Services Pvt. Ltd.	17/10/2008
5.	Solar Industries India Ltd.	25/10/2008
6.	Gujarat Foils Ltd.	31/01/2009
7.	Brahmputra Infra Project Ltd.	24/02/2009
8.	Brahmputra Infrastructure Limited	15/06/2009
9.	PUG Securities Pvt. Ltd.	01/10/2009
10.	Gita Energy Generation Pvt. Ltd.	20/10/2009
11.	Vandana Global Ltd.	12/04/2011
12.	Orbit Corporation Ltd.	24/05/2011
13.	SMC Global Securities Ltd.	30/05/2011
14.	Prudent ARC Limited	05/10/2011

He was appointed as a Director of the company in year 2008 and has been guiding the company with his rich experience, ever since.

Mr. Rajesh Monga is a graduate and having vast, rich and varied experience of 27 years in the field of procurement and trading of Agri Commodities. Due to his effort, the Company has a good reputation of quality of products traded in domestic as well as international market.

He has successful result oriented track record and completely dedicated towards the work assigned to him, 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 has helped the Company in its immense growth. He does not hold any Directorship in other companies apart from your company.

He was appointed as a Director of the company since its incorporation and served the Company ever since.

DIRECTOR'S REPORT

**Dear Members,
Emmons International Limited**

Your Directors have pleasure in presenting this 19th Annual Report on the business and operations of the Company together with Audited Accounts for the financial year ended March 31, 2012.

FINANCIAL HIGHLIGHTS

The highlights of financial results of the Company for the Financial Years 2011-12 and 2010-11 are as under:

Particulars	2011-2012		2010-2011	
	Amount (Rs. in Lacs)	Amount (US\$ in Million)	Amount (Rs. in Lacs)	Amount (US\$ in Million)
Gross Sales and Income	190527.45	374.54	134351.70	301.30
Profit before interest, Depreciation and taxation	7030.72	13.82	4420.83	9.91
Less: Interest and financial Charges	5241.36	10.30	2892.70	6.49
Depreciation	72.97	0.14	58.94	0.13
Profit before taxation	1716.39	3.37	1469.19	3.29
Less: Provision for taxation	531.89	1.05	499.72	1.12
Provision for deferred taxation/ (tax effect of timing differences during year)	(32.73)	(0.06)	(3.73)	(0.01)
Profit after taxation	1217.23	2.39	973.20	2.18
Add : Balance brought forward from the previous year	3598.01	7.07	2860.69	6.42
Less: Short/(Excess) Provision of Income Tax in Earlier Years	(44.03)	(0.09)	43.23	0.10
Disposable Profits	4771.21	9.38	3790.66	8.50

DIVIDEND

Your Directors are pleased to recommend dividend @ 25% on 5998020 Equity Shares of Rs.10 each (i.e. Rs. 2.50/- per share) for the financial year ended 31st March, 2012, 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 14th Day of September, 2012 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.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Overview

The Company firmly believes that good corporate governance practices ensure efficient conduct of the affairs of the Company while upholding the core values of transparency, integrity, honesty and accountability and help the Company in its goal to maximize value for all its stakeholders. The Company adopts and adheres to the best recognized corporate governance practices and continuously strives to better them.

The Company is in compliance with the requirements of the guidelines on corporate governance stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges.

We understand that the corporate governance is about maximizing shareholder value legally, ethically and on a sustainable basis, while ensuring fairness to every stakeholder - our customers, employees, investors, the governments of the countries in which we operate, and the community. Thus, corporate governance is a reflection of our culture, policies, our relationship with stakeholders and our commitment to values. We believe that sound corporate governance is critical to enhance and retain investor trust. Accordingly, we always seek to ensure that we attain our performance rules with integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term. We endeavor to enhance long-term shareholder value and respect minority rights.

Industry Structure and Developments

Last year we had committed that, we will not rest on our laurels and will be looking forward to grow further with improved performance, meeting our words with action, we done the same. Since the last year was remarkable as we had crossed first time Rupees thousand Crore milestone in terms of turnover in the history, repeating the same glory in this year also we are about to touch the milestone of Rupees two thousand Crore in terms of turnover. The growth and the pace of growing says the story of success and effort which were put in to achieve the same.

Certainly the policies of the Government for the industries affect considerably in terms of business strategy, plans, internal policies and business as a whole and the most of the business plans, strategy are decided and based on the said policies of the government. The Economic Survey 2011-12, as tabled in the parliament says that the "Minimum agricultural growth is required for inclusive growth of the nation."

It further says that the share of agriculture in real GDP have fallen, given its lower growth rate relative to industry and services. However, the main concern is that the growth in the agricultural sector has quite often fallen short of the planned targets. The survey says that during the period 1960-61 to 2010-11, food grains production grew at a compounded annual growth rate (CAGR) of around 2 per cent.

In fact, the Ninth and Tenth Five Year Plans witnessed agricultural sectoral growth rate of 2.44 per cent and 2.30 per cent respectively compared to 4.72 per cent during Eighth Five Year Plan. During the current Five Year plan, agriculture growth is estimated at 3.28 per cent against a target of 4.00 per cent.

The Approach Paper to the Twelveth Five Year Plan emphasises the need to "redouble the efforts to ensure that 4.00 per cent average growth" is achieved during the Plan.

It seems that without proper technology diffusion across regions, achieving this higher growth may not be feasible and may raise concern on the economic stability given the rising demand of the 1.2 billion people for food. Achieving minimum agricultural growth is a pre-requisite for inclusive growth, reduction of poverty levels, development of the rural economy and enhancing of farm incomes.

In India, the agriculture and agricultural products has been a way of life and continues to be the single most important livelihood of the masses. Agricultural policy focus in India across decades has been on self-sufficiency and self-reliance in foodgrains production. Considerable progress has been made on this front. Foodgrains production rose from 52 million tonnes in 1951-52 to 244.78 million tonnes in 2010-11.

Therefore the government plan to maintain the pace in the growth of the Agriculture and to enhance the productivity for the mass population, raise the opportunity for the company to look into that and to have sufficient products in the country to add to its main business.

We always strive to add more to the Company and to maintain the pace of the growth, we once again commit that the growth, development and achievements will not be stopped on its glory, The momentum will be maintained to write some more story of the success.

Future Directions

Your Company believes that the next phase of growth will come from business with South- East Asian Markets along with the Third Country trade. The business opportunities from these regions, have added to the Company's performance considerably and the strategies are being made to explore much from these regions.

The global infrastructure created by your company by setting subsidiaries at strategic locations will help the future directions of business.

The UAE subsidiary has also gained the remarkable growth in the year of reporting and has notably added to the growth and development of the Group. The subsidiary has added in terms of the increased market, more products and the increased customer based to the group.

The Cyprus subsidiary has now completed its farming infrastructure acquisitions in Ukraine and is expected to build on the vast expanse of agricultural land bank.

Singapore set-up started its operations a shortwhile ago and is expected to lead the growth in South East Asian markets.

The Company is also focused on the Indonesian Coal Mining business, and efforts are being put to start the project as soon as possible, after getting necessary clearances from the local government and obtaining the required licences, as early possible.

With all these efforts, your Company has very content objective to grow bigger and add more for their stakeholders.

RISK AND CONCERNS

Risk Control System

This section discusses the aspects relating to the risk management. Readers are cautioned that the risk related information outlined here is not exhaustive and is for information purpose only. Emmsons International believes that risk management and internal control are fundamental to effective corporate governance and the development of a sustainable business. Your Company has a firm process to identify key risks and priorities relevant action plans that can mitigate these risks.

As reported in the last year your Company has a practice to hedge its Imports and Exports on the main Commodity exchanges wherever possible and securing forward exchange contracts to minimize the risk of fluctuations in foreign currency rates, this practice has been continued to be followed in this year also, however a expert professional has been delegated this work to take care of. The senior management is directly concerned in supervising such decisions relating to hedging and securing the transactions.

The Company has adopted proper reporting system relating to sensitive areas and from time to time a detailed reporting on such various issues are being made to the Board of Directors.

Internal Control system and their adequacy

The Company's philosophy towards control systems is mindful of leveraging resources towards optimisation while ensuring the protection of its assets. The Company deploys a robust system of internal controls that facilitates the accurate and timely compilation of financial statements and management reports; ensures regulatory and statutory compliance; and safeguards investor's interest by ensuring highest level of governance and periodic communication with investors.

Further, the Company's internal control system primarily covers prominent aspects such as, the Efficient use and protection of resources, the Accuracy and Promptness of financial reporting, the Compliance of laws and regulations.

Moreover, your Company has a well-defined organizational structure, set of policies, guidelines and clearly defined authority and hierarchy levels.

Segment wise Performance

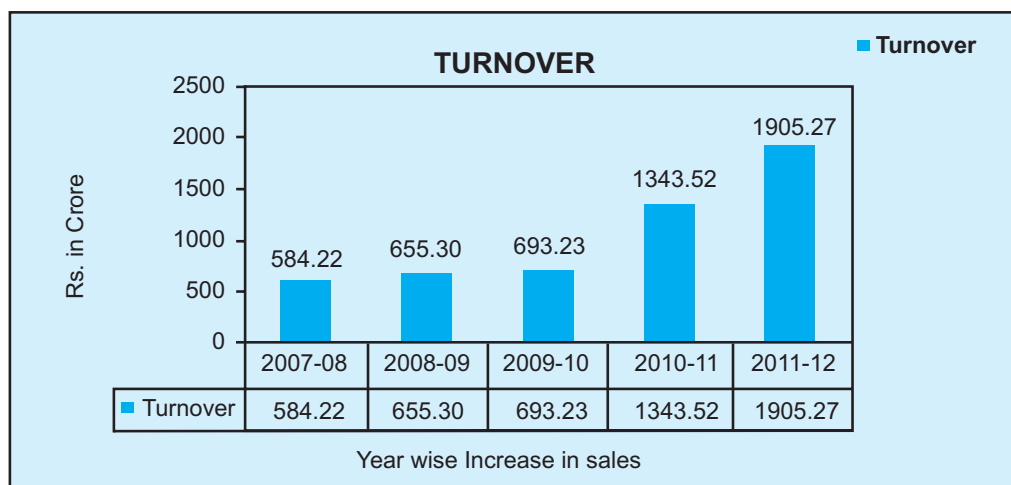
As the company's business activity falls within single primary business segment viz. trading of commodities, hence reporting of segment wise performance is not applicable.

Financial and Operational Performance

The Growth of the Company in terms of turnover was repeated once again in this year too. Emmsons with its proper planning, execution and constant efforts has been able to perform well.

During the year under reporting, the financial performance in terms of key parameters is noteworthy. The turnover of the Company for the financial year ended is Rs. 1905.27 Crores as against Rs. 1342.47 Crores in the last financial year.

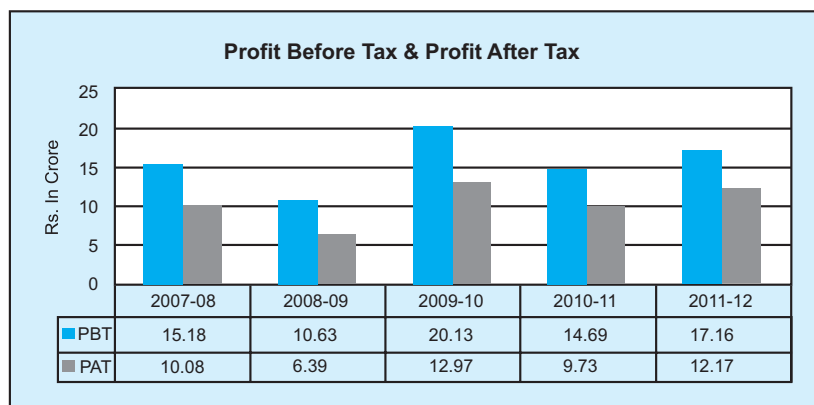
Turnover Trends:



Profit before Tax and Profit after Tax

In the current year the Profit after tax is Rs. 12.17 Crores as Compared to Profit of Rs.9.37 Crores in the previous financial year.

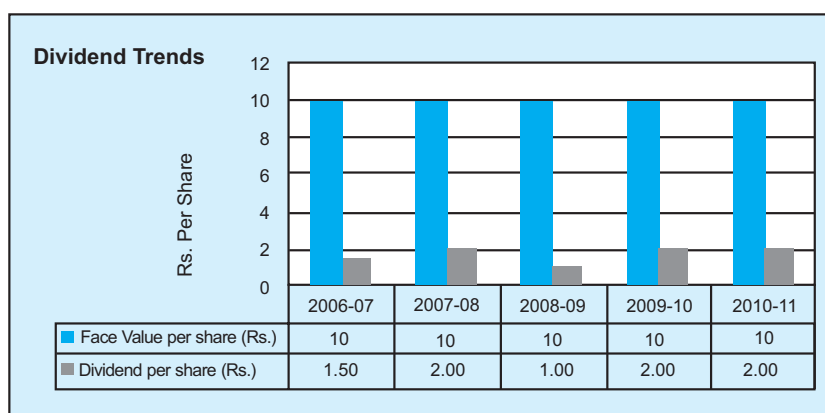
Trends of Profit before tax and Profit after tax over last five years:



Sharing of Profits with the shareholders of the Company

The Company has always strived to share its earnings by way of dividend with its valuable shareholders, while retaining another portion to finance investments for future growth. The company has now been distributing dividend to its shareholders regularly for the last five years.

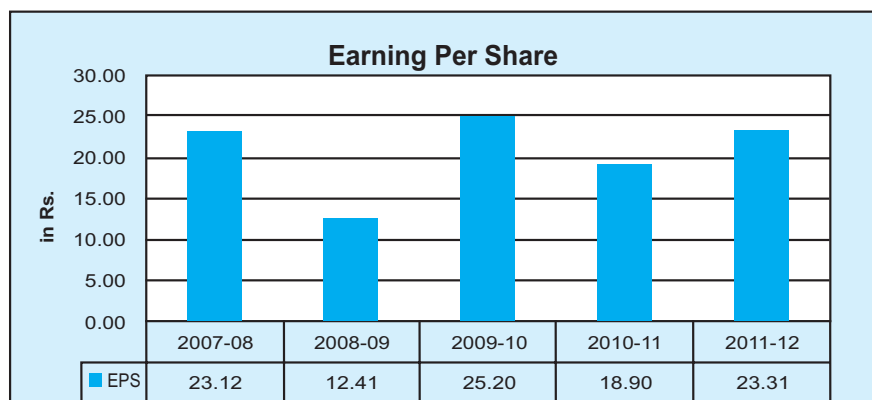
Dividend Trends over last five years:



Earning per shares

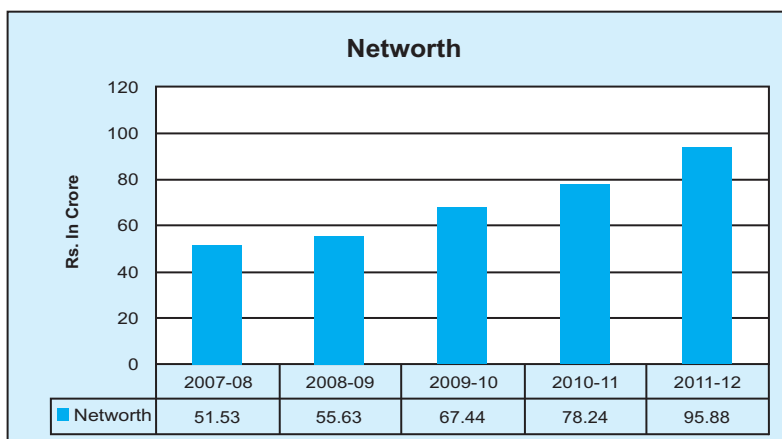
The Company has recorded good earnings per share for its shareholders over the year of period. The earning per shares depicts the proportion of profits of the Company in a financial year with each shares held by the shareholders.

Trends of Earning per shares of last five years:



Net worth of the Company

The growth in the Net worth trends in your Company also attracts the attention and draws the picture of growth of your Company over the last few years.

The trends of Net worth of 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.

ALLOTMENT OF SHARES TO THE PROMOTER'S GROUP

Your Board of Directors, in the year of Reporting, have allotted 8,50,000 equity shares to the persons belonging to the Promoter's group. Previously, in the year 2010, your Directors, pursuant to the approval granted by shareholder's in their meeting held on 21st May, 2010, and upon In-Principle approval from the Bombay stock exchange in this respect had allotted 9,00,000 equity warrants on Rs. 120/- per warrant, convertible into the same No. of Equity shares, to the promoter's group of the Company.

The allottees of warrants had deposited with the Company 25% of the issue price of Rs. 120/- per warrant as subscription money for such allotment. The Respective allottees except one allottee holding 50,000 equity warrants, have exercised the conversion option and requested the Company to convert their warrants into equity shares and also deposited the rest 75% of the issue price of warrants. The Board of Directors of the Company upon such exercise, allotted 8,50,000 equity shares to their respective allottees.

Further, post allotment, the paid up capital of the Company has increased from Rs. 5,14,80,200/- (51,48,020 equity shares of face value of Rs. 10/- each) to Rs. 5,99,80,200/- (59,98,020, equity shares of face value of Rs. 10/- each.)

Moreover, upon lapse of time of conversion of equity warrants into the equity share as prescribed under the SEBI (ICDR), Regulations, 2009, the warrant holders holding 50,000 (Fifty Thousand) warrants did not turn up for the conversion of warrants into shares within the stipulated time, as mentioned above. The Board, pursuant to the above regulations has decided to forfeit the subscription money paid by the proposed allottees at the time of allotment of warrants.

Your Company has made an application to the Bombay Stock Exchange for the listing of above mentioned equity shares, and the exchange has granted the In-Principle approval of Listing of these shares, Further pursuant to the In-principle approval of Listing, an application to obtain trading permission from BSE has been filed, which is under consideration of the Exchange.

COMPANY'S WEBSITE- REJUVENATED

Company's official website has been revived in such a way to be a center of information; it is now more of a depiction of your Company on the web. It demonstrates all the relevant information relating to your Company, its story of growth, achievements till date, information of the core business of your Company and also an Investor relation corner, for existing and prospective investors/shareholders etc.

The new website of the Company is trendier and user friendly, it is prepared keeping in mind the layman ship of general users and the relevant information to be obtained by them. It is also ensured that the website is updated with its various progresses, achievements and in terms of investor's information, took place in the Company.

HUMAN RESOURCE

Your Company believes in today's evolving competitive business environment its employees are the key differentiators. Our people are central to whom we are and thus we have built a strong alignment between our employee's and our organization's vision & value framework. We have directed efforts to build a fine balance between an employee's perspective of being an organization which is 'caring' and 'rewarding' and an employer's perspective of being 'performing' and 'progressive'.

EMMSONS

Fair and transparent performance management processes have been instituted to differentiate, to reward & recognize employees based on their deliverability. Our employee relationship culture reflects the Company's longstanding business principles and drives the company's overall performance. While we have continued to equip employees with the necessary skills and attitude to deliver on their current job responsibilities, the prime focus has been to identify, assess, groom and build leadership potential for future.

During the year, employee relations scenario in your Company continued to be conducive marked by Internal harmony and mutual trust. Regular interactions amongst the management and apex forums make the environment most friendly to perform better. The total number of employees working with the company as on the end of the year under review was seventy six 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, 2012.

SUBSIDIARY COMPANIES

One of the constant efforts of your management is to establish your Company as multinational Company and to have the wider presence across the globe. The experts, professionals are always putting their effort to explore the new markets/ regions and the wider customer base in the various part of the world and striking business deal with them. The continuous efforts of to take the business of Emmsons on global level, will satisfy our vision to make your organization a Multinational organization.

Presently your Company has following overseas presence, through its subsidiaries:

Emmsons Gulf DMCC:

Since its Inception in the year 2009, this Company has always shown considerable growth and development potential and added to the main course of the business. This is a matter of pride for the parent Company that its subsidiary, Emmsons Gulf DMCC, has overtaken the parent company, both in terms of turnover as well as profitability.

Emmsons Gulf DMCC has been doing business on the same line of its parent Company and has established the presence of Emmsons group in the Middle East market. Your Management, further wants to convey you that, recently, Emmsons Gulf DMCC has acquired a coal mine in Indonesia, which is on the verge of starting production in the months to come.

Your Management has huge expectations that once the Coal mines started production, it will open the door for the Company to enter into most emerging and vibrant sector of Power. Entering into the power sector, will give all the headway for the Company as a group to accelerate its pace of growth. We have all expectations to increase the pace of development and to earn more for the benefit of its stakeholders.

Emmsons S.A. :

This company has not been able to make any headway during the business, however, your Management constantly been trying to reestablish the operations of this company. Your Management expects to have this year as a fruitful year for the Company and some productivity to add to the main course of its business.

Emmsons Grains Limited, Cyprus:

Emmsons Grains Limited, the holding company for the Ukrainian farming operations has been brought under our umbrella in December, 2011. The company has completed acquisition of certain farming businesses in Ukraine. The company expects to start generating results from the current year.

In accordance with section 212 of the Companies Act, 1956 and the general circular issued by the Ministry of Corporate Affairs, Government of India, in this respect, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. However the financial information of the subsidiary companies is disclosed in the Annual Report in compliance with the said circular. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Corporate Office of the Company and that of the respective subsidiary companies.

However, the consolidated financial statements of the Company and its subsidiaries, prepared in accordance with accounting standard 21 (AS 21) prescribed by the Institute of Chartered Accountants of India, forms part of this annual report and accounts.

OVERSEAS PROJECTS

INDONESIA

Few years ago, your Company developed a very clear vision to enter into the power sector, through acquisition of Coal mines in Indonesia. Initially your Company, through Emmsons Gulf DMCC, had acquired 25% stake in the Coal Mines in Indonesia. During the year under review Emmsons Gulf acquired additional 73.89% stake in the coal mining business. The said acquisition has opened the gateway to enter into the power sector. Your Management expects to have the production from the mines very soon, which is expected to add more stability to the business model of the company.

UKRAINE

Emmsons Grains Limited, a wholly owned subsidiary of your company, has acquired farming assets in Ukraine and has been doing corporate farming of wheat, sun-flower seeds and other agri-products, The group has also set up an agro-processing centre for cleaning, drying and storage of agri-products.

DIRECTORS

As per article 89 and 90 and section 255 and 256 of the Companies Act, 1956 Mr. Satish Chandra Gupta, and Mr. Rajesh Monga, 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. Satish Chandra Gupta, and Mr. Rajesh Monga, 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.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

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

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 2012-13.

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

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

In terms of the provisions of section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 the information of the employees are set out in the Annexure-A of the Director's Report and forming part thereof.

DIRECTOR'S RESPONSIBILITY STATEMENT

With reference to Section 217 (2AA) of the Companies Act, 1956, your Directors confirm that:-

- a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, wherever applicable;

EMMSONS

- 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

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Bankers, Regulatory Bodies, Government, stakeholders and other business associates who have extended their valuable, sustained support and encouragement during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff at all levels of the Company. We look forward for your continued support in the future.

For and on behalf of the Board

Date : 14.08.2012

Place : New Delhi

Sd/-

(ANIL MONGA)

Chairman & Managing Director

Annexure 'A'

Information required as per section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and forming part of Director's Reports for the year ended 31st March, 2012.

- (A) Persons employed throughout the financial year, who were in receipt of remuneration for the year, which, in the aggregate, was not less than Rs. 60.00 Lacs.

Name of Employee	Designation/ Nature of duties	Salary & other allowances	Bonus	Medical Reimbursements	PF contribution	Gross Remuneration	Qualification	Age (yrs)	Experience	Date of employment	Particulars of last employment
Mr. Anil Monga	CMD	9000000	851562	28493	450000	10330055	Graduate	55	32	23.04.1993	Emmsons International
Mr. Rajesh Monga	Whole Time Director	6000000	593750	-	300000	6893750	Graduate	51	27	23.04.1993	Emmsons International
Mr. Shivaz Monga	Executive Director	6692100	554688	-	300000	7546788	MBA	30	10	15.06.2004	Emirates Trading Agency L.L.C Dubai UAE
Mr. B.B. Gandhi	President (Commercial)	6500000	593750	64525	300000	7458275	CA	50	27	01.01.2008	Director, Gaura Texfab Pvt. Ltd

- (B) Persons employed for a part of the financial year who were in receipt of remuneration for any part of the year, at a rate which, in the aggregate, was not less than Rs. 5.00 Lacs per month.

Nil

- (C) Persons employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate is in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent, of the equity shares of the company.

Nil

Notes:

- I. Remuneration includes Salary, House Rent Allowance, Bonus, Contribution to Provident Fund, Leave Travel Concession, Medical Assistance and other allowances paid in cash and taxable value of non cash perquisites.

CORPORATE GOVERNANCE PHILOSOPHY

"We believe that, Good governance practices stem from the culture and mindset of the organisation. The governance is about outperforming sustainable organisations. Good Corporate Governance practices are characterised by a firm commitment and adoption of ethical practices by an organization in all its dealing with a wide group of stakeholders."

Emmsons is fully committed to practicing sound corporate governance and upholding the highest business standards in conducting business. Being a value-driven organization, the Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance, viz., integrity, equity, transparency, fairness, disclosure, accountability and commitment to values.

The Company cultivates a culture in which high standards of ethical behaviour, individual accountability and transparent disclosure are embedded in all its business dealings and shared by its board of directors, management and employees. The Company has established systems and procedures to ensure that its board of directors is well-informed and well-equipped to cope up with its overall responsibilities and to provide the management with the strategic direction needed to create long-term shareholder value.

BOARD OF DIRECTORS

COMPOSITION OF THE BOARD

At the end of year of Reporting, the Company's board of directors consists of six members. The chairman of the board is an executive director. The Company has an optimum combination of executive and non-executive directors in accordance with the provisions of clause 49 of the listing agreement. The board is made up of three executive directors and the same number of non-executive directors, as detailed in the table below, all independent directors are persons of eminence and bring a wide range of expertise and experience to the board thereby ensuring the best interest of stakeholders and the Company. Moreover, 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.

Further the brief profile of each of the directors is available on the website of the Company at www.emmsons.com in the section 'About us- Board of Directors'.

The Board of Directors of the Company proposed and designated the Managing Director of the Company a Chairman and Managing Director, as permanent chairman of the Board and in this respect suitable changes has taken effect.

The composition of Board of Directors is as follows:

Sl. No.	Name	Designation	Executive/Non Executive/Independent
1.	Mr. Anil Monga	Chairman & 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 ALONG WITH 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	17	1	Nil	Yes
2.	Mr. Rajesh Monga	19	Nil	Nil	Yes
3.	Mr. Shivaz Monga	19	Nil	Nil	Yes
4.	Mr. Vijay Kumar Kakkar	18	Nil	Nil	Yes
5.	Mr. Viresh Shankar Mathur	15	5	Nil	Yes
6.	Mr. Satish Chandra Gupta	17	12	Nil	Yes

REMUNERATION PAID TO DIRECTORS

Details of Remuneration paid to Directors for the year 2011-12:

There is no such arrangements to pay the remuneration to Non- Executive Directors, apart from their sitting fee for attending the meetings, during the financial year ended 31st March, 2012. However the remuneration of Executive Directors is as approved by the Board upon suitable recommendations by the Remuneration Committee and the due approval of the shareholders of the company, as and when required, is being paid in due course.

The details of the remuneration paid to the Directors including Chairman & Managing Director and Whole time Director during the financial year 2011-12 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	Chairman & Managing Director	Five years w.e.f. 01.09.2010	98,51,562	Nil	–	4,50,000	28,493	1,03,30,055
Mr. Rajesh Monga	Whole Time Director	Five years w.e.f. 01.01.2009	65,93,750	Nil	–	3,00,000	–	68,93,750
Mr. Shivaz Monga	Executive Director	Five Years w.e.f. 12.08.2008	65,54,688	Nil	–	3,00,000	6,92,100	75,46,788
Mr. Vijay Kumar Kakkar	Independent Director	–	Nil	1,70,000	Nil	Nil	Nil	1,70,000
Mr. Viresh Shankar Mathur	Independent Director	–	Nil	1,70,000	Nil	Nil	Nil	1,70,000
Mr. S.C. Gupta	Independent Director	–	Nil	1,60,000	Nil	Nil	Nil	1,60,000

PROCEDURE TO CONDUCT MEETING OF THE BOARD OF DIRECTORS:

The meetings are convened by giving appropriate advance notice after obtaining mutual consent of all the Directors of the Company. The agenda papers are circulated to Directors generally one week before the meeting. All material informations are incorporated in the agenda papers for facilitating meaningful and focused discussions at the meeting. In case of exigencies or urgency, resolutions are passed by circulation. The Company has set of defined procedures to make representation to the Board and committees thereof, giving details of business strategy, performance, progress and other important developments with the organization on a periodical basis, so as to facilitate decision making in an informed and efficient manner.

Moreover, the maximum time gap between two Board Meetings was less than four months. The Board has complete access to all the relevant information within the Company including those prescribed in the Listing Agreement.

INFORMATION SUPPLIED TO THE BOARD

The board has complete access to all information of the Company. The following information is provided to the board and the agenda papers for the meetings are circulated in advance of each meeting:

- Annual operating plans, capital and revenue budgets and updates
- Quarterly Unaudited / Audited results of the Company
- Declaration of Dividend (Interim/ Final)
- Minutes of meetings of audit committee and other committees of the board
- Details of Subsidiaries and its updates
- Information on recruitment and remuneration of senior officers just below the board level including appointment or removal of chief financial officer and company secretary
- Materially important litigation, show cause, demand, prosecution and penalty notices
- Status of Legal Cases
- Any material relevant default in financial obligation to and by the Company

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- Details of any joint venture or collaboration agreement
- Quarterly details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement
- Compliance certificate from Director and Company Secretary, certifying all laws applicable to the Company
- All other information which is relevant for decision-making by the Board.

NO.OF BOARD MEETINGS HELD DURING THE FINANCIAL YEAR 2011-12:

Your Directors met Nineteen (19) times during the year under review, at the various dates, as mentioned herein below:

No. of Board Meetings Held	Dates of Board Meetings	No. of Board Meetings Held	Dates of Board Meetings
01	13.04.2011	11	28.09.2011
02	27.04.2011	12	04.10.2011
03	12.05.2011	13	10.10.2011
04	25.05.2011	14	12.10.2011
05	06.06.2011	15	14.10.2011
06	14.06.2011	16	03.11.2011
07	12.07.2011	17	14.11.2011
08	13.08.2011	18	08.02.2012
09	16.09.2011	19	29.02.2012
10	22.09.2011	–	–

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 34 to the annual accounts.

COMMITTEES OF THE BOARD OF DIRECTORS

The Board has constituted three committees with specific terms of reference and scope, namely: Audit Committee, Remuneration Committee and Shareholders & Investors Grievance Committee. The committees operate as empowered agents of the Board as per their charter/terms of reference. The practice to present the minutes of the meetings of Audit Committee, Remuneration Committee and Shareholders & Investors Grievance Committee, before the Board of Director for their perusal, is being maintained continuously. The details as to the composition, terms of reference, number of meetings and attendance, etc. of these Committees are provided hereunder:

AUDIT COMMITTEE

Audit committee comprises of three non-executive and independent Director, namely Mr. Viresh Shankar Mathur, Mr. Vijay Kumar Kakkar and Mr. Satish Chandra Gupta, (appointed w.e.f. 12.05.2011). The Chairman of the audit committee is Mr. Viresh Shankar Mathur an independent director having sound financial knowledge worked as an IRS officer, in the various capacity for the Country. The majority of the audit committee members, including the Chairman, have accounting and financial management expertise. The composition of the audit committee meets the requirement of section 292 A of the Companies Act, 1956 and clause 49 of the listing agreement.

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 and Qualifications, if any, in the draft audit report.
 - Qualifications in the draft audit report.
 - Management Discussion and analysis of Financial Condition
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, 2012 are as follows:

Sl. No.	Dates on which meetings were held	Sl. No.	Dates on which meetings were held
1	12th May, 2011	4	08th February, 2012
2	13th August, 2012	–	–
3	14th November, 2012	–	–

Sl. No.	Name of the Members	Meetings held	Meetings attended
1	Mr. Viresh Shankar Mathur	4	4
2	Mr. Vijay Kumar Kakkar	4	4
3	Mr. Satish Chandra Gupta	4	4

REMUNERATION COMMITTEE

Constitution and Terms of Reference

The Remuneration Committee comprised of Mr. Viresh Shankar Mathur, Mr. Vijay Kumar Kakkar and Mr. Satish Chandra Gupta in the year 2011-12. 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 Directors, compared to their responsibilities and accountability. The Committee considers the same, in terms of the Company's performance and gives recommendation to the Board w.r.t 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.

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The details of the remuneration committee for the financial year ended 31st March, 2012 are as follows:

Sl. No.	Dates on which meetings were held
1	25th May, 2011
2	30th March, 2012

Sl.No.	Name of the Members	Meetings held	Meetings attended
1	Mr. Vijay Kumar Kakkar	2	2
2	Mr. Viresh Shankar Mathur	2	1
3	Mr. Satish Chandra Gupta	2	2

Remuneration Policy

The Remuneration policies of the Company are framed on the requirements of the Company's Act, 1956 as well as the Listing Agreement requirements. Company pays remuneration by way of salary, perquisites, allowances and commission to the executive directors of the Company, such remuneration paid to the directors are within the range as approved by the shareholders and limits as provided in the Companies Act, 1956.

The Company pays sitting fee of Rs. 20,000/- per meeting to the non-executive directors for attending the meeting of the Board. So far as the sitting fee for attending the meeting of Audit Committee is concerned it has been revised from Rs. 10,000/- to Rs. 20,000/- per member, w.e.f 08.02.2012.

SHAREHOLDERS/INVESTORS GRIEVANCES COMMITTEE

Constitution

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.

Objective

The committee oversees redressal of shareholder's and investor's grievances, transfer of shares, non - receipt of balance sheet and related matters. The committee also oversees the performance of the registrar and transfer agent, recommends measures for overall improvement in the quality of investor's services, approves issue of duplicate / split / consolidation of share certificates and reviews all matters connected with the securities transfers.

Mr. Suvindra Kumar, Company Secretary is the Compliance officer of the Company as per the Listing Agreement, and performs as a secretary to the Committee his **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.

No application and Complaints received from shareholder/ investor are pending during the year under review.

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

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

MANAGEMENT DISCLOSURE

During the year under review, there were no transactions of material nature with the promoters, the directors or the management, their subsidiaries or relatives, etc. that had potential conflict with the interest of the Company. All disclosures related to financial and commercial transactions where directors may have a potential interest are provided to the board and the interested directors do not participate in the discussion nor do they vote on such matters.

RELATED PARTY TRANSACTIONS

None of the transactions with any of the related parties was in conflict with the interests of the Company. Further 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 34, forming part of the Annual Report.

CODE OF BUSINESS CONDUCT AND ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT

The Company has established 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 working at various level of 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 employees are expected to comply with the letter and spirit of this Code".

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

Declaration required under Clause 49 of the Listing Agreement

All the members covered under the "Code of Business Conduct and Ethics for Board Members and Senior Management" have affirmed compliance with the said code for the Financial year 2011-12.

For and on behalf of the Board

Date : 14.08.2012
Place : New Delhi

Sd/-
(ANIL MONGA)
Chairman & Managing Director

INFORMATION WITH RESPECT TO THE REAPPOINTMENT OF DIRECTORS:

Mr. Satish Chandra Gupta is a former Chairman & Managing Director of Punjab National Bank and Indian Overseas Bank. He is a Commerce Graduate from Agra University, Master of Commerce from Meerut University and also a Certified Associate of Indian Institute of Bankers.

He started his career with State Bank of India in the year 1966 and moved to Syndicate Bank as a probationer officer. In 1972 he joined Oriental bank of Commerce and worked for over 27 years in different capacities from Manager to General Manager (Credit) in Corporate office at New Delhi, where he handled Credit, Credit Policy, Planning and Development, Marketing, International Banking Division, Domestic & International Treasuries, Accounts, Merchant Banking and Recovery & Law etc. He was also associated in merger of two Co-operative Banks namely Bari Doab Mercantile Bank Limited and Punjab Co-operative Bank Limited with Oriental Bank of Commerce. He also participated actively in the public issue of Oriental Bank of Commerce as General Manager.

In the year 1999 he was promoted and transferred to Indian Overseas Bank as an Executive Director thereafter in the year 2001 he got another promotion in the same bank as Chairman & Managing Director.

In May, 2005, he was given charge of the largest Public Sector bank i.e. Punjab National bank as its Chairman & Managing Director which he retained till his superannuation in May, 2007. He has been associated with our Company since 6th June, 2008. He holds Directorship in the following companies apart from your company:

Sl. No.	Name of the Company	Year of Appointment
1.	Jai Balaji Industries Ltd	30/06/2008
2.	ISMT Limited	31/07/2008
3.	Cordial LT Communications Pvt. Ltd.	12/09/2008
4.	Sagacious Financial Services Pvt. Ltd.	17/10/2008
5.	Solar Industries India Ltd.	25/10/2008
6.	Gujarat Foils Ltd.	31/01/2009
7.	Brahmputra Infra Project Ltd.	24/02/2009
8.	Brahmputra Infrastructure Limited	15/06/2009
9.	PUG Securities Pvt. Ltd.	01/10/2009
10.	Gita Energy Generation Pvt. Ltd.	20/10/2009
11.	Vandana Global Ltd.	12/04/2011
12.	Orbit Corporation Ltd.	24/05/2011
13.	SMC Global Securities Ltd.	30/05/2011
14.	Prudent ARC Limited	05/10/2011

He was appointed as a Director of the company in year 2008 and has been guiding the company with his rich experience, ever since.

Mr. Rajesh Monga is a graduate and having vast, rich and varied experience of 27 years in the field of procurement and trading of Agri Commodities. Due to his effort, the Company has a good reputation of quality of products traded in domestic as well as international market.

He has successful result oriented track record and completely dedicated towards the work assigned to him, 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 has helped the Company in its immense growth. He does not hold any Directorship in other companies apart from your company.

He was appointed as a Director of the company since its incorporation and served the Company ever since.

GENERAL BODY MEETINGS:

Details of the General Meeting 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.	28th September, 2011	11.00 A.M	Niryat Bhawan, Rao Tula Ram Marg, Opp. Army Hospital Research & Referral, New Delhi -110057
2.	29th September, 2010	11.00A.M	Niryat Bhawan, Rao Tula Ram Marg, Opp. Army Hospital Research & Referral, New Delhi -110057
3.	21st May, 2010 (EGM)	11.00 A.M.	Jaypee Vasant Continental, Vasant Vihar, New Delhi-110057
4.	28th August, 2009	11.00 A.M.	Jaypee Vasant Continental, Vasant Vihar, New Delhi-110057

Resolutions are generally passed on a show of hands. No resolution was put through postal ballot in the 18th Annual General Meeting held on 28th September, 2011.

MEANS OF COMMUNICATIONS:

a) Communication to Shareholders

- The Company has been maintaining a functional websites i.e., www.emmsons.com and is in compliance with Clause 54 of the Listing Agreement. The website contains 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 and Exchange Board of India.

a) Investor Grievance:

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

b) 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.

c) Details of Non- Compliance

Company while issuing the shares to the promoter's group upon conversion of equity warrants, inadvertently, overlooked the requirements of open offer under SEBI (Substantial Acquisition and Takeover) Regulations, 2011, to which Company has taken steps to rectify the error and also proceed to SEBI for condonation of such inadvertent mistake.

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
19th	2011-12	Niryat Bhawan, Rao Tula Ram Marg, Opp. Army Hospital Research & Referral, New Delhi -110057	25.09.2012 11.00 A.M

EMMSONS

Financial Calendar:

1st April to 31st March of every year

- Results for the quarter ending June 30, 2012 by mid of August 2012
- Results for the quarter ending September 30, 2012 by mid of November 2012
- Results for the quarter ending December 31, 2012 by mid of February 2013
- Results for the quarter/year ending March 31, 2013 by mid/end of May 2013
- Annual General Meeting for the year ending March 2013 Latest by end of September 2013.

Book Closure:

Saturday the 15th Day of September, 2012 to Tuesday the 25th Day of September, 2012 (both days inclusive).

Dividend:

A final dividend of Rs. 2.50/- per share has been recommended on 14th day of August, 2012 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 Friday the 14th Day of September, 2012; 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 Friday the 14th Day of September, 2012

Green Initiative in Corporate Governance:

As a part of Green Initiative in Corporate Governance, the Ministry of Corporate Affairs (MCA) vide its Circular No. 17/2011 & 18/2011 dated 21.04.2011 & 29.04.2011 respectively also permitted service of notice/ documents including Annual Report etc. through electronic mode i.e. e-mail. Emmsons has implemented the 'Green Initiative' as per Circulars issued by MCA to enable electronic delivery of notices/documents including Annual Report for the financial year 2010-11 and 2011-12 to the shareholders of the Company.

Registrar and Transfer Agent (R&TA):

M/s Link Intime India Pvt. Ltd. is Registrar and Share Transfer Agent of the Company. The shareholders are advised to approach M/s Link Intime India Pvt. Ltd. at the following address for any share and demat related queries and problems:

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

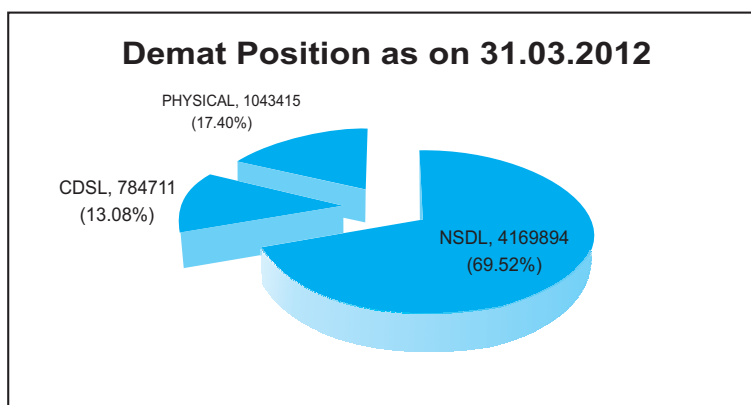
Contact Person: Mr. Bharat Bhushan

e-mail id: bharatb@linkintime.co.in

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 2012, 49, 54,605 Equity Shares (82.60 % of the equity capital of the company) were dematerialized. The 8,50,000 equity shares allotted to promoter group upon conversion of equity warrants, was in physical mode, the same will be converted into demat, once the listing formalities with stock exchange is completed.



Details of Share Capital of the company as on 31st March, 2012 is as under:

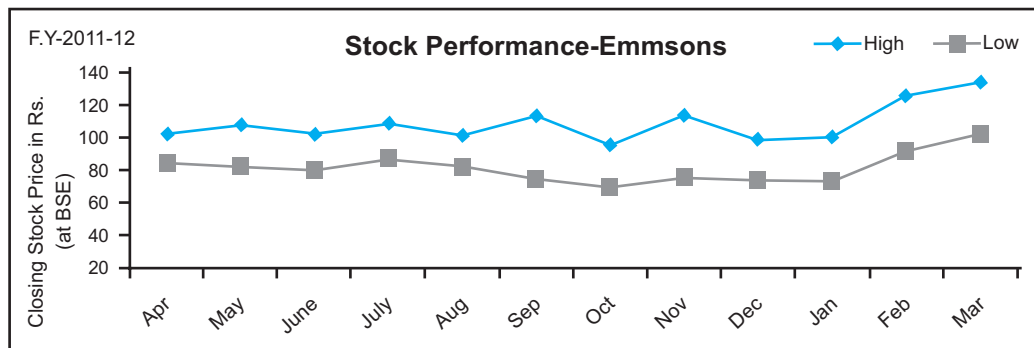
Authorised Capital	:	Rs. 15,00,00,000/-
Issued and Subscribed Capital	:	Rs. 5,99,80,200/-
Paid Up Capital	:	Rs. 5,99,80,200/-

Stock Price Data:

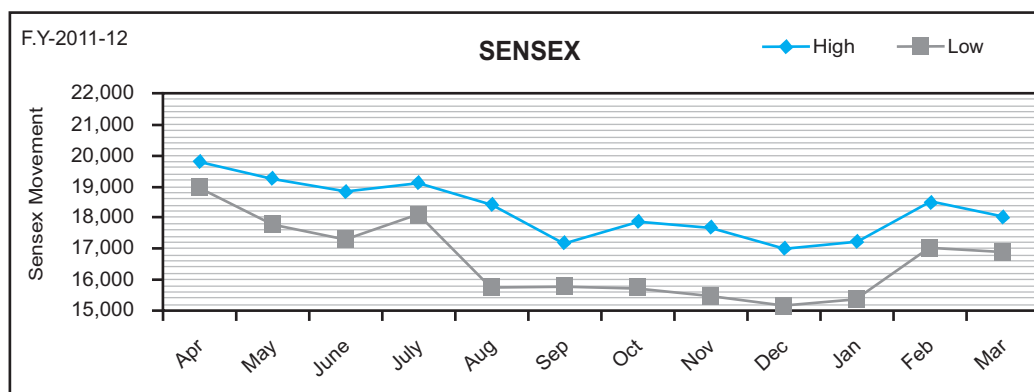
The Monthly high and low prices of your Company's shares in comparison with high and low of the Sensex for the relevant month for the year ended 31st March, 2012 are given below:

Month	Share price (in Rs.)		SENSEX	
	Highest	Lowest	Highest	Lowest
	Highest	Lowest	Highest	Lowest
April-2011	101.40	84.05	19811.14	18976.19
May-2011	107.00	82.10	19253.87	17786.13
June-2011	101.95	79.60	18873.39	17314.38
July-2011	108.55	86.55	19131.70	18131.86
August-2011	100.75	81.35	18440.07	15765.53
September-2011	112.00	74.60	17211.80	15801.01
October-2011	95.00	69.00	17908.13	15745.43
November-2011	113.20	75.05	17702.26	15478.69
December-2011	98.00	73.10	17003.71	15135.86
January-2012	99.90	72.80	17258.97	15358.02
February-2012	124.85	91.05	18523.78	17061.55
March-2012	132.90	102.00	18040.69	16920.61

Our Stock Performance for the year 2011-12:



Sensex Movement for the year 2011-12:



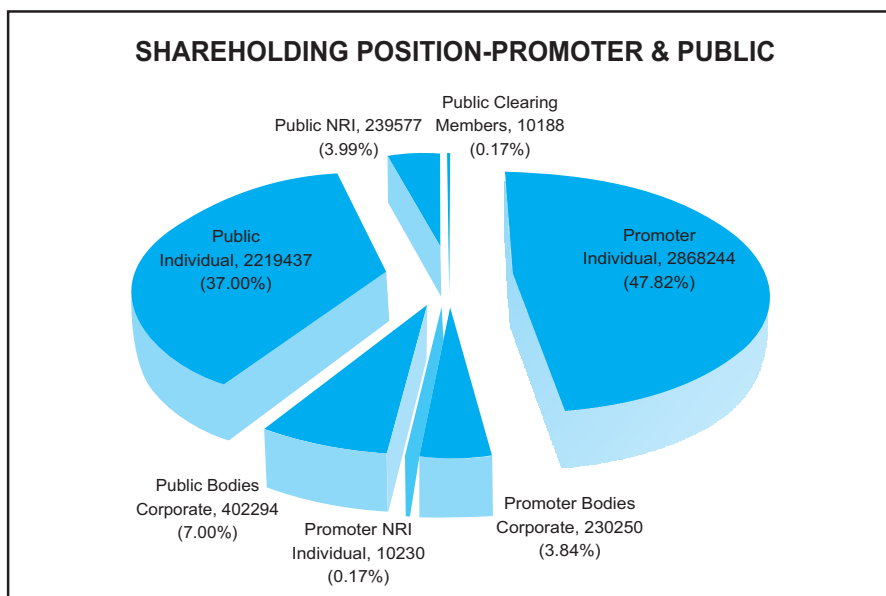
EMMSONS

Distribution of Shareholding as on 31st March, 2012:

Range		Folio		Shares	
No. of Shares	Number of Shareholders	% age	Number of Shares	% age	
Up to 2500	1451	90.74	441991	7.37	
2501-5000	42	2.63	162711	2.71	
5001-10000	32	2.00	248638	4.14	
10001-20000	19	1.19	274200	4.57	
20001-30000	11	0.69	284157	4.74	
30001-40000	6	0.37	218303	3.64	
40001-50000	14	0.88	656307	10.94	
50001-100000	16	1.00	1181914	19.71	
100001 and Above	8	0.50	2529799	42.18	
Total	1599	100.00	5998020	100.00	

Distribution of shareholding among Promoter and public

As on the end of year of reporting, i.e., as on 31.03.2012, the Distribution of shareholdings between promoter and public group of the Company are 3108724 equity shares (51.83%) and 2889296 equity shares (48.17%), respectively. The further bifurcation is herein below:



Compliance with Non-Mandatory requirements of clause 49 of the listing agreement

i) Remuneration Committee:

The board has set up a Remuneration Committee details whereof are furnished at earlier section of this report.

ii) Whistle Blower Policy:

Though the Company does not have a Whistle Blower Policy. However it is ensured that every personnel has approach to the Audit Committee as and when he so desire.

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, 2012, 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/ investor's Grievance 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 : 14.08.2012
Place : New Delhi

Sd/-
(CA NARENDRA ARORA)
Partner
M. No. 088256

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 : 14.08.2012
Place : New Delhi

Sd/-
(ANIL MONGA)
Chairman & Managing Director

Sd/-
(HAMANT PAUL)
GM (Finance)

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, 2012 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, 2012, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2012 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, 2012
 - (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 NARENDRA ARORA)
Partner
M. No. 088256

Date : 14.08.2012
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 not granted or taken any secured or unsecured loans from/to companies / firms or other parties covered in the register maintained under Section 301 of the Companies Act 1956. Therefore the provisions of paragraph 4(iii)(b)(c)(e)(f) & (g) of the above said order are not applicable to 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, 2012 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	ITAT Delhi Bench
2	AY 2004-05	Rs. 6.92 lacs	Demand under Income Tax Act	ITAT Delhi Bench
3	AY 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 31.03.2012. 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. Therefore the provisions of the clause 4(xxii) of the said order not applicable to the company.
- XIII The Company is not the chit fund or the Nidhi Mutual Benefit fund / society. Accordingly, the provisions of clause 4(xiii) of the said order are not applicable to the Company.
- XIV Accordingly to the information and explanation given to us, Company is dealing in shares and proper records have been maintained for all transactions. We report the company is making timely entries of the transactions and all shares have been held by the company in its own name.
- 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 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 a conversion of equity warrants 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 31.03.2012.
- 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 NARENDRA ARORA)
Partner
M. No. 088256

Date : 14.08.2012
Place : New Delhi

BALANCE SHEET AS AT 31ST MARCH, 2012

PARTICULARS	NOTES	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
I. EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	3	59980200	51480200
(b) Reserves and surplus	4	898828368	728685681
(c) Money received against share warrants	5	-	2250000
Non-current liabilities			
(a) Long-term borrowings	6	234481987	271994667
(b) Deferred tax liabilities (Net)		-	2109673
(c) Other Long term liabilities	7	1425000	-
(d) Long-term provisions	8	21494462	10386007
Current liabilities			
(a) Short-term borrowings	9	5014128533	1539096763
(b) Trade payables	10	1255287844	3041661673
(c) Other current liabilities	11	192039415	133249287
(d) Short-term provisions	12	57665303	49640124
TOTAL		7735331111	5830554074
II. ASSETS			
Non-current assets			
(a) Fixed assets	13		
(i) Tangible assets		133617106	105035717
(ii) Intangible assets		303273	323614
(iii) Capital work-in-progress		742840	6724388
(b) Non-current investments	14	59593644	43777044
(c) Deferred tax assets (net)	15	1163650	-
(d) Long-term loans and advances	16	142098390	212736732
(e) Other non-current assets	17	20587924	151987
Current assets			
(a) Current investments	18	21567052	18528339
(b) Inventories	19	3001772728	994582911
(c) Trade receivables	20	2425362578	2818128166
(d) Cash and cash equivalents	21	557689744	488120859
(e) Short-term loans and advances	22	1024354654	748841866
(f) Other current assets	23	346477528	393602451
TOTAL		7735331111	5830554074
III NOTES FORMING PART OF THE FINANCIAL STATEMENT			
	I-43		

As per our report attached

For **Suresh & associates**
FRN: 003316N
Chartered Accountants

Sd/-
(CA Narendra Arora)
Partner
M. No. 088256

Date : 14.08.2012
Place : New Delhi

For and on behalf of Board of Directors

Sd/-
(Suvindra Kumar)
Company Secretary

Sd/-
(Rajesh Monga)
Director

Sd/-
(Anil Monga)
Chairman &
Managing Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

PARTICULARS	NOTES	As At	As At
		31 March, 2012 ₹	31 March, 2011 ₹
I. Revenue from operations	24	18966737714	13392124562
II. Other income	25	86007183	43045610
Total Revenue		19052744897	13435170172
III Expenses:			
(a) Purchases of goods traded	26	18421695094	11361091022
(b) Changes in inventories of goods traded	27	(2007189817)	896862014
(c) Employee benefits expense	28	83261035	43787389
(d) Finance costs	29	524136471	289269971
(e) Depreciation and amortization expense	13	7296881	5893828
(f) Other expenses	30	1872479774	691346433
Total expenses		18901679439	13288250658
IV. Profit before exceptional items and tax		151065458	146919514
V. Exceptional items	31	20573400	—
VI. Profit before tax		171638858	146919514
VII. Tax expense:		49915898	49598516
(1) Current tax		53189221	49971584
(2) Deferred tax		(3273323)	(373068)
VIII. Profit (Loss) for the period		121722960	97320998
IX. Earnings per equity share: Basic and diluted	35	23.31	18.90
X. NOTES FORMING PART OF THE FINANCIAL STATEMENT	1-43		

As per our report attached

For **Suresh & associates**

FRN: 003316N

Chartered Accountants

Sd/-
(CA Narendra Arora)
Partner
M. No. 088256Sd/-
(Hamant Paul)
GM (Finance)Sd/-
(Suvindra Kumar)
Company SecretarySd/-
(Rajesh Monga)
DirectorSd/-
(Anil Monga)
Chairman &
Managing Director

Date : 14.08.2012

Place : New Delhi

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

	PARTICULARS	(Rs. In `000) Year ended 31st March, 12	(Rs. In `000) Year ended 31st March, 11
A.	CASH FLOW FROM OPERATING ACTIVITIES :		
	Net Profit/(Loss) before taxation and extraordinary items	151065	146920
	Adjustment for :		
	(Profit)/Loss on sale of fixed assets	783	242
	Depreciation	7297	5894
	Foreign exchange (Gain)/Loss	-	-
	Share MTO M Loss	-	-
	FCTR Written off	-	-
	(Profit)/Loss on sale of Investment	1346	-
	Dividend income	(44)	(152346)
	Finance Cost Paid	524136	269685
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	684585	270394
	Adjustment for :		
	(Increase)/Decrease in Sundry Debtors & other receivables	250024	(2512276)
	(Increase)/Decrease in Inventories	(2007190)	896862
	Increase/(Decrease) in Sundry Creditors & other payables	(1710165)	1675584
	Cash generated from operations	(2782746)	330564
	Direct Tax Paid	59932	71566
	Interest paid	-	-
	Cash flow before extraordinary items	(2842679)	258998
	Extraordinary items		-
	NET CASH FROM OPERATING ACTIVITIES	(2842679)	258998
B.	CASH FLOW FROM INVESTING ACTIVITIES :		
	Purchase of fixed assets	(37293)	(33706)
	Sale of fixed assets	825	3671
	Investment in Shares	(3039)	-
	Capital WIP	5982	(1849)
	Investment in Subsidiaries	(15817)	-
	Sale of Investments	-	2392
	Dividend received	44	152346
	NET CASH USED IN INVESTING ACTIVITIES	(49298)	122855
C.	CASH FLOW FROM FINANCING ACTIVITIES :		
	Proceeds from Issue of Equity Share	8500	-
	Proceeds from Equity Share Warrants (Application Money)	(2250)	2250
	Securities premium	68750	24750
	Net Proceeds/(Repayment) from long term borrowings	(37513)	358128
	Net Proceeds/(Repayment) of short term borrowings	3475032	(115610)
	Finance Cost Paid	(524136)	(269685)
	Dividend paid	(11966)	(12046)
	NET CASH USED IN FINANCING ACTIVITIES	2976416	(12214)
	Net increase in cash and cash equivalents	84439	369639
	Opening cash and cash equivalents balance (See Note)	492854	123215
	Closing cash and cash equivalents balance (See Note)	577294	492854
	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	557690	220846
	- Margin with Bank and Accrued Interest	19604	272008
	- Cash and cash equivalents as restated	577294	492854

For and on behalf of Board

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

As per our separate report of even date attached

FOR SURESH & ASSOCIATES
FRN: 003316N
CHARTERED ACCOUNTANTSSd/-
(CA NARENDRA ARORA)
Partner
Membership No. 088256Date : 14.08.2012
Place : New Delhi

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2012**1 Corporate Information:**

The Company, although only approx two decade old, is today a name to reckon with in Trading of Agro/Energy Commodities globally. Emmsons Trading basket includes Rice, Wheat, Wheat- flour, Sugar, Maize, Soya meal, Rapeseed Meal and Pulses in addition to Coal and Sulphur among other things. The strength of the company lies in the fact that it has expanded its to all corners of the world. The company has maintained long and sustained relationships with its clients across Far-East Asian region, Australia, South America, Africa and the Middle East due to its quality products and efficient services.

2 Significant accounting policies:**(a) Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

(c) Tangible fixed assets

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

(d) Intangible fixed assets

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The company has capitalized all costs relating to acquisition and installation of intangible fixed assets.

(e) 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.

(f) 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.

(g) 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.

(h) 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.

(i) Inventories

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

(j) Investments

Long term investments are stated at cost less provision for other than temporary diminution in value. Current investments are stated at lower of cost and fair value.

(k) Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

(l) Employee benefit

- (i) 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.
- (ii) 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.
- (iii) Defined Contribution Plans:
Provident fund & ESI on the basis of actual liability accrued and paid to authorities.

(m) Export benefit/ 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.

(n) Earning 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.

(o) Recognition of prior period expenses

Prior period expenses and incomes below Rs.20000/- are treated as current year's expenses / incomes.

3 Share Capital

The authorized, issued subscribed and fully paid-up share capital comprises of equity shares having a par value of Rs. 10/- each.

	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
Authorised 15000000 Equity Shares of Rs. 10/- each (March 31, 2011:15000000 Equity Shares of Rs. 10/- each)	150000000	150000000
Issued, subscribed and fully paid up shares 5998020 Equity Shares of Rs. 10/- each (March 31, 2011:5148020 Equity Shares of Rs.10/- each)	59980200	51480200
	59980200	51480200

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**a) Equity shares**

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	No of Shares	Amounts in Rs.	No of Shares	Amounts in Rs.
At the beginning of the period	5148020	51480200	5148020	51480200
Issued during the period	850000	8500000	0	0
Outstanding at the end of the period	5998020	59980200	5148020	51480200

b) Detail of shares holding more than 5% shares in the company

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	No of Shares	% holding in the class	No of Shares	% holding in the class
Equity shares of Rs. 10 each fully paid up				
Anil Monga	1445858	24.11	1335885	25.95
Rajesh Monga	511640	8.53	311640	6.05
MTL share and stock broker Limited	-	-	288459	5.60

	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
4 Reserves & Surplus		
a) Capital Reserves		
Opening balance	23451000	23451000
Add: Current Year Transfer	1500000	-
Closing Balance	24951000	23451000
b) Securities Premium Account		
Opening balance	214134000	189384000
Add : Securities premium credited on allotment of shares	68750000	24750000
Closing Balance	282884000	214134000
c) General Reserves		
Opening balance	131300000	124000000
Add: Current Year Transfer	12173000	7300000
Closing Balance	143473000	131300000
d) Surplus/ (Deficit) in the statement of profit and loss		
Opening balance	359800681	286069453
Add/(Loss) Net Profit/(Net Loss) For the current year	121722960	97320998
(Less)/Add Short / Excess provision of Income Tax for earlier Years	(4402651)	(4323456)
Add: Transfer from Reserves	-	-
Less: Proposed Dividends	(14995050)	(10296040)
Less: Tax on Dividends	(2432572)	(1670275)
Less: Transfer to General Reserves	(12173000)	(7300000)
Closing Balance	447520368	359800681
Total Reserves & Surplus	898828368	728685681

5 Note on money received against share warrants:

During previous year ended on 31.03.2011 the company has received Rs. 2250000 as 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. The warrant holders were given option to exercise the right for conversion of warrant into Equity Shares within 18 months from the date of the allotment of warrants i.e. within 18 months from 30th August, 2010 (Date of allotment of warrants) by paying the rest 75% of the issue price of warrants (i.e., Rs. 90/- per warrant). However one of the allottees of equity warrant holding 50,000 warrants, has not exercised his right for conversion of the warrants into shares within the time stipulated, which lapsed on 29th February, 2012. Accordingly, as per SEBI (ICDR) Regulation, 2009, the aforesaid warrants stand lapsed and the consideration paid in respect of such warrants at the time of its allotment was forfeited. warrant holder's holding 850000 equity warrants exercised option of conversion of equity warrants in to equity share capital.

6 Long-term borrowings

Term Loans

From Banks

Secured

228667083

267901598

From Other Parties

Secured

5814904

4093069

234481987

271994667

Note on repayment terms and security of long term borrowings:

- Packing Credit with Oriental Bank of Commerce**-Repayable on demand-Secured against hypothecation of Stocks and advances, equitable mortgage of Properties and Personal guarantees of Directors
- Packing Credit with Indian Overseas Bank**- Repayable on demand-Secured against hypothecation of Stocks and advances, equitable mortgage of Properties and Personal guarantees of Directors
- Packing Credit with Bank of Baroda**-Repayable on demand-Secured against hypothecation of Stocks, equitable mortgage of Properties and Personal guarantees of Directors
- Packing Credit with Allahabad Bank**-Repayable on demand-Secured against hypothecation of current assets, equitable mortgage of Properties and Personal guarantees of Directors
- Buyer's Credit through Oriental Bank of Commerce**-Repayable on demand-Secured against hypothecation charge over the goods, equitable mortgage of Properties and Personal guarantees of Directors
- Buyer's Credit through Indian Overseas Bank**-Repayable on demand-Secured against hypothecation charge over the goods, equitable mortgage of Properties and Personal guarantees of Directors
- Buyer's Credit through Bank of Baroda**-Repayable on demand-Secured against hypothecation charge over the goods, equitable mortgage of Properties and Personal guarantees of Directors
- Buyer's Credit through Allahabad Bank**-Repayable on demand-Secured against hypothecation charge over the goods, equitable mortgage of Properties and Personal guarantees of Directors

	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
7 Other Long term liabilities		
Security deposit received	1 425 000	-
	<u>1 425 000</u>	<u>-</u>
8 Long Term Provisions		
(a) Provision for employee benefits:		
(i) Provision for gratuity	1 464 0279	7 169 183
(ii) Provision for leave encashment	6 854 183	32 168 24
	<u>21 494 462</u>	<u>103 860 07</u>
9 Short-term borrowings		
(a) Loans repayable on demand		
From banks		
Secured	50 141 285 33	153 909 673
	<u>50 141 285 33</u>	<u>153 909 673</u>
Note on repayment terms and security of short term borrowings:		
(a) HDFC Bank Car Loan A/c No 17259339 -Repayable in 36 Monthly EMI-Secured against hypothecation of Car		
(b) Indian Overseas Bank Corporate loan A/c No 271000002 -Repayable in 22 Quarterly Installments and Interest Payable Monthly-Secured against the personal guarantees of Directors		
(c) Kotak Mahindra Prime Car Ltd. Loan A/c No. CF6509815 -Repayable in 36 Monthly EMI-Secured against hypothecation of Car		
(d) Kotak Mahindra Prime Ltd. Car Loan A/c No CF6677652 - Repayable in 36 Monthly EMI-Secured against hypothecation of Car		
(e) Kotak Mahindra Prime Ltd. Car Loan A/c No CF7056360 -Repayable in 36 Monthly EMI-Secured against hypothecation of Car		
(f) Kotak Mahindra Prime Ltd. Car Loan A/c No CF7106212 -Repayable in 36 Monthly EMI-Secured against hypothecation of Car		
(g) Kotak Mahindra Prime Ltd. Car Loan A/c No CF7569170 -Repayable in 36 Monthly EMI-Secured against hypothecation of Car		
(h) Kotak Mahindra Prime Ltd. Car Loan A/c No CF5609590 -Repayable in 36 Monthly EMI-Secured against hypothecation of Car		
(i) Kotak Mahindra Prime Ltd. Car loan A/c No CF5609981 -Repayable in 36 Monthly EMI-Secured against hypothecation of Car		
(j) Volkswagen Finance Pvt Ltd. Car loan A/c No 20111000714 -Repayable in 36 Monthly EMI-Secured against hypothecation of Car		
10 Trade payables		
Other than Acceptances	12 552 878 44	30 416 616 73
	<u>12 552 878 44</u>	<u>30 416 616 73</u>
11 Other Current Liabilities		
(a) Current maturities of long-term debt	5 636 299 6	9 227 350 7
(b) Interest accrued and due on borrowings	4 003 153	37 297 41
(c) Other payables		
(i) Statutory Dues (as and when Due)	9 519 747	40 782 82
(ii) Advances from customers	22 322 690	100 302 69
(iv) Expenses Payable	11 126 528	23 137 488
(v) Exchange difference on forward contracts	8 870 430 0	-
	<u>19 203 941 5</u>	<u>133 249 287</u>
12 Short Term Provisions		
(a) Provision for employee benefits	6 700 770	18 334 71
(b) Others (Specify nature)		
(i) Provision for Income Tax (Net of Advance Tax)	33 347 690	35 668 754
(ii) Provision for Wealth Tax	1 892 21	17 158 4
(iii) Provision for Proposed Dividend	14 995 050	102 960 40
(iv) Provision for Dividend Distribution Tax	2 432 572	16 702 75
	<u>57 665 303</u>	<u>49 640 124</u>

13 FIXED ASSETS

Fixed assets consist the following:

	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as at 1st April 2011	Addition	Disposals	Balance as at 31st March 2012	Balance as at 1st April 2011	Depreciation charge for the year	On disposals	Balance as at 31st March 2012	Balance as at 31st March 2012	Balance as at 31st March 2011
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
(i) Tangible Assets										
(a) Land	3101676	9360100	-	12461776	-	-	-	-	12461776	3101676
(b) Buildings	65167893	13828351	-	78996244	2722372	1152358	-	3874730	75121514	62445521
(c) Plant and Equipment	794946	-	-	794946	402216	37759	-	439975	354971	392730
(d) Furniture and Fixtures	5680260	453150	-	6133410	2498130	386719	-	2884849	3248561	3182130
(e) Vehicles	41652344	11937754	4251826	49338272	14105811	4594694	2735353	15965152	33373120	27546533
(f) Office equipment	9472902	988520	-	10461422	2489596	549662	-	3039258	7422164	6983306
(g) Computers	4916597	725079	-	5641676	4913036	400027	-	5313063	328613	3561
(h) Generator	1555208	-	-	1555208	174948	73872	-	248820	1306388	1380260
Total	132341826	37292953	4251826	165382953	27306109	7195091	2735353	31765847	133617106	105035717
Previous Year	103073502	33642468	4374144	132341826	21965091	5801841	460823	27306109	105035717	81108411
(ii) Intangible Assets										
(a) Brands /trademarks	5400	-	-	5400	2693.00	513	-	3206	2194	2707
(b) Computer software	508741	81449	-	590190	254302.00	86087.00	-	340389	249801	254439
(c) Website Development Charges	151900	-	-	151900	85432.00	15190	-	100622	51278	66468
Total	666041	81449	-	747490	342427	101790	-	444217	303273	323614
Previous Year	602957	63084	-	666041	250440	91987	-	342427	323614	352517
(iii) Capital Work In Progress										
	6724388	905062	6886610	742840	-	-	-	-	742840	6724388
Total	6724388	905062	6886610	742840	-	-	-	-	742840	6724388
Grand Total	139732255	38279464	11138436	166873284	27648536	7296881	2735353	32210064	134663220	112083719

Note:

- (i) There are no assets on lease held by the company as on 31.03.2012.
(ii) Capital work in progress re-presents building under construction at chattarpur , New Delhi.

	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
14 Non Current Investments		
Investments in Equity Instruments		
Unquoted equity Instruments		
a) Investments in Subsidiaries		
(i) 99999 (31 March 2011 : 99999) equity shares of CHF 10/- each fully paid up in Emmsons SA	41070980	41070980
(ii) 4 (31 March 2011 : 4) Equity shares of AED 50000/- each fully paid up in Emmsons Gulf DMCC	2706064	2706064
(iii) 300000(31 March 2011 : Nil) Equity shares of USD 1/- each fully paid up in Emmsons Grains Limited	15816600	-
	<u>59593644</u>	<u>43777044</u>
15 Deferred tax assets (net)		
Deferred tax liability		
Fixed assets : Impact of tax on difference on value of fixed assets between book balance and WDV as per Income Tax Act	6888071	6007367
Gross deferred tax liabilities	<u>6888071</u>	<u>6007367</u>
Deferred tax assets		
Impact of Tax on expenditure charged to the statement of profit and loss in the current year but allowable in future for tax purpose on payment basis	8051721	3897694
Gross deferred tax assets	<u>8051721</u>	<u>3897694</u>
Net deferred tax assets/ (-liability)	<u>1163650</u>	<u>(2109673)</u>
16 Long term Loan and Advances		
(a) Capital Advances		
Unsecured, considered good	4500000	4500000
	<u>4500000</u>	<u>4500000</u>
(b) Security Deposits		
Secured, considered good	16788625	12604917
Unsecured, considered good	1827291	1797291
	<u>18615916</u>	<u>14402208</u>
(c) Loan and advances to related parties		
Secured, considered good	116941824	192085374
	<u>116941824</u>	<u>192085374</u>
(d) Loan and advances to employees		
Unsecured, considered good	645500	354000
	<u>645500</u>	<u>354000</u>
(e) Advances recoverable in cash or in kind		
Unsecured, considered good		
(i) Income tax refund (A.Y. 2010-2011)	252150	252150
(ii) Entry Tax Receivable	1143000	1143000
	<u>1395150</u>	<u>1395150</u>
	<u>142098390</u>	<u>212736732</u>
17 Other non current assets		
Unsecured, considered good		
(i) Realisable value of Insurance Policies	20573400	-
(ii) amounts recoverable from ex-employee	14524	151987
	<u>20587924</u>	<u>151987</u>

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	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
18 Current Investments		
Investments in Equity Instruments		
a) Quoted equity Instruments		
(i) 2123 (31 March 2011: 2123) Equity shares of Rs.2/- Each fully paid up in Ashapura Minechem Limited	307457	307457
(ii) Nil (31 March 2011:3100)Equity shares of Rs.1/- Each fully paid up in Glenmark Pharma	-	911983
(iii) Nil (31 March 2011:1500)-Equity shares of Rs.10/- Each fully paid up in G I C Industries Ltd.	-	147096
(iv) 1500 (31 March 2011:1500)Equity shares of Rs.1/- Each fully paid up in Godrej Industries Limited	235129	235129
(v) Nil (31 March 2011:1000) Equity shares of Rs.10/- Each fully paid up in HOV Services Limited	-	103251
(vi) Nil (31 March 2011: 22142) Equity shares of Rs.1/- Each fully paid up in JM Financial Limited	-	678759
50000 (31 March 2011: 50000) Equity shares of Rs.1/- Each fully paid up in Krishna lifestyle Technologies Ltd.	104813	104813
(vii) Nil (31 March 2011:5000)-Equity shares of Rs.10/- Each fully paid up in LT Foods Limited (DAAWAT)	-	233943
(viii) Nil (31 March 2011:10000) Equity shares of Rs.10/- Each fully paid up in LLOYD Steel	-	91909
(ix) 35000 (31 March 2011: 35000) Equity shares of Rs.1/- Each fully paid up in Marksans Pharma Limited	722453	722453
(x) Nil (31 March 2011: 2000) Equity shares of Rs.10/- Each fully paid up in MOIL Limited	-	867642
(xi) 30000 (31 March 2011: 30000) Equity shares of Rs.10/- Each fully paid up in Nitin Spinner Ltd.	336697	336697
(xii) Nil (31 March 2011: 6000) Equity shares of Rs.1/- Each fully paid up in Prime Focus Limited	-	369536
(xiii) 24500 (31 March 2011:20000) Equity shares of Rs.10/- Each fully paid up in Brahmaputra Infraproject Ltd.	3099225	2694477
(xiv) 1000 (31 March 2011: 1000)Equity shares of Rs.10/- Each fully paid up in Pyramid Saimira Theatre Ltd.	350828	350827
(xv) Nil (31 March 2011: 7000) Equity shares of Rs.5/- Each fully paid up in Ram Ratan Wire Limited	-	381099
(xvi) 95500 (31 March 2011:1700) Equity shares of Rs.1/- Each fully paid up in Sterling Bio Tech Ltd.	4304310	167331
(xvii) 49990 (31 March 2011: 503)-Equity shares of Rs.1/- Each fully paid up in Sterling International Enterprises Ltd.	2692190	94357
(xviii) Nil (31 March 2011: 30000) Equity shares of Rs.1/- Each fully paid up in Vikas VVSP Ltd.	-	733242
(xix) 3000 (31 March 2011: 3000) Equity shares of Rs.10/- Each fully paid up in Zenith Computers Ltd.	123339	123339
(xxi) 30000 (31 March 2011: Nil) Equity shares of Rs.10/- Each fully paid up in S.B.T. International Limited	517611	-
b) Un quoted equity Instruments		
(i) 877300 (31 March 2011 : 877300) Equity shares of Rs.10/- each fully paid up in "Emmsons Infotech Limited"	8773000	8773000
	21567052	18528339
19 Inventories		
Inventories consist of the following:		
(a) Stock in trade	295565574	994582911
(b) Goods in transit	46117154	-
	3001772728	994582911

	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
20 Trade Receivable		
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	5 11 629 571	1 666 782 918
Unsecured, considered good	1 83 901 932 0	1 094 275 784
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	8 58 19 28	–
Unsecured, considered good	5 72 72 15 7	4 88 18 32 6
Unsecured, considered doubtful	8 85 96 02	8 25 11 39
	<u>2 42 53 62 57 8</u>	<u>2 81 81 28 16 6</u>
21 Cash and Bank Balances		
(a) Cash on hand	6 84 55 00	2 65 34 17
(b) Balances with banks		
(i) In current accounts	7 07 83 04 8	3 48 73 88 5
(ii) In EEFC accounts	3 04 93	1 83 31 85 45
(iii) In earmarked accounts	4 80 03 07 03	2 67 27 50 12
	<u>5 57 68 97 44</u>	<u>4 88 12 08 59</u>
22 Short term Loans and Advances		
(a) Loan and advances to related parties		
Secured, considered good	4 02 49 78 15	3 25 74 05 10
	<u>4 02 49 78 15</u>	<u>3 25 74 05 10</u>
(b) Loans and advances to employees		
Unsecured, considered good	2 24 64 00	3 97 26 11
	<u>2 24 64 00</u>	<u>3 97 26 11</u>
(c) Advances recoverable in cash or in kind		
Unsecured, considered good		
(i) CENVAT credit receivable	1 34 92 51	1 40 02 72
(ii) Dispatch Earned Recoverable	1 86 02 13	1 33 58 28
(iii) Service Tax Refund Receivable	6 23 93 60 3	4 32 03 52 2
(iv) Initial Margin recoverable	–	2 44 13 94
(v) Prepaid expenses	3 23 54 09 0	3 66 01 78 3
	<u>9 79 57 15 7</u>	<u>8 49 82 79 9</u>
(d) Advances to Suppliers		
Unsecured, considered good	4 97 87 76 65	3 05 14 40 38
	<u>4 97 87 76 65</u>	<u>3 05 14 40 38</u>
(e) Advances to Creditors for expenses		
Unsecured, considered good	2 37 75 61 7	2 90 01 90 7
	<u>2 37 75 61 7</u>	<u>2 90 01 90 7</u>
	<u>1 02 43 54 65 4</u>	<u>7 48 84 18 66</u>
23 Other Current Assets		
(a) Accruals		
(i) Interest accrued on deposits	1 96 03 86 6	4 73 33 36
(b) Others		
(i) Export Incentive Receivable	3 22 41 95 05	3 42 44 61 82
(ii) Foreign Exchange Gain Receivable	–	4 34 38 76 4
(iii) Insurance Claim Receivable	4 02 66 57	2 89 53 19
(iv) Commission Receivable	–	8 88 51
(v) Rent receivable	4 27 50 0	–
	<u>3 46 47 75 28</u>	<u>3 93 60 24 51</u>

EMMSONS

	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
24 Revenue from Operations		
a) Sale of goods traded (Refer Note no. 24(i) below)		
(i) Domestic	2707244780	2239048279
(ii) Export	16360071561	10859775376
	<u>19067316341</u>	<u>13098823655</u>
b) Other operating revenues		
(i) Export Incentives received	73280795	88431650
(ii) Difference in exchange	(65814457)	35417251
(iii) Discount Received	34492758	7302241
(iv) Commission Received	108160000	70682971
(v) Contract Settlements	14354060	43906654
(vi) Forward Contract Forex Gain	(298956796)	37490231
(vii) Trade Margin	13282118	4480212
(viii) Shortage Recovered	16351071	348678
(ix) Receipt from Hotel Booking	3973089	4856960
(x) Receipt From Travel Related service	298735	384059
	<u>(100578627)</u>	<u>293300907</u>
	<u>18966737714</u>	<u>13392124562</u>
Note no. 24(i) : sale of goods traded includes -		
Rice	6318054318	3736248738
Maize	3781400690	1795312510
Wheat	3992564061	4790713776
Pulses	1602311517	475639265
Sugar	1781140599	1447884692
Other items	1591845155	853024674
	<u>19067316341</u>	<u>13098823655</u>
25 Other Income		
Interest Income	76674125	11517971
Dividend Received	43675	120316
Net Gain/Loss on sale of Investments	(1346310)	(523788)
Rent Received	3325000	-
Insurance Claim Received	1131338	32030235
Dispatch Earned	3438195	926436
MTM-Commodity	1176522	-
Balance written off	1564638	(1025560)
	<u>86007183</u>	<u>43045610</u>
26 Purchases of goods traded includes:		
Rice	5736897282	3378426824
Maize	3510420451	1925286114
Wheat	3431947476	4414052976
Pulses	2267657693	470902537
Sugar	1533149536	295133161
Other items	1941622657	877289410
	<u>18421695094</u>	<u>11361091022</u>

Note: Purchase of other items include purchase of coal, soyabean, sulphur, rapeseed, sorghum ,packing material and travel tickets.

	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
27 Changes in inventories of stock in trade		
Inventories at the end of the year (refer note no. 27(i))		
(a) Stock in trade	295565574	994582911
(b) Goods in transit	46117154	-
	<u>3001772728</u>	<u>994582911</u>
Inventories at the beginning of the year:		
(a) Stock in trade	994582911	1845739421
(b) Goods in transit	-	45705504
	<u>994582911</u>	<u>1891444925</u>
(Increase)/Decrease in inventories	(2007189817)	896862014
Note no. 27 (i)		
Rice	1071075516	445050877
Maize	431555881	294024881
Wheat	99223094	-
Pulses	934122732	98913700
Sugar	125600	48355610
Other items	465669905	108237843
	<u>3001772728</u>	<u>994582911</u>
Note: Purchase of other items include stock of coal, soyabean, sulphur, rapeseed, sorghum and packing material.		
28 Employee benefit expenses		
(a) Salaries and incentives	69350020	40068457
(b) Contributions to -		
(i) Provident fund	3084514	365665
(ii) Employee State Insurance	185963	168981
(c) Gratuity	8958596	2269164
(d) Staff welfare expenses	1681942	915122
	<u>83261035</u>	<u>43787389</u>
29 Finance Cost		
(a) Interest expense	304220067	142992842
(b) Other borrowing costs	219916404	146277129
	<u>524136471</u>	<u>289269971</u>

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	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
30 Other Expenses		
Business Promotion	5215698	3957494
Discount Allowed	7879251	51644
Documentation Charges	2216563	1026664
Festival Celebration	6543773	4029927
Freight & Cartage	1473018008	526264429
Fumigation & Phyto Expenses	25663861	7447852
Godown, Ground Rent & Storage	66023763	31511368
Hotel Booking Charges	3566510	4337740
Inspection Charges	26830375	9629862
Insurance	28189567	14552217
Legal and Professional Charges	12582493	8875530
License & Registration Fees	155560	581725
Loss on Sale of Fixed Assets	783140	242210
Port Charges	28969694	6083556
Postage and Telegram	905107	670333
Power & Fuel -Electricity & Water Expenses	1833942	1102652
Printing, Stationery, Periodicals & Books	2367205	1690596
Payments to Auditor's	551500	551500
Rent & Taxes	2006829	2007197
Repairs and maintenance - Buildings	2062527	1146300
Repairs and maintenance - Machinery	515709	468106
Repairs and maintenance - Others	3169433	2443632
Retainer ship & Consultancy Charges	6034175	1187677
Security Transaction Tax	42344	101582
Sitting Fee	500000	530000
Stamping & Filing Fees	1589052	1304678
Survey Fees	184737	182171
Telephone Expenses	3960628	3179399
Travelling Expenses(including Foreign Travel)	29164463	21287964
Vehicle Repair & Maintenance Expenses	3026701	2617213
Loss on MTM Shares	3232412	9430
Advertisement and Publicity	2330126	833680
Brokerage and Commission	38090578	7220756
Corporation / Export Cess	270879	35259
Detention, Demurrage & Claim	77052742	19880137
Meeting & Seminar Expenses	358379	350994
Membership Fees and Subscriptions	1605818	733993
Packing Charges	3362780	120967
Processing/Sotex Charges	-	1132114
Miscellaneous Expenses	623451	1965886
	1872479774	691346433

31 Exceptional Items

The company is entitled to realisable value of keyman insurance policy for Rs. 20573400/- on 31.03.2012.

32 Employee benefit plans

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

(i) Defined contribution plans

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

Particulars	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
	Employer's contribution to provident fund	Employer's contribution to ESI	Employer's contribution to provident fund	Employer's contribution to ESI
Contribution to defined contribution plans	3084514	185963	365665	168981

(ii) Defined Benefit Plan:

The Company offers the gratuity and leave encashment employee benefit schemes to its employees.

The following table sets out the funded status of the defined benefit schemes and the amount recognized in the financial statements:

(ii-a) Expenses recognized during the year

Particulars	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
	Gratuity	Other defined benefit plans (Leave Encashment)	Gratuity	Other defined benefit plans (Leave Encashment)
Components of employer expense				
Current service cost	1742801	1227485	960938	375199
Past service cost	-	-	-	-
Interest cost	657794	303264	466157	221472
Expected return on plan assets	-	-	-	-
Curtailement cost / (credit)	-	-	-	-
Settlement cost / (credit)	-	-	-	-
Actuarial losses/(gains)	6558001	3140219	842069	407451
Total expense recognized in the Statement of Profit and Loss	8958596	4670968	2269164	1004122

(ii-b) Table showing changes in present value of obligations during the period:

Particulars	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
	Gratuity	Other defined benefit plans (Leave Encashment)	Gratuity	Other defined benefit plans (Leave Encashment)
Present value of obligation as at beginning of the period	8222428	3790806	5976378	2839379
Acquisition adjustment	-	-	-	-
Interest cost	657794	303264	466157	221472
Past service cost	-	-	-	-
Current service cost	1742801	1227485	960938	375199
Curtailement cost / (credit)	-	-	-	-
Settlement cost / (credit)	-	-	-	-
Benefit paid	-401776	-424499	-23114	-52695
Actuarial gain/(loss) on obligations	6558001	3140219	842069	407451
Obligation as on closing of the year	16779248	8037275	8222428	3790806

(ii-c) **Change in the plan assets:** There is no change in the plan assets in the case of gratuity and leave encashment because there is no funded scheme taken by the company.

(ii-d) **Reconciliation of fair value of assets and obligations:**

Particulars	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
	Gratuity	Other defined benefit plans (Leave Encashment)	Gratuity	Other defined benefit plans (Leave Encashment)
Fair value of plan assets	-	-	-	-
Present value of obligations	16779248	8037275	8222428	3790806
Amounts recognized in balance sheet	16779248	8037275	8222428	3790806

(ii-e) **Actuarial Assumptions:**

Demographic Assumptions:

Mortality: Published rates under Indian assured lives mortality (1994-96) (modified) ultimate table.

Indian assured lives mortality (1994-96) (modified) ultimate table are used of calculation as on 31.03.2012, 31.03.2011 and 31.03.2012

Withdrawal : Withdrawal rate are in accordance with the following table:

Particulars	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
	Gratuity	Other defined benefit plans (Leave Encashment)	Gratuity	Other defined benefit plans (Leave Encashment)
For all ages	10% per annum		10% per annum	

Financial Assumptions:

Particulars	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
	Gratuity	Other defined benefit plans (Leave Encashment)	Gratuity	Other defined benefit plans (Leave Encashment)
Discount Rate	8.60%	8.60%	8.00%	8.00%
Rate of increase in compensation level	5.00%	5.00%	5.00%	5.00%
Rate of return on plan assets	-	-	-	-

33 Segment reporting:

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

34 Related party disclosure

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

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

Name	Relationship
Mr. Anil Monga	Key Managerial Personnel
Mr. Rajesh Monga	Key Managerial Personnel
Mr. Shivaz Monga	Key Managerial Personnel
Mr. Vijay Kumar Kakkar	Key Managerial Personnel
Mr. Viresh Shankar Mathur	Key Managerial Personnel
Mr. Satish Chandra Gupta	Key Managerial Personnel
Ms. Manya Kumar	Key Managerial Personnel's relative
M/s Emmons S.A.	Subsidiary (Control Exists)
M/s Emmons Gulf DMCC	Subsidiary (Control Exists)
M/s Emmons Grains Limited	Subsidiary (Control Exists)
M/s Emmons Asia Pte. Ltd.	Subsidiary of Emmons Gulf DMCC (Control Exists)
M/s Pt Star Emmons -Indonesia	Subsidiary of Emmons Gulf DMCC (Control Exists)

(b) Following are the details of the transactions with the related party:

Nature of transactions	Related Parties	₹
Salaries, allowances & perquisite	Key Managerial Personnel's	23720593 (10332238)
Salaries, allowances & perquisite	Key Managerial Personnel's relative	262716 (273000)
Sitting fee	Key Managerial Personnel's	500000 (530000)
Rent	Key Managerial Personnel's	300000 (300000)
Investment in shares	Subsidiary	15816600 -
Sales	Subsidiary/Stepdown subsidiary	3707410979 (1295253388)
Purchase of trading goods	Subsidiary	- (542190542)
Interest Income	Subsidiary	28930501
Loan and advances given to subsidiary	Subsidiary	74820000 (199470500)
Loan and advances received back from subsidiary	Subsidiary	163624990 (269370000)

Note: Figures in bracket relate to the previous year.

EMMSONS

(c) Disclosure of material transactions:

Particulars	Current year ₹	Previous year ₹
<u>Salaries, allowances & perquisite</u>		
Mr. Anil Monga (Chairman & Managing Director)	9880055	4056858
Mr. Rajesh Monga (Whole time Director)	6593750	3229167
Mr. Shivaz Monga (Executive Director)	7246788	3046213
<u>Salaries, allowances & perquisite</u>		
Ms. Manya Kumar	262716	273000
<u>Sitting fee</u>		
Mr. Satish Chandra Gupta	160000	100000
Mr. Vijay Kumar Kakkar	170000	180000
Mr. Viresh Shankar Mathur	170000	180000
Mr. Tariq Raja	–	70000
<u>Rent</u>		
Mr. Anil Monga	300000	300000
<u>Investment in shares</u>		
Emmsons Grains Limited	15816600	–
<u>Sales</u>		
Emmsons Gulf DMCC	3506743967	1295253388
Emmsons Asia Pte. Ltd.	20067012	
<u>Purchase of trading goods</u>		
Emmsons Gulf DMCC	--	542190542
<u>Interest Income</u>		
Emmsons Gulf DMCC	20591128	–
Emmsons Grains Limited	8339373	–
<u>Loan and advances given to subsidiary</u>		
Emmsons Gulf DMCC	74820000	197251500
Emmsons SA	–	2219000
<u>Loan and advances received back from subsidiary</u>		
Emmsons Gulf DMCC	163624990	–
Emmsons SA	–	269370000

35 Earning 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.

Particulars	Current year ₹	Previous year ₹
(a) Profit after taxation and exceptional items (Rs.)	121722960	97320998
(b) Weighted average number of shares outstanding during the year	5222337	5148020
(c) Nominal Value per share (Rs.)	10	10
(d) Basic and diluted earning per share (in Rs.) d=(a/b)	23.31	18.90

36 Contingent liabilities and commitments (to the extent not provided for)

Particulars	Current year ₹	Previous year ₹
Contingent liabilities		
(a) Guarantees to sale tax authorities	590000	590000
(b) Guarantees - Corporate Guarantee for credit facility to subsidiary	2543807619	1525404000
(c) Letter of credit issued for purchase	-	742757000
(d) Other guarantees	143717504	352363000
(e) Other money for which the Company is contingently liable	-	-
(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.		
(g) The trade receivable includes an amounts of Rs. 43.19 lacs for which the company had obtained a decree against State Bank of India and Unialchem Fertilizer Limited. State Bank of India filed an appeal against the decree in the Supreme court of India. The supreme court has now remanded the case back to high court. The management is confident of recovering the amount after the disposal of at the case and the amount is considered good for recovery.		
(h) 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.		
(i) 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.		
(j) An arbitration award was passed against the company in its case against Bunge (London) limited. However the parties have since reached amicable agreement on the above arbitration and the matter is fully settled .		

37 Auditors remuneration

Particulars	Current year ₹	Previous year ₹
As auditors - statutory audit	330900	330900
For taxation audit fees	66180	66180
For taxation matters	110300	110300
For Limited review	44120	44120

38 Value of imports calculated on CIF basis :

Particulars	Current year ₹	Previous year ₹
Traded goods (Including Highseas purchase)	3177403267	929972855

39 Expenditure in foreign currency :

Particulars	Current year ₹	Previous year ₹
Professional and consultation fee	3912142	4103561
Interest (buyer's credit)	21715867	2475615
Other matters	831286869	180040263
Dividend	21800	21800

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40 Earnings in foreign exchange

Particulars	Current year ₹	Previous year ₹
Export of goods calculated on FOB basis	1 2006664854	3955293185
Other Income-Commission	1 08160000	70682971
Interest Income	5 1285028	20230422

41 Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges :

Loans and advances in the nature of loans given to subsidiaries:

Particulars	Current year ₹	Previous year ₹
(a) Emmsons Gulf DMCC		
Due at the end of the year	1 16941824	192085274
Maximum outstanding during the year	1 91766930	224634487
(b) Emmsons SA		
Due at the end of the year	3 4744210	30454970
Maximum outstanding during the year	3 0454970	297788525
(c) Emmsons Grains Ltd (Refer Note 31 (iii-c)) below		
Due at the end of the year	3 43560649	—
Maximum outstanding during the year	2 87770422	—

Note 31 (iii-c) :

Emmsons Grains Limited issued 300000 equity shares @ USD 1/- each to Emmsons International Limited on 23rd December, 2011.

42 Micro and small enterprises

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, 2012 to Micro, Small and Medium Enterprises on account of principal amount together with Interest, aggregate to Rs. Nil. (Previous Year: Rs. NIL).

43 These financial statements have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act, 1956. Previous years figures have been recast / restated.

As per our report attached

For **Suresh & associates**

FRN: 003316N

Chartered Accountants

Sd/-

(CA Narendra Arora)

Partner

M. No. 088256

Date : 14.08.2012

Place : New Delhi

For and on behalf of Board of Directors

Sd/-

(Hamant Paul)

GM (Finance)

Sd/-

(Suvindra Kumar)

Company Secretary

Sd/-

(Rajesh Monga)

Director

Sd/-

(Anil Monga)

Chairman &
Managing Director

BALANCE SHEET AS AT 31ST MARCH, 2012 (US\$)

(fig. in Millions)

Particulars	STANDALONE	CONSOLIDATED
I. EQUITY AND LIABILITIES		
Shareholders' funds		
(a) Share capital	1.18	1.18
(b) Reserves and surplus	17.67	25.86
(c) Money received against share warrants	0.00	0.00
Minority Interest	-	0.13
Non-current liabilities		
(a) Long-term borrowings	4.61	77.11
(b) Other Long term liabilities	0.03	0.03
(c) Long-term provisions	0.42	0.47
Current liabilities		
(a) Short-term borrowings	98.57	142.08
(b) Trade payables	24.68	61.14
(c) Other current liabilities	3.78	5.56
(d) Short-term provisions	1.13	1.13
TOTAL	152.06	314.69
II. ASSETS		
Non-current assets		
(a) Fixed assets		
(i) Tangible assets	2.63	3.72
(ii) Intangible assets	0.01	75.28
(iii) Capital work-in-progress	0.01	0.01
(b) Non-current investments	1.17	0.71
(c) Deferred tax assets (net)	0.02	0.68
(d) Long-term loans and advances	2.79	0.81
(e) Other non-current assets	0.40	0.40
Current assets		
(a) Current investments	0.42	0.42
(b) Inventories	59.01	60.17
(c) Trade receivables	47.68	112.07
(d) Cash and cash equivalents	10.96	24.00
(e) Short-term loans and advances	20.14	29.60
(f) Other current assets	6.81	6.81
TOTAL	152.06	314.69

Conversion Rate : INR 50.87 per US\$ (Closing Rate as on 31.03.2012)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012 (US\$)

(fig. in Millions)

Particulars	STANDALONE	CONSOLIDATED
I. Revenue from operations	372.85	818.78
II. Other income	1.69	1.26
Total Revenue	374.54	820.04
III Expenses:		
(a) Purchases of goods traded	362.13	775.86
(b) Changes in inventories of goods traded	(39.46)	(25.74)
(c) Employee benefits expense	1.64	2.45
(d) Finance costs	10.30	14.50
(e) Depreciation and amortization expense	0.14	0.18
(f) Other expenses	36.81	43.42
Total expenses	371.57	810.68
IV. Profit before exceptional items and tax	2.97	9.36
V. Exceptional items	0.40	0.40
VI. Profit before tax	3.37	9.77
VII. Tax expense:	0.98	0.86
(1) Current tax	1.05	1.05
(2) Deferred tax	-0.06	-0.19
VIII. Profit (Loss) for the period	2.39	8.91
IX. Earnings per equity share: Basic and diluted (In cents)	0.46	1.71

Conversion Rate : INR 50.87 per US\$ (Closing Rate as on 31.03.2012)

**STATEMENT PURSUANT TO SECTION 212(3) OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANIES**

NAME OF THE SUBSIDIARY	Emmsons SA DMCC	Emmsons Gulf Grains Ltd	Emmsons
1. Financial year of the Subsidiary ended on	31.03.2012	31.03.2012	31.03.2012
2. Date from which they become subsidiary	03.09.2007	01.02.2009	23.12.2011
3. Share of the subsidiary held by the company as on 31 st March, 2012.			
a) Number & face value	99,999 equity shares of CHF. 10/- each fully paid up	4 Shares of AED 50,000/- each	300000 Equity Shares of USD 1/- each fully paid up
b) Extent of holding	99.99%	100.00%	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, 2012	Net Loss Rs. 35,49,733.00	Net Profit Rs. 29,55,30,070.00	Net Loss of Rs. 1,59,57,207.00
ii) upto the previous financial year of the subsidiary company	Net Loss Rs. 2,90,59,703.00	Net Profit Rs. 17,22,47,907.00	N/A
b) Dealt with in the holding Company's accounts			
i) For the financial year ended 31 st March, 2012	Nil	Nil	Nil
ii) For the previous financial year of the subsidiary company since they become the holding Company's subsidiaries	Nil	Nil	Nil

Sd/-
(Hamant Paul)
GM (Finance)

Sd/-
(Suvindra Kumar)
Company Secretary

Sd/-
(Rajesh Monga)
Director

Sd/-
(Anil Monga)
Chairman & Managing Director

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

To

The Board of Directors

M/s EMMSONS INTERNATIONAL LIMITED

1. We have audited the attached Consolidated Balance Sheet of Emmsons International Limited ("the Company"), as at March 31, 2012 and also the consolidated statement of Profit and Loss and the consolidated cash flow statement for the year ended on the date annexed thereto. The consolidated financial Statements are the responsibility of the company's Management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. 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 presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the Financial Statements of subsidiaries, Financial Statements of subsidiaries reflect the following total assets as at 31st March 2012 and Revenue for the period then ended.

(INR in Lacs)

S. No.	Name of the Subsidiary	Total Assets	Total Revenue
1	Emmsons S.A.	840.71	–
2	Emmsons Gulf DMCC	91615.54	264463.54
3	Emmsons Grains Ltd.	5948.46	–

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.

4. 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.
5. 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 :
 - (a) 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, 2012 and
 - (b) 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
 - (c) 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 NARENDRA ARORA)

Partner

M. NO. 088256

Date : 14.08.2012

Place : New Delhi

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

PARTICULARS	NOTES	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
I. EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	3	59980200	51480200
(b) Reserves and surplus	4	1315296161	808761195
(c) Money received against share warrants	5	-	2250000
Minority Interest		6664421	251
Non-current liabilities			
(a) Long-term borrowings	6	3922563150	271994667
(b) Other Long term liabilities	7	1425000	-
(c) Long-term provisions	8	23799051	10815756
Current liabilities			
(a) Short-term borrowings	9	7227787071	2859411951
(b) Trade payables	10	3110279031	3064124020
(c) Other current liabilities	11	282780136	427831081
(d) Short-term provisions	12	57665303	49640124
TOTAL		16008239523	7546309244
II. ASSETS			
Non-current assets			
(a) Fixed assets	13		
(i) Tangible assets		189460149	132069992
(ii) Intangible assets		3829489004	392841
(iii) Capital work-in-progress		742840	6724388
(b) Non-current investments	14	36026439	318783505
(c) Deferred tax assets (net)	15	34412033	3250250
(d) Long-term loans and advances	16	41084273	62074579
(e) Other non-current assets	17	20587924	151987
Current assets			
(a) Current investments	18	21567052	18528339
(b) Inventories	19	3061017870	1751647687
(c) Trade receivables	20	5700769679	2957578811
(d) Cash and cash equivalents	21	1220758114	676157221
(e) Short-term loans and advances	22	1505846618	1225347193
(f) Other current assets	23	346477528	393602451
TOTAL		16008239523	7546309244
III NOTES FORMING PART OF THE FINANCIAL STATEMENT	I-38		

As per our report attached

For **Suresh & associates**
FRN: 003316N
Chartered Accountants

Sd/-
(CA Narendra Arora)
Partner
M. No. 088256

Sd/-
(Hamant Paul)
GM (Finance)

Sd/-
(Suvindra Kumar)
Company Secretary

Sd/-
(Rajesh Monga)
Director

Sd/-
(Anil Monga)
Chairman &
Managing Director

Place : New Delhi
Date : 14.08.2012

EMMSONS

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

PARTICULARS	NOTES	As At	As At
		31 March, 2012 ₹	31 March, 2011 ₹
I. Revenue from operations	24	41651490169	19927412979
II. Other income	25	64141362	46162682
Total Revenue		41715631531	19973575661
III. Expenses:			
(a) Purchases of goods traded	26	39468096983	18479616754
(b) Changes in inventories of goods traded	27	(1309370183)	139797238
(c) Employee benefits expense	28	124606698	82203631
(d) Finance costs	29	737838920	344147732
(e) Depreciation and amortization expense	13	9246146	6752841
(f) Other expenses	30	2208982835	718703848
Total expenses		41239401399	19771222045
IV. Profit before exceptional items and tax		476230133	202353616
V. Exceptional items	31	20573400	(626449)
VI. Profit before tax		496803533	201727167
VII. Tax expense:		43694231	44372571
(1) Current tax		53207216	50105562
(2) Deferred tax		(9512985)	(5732991)
VIII. Profit (Loss) for the period before Minority Interest		453109302	157354596
IX. Minority Interest		(360764)	(230)
X. Profit for the year		453470066	157354826
XI. Earnings per equity share: Basic and diluted	36	86.83	30.57
XII. NOTES FORMING PART OF THE FINANCIAL STATEMENT	1-38		

As per our report attached

For **Suresh & associates**

FRN: 003316N

Chartered Accountants

Sd/-
(CA Narendra Arora)
Partner

M. No. 088256

Place : New Delhi

Date : 14.08.2012

For and on behalf of the Board of Directors

Sd/-
(Hamant Paul)
GM (Finance)

Sd/-
(Suvindra Kumar)
Company Secretary

Sd/-
(Rajesh Monga)
Director

Sd/-
(Anil Monga)
Chairman &
Managing Director

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

	PARTICULARS	(Rs. In `000) Year ended 31st March, 12	(Rs. In `000) Year ended 31st March, 11
A.	CASH FLOW FROM OPERATING ACTIVITIES : Net Profit/(Loss) before taxation and extraordinary items Adjustment for :	476,230	201,727
	Misc. Expenditure Written Off	-	68
	(Profit)/Loss on sale of fixed assets	783	242
	Depreciation	9,246	6,685
	Transfer To Capital Reserve On Consolidation	-	0.07
	Discarding of assets	-	-
	Transfer To FCTR	4,645	(6,453)
	FCTR Written off	-	-
	(Profit)/Loss on sale of Investment	1,346	-
	Dividend income	(44)	(152,346)
	Interest Expenses	737,839	321,768
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	1,230,046	371,691
	Adjustment for :		
	(Increase)/Decrease in Trade Receivables	(2,743,191)	(2,358,770)
	(Increase)/Decrease in Inventories	(1,309,370)	139,797
	(Increase)/Decrease in Long/Short term Loans and advances	(259,509)	(647,734)
	(Increase)/Decrease in Current/Non-current Assets	62,133	-
	Increase/(Decrease) in Trade Payables & other current liabilities	(97,471)	1,753,140
	Increase/(Decrease) in Provisions	17,851	15,551
	Cash generated from operations	(3,099,511)	(726,324)
	Income Tax Paid	(59,929)	(71,465)
	Wealth Tax Paid	18	21
	FBT Paid	-	-
	Interest paid	-	-
	Cash flow before extraordinary items	(3,159,423)	(797,768)
	Extraordinary items	-	-
	NET CASH FROM OPERATING ACTIVITIES	(3,159,423)	(797,768)
B.	CASH FLOW FROM INVESTING ACTIVITIES :		
	Purchase of fixed assets	(3,905,041)	(35,272)
	Capital WIP	5,982	(1,849)
	Sale of fixed assets	805	3,758
	Purchase of Investments	-	-
	Purchase/Sale of Current and Non Current Investments	279,718	2,392
	Dividend received	(44)	152,346
	NET CASH USED IN INVESTING ACTIVITIES	(3,618,579)	121,376
C.	CASH FLOW FROM FINANCING ACTIVITIES :		
	Minority Interest	(6,664)	-
	Proceeds from Equity Share Warrants (Application Money)	(2,250)	2,250
	Proceeds from Issue of Equity Share	8,500	-
	Increase in Securities premium A/c	68,750	24,750
	Net Proceeds from long term borrowings	3,650,568	358,128
	Net Proceeds from short term borrowings	4,368,375	1,148,491
	Proceeds From Unsecured Loans	-	(43,413)
	Miscellaneous Expenditure	-	-
	Interest Paid	(737,839)	(321,768)
	Dividend paid including DDT	(11,966)	(12,046)
	NET CASH USED IN FINANCING ACTIVITIES	7,337,474	1,156,391
	Net increase in cash and cash equivalents	559,471	479,999
	Opening cash and cash equivalents balance (See Note)	680,891	200,892
	Closing cash and cash equivalents balance (See Note)	1,240,362	680,891
	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	1,220,758	222,268
	- Margin with Bank and Accrued Interest	19,604	458,622
	- Cash and cash equivalents as restated	1,240,362	680,891

For and on behalf of Board

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

As per our separate report of even date attached

FOR SURESH & ASSOCIATES
FRN: 003316N
CHARTERED ACCOUNTANTSSd/-
(CA NARENDRA ARORA)
Partner
Membership No. 088256Date : 14.08.2012
Place : New Delhi

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2012

1 Corporate Information:

Emmsons International Limited (The Company) and its subsidiaries (Collectively referred to as the “Group”) are engaged in Trading of Agro/Energy Commodities globally. Emmsons Trading basket includes Rice, Wheat, Wheat- flour, Sugar, Maize, Soya meal, Rapeseed Meal and Pulses in addition to Coal and Sulphur among other things. The strength of the company lies in the fact that it has expanded its to all corners of the world. The company has maintained long and sustained relationships with its clients across Far-East Asian region, Australia, South America, Africa and the Middle East due to its quality products and efficient service.

2 Significant accounting policies:**(a) Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

(c) Tangible fixed assets

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

(d) Intangible fixed assets

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The company has capitalized all costs relating to acquisition and installation of intangible fixed assets.

(e) 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.

(f) 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.

(g) 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.

(h) 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.

(i) Inventories

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

(j) Investments

Long term investments are stated at cost less provision for other than temporary diminution in value. Current investments are stated at lower of cost and fair value.

(k) Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

(l) Employee benefit

(i) 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.

(ii) 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.

(iii) Defined Contribution Plans:

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

(m) Export benefit/ 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.

(n) Earning 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.

(o) Cash Flow Statement

The cash flow statement has been in accordance with the Accounting Standard (AS) – 3 on “Cash Flow Statements” issued by the companies (Accounting Standard) Rules, 2006.

3 Share Capital

The authorized, issued subscribed and fully paid-up share capital comprises of equity shares having a par value of Rs. 10/- each.

	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
Authorised		
15000000 Equity Shares of Rs. 10/- each (March 31, 2011:15000000 Equity Shares of Rs. 10/- each)	15000000	15000000
Issued, subscribed and fully paid up shares		
5998020 Equity Shares of Rs. 10/- each (March 31, 2011:5148020 Equity Shares of Rs.10/- each)	5998020	5148020
	5998020	5148020

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**a) Equity shares**

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	No of Shares	Amounts in Rs.	No of Shares	Amounts in Rs.
At the beginning of the period	5148020	51480200	5148020	51480200
Issued during the period	850000	8500000	0	0
Outstanding at the end of the period	5998020	59980200	5148020	51480200

b) Detail of shares holding more than 5% shares in the company

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	No of Shares	% holding in the class	No of Shares	% holding in the class
Equity shares of Rs. 10 each fully paid up				
Anil Monga	1445858	24.11	1335885	25.95
Rajesh Monga	511640	8.53	311640	6.05
MTL share and stock broker Limited	-	-	288459	5.60

EMMSONS

	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
4 Reserves & Surplus		
a) Capital Reserves		
Opening balance	23451000	23451000
Add: Current Year Transfer	1500000	-
Closing Balance	24951000	23451000
b) Capital Reserves on Consolidation		
Opening balance	(481)	-
Add : Current Year Transfer	-	(481)
Closing Balance	(481)	(481)
c) Securities Premium Account		
Opening balance	214134000	189384000
Add : Securities premium credited on allotment of shares	68750000	24750000
Closing Balance	282884000	214134000
d) General Reserves		
Opening balance	131300000	124000000
Add: Current Year Transfer	12173000	7300000
Closing Balance	143473000	131300000
e) Surplus/ (Deficit) in the statement of profit and loss		
Opening balance	433151070	299386015
Add/(Loss) Net Profit/(Net Loss) For the current year	453470066	157354826
(Less)/Add Short / Excess provision of Income Tax for earlier Years	(4402651)	(4323456)
Less: Proposed Dividends	(14995050)	(10296040)
Less: Tax on Dividends	(2432572)	(1670275)
Less: Transfer to General Reserves	(12173000)	(7300000)
Closing Balance	852617862	433151070
f) Foreign Currency Translation reserve		
Opening balance	6725606	-
Add/(Less) foreign currency translation differences	4645174	6725606
	11370780	6725606
Total Reserves & Surplus	1315296161	808761195
5 Note on money received against share warrants:		
<p>During previous year ended on 31.03.2011 the company has received Rs. 2250000 as 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. The warrant holders were given option to exercise the right for conversion of warrant into Equity Shares within 18 months from the date of the allotment of warrants i.e. within 18 months from 30th August, 2010 (Date of allotment of warrants) by paying the rest 75% of the issue price of warrants (i.e., Rs. 90/- per warrant). However one of the allottees of equity warrant holding 50,000 warrants, has not exercised his right for conversion of the warrants into shares within the time stipulated, which lapsed on 29th February, 2012. Accordingly, as per SEBI (ICDR) Regulation, 2009, the aforesaid warrants stand lapsed and the consideration paid in respect of such warrants at the time of its allotment was forfeited. warrant holder's holding 850000 equity warrants exercised option of conversion of equity warrants in to equity share capital.</p>		
6 Long-term borrowings		
Term Loans		
From Banks		
Secured	3611527736	267901598
From Other Parties		
Secured	311035414	4093069
	3922563150	271994667

Note on repayment terms and security of long term borrowings:

- (a) **Packing Credit with Oriental Bank of Commerce**-Repayable on demand-Secured against hypothecation of Stocks and advances, equitable mortgage of Properties and Personal guarantees of Directors.
- (b) **Packing Credit with Indian Overseas Bank**-Repayable on demand-Secured against hypothecation of Stocks and advances, equitable mortgage of Properties and Personal guarantees of Directors.
- (c) **Packing Credit with Bank of Baroda**-Repayable on demand-Secured against hypothecation of Stocks, equitable mortgage of Properties and Personal guarantees of Directors.
- (d) **Packing Credit with Allahabad Bank**-Repayable on demand-Secured against hypothecation of current assets, equitable mortgage of Properties and Personal guarantees of Directors.
- (e) **Buyer's Credit through Oriental Bank of Commerce**-Repayable on demand-Secured against hypothecation charge over the goods, equitable mortgage of Properties and Personal guarantees of Directors.
- (f) **Buyer's Credit through Indian Overseas Bank**-Repayable on demand-Secured against hypothecation charge over the goods, equitable mortgage of Properties and Personal guarantees of Directors.
- (g) **Buyer's Credit through Bank of Baroda**-Repayable on demand-Secured against hypothecation charge over the goods, equitable mortgage of Properties and Personal guarantees of Directors.
- (h) **Buyer's Credit through Allahabad Bank**-Repayable on demand-Secured against hypothecation charge over the goods, equitable mortgage of Properties and Personal guarantees of Directors.
- (i) Term loan syndicated from consortium of four banks ,repayable within 22 equal quarterly instalment .

Term loan mentioned in point 6 (i) are secured by:

- (i) Corporate gurantee of Emmons International Limited
- (ii) Charge over property, plant and equipment.
- (iii) Floating charge over the entity current assets.
- (iv) Pledge of 100% share of M/s PT Star Emmons Indonesia.
- (iv) Pledge of 100% share of a related party (M/s Bara Energy Makmur Indonesia.)
- (vi) personal gurantee of third parties.

	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
7 Other Long term liabilities		
Security deposit received	1425000	-
	<u>1425000</u>	<u>-</u>
8 Long Term Provisions		
(a) Provision for employee benefits:		
(i) Provision for gratuity	14640279	7169183
(ii) Provision for leave encashment	6854183	3216824
(iii) Employees' end of service benefits	2304589	429749
	<u>23799051</u>	<u>10815756</u>
9 Short-term borrowings		
(a) Loans repayable on demand		
From banks		
Secured	6968313843	2859411951
From others		
Unsecured	259473228	-
	<u>7227787071</u>	<u>2859411951</u>

Note on repayment terms and security of short term borrowings:

- (a) **HDFC Bank Car Loan A/c No 17259339**-Repayble in 36 Monthly EMI-Secured against hypothecation of Car
- (b) **Indian Overseas Bank Corporate loan A/c No 271000002**-Repayble in 22 Quarterly Installments and Interest Payable Monthly-Secured against the personal guarantees of Directors
- (c) **Kotak Mahindra Prime Car Ltd. Loan A/c No. CF6509815**-Repayble in 36 Monthly EMI-Secured against hypothecation of Car
- (d) **Kotak Mahindra Prime Ltd. Car Loan A/c No CF6677652**-Repayble in 36 Monthly EMI-Secured against hypothecation of Car
- (e) **Kotak Mahindra Prime Ltd. Car Loan A/c No CF7056360**-Repayble in 36 Monthly EMI-Secured against hypothecation of Car
- (f) **Kotak Mahindra Prime Ltd. Car Loan A/c No CF7106212**-Repayble in 36 Monthly EMI-Secured against hypothecation of Car
- (g) **Kotak Mahindra Prime Ltd. Car Loan A/c No CF7569170**-Repayble in 36 Monthly EMI-Secured against hypothecation of Car
- (h) **Kotak Mahindra Prime Ltd. Car Loan A/c No CF5609590**-Repayble in 36 Monthly EMI-Secured against hypothecation of Car
- (i) **Kotak Mahindra Prime Ltd. Car loan A/c No CF5609981**-Repayble in 36 Monthly EMI-Secured against hypothecation of Car
- (j) **Volkswagen Finance Pvt Ltd. Car loan A/c No 20111000714**-Repayble in 36 Monthly EMI-Secured against hypothecation of Car

	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
10 Trade payables		
Other than Acceptances	3110279031	3064124020
	3110279031	3064124020
11 Other Current Liabilities		
(a) Current maturities of long-term debt	56362996	92273507
(b) Interest accrued and due on borrowings	35464231	226679129
(c) Other payables		
(i) Statutory Dues (as and when Due)	9683860	4078282
(ii) Advances from customers	62483671	73956286
(iii) Expenses Payable	30081077	30843877
(iv) Exchange difference on forward contracts	88704300	-
	282780136	427831081
12 Short Term Provisions		
(a) Provision for employee benefits	6700770	1833471
(b) Others		
(i) Provision for Income Tax (Net of Advance Tax)	33347690	35668754
(ii) Provision for Wealth Tax	189221	171584
(iii) Provision for Proposed Dividend	14995050	10296040
(iv) Provision for Dividend Distribution Tax	2432572	1670275
	57665303	49640124

13 FIXED ASSETS

Fixed assets consist the following:

	GROSS BLOCK						ACCUMULATED DEPRECIATION						NET BLOCK	
	Balance as at 1st April 2011	Additions	On acquisition of subsidiary	Foreign currency translation differences	Disposals	Balance as at 31st March 2012	Balance as at 1st April 2011	Depreciation charge for the year	On acquisition of subsidiary	Foreign currency translation differences	On disposals	Balance as at 31st March 2012	Balance as at 31st March 2012	Balance as at 31st March 2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(i) Tangible Assets														
(a) Land	3101676	9360100	-	-	-	12461776	-	-	-	-	-	-	12461776	3101676
(b) Buildings	8870745	29589883	-	5450795	-	123748423	4059412	1850849	-	-705365	5204896	118543527	118543527	84648333
(c) Plant and Equipment	794946	-	3699877	-	-	4494823	402216	176736	-	-	578952	3915871	3915871	392730
(d) Furniture and Fixtures	9472353	3092179	2474072	534093	126061	15446636	2839016	1146836	1876393	48012	5838124	9608512	9608512	6633337
(e) Vehicles	42971100	11937754	2812043	185739	4251826	53654810	14159695	4757603	1591978	7588	17781511	35873299	35873299	2881405
(f) Office equipment	9472902	988520	-	-	-	10461422	2489596	549662	-	-	3039258	7422164	7422164	6983306
(g) Computers	5252542	725079	-	15644	17805	5975460	5133597	510453	-	2797	5646847	328613	328613	118945
(h) Generator	1555208	-	-	-	-	1555208	174948	73872	-	-	248820	1306388	1306388	1380260
Total	161328472	55693514	8985992	6186271	4395692	227798557	29258480	9066011	3468371	(646968)	2807486	38338408	189460149	132069992
Previous Year	130523207	35277852	-	-	4472587	161328472	23222209	6524318	-	-	488047	29258480	132069992	107438494
(ii) Intangible Assets														
(a) Goodwill	-	-	3574018741	-	-	3574018741	-	-	-	-	-	-	3574018741	-
(b) Exploration Assets	-	-	255166990	-	-	255166990	-	-	-	-	-	-	255166990	-
(c) Preliminary Expenses (Setup cost)	69229	-	-	-	-	69229	-	78345	-	-9116	69229	-	-	69229
(d) Brands /trademarks	5400	-	-	-	-	5400	2693	513	-	-	3206	2194	2194	2707
(e) Computer software	508741	81449	-	-	-	590190	254302	86087	-	-	340389	249801	249801	254438
(f) Website Development Charges	151900	-	-	-	-	151900	85432	15190	-	-	100622	51278	51278	66467
Total	735270	81449	3829185731	-	-	3830002450	342427	180135	-	(9116)	-	513446	3829489004	392841
Previous Year	672186	63084	-	-	-	735270	182172	228523	-	-	-	410695	324575	352517
(iii) Capital Work In Progress	6724388	905062	-	-	6886610	742840	-	-	-	-	-	-	742840	6724388
Total	6724388	905062	-	-	6886610	742840	-	-	-	-	-	-	742840	6724388
Grand Total	168788130	56680025	3838171723	6186271	11282302	4058543848	29600907	9246146	3468371	(656084)	2807486	38851854	4019691994	139187221

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	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
14 Non Current Investments		
(i) Investments in step-down subsidiaries	36026439	-
(ii) Investment in PT star Emmsons Indonesia	-	318783505
	<u>36026439</u>	<u>318783505</u>
15 Deferred tax assets (net)		
Deferred tax assets/(Liabilities) of Emmsons International Limited	1163650	(2109673)
Deferred tax assets as per financials of subsidiaries	33248383	5359923
Net deferred tax assets/(-liability)	<u>34412033</u>	<u>3250250</u>
16 Long term Loan and Advances		
(a) Capital Advances		
Unsecured, considered good	4500000	4500000
	<u>4500000</u>	<u>4500000</u>
(b) Security Deposits		
Secured, considered good	16788625	12604917
Unsecured, considered good	4472812	2236516
	<u>21261437</u>	<u>14841433</u>
(c) Loan and advances to related parties		
Secured, considered good	13282186	40983996
	<u>13282186</u>	<u>40983996</u>
(d) Loan and advances to employees		
Unsecured, considered good	645500	354000
	<u>645500</u>	<u>354000</u>
(e) Advances recoverable in cash or in kind		
Unsecured, considered good		
(i) Income tax refund (A.Y. 2010-2011)	252150	252150
(ii) Entry Tax Receivable	1143000	1143000
	<u>1395150</u>	<u>1395150</u>
	<u>41084273</u>	<u>62074579</u>
17 Other non current assets		
Unsecured, considered good		
(i) Realisable value of Insurance Policies	20573400	-
(ii) amounts recoverable from ex-employee	14524	151987
	<u>20587924</u>	<u>151987</u>

	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
18 Current Investments		
Investments in Equity Instruments		
a) Quoted equity Instruments		
(i) 2123 (31 March 2011: 2123) Equity shares of Rs.2/- Each fully paid up in Ashapura Minechem Limited	307457	307457
(ii) Nil (31 March 2011:3100)Equity shares of Rs.1/- Each fully paid up in Glenmark Pharma	-	911983
(iii) Nil (31 March 2011:1500)- Equity shares of Rs.10/- Each fully paid up in G I C Industries Ltd.	-	147096
(iv) 1500 (31 March 2011:1500)Equity shares of Rs.1/- Each fully paid up in Godrej Industries Limited	235129	235129
(v) Nil (31 March 2011:1000) Equity shares of Rs.10/- Each fully paid up in HOV Services Limited	-	103251
(vi) Nil (31 March 2011: 22142) Equity shares of Rs.1/- Each fully paid up in JM Financial Limited	-	678759
50000 (31 March 2011: 50000) Equity shares of Rs.1/- Each fully paid up in Krishna lifestyle Technologies Ltd.	104813	104813
(vii) Nil (31 March 2011:5000)-Equity shares of Rs.10/- Each fully paid up in LT Foods Limited (DAAWAT)	-	233943
(viii) Nil (31 March 2011:10000) Equity shares of Rs.10/- Each fully paid up in LLOYD Steel	-	191909
(ix) 35000 (31 March 2011: 35000) Equity shares of Rs.1/- Each fully paid up in Marksans Pharma Limited	722453	722453
(x) Nil (31 March 2011: 2000) Equity shares of Rs.10/- Each fully paid up in MOIL Limited	-	867642
(xi) 30000 (31 March 2011: 30000) Equity shares of Rs.10/- Each fully paid up in Nitin Spinner Ltd.	336697	336697
(xii) Nil (31 March 2011: 6000) Equity shares of Rs.1/- Each fully paid up in Prime Focus Limited	-	369536
(xiii) 24500 (31 March 2011:20000) Equity shares of Rs.10/- Each fully paid up in Brahmaputra Infraproject Ltd.	3099225	2694477
(xiv) 1000 (31 March 2011: 1000)Equity shares of Rs.10/- Each fully paid up in Pyramid Saimira Theatre Ltd.	350828	350827
(xv) Nil (31 March 2011: 7000) Equity shares of Rs.5/- Each fully paid up in Ram Ratan Wire Limited	-	381099
(xvi) 95500 (31 March 2011:1700) Equity shares of Rs.1/- Each fully paid up in Sterling Bio Tech Ltd.	4304310	167331
(xvii) 49990 (31 March 2011: 503)-Equity shares of Rs.1/- Each fully paid up in Sterling International Enterprises Ltd.	2692190	94357
(xviii) Nil (31 March 2011: 30000) Equity shares of Rs.1/- Each fully paid up in Vikas WSP Ltd.	-	733242
(xix) 3000 (31 March 2011: 3000) Equity shares of Rs.10/- Each fully paid up in Zenith Computers Ltd.	123339	123339
(xxi) 30000 (31 March 2011: Nil) Equity shares of Rs.10/- Each fully paid up in S.B.T. International Limited	517611	-
a) Un quoted equity Instruments	-	
(i) 877300 (31 March 2011 : 877300) Equity shares of Rs.10/- each fully paid up in "Emmsons Infotech Limited"	8773000	8773000
	21567052	18528339
19 Inventories		
Inventories consist of the following:		
(a) Stock in trade	3014900716	997662124
(b) Goods in transit	46117154	753985563
	3061017870	1751647687

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	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
20 Trade Receivable		
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	511629571	1571360318
Unsecured, considered good	4329169516	1295573324
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	8581928	0
Unsecured, considered good	842529062	82394031
Unsecured, considered doubtful	8859602	8251139
	5700769679	2957578811
21 Cash and Bank Balances		
(a) Cash in hand	6945914	2866514
(b) Balances with banks	7916084	-
(i) In current accounts	246591545	36083053
(ii) In EEFC accounts	30493	183318545
(iii) In earmarked accounts	959274078	453889109
	1220758114	676157221
22 Short term Loans and Advances		
(a) Loan and advances to related parties		
Secured, considered good	426145366	345727863
	426145366	345727863
(b) Loans and advances to employees		
Unsecured, considered good	3116701	4827778
	3116701	4827778
(c) Advances recoverable in cash or in kind		
Unsecured, considered good		
(i) CENVAT credit receivable	1349251	1400272
(ii) Dispatch Earned Recoverable	1860213	1335828
(iii) Service Tax Refund Receivable	62393603	43203522
(iv) Initial Margin recoverable	-	2441394
(v) Prepaid expenses	125442109	106900471
	191045176	155281487
(d) Advances to Suppliers		
Unsecured, considered good	861763758	690508157
	861763758	690508157
(e) Advances to Creditors for expenses		
Unsecured, considered good	23775617	29001907
	23775617	29001907
	1505846618	1225347193
23 Other Current Assets		
(a) Accruals		
(i) Interest accrued on deposits	19603866	4733336
(b) Others		
(i) Export Incentive Receivable	322419505	342446182
(ii) Foreign Exchange Gain Receivable	-	43438764
(iii) Insurance Claim Receivable	4026657	2895319
(iv) Commission Receivable	-	88851
(v) Rent receivable	427500	-
	346477528	393602451

	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
24 Revenue from Operations		
a) Sale of goods traded (Refer Note no. 24(i) below)		
(i) Domestic	23357363769	8763018032
(ii) Export	18448895599	10819139564
	41806259368	19582157596
b) Other operating revenues		
(i) Export Incentives received	73280795	88431650
(ii) Difference in exchange	(71082403)	30994712
(iii) Discount Received	35890806	7532980
(iv) Commission Received	111196951	77866261
(v) Contract Settlements	(39003565)	92869640
(vi) Forward Contract Forex Gain	(298956796)	37490231
(vii) Trade Margin	13282118	4480212
(viii) Shortage Recovered	16351071	348678
(ix) Receipt from Hotel Booking	3973089	4856960
(x) Receipt From Travel Related service	298735	384059
	(154769199)	345255383
	41651490169	19927412979
Note no. 24(i) : sale of goods traded includes -		
Rice	12650200003	4713881155
Maize	3854731902	1795312510
Wheat	3992564061	4789525026
Pulses	1602311517	729194259
Sugar	2101586809	1665807156
Soyabean	1076843281	62858552
Urea	15463768065	5222603041
Other items	1064253729	602975897
	41806259368	19582157596
Note: Sale of goods traded : other items include sale of coal, soyabean, sulphur, rapeseed, barley, sorghum, packing material and travel tickets.		
25 Other Income		
Interest Income	54808305	14635043
Dividend Received	43675	120316
Net Gain/Loss on sale of Investments	(1346310)	(523788)
Rent Received	3325000	-
Insurance Claim Received	1131338	32030235
Dispatch Earned	3438195	926436
MTM-Commodity	1176522	-
Balance written off	1564638	(1025560)
	64141362	46162682
26 Purchases of goods traded includes:		
Rice	11177540167	4864175732
Maize	3572926467	1925286114
Wheat	3431947476	4408632738
Pulses	2267657693	718310619
Sugar	1750062223	507440237
Soyabean	301320823	41239267
Urea	15023273617	5131279865
Other items	1943368518	883252182
	39468096983	18479616754
Note: Purchase of other items include purchase of coal, soyabean, sulphur, rapeseed, sorghum ,packing material , raisins and travel tickets.		

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	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
27 Changes in inventories of stock in trade		
<u>Inventories at the end of the year (refer note no. 27(i))</u>		
(a) Stock in trade	3014900716	997662124
(b) Goods in transit	46117154	753985563
	<u>3061017870</u>	<u>1751647687</u>
<u>Inventories at the beginning of the year:</u>		
(a) Stock in trade	997662124	1845739421
(b) Goods in transit	753985563	45705504
	<u>1751647687</u>	<u>1891444925</u>
(Increase)/Decrease in inventories	(1309370183)	139797238
Note no. 27 (i)		
Rice	1128574797	986891447
Maize	431555881	294024881
Wheat	99223094	0
Pulses	934122732	98913700
Sugar	125600	48355610
Soyabean	0	212144993
Urea	0	0
Other items	467415766	111317056
	<u>3061017870</u>	<u>1751647687</u>
Note: Purchase of other items include stock of coal, soyabean, sulphur, rapeseed, sorghum and packing material.		
28 Employee benefit expenses		
(a) Salaries and incentives	110695683	78484699
(b) Contributions to		
(i) Provident fund	3084514	365665
(ii) Employee State Insurance	185963	168981
(c) Gratuity	8958596	2269164
(d) Staff welfare expenses	1681942	915122
	<u>124606698</u>	<u>82203631</u>
29 Finance Cost		
(a) Interest expense	485085248	179363404
(b) Other borrowing costs	252753671	164784328
	<u>737838920</u>	<u>344147732</u>

	As At 31 March, 2012 ₹	As At 31 March, 2011 ₹
30 Other Expenses		
Business Promotion	34282865	3957494
Discount Allowed	14128548	849542
Documentation Charges	2216563	1026664
Festival Celebration	6543773	4029927
Freight & Cartage	1630187981	532921582
Fumigation & Phyto Expenses	25663861	7447852
Godown, Ground Rent & Storage	67292622	31511368
Hotel Booking Charges	3566510	4337740
Inspection Charges	26830375	9629862
Insurance	38250798	14552217
Legal and Professional Charges	25193839	9837858
License & Registration Fees	155560	581725
Loss on Sale of Fixed Assets	783140	242210
Port Charges	28969694	6083556
Postage and Telegram	905107	670333
Power & Fuel -Electricity & Water Expenses	1833942	1102652
Printing, Stationery, Periodicals & Books	2367205	1690596
Payments to Auditor's	1021118	958495
Rent & Taxes	7381298	2007197
Repairs and maintenance - Buildings	2062527	1146300
Repairs and maintenance - Machinery	515709	468106
Repairs and maintenance - Others	3825110	2732684
Retainer ship & Consultancy Charges	6422334	1187677
Security Transaction Tax	42344	101582
Sitting Fee	500000	530000
Stamping & Filing Fees	1589052	1304678
Survey Fees	184737	182171
Telephone Expenses	5370885	3828191
Travelling Expenses(including Foreign Travel)	31538359	22372742
Vehicle Repair & Maintenance Expenses	3026701	2617213
Loss on MTM Shares	3232412	9430
Advertisement and Publicity	2330126	833680
Brokerage and Commission	56446055	8180633
Corporation / Export Cess	270879	35259
Detention, Demurrage & Claim	80002404	25888547
Meeting & Seminar Expenses	358379	350994
Membership Fees and Subscriptions	1605818	733993
Packing Charges	3362780	120967
Processing/Sotex Charges	-	1132114
Trade Expenses	49614445	2187549
Acquisition related expenses	24050421	-
Utilities	750842	59332
Miscellaneous Expenses	14305716	9261137
	2208982835	718703848

31 Exceptional Items

The company is entitled to realisable value of keyman insurance policy for Rs. 20573400/- on 31.03.2012.

32 Employee benefit plans

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

(i) Defined contribution plans

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

Particulars	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
	Employer's contribution to provident fund	Employer's contribution to ESI	Employer's contribution to provident fund	Employer's contribution to ESI
Contribution to defined contribution plans	3084514	185963	365665	168981

(ii) Defined Benefit Plan: -

The Company offers the gratuity and leave encashment employee benefit schemes to its employees.

The following table sets out the funded status of the defined benefit schemes and the amount recognized in the financial statements:

(ii-a) Expenses recognized during the year

Particulars	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
	Gratuity	Other defined benefit plans (Leave Encashment)	Gratuity	Other defined benefit plans (Leave Encashment)
Components of employer expense				
Current service cost	1742801	1227485	960938	375199
Past service cost	-	-	-	-
Interest cost	657794	303264	466157	221472
Expected return on plan assets	-	-	-	-
Curtailement cost / (credit)	-	-	-	-
Settlement cost / (credit)	-	-	-	-
Actuarial losses/(gains)	6558001	3140219	842069	407451
Total expense recognized in the Statement of Profit and Loss	8958596	4670968	2269164	1004122

(ii-b) Table showing changes in present value of obligations during the period:

Particulars	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
	Gratuity	Other defined benefit plans (Leave Encashment)	Gratuity	Other defined benefit plans (Leave Encashment)
Present value of obligation as at beginning of the period	8222428	3790806	5976378	2839379
Acquisition adjustment	-	-	-	-
Interest cost	657794	303264	466157	221472
Past service cost	-	-	-	-
Current service cost	1742801	1227485	960938	375199
Curtailement cost / (credit)	-	-	-	-
Settlement cost / (credit)	-	-	-	-
Benefit paid	-401776	-424499	-23114	-52695
Actuarial gain/(loss) on obligations	6558001	3140219	842069	407451
Obligation as on closing of the year	16779248	8037275	8222428	3790806

(ii-c) **Change in the plan assets:** There is no change in the plan assets in the case of gratuity and leave encashment because there is no funded scheme taken by the company.

(ii-d) **Reconciliation of fair value of assets and obligations:**

Particulars	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
	Gratuity	Other defined benefit plans (Leave Encashment)	Gratuity	Other defined benefit plans (Leave Encashment)
Fair value of plan assets	-	-	-	-
Present value of obligations	16779248	8037275	8222428	3790806
Amounts recognized in balance sheet	16779248	8037275	8222428	3790806

(ii-e) **Actuarial Assumptions:**

Demographic Assumptions:

Mortality: Published rates under Indian assured lives mortality (1994-96) (modified) ultimate table.

Indian assured lives mortality (1994-96) (modified) ultimate table are used of calculation as on 31.03.2012, 31.03.2011 and 31.03.2010

Withdrawal : Withdrawal rate are in accordance with the following table:

Particulars	As at 31st March, 2012 ₹		As at 31st March, 2012 ₹	
	Gratuity	Other defined benefit plans (Leave Encashment)	Gratuity	Other defined benefit plans (Leave Encashment)
For all ages	10% per annum		10% per annum	

Financial Assumptions:

Particulars	As at 31st March, 2012 ₹		As at 31st March, 2012 ₹	
	Gratuity	Other defined benefit plans (Leave Encashment)	Gratuity	Other defined benefit plans (Leave Encashment)
Discount Rate	8.60%	8.60%	8.00%	8.00%
Rate of increase in compensation level	5.00%	5.00%	5.00%	5.00%
Rate of return on plan assets	-	-	-	-

33 a) PRINCIPLE OF CONSOLIDATION

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

- i) 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.
- ii) The consolidated financial statements are prepared using uniform accounting policies for the transaction and other events in similar circumstance and are presented in the same manner as the company’s separate financial statements.
- iii) The difference between the cost of investment and the parent’s portion of equity in the subsidiary companies as on the date of the holding- subsidiary relationship coming into existence and at anytime thereafter is recognized as goodwill as the case may be.
- iv) Investment made by the parent company in the subsidiary companies subsequent to the holding-subsidiary relationship coming into existence are eliminated while preparing the consolidated financial statements.
- v) 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.
- vi) 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.
- vii) 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.

b) 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. Emmsons Grains Limited	Cyprus	100.00%

34 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	190527.45	263992.28	134351.70	83758.49
Less : Inter Segment	37363.41	-	12952.53	5421.91
External Revenue	153164.03	263992.28	121399.17	78336.59
Segment results before Tax	1716.39	3251.65	1469.20	548.08
Less: Current Tax	531.89	0.18	499.72	1.34
Deferred Tax	-32.73	-62.40	-3.73	-53.60
Net Profit after Tax	1217.23	3313.86	973.21	600.34
Segment assets	77753.31	82329.08	58305.54	17157.55
Segment Liabilities	77393.62	82329.08	57930.43	17157.55
Depreciation	72.97	19.49	58.94	8.59

35 Related party disclosure

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

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

Name	Relationship
Mr. Anil Monga	Key Managerial Personnel
Mr. Rajesh Monga	Key Managerial Personnel
Mr. Shivaz Monga	Key Managerial Personnel
Mr. Vijay Kumar Kakkar	Key Managerial Personnel
Mr. Viresh Shankar Mathur	Key Managerial Personnel
Mr. Satish Chandra Gupta	Key Managerial Personnel
Mr. Jonathan Grange	Key Managerial Personnel
Mr. Kanishk Monga	Key Managerial Personnel
Mr. Evi Papageorgiou	Key Managerial Personnel
Mr. Georgia Kafkalia	Key Managerial Personnel
Ms. Manya Kumar	Key Managerial Personnel's relative
M/s Emmsons Gulf DMCC	Subsidiary (Control Exists)
M/s Emmsons Asia Pte. Ltd.	Subsidiary of Emmsons Gulf DMCC (Control Exists)
M/s PT Star Emmsons -Indonesia	Subsidiary of Emmsons Gulf DMCC (Control Exists)
M/s PT Bara Energy Makmu - Indonesia	Subsidiary of PT Star Emmsons - Indonesia (Control Exists)
M/s Emmsons S.A.	Subsidiary (Control Exists)
M/s Emmsons Grains Limited	Subsidiary (Control Exists)
M/s Terra Firma Ukraine	Subsidiary of Emmsons Grains Limited (Control Exists)
M/s Amber Agro LLC - Ukraine	Subsidiary of Emmsons Grains Limited (Control Exists)
M/s Ukrilita - Ukraine	Subsidiary of Emmsons Grains Limited (Control Exists)
M/s Krinichka - Ukraine	Subsidiary of Terra Firma - Ukraine (Control Exists)
M/s Yuzhny - Ukraine	Subsidiary of Terra Firma - Ukraine (Control Exists)
M/s Nickland - Ukraine	Subsidiary of Terra Firma - Ukraine (Control Exists)

(b) Following are the details of the transactions with the related party:

Nature of transactions	Related Parties	Current Year	Previous Year
Salaries, allowances & perquisite	Key Managerial Personnel's	30403852	17011620
Salaries, allowances & perquisite	Key Managerial Personnel's relative	262716	273000
Sitting fee	Key Managerial Personnel's	500000	530000
Rent	Key Managerial Personnel's	300000	300000
Advance Given	Key Managerial Personnel's	280498	40983994
Due to Related Party	Key Managerial Personnel's	52917748	576332
Investment in shares	Subsidiary	15816600	-
Sales	Subsidiary/Stepdown subsidiary	3707410979	1295253388
Purchase of trading goods	Subsidiary	-	542190542
Interest Income	Subsidiary	28930501	-
Loan and advances given to subsidiary	Subsidiary	79420447	206327634
Loan and advances received back from subsidiary	Subsidiary	163630440	269370000
Receivable from Holding Company	Holding	4547	-
Loan from Holding Company	Holding	343561	-

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(c) Disclosure of material transactions:

Particulars	Current year ₹	Previous year ₹
<u>Salaries, allowances & perquisite</u>		
Mr. Anil Monga (Chairman & Managing Director)	9880055	4056858
Mr. Rajesh Monga (Whole time Director)	6593750	3229167
Mr. Shivaz Monga (Executive Director)	7246788	3046213
Mr. Kanishk Monga	6609651	6679382
Mr. Evi Papageorgiou	36804	–
Mr. Georgia Kafkalia	36804	–
<u>Salaries, allowances & perquisite</u>		
Ms. Manya Kumar	262716	273000
<u>Sitting fee</u>		
Mr. Satish Chandra Gupta	160000	100000
Mr. Vijay Kumar Kakkar	170000	180000
Mr. Viresh Shankar Mathur	170000	180000
Mr. Tariq Raja	–	70000
<u>Rent</u>		
Mr. Anil Monga	300000	300000
<u>Investment in shares</u>		
Emmsons Grains Limited	15816600	–
<u>Sales</u>		
Emmsons Gulf DMCC	3506743967	1295253388
Emmsons Asia Pte. Ltd.	20067012	–
<u>Purchase of trading goods</u>		
Emmsons Gulf DMCC	–	542190542
<u>Interest Income</u>		
Emmsons Gulf DMCC	20591128	–
Emmsons Grains Limited	8339373	–
<u>Loan and advances given to subsidiary</u>		
Emmsons Gulf DMCC	74820000	197251500
Emmsons SA	–	2219000
<u>Loan and advances received back from subsidiary</u>		
Emmsons Gulf DMCC	163624990	–
Emmsons SA	–	269370000

36 Earning 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.

Particulars	Current year ₹	Previous year ₹
(a) Profit after taxation and exceptional items (Rs.)	453470066	157354826
(b) Weighted average number of shares outstanding during the year	5222337	5148020
(c) Nominal Value per share (Rs.)	10	10
(d) Basic and diluted earning per share (in Rs.) $d=(a/b)$	86.83	30.57

37 Contingent liabilities and commitments (to the extent not provided for)**(Amount in Rs. in Lacs)**

	Current year ₹	Previous year ₹
Contingent liabilities		
(a) Guarantees to sale tax authorities	5.90	5.90
(b) Guarantees - Corporate Guarantee for credit facility to subsidiary	25438.08	15254.04
(c) Letter of credit issued for purchase	512.00	9185.60
(d) Other guarantees	4553.65	5674.53
(e) 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		
(f) The trade receivable includes an amounts of Rs. 43.19 lacs for which the company had obtained a decree against State Bank of India and Unialchem Fertilizer Limited. State Bank of India filed an appeal against the decree in the Supreme court of India. The supreme court has now remanded the case back to high court. The management is confident of recovering the amount after the disposal of at the case and the amount is considered good for recovery.		
(g) 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.		
(h) 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.		

38. The consolidated financial statement for the year ended 31st March 2012 have been prepared as per Revised Schedule -VI to the Companies Act, 1956. Accordingly the Previous year Figures have been re-classified to confirmed to this years classification.

As per our report attachedFor **Suresh & associates**

FRN: 003316N

Chartered Accountants

Sd/-

(CA Narendra Arora)

Partner

M. No. 088256

Date : 14.08.2012

Place : New Delhi

For and on behalf of the Board of Directors

Sd/-

(Hamant Paul)

GM (Finance)

Sd/-

(Suvintra Kumar)

Company Secretary

Sd/-

(Rajesh Monga)

Director

Sd/-

(Anil Monga)Chairman &
Managing Director

Statement pursuant to Sec. 212 (8) of the companies Act, 1956 relating to Subsidiaries Companies

S. No	Name of the Subsidiary / Step down Subsidiary	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Details of Investment (Except in case of investment in subsidiaries)	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend
1	M/s Emmsons S.A.	CHF	1000000	(599367)	1545238	1144605	0	0	(64914)	331	(65245)	0
2	M/s Emmsons Gulf DMCC	AED	200000	36562434	657436402	620673968	0	1895786637	24118754	0	24118754	0
3	M/s Emmsons Asia Pte. Ltd.	USD	80308	(38688)	2259954	2218334	0	4079670	(38688)	0	(38688)	0
4	M/s PT Star Emmsons -Indonesia*	USD	99112	(1291840)	6785583	7978311	0	0	0	0	0	0
5	M/s PT Bara Energy Makmur - Indonesia*	USD	687036	(266176)	5075540	4654680	0	0	0	0	0	0
6	M/s Emmsons Grains Limited	USD	300000	(2352877)	9654272	11707149	0	0	(1091695)	0	(1091695)	0
7	M/s Terra Firma LLC Ukraine*	UAH	180100	(67300)	113900	1100	0	119400	32200	0	32200	0
8	M/s Amber Agro LLC - Ukraine*	UAH	3018500	(9886300)	21656500	28524300	0	10635500	(1078600)	(91500)	(1170100)	0
9	M/s Ukrilita - Ukraine*	UAH	160400	(753500)	1161300	1754400	0	17858400	(749100)	(4400)	(753500)	0
10	M/s Krnichka - Ukraine*	UAH	2700	4515000	29719000	25201300	0	34044400	4542700	0	4542700	0
11	M/s Yuzhny - Ukraine*	UAH	471300	1105300	16383400	14806800	0	11103200	627200	0	627200	0
12	M/s Nickland - Ukraine*	UAH	13800	1049200	4782200	3719200	0	458900	37100	(9000)	28100	0

* Audited Figures of 31st December, 2011

ATTENDANCE SLIP

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 19th ANNUAL GENERAL MEETING of the Company held on Tuesday, the 25th day of September, 2012 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 19th ANNUAL GENERAL MEETING of the Company held on Tuesday , the 25th day of September, 2012 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 _____ 2012.

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.

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Printed Matter



19th Annual Report

2011-2012



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