



## NOTICE

NOTICE is hereby given that the 71<sup>st</sup> Annual General Meeting of the members of **Amrit Corp. Limited** will be held at Chaudhary Bhavan (Near Jain Mandir), E Block, Kavi Nagar, Ghaziabad-201 002 (U.P.) on Tuesday, **the 14<sup>th</sup> day of August, 2012** at 11.00 a.m. to transact the following ordinary business:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2012 and the Profit & Loss Account for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To declare dividend on the Equity Shares.
3. To appoint a Director in place of Shri G. N. Mehra, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri A. K. Bajaj, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri V. K. Bajaj, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

By Order of the Board  
for **AMRIT CORP. LTD.**

**Regd. Office:** (P. K. DAS)  
CM/28-C, First Floor, *Company Secretary*  
Gagan Enclave,  
Amrit Nagar, G.T. Road,  
Ghaziabad -201 009 (U.P.)  
Dated: May 25, 2012

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED AND IF INTENDED TO BE USED, IT SHOULD BE DEPOSITED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT

LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.

2. Information required under Clause 49 IV(G)(i) of the Listing Agreement (relating to Corporate Governance) with respect to the Directors retiring by rotation and, being eligible, seeking re-appointment is given in the Corporate Governance Report annexed to this Annual Report.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 7<sup>th</sup> August, 2012 to Tuesday, the 14<sup>th</sup> August, 2012 (both days inclusive).
4. The dividend for the financial year 2011-12 on the equity shares will be paid to those members whose names appear in the Register of Members of the Company as on 14<sup>th</sup> August, 2012. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership position as at the end of the day on 6<sup>th</sup> August, 2012 as per data to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
5. Shareholders of the Company are informed that pursuant to the provisions of Section 205C of the Companies Act, 1956, the amount of dividend which remains unpaid/unclaimed for a period of 7 years would be transferred to the 'Investor Education & Protection Fund' constituted by the Central Govt. Shareholders who have not encashed their dividend warrant(s) for the years from 2004-05 to 2010-11 are requested to make claim with the Company immediately as no claim shall lie against the Fund or the Company in respect of individual amount once credited to the said Fund.
6. Members holding shares in physical form are requested to intimate immediately to the Registrar & Share Transfer Agents of the Company, M/s Mas Services Ltd., T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area, Phase-II, New Delhi-110 020 quoting registered Folio No. (a) details of their bank account/change in bank account, if any, to enable the Company to print these details



- on the dividend warrants; and (b) change in their address, if any, with pin code number. The following information to be incorporated on the dividend warrants may be furnished:
- i) Name of Sole/First joint holder and the Folio number.
  - ii) Particulars of Bank Account, viz.
    - (a) Name of the Bank
    - (b) Name of the Branch
    - (c) Complete address of the Bank with Pin Code number
    - (d) Bank Account Number allotted by the Bank and nature of the Account (Savings/Current etc.)
7. In terms of Section 109A of the Companies Act, 1956, the shareholders of the Company may nominate a person on whom the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit nomination in Form 2B.
8. The Company has entered into agreements with CDSL and NSDL to offer depository services to the Shareholders. Shareholders can open account with any of the depository participants registered with CDSL and NSDL.
9. Any member requiring further information on the Accounts at the meeting is requested to send the queries in writing to the Company Secretary by 3<sup>rd</sup> August, 2012.
10. Members are requested to bring their copies of Annual Report at the meeting, as extra copies will not be supplied.
11. Pursuant to the requirement of the listing agreement, the Company declares that its equity shares are listed on the stock exchanges at Mumbai and Kanpur. The Company has paid the annual listing fee for the financial year 2012-13 to both the above stock exchanges.
12. In respect of the matters pertaining to bank details, ECS mandates, nomination, power of attorney, change in name/address etc., the members are requested to approach the Company's Registrars and Shares Transfer Agents, in respect of shares held in physical form and the respective Depository Participants, in case of shares held in electronic form. In all correspondence with the Company/Registrar and Share Transfer Agents, members are requested to quote their account/folio numbers or DP ID and Client ID for physical or electronic holdings respectively.
13. Only registered members carrying the attendance slips and the holders of valid proxies registered with the Company will be permitted to attend the meeting.
14. The Securities and Exchange Board of India vide its circular no. CIR/CFD/DIL/10/2010 dated 16 December 2010, amended Clause 5A of the Equity Listing Agreement for dealing with unclaimed shares in physical form. In compliance with this amendment, the Company has sent all three reminders to such shareholders whose share certificates are in undelivered form and requesting them to update their correct details viz. postal addresses, PAN details etc. registered with the Company. The Company has transferred all the shares into the folio in the name of "Unclaimed Suspense Account".
15. As a part of "Green Initiative in the Corporate Governance", the Ministry of Corporate Affairs vide its circular nos. 17/2011 and 1/2011 dated 21.04.2011 and 29.04.2011 respectively, has permitted the companies to serve the documents, namely, Notice of General Meeting, Balance Sheet, Profit & Loss Account, Auditors' Report, Directors' Report, etc., to the members through e-mail. The shareholders holding shares in physical form are requested to register their e-mail address with the Registrar & Share Transfer Agents by sending duly signed request letter quoting their folio no., name and address. In case of shares held in demat form, the shareholders may register their e-mail addresses with their DPs (Depository Participants)

By Order of the Board  
for **AMRIT CORP. LTD.**

**Regd. Office:**  
CM/28-C, 1st Floor,  
Gagan Enclave,  
Amrit Nagar, G.T. Road,  
Ghaziabad -201 009 (U.P.)  
Dated: May 25, 2012

**(P. K. DAS)**  
*Company Secretary*



## DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the 71<sup>st</sup> Annual Report on the business and operations of the Company together with Audited Statements of Accounts for the financial year ended 31<sup>st</sup> March, 2012.

### FINANCIAL RESULTS

The summarized financial results of the Company for the financial year 2011-12 are given hereunder:

	2011-12	2010-11
		(₹ in Lacs)
Revenue from Operations & Other Income	6,935.79	4,868.64
Operating Profit (EBIDTA)	1,784.72	755.53
Finance Cost	122.41	106.02
Gross Profit (PBD)	1,662.31	649.51
Depreciation & Amortization	63.18	107.14
Profit before exceptional items and tax	1,599.13	542.37
Exceptional Items:		
- Profit from sale of 'Gagan' Brand	10,381.59	-
- Profit /(Loss) from sale of long term investments	(137.33)	1,655.93
Profit before tax	11,843.39	2,198.30
Provision for		
- Current Tax (net)	2,329.70	335.83
- Deferred Tax/Adj. of provision	5.94	(5.09)
Net Profit	9,507.75	1,867.56
Balance b/f from previous year	1,098.42	980.24
Profit available for appropriations	10,606.17	2,847.80
<b>Appropriations:</b>		
- Proposed Dividend on Equity Shares	771.18	128.53
- Tax on Dividend	125.10	20.85
- Transfer to General Reserve	1,500.00	1,600.00
Balance carried to Balance Sheet	8,209.89	1,098.42

### DIVIDEND

Your Directors are pleased to recommend dividend @ ₹ 24/- per Equity Share of ₹ 10/- each (i.e. 240%) for the year ended 31<sup>st</sup> March, 2012, including one

time special dividend of ₹ 20/- per Equity Share (i.e. 200%) from the proceeds of the sale of 'Gagan' Trademark of the Company, as compared to ₹ 4/- per Equity Share (i.e.40%) in the previous year.



### **SALE OF 'GAGAN' TRADEMARK**

During the year, the Company sold 'Gagan' Trademark, used in hydrogenated vegetable oils and edible refined oils, by way of transfer/assignment to M/s Bunge India Pvt. Ltd. ("Bunge") for a lump sum consideration of ₹ 104.50 crores. The said 'Gagan' Trademark was licensed to M/s Amrit Banaspati Company Ltd. ("ABCL") which decided to exit the Edible Oils Business and sold the same to Bunge on slump sale basis and as a going concern. The 'Gagan' Trademark, being an integral part of the Edible Oils Business of ABCL, Bunge offered to purchase the same. After due evaluation, the offer of Bunge was accepted by the Company.

### **OPERATIONS**

- During the year under review, the revenue from operations increased to ₹ 5,410.76 lacs from ₹ 4,542.71 lacs in the previous year, recording a growth of over 19%. The operating profit (EBIDTA) increased by over 136.22% from ₹ 755.53 lacs to ₹ 1,784.72 lacs;
- The net profit after tax for the current year (after accounting for exceptional items i.e. profit from sale of 'Gagan' Trademark and loss from sale of long term investments) is ₹ 9,507.75 lacs as against ₹ 1,867.56 lacs in the previous year;
- The production of dairy milk & milk products during the year was 10,688 KL as against 9,435 KL in the previous year representing a growth of 13.28%. Dairy mixes supplied to McDonald's recorded good volume growth. McFlurry product launched by McDonald's has been getting good consumer response as a result of which the volumes of soft serve mix are increasing. Volumes also increased in fresh cream. The raw milk prices, which had been rising continuously, came down in the second half of the year. Consequently, there is improvement in the operating margins of the dairy business;
- During the year, there was no major activity in the real estate segment. Development of Gagan Enclave Extension project is now complete and the sale of plots has commenced. There is good response from the actual users as well as from small builders for the plots;

- In the Services segment, the Company provides business advisory and BPO services to the Group companies. There is substantial improvement in costing, MIS & budgeting framework and corporate governance & compliance mechanism in the Group companies in line with the present day business requirements.

The Management Discussion & Analysis Report on these businesses for the year ended 31<sup>st</sup> March, 2012 also appears as a separate statement in the Annual Report.

### **ASSOCIATE/JV COMPANIES**

#### **Amrit Digvijay Infra-Tech Pvt.Ltd.**

M/s Amrit Digvijay Infra-Tech Pvt. Ltd., joint venture company, has decided to abandon the housing project at Dehradun as the remaining portion of the land could not be acquired. Efforts are being made to sell the land already acquired.

#### **Amrit Banaspati Company Ltd.**

During the year, M/s Amrit Banaspati Company Ltd. ("ABCL") sold its Edible Oils Business and the manufacturing facility at Rajpura, Distt. Patiala (Punjab) to Bunge for a lump sum adjusted Consideration of ₹ 231.19 crores and has transferred all its movable and immovable assets, liabilities, business contracts, employees and intellectual property rights and secured and unsecured loans (excluding certain assets, loans & advances and fixed deposits, which have been retained by the Company) to Bunge on 10<sup>th</sup> February, 2012.

During the year, the revenue from operations of ABCL amounted to ₹ 1,04,281.12 lacs and operating profit (EBIDTA) of ₹ 1,894.07 lacs as against ₹ 1,00,763.00 lacs and ₹ 4,055.19 lacs respectively during the previous year.

### **FIXED DEPOSITS**

As on 31<sup>st</sup> March, 2012, your Company had Fixed Deposits of ₹ 539.31 lacs (including interest accrued and due). There were no overdue deposits as on 31<sup>st</sup> March, 2012 nor there was any failure in making repayment of the fixed deposits on maturity and interest due thereon in terms of the conditions of your Company's Fixed Deposits Scheme.



### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO**

The information relating to conservation of energy, technology absorption and foreign exchange earnings & outgo as required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in Annexure which forms part of this Report.

### **PERSONNEL**

Employee relations continued to be cordial throughout the year in the Company. The Directors express their appreciation for the contribution made by the employees to the operations of the Company during the year.

The particulars of employees as per Section 217(2A) of the Companies Act, 1956 are set out in the Annexure which forms part of this Report. However, as per the provisions of Section 219(1)(b)(iv) of the said Act, the report and accounts are being sent to all the members of the Company excluding the aforesaid information. This statement shall be made available for inspection by any member during working hours for a period of 21 days before the date of the Annual General Meeting. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

### **DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Shri G. N. Mehra, Shri A. K. Bajaj and Shri V. K. Bajaj retire by rotation and are eligible for re-appointment.

### **AUDITORS**

M/s V. Sahai Tripathi & Co., Chartered Accountants, Statutory Auditors, retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 217(2AA) of the Companies Act, 1956, your Directors confirm:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) that the accounting policies selected and applied are consistent and the judgments and estimates made 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 that period;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the annual accounts have been prepared on a going concern basis.

### **CORPORATE GOVERNANCE**

A Report on Corporate Governance along with a Certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance pursuant to Clause 49 of the listing agreement with stock exchanges is annexed and forms part of the Annual Report.

### **ACKNOWLEDGEMENT**

Your Directors convey their sincere thanks to the various agencies of the Central Government, State Governments, banks and other concerned agencies for all the help and cooperation extended to the Company. The Directors also deeply acknowledge the trust and confidence the shareholders and investors have placed in the Company. Your Directors also record their appreciation for the dedicated services rendered by the workers, staff and officers of the Company.

**For and on behalf of the Board**

**(N.K. Bajaj)**  
Chairman &  
Managing Director

Place: Noida  
Date : 25<sup>th</sup> May, 2012



## ANNEXURE

### STATEMENT CONTAINING PARTICULARS PURSUANT TO THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF DIRECTORS' REPORT

#### I. CONSERVATION OF ENERGY

- (a) Energy conservation has been an important thrust area for the Company and is continuously monitored. The adoption of energy conservation measures has helped the Company in reduction of cost and reduced machine down-time.
- (b) Energy conservation is an ongoing process and new areas are continuously identified and suitable investments are made, wherever necessary.
- (c) During the year, the following initiatives were taken for energy conservation by the Dairy Division of the Company:
  - (i) **Installation of Vapour Absorption Machine of 172 TR** – This machine was installed to cater for refrigeration load of the plant. The electrical load of this machine is very less as compared to the conventional reciprocating and screw compressors. This machine utilizes steam as energy input in place of electrical energy. The cost of steam in our case is low as we are using pet coke as fuel in our boiler. The expenditure incurred was ₹ 66 lacs and there will be net saving of ₹ 16 lacs every year.
  - (ii) **Installation of 300 KVA UPS** – The Dairy plant used to run its critical load on DG sets as it requires uninterrupted power supply for this load. A UPS of 300 KVA capacity has been installed to shift this load from DG sets supply to State Electricity Board supply. The total expenditure incurred was ₹ 49 lacs and there will be net saving of ₹ 19.50 lacs every year.
- (d) Various on-going measures for conservation of energy include (i) use of energy efficient lighting and better use of natural lighting, (ii) reduction of energy loss, and (iii) replacement of outdated energy intensive equipment.
- (e) Total energy consumption and energy consumption per unit of production is given in the table below:



POWER & FUEL CONSUMPTION	Dairy Products	
	2011-12	2010-11
<b>1. ELECTRICITY</b>		
<b>(a) Purchased</b>		
- Unit (lacs Kwh)	16.97	14.88
- Total amount (₹ lacs)	109.01	87.34
- Rate/Unit (₹/Kwh)	6.43	5.87
<b>(b) Own generation</b>		
<b>Through Diesel Generator</b>		
- Unit (lacs Kwh)	8.35	9.91
- Unit/Ltr. of Diesel Oil	3.12	3.32
- Cost/Unit (₹/Kwh)	11.83	10.26
<b>2. PET COKE</b>		
Total quantity (in tonnes)	754.94	746.71
Total cost (₹)	75.93	70.02
Average rate/tonne (₹)	10.06	9.38
<b>3. BOILER FUEL</b>		
<b>(a) Furnace Oil</b>		
Total quantity (in K.L.)	10.11	15.31
Total cost (₹)	2.64	4.00
Average rate/Ltr. (₹)	26.12	26.12
<b>(b) H.S.D.</b>		
Total quantity (in K.L.)	-	-
Total cost (₹/ Lacs.)	-	-
Average rate/(₹/ Ltr.)	-	-
<b>4. CONSUMPTION/K.L. OF PRODUCTION</b>		
Production (K.L.)	10,688	9,435
Electricity/K.L. (Kwh)	236.83	262.68
Others	-	-



**II. TECHNOLOGY ABSORPTION**

**Research and Development**

- (a) The Company carries out research and development in several areas including material & process developments towards efficiency improvements, quality improvements, waste reduction etc. Apart from process improvements, the research and development also aims at finding equivalent substitutes of various inputs and packaging materials to have cost savings without compromising quality.
- (b) The Company has derived benefits of product diversification, cost reduction and better quality as a result of the above efforts.
- (c) The research and development is an on-going exercise and suitable efforts will continue to be made in future.
- (d) The expenditure on R & D has been as follows:

	2011-12	2010-11
(i) Capital	0.63	-
(ii) Recurring	1.89	0.32
(iii) Total	2.52	0.32
(iv) Total R&D expenditure as a percentage of turnover	-	-

(₹ in lacs)

**Technology absorption, adaptation and innovation**

The Company has not imported any technology for its products.

**III. FOREIGN EXCHANGE EARNINGS & OUTGO**

Particulars with regard to foreign exchange earnings & outgo appear on Note No. 41 of the Annual Report and Accounts.

**For and on behalf of the Board**

**(N.K. Bajaj)**

*Chairman & Managing Director*

Place: Noida  
Date : 25<sup>th</sup> May, 2012





## MANAGEMENT DISCUSSION & ANALYSIS

### 1. BUSINESS ENVIRONMENT

The financial year 2011-12 was challenging on many fronts. Managing growth and price stability were the major challenges of macro-economic policy making. During the year, the Indian economy found itself in the heart of these conflicting demands. The Indian economy is estimated to grow by 6.9% during the year, after having grown at 8.4% in each of the two preceding financial years. This indicates a slow-down compared to previous years. With agriculture and services continuing to perform well, India's slow-down can be attributed to weakening industrial growth. Inflation was high during most of the current fiscal year, though by the year's end, there was a clear slow-down. Food inflation, in particular, has come-down to around zero with most of the economic inflation being driven by non-food manufacturing products. Monetary policy was tightened by Reserve Bank of India during the year to control inflation and curb inflationary expectations. The slowing inflation in the later part of the year reflects the impact of actions taken by Reserve Bank of India and the Government. The global economic environment, which was tenuous throughout the year, turned sharply adverse in the second half of the year owing to turmoil in the Euro zone and questions about the outlook on the US economy by rating agencies. However, for the Indian economy, the outlook in growth and price stability looks promising. There are signs that the weakness in the economic activity has bottomed-out and a gradual upswing is imminent.

### 2. BUSINESS SEGMENT-WISE ANALYSIS

#### 2.1 SEGMENT - DAIRY PRODUCTS

##### (a) Industry structure and development

In India, the dairy sector plays an important role in the country's socio-economic development and constitutes an important segment of the rural economy. Dairy industry provides livelihood to millions of homes in villages, ensuring supply of quality milk and milk products to people in both urban and rural areas. With a view to keeping pace with the country's increasing demand for milk and milk products, the industry has been growing rapidly.

India is the world's largest milk producer, accounting for around 17% of the global milk production. Besides, it is one of the largest producers as well as consumers of dairy products. Due to their rich nutritional qualities, the consumption of dairy products has been growing in the country. The milk production in India is growing at 4% per annum as against 2.1% in the rest of the world. The current production in India is estimated at about 122 million tonnes. While the milk output growth is high, the demand is increasing at even higher pace. It is estimated that the current milk output would rise from the existing 122 million tonnes to 150 million tonnes by the year 2015.

The cost of milk is an important factor since the increasing milk prices are a cause for concern for the Government trying to address inflation worries. Compared to other countries, the milk production in India is costly because of high cattle feed cost, expensive land, higher interest rates, etc.

##### (b) Opportunities and threats

The milk processing industry is small compared to the huge amount of milk produced every year. Only 10% of all the milk is delivered to some 400 dairy plants. A specific Indian phenomenon is the unorganized sector of milkmen and vendors who collect the milk from local producers and sell the milk in both, urban and non-urban areas, which handles around 65-70% of the national milk production. In the organized dairy industry, the cooperative milk processors have 60% market share. The cooperative dairies process 90% of the collected milk as liquid milk



whereas the private dairies process and sell only 20% of the milk collected as liquid milk and 80% for other dairy products with a focus on SMP, ghee and value-added products.

Due to change in the socio-economic structure in our country, the consumption of dairy and horticulture crops are going to surpass the cereals. Our food security is focussing on cereals only while dairy and horticulture are the foods for tomorrow. Dairy, thus requires a comprehensive warehousing and distribution mechanism. The Government is taking several initiatives and running programmes like National Dairy Plan and Intensive Dairy Development Programme to meet the growing demand for milk in the country. The major threat is, however, from spurious or synthetic milk suppliers who attempt to fill the huge demand-supply gap at both industry and consumer level. The recently enacted Food Safety Act provides a ray of hope to curb this mal-practice, but time will tell how effectively it would get implemented. Your Company, however, has devised adequate checks and balances in the milk procurement and takes extra precaution to ensure that spurious and synthetic milk does not enter into our system.

Increased urbanization, exposure to gourmet foods and corresponding changes in consumption preferences, behavior and purchasing power are the catalyst for the rise in processed dairy products. Increasingly, the important consumers of the Indian dairy sector are fast food chains and food & non-food industry using dairy ingredients in wide range of products. Your Company has identified institutional supplies and food services as a major growth areas and is taking initiatives to harness the same.

**(c) Segmental review**

The production of dairy milk & milk products during the year was 10,668 KL as against 9,435 KL in the previous year recording a growth of 13.28%. The Dairy Division earned revenue from operations of ₹ 4,831.29 lacs as against ₹ 3,890.71 lacs in the previous year and operating profit (EBIDTA) of ₹ 461.51 lacs as against ₹ 308.61 lacs in the previous year.

**(d) Risks and concerns**

The raw milk prices have been increasing unabatedly for the last over a year. The fluctuation in the raw milk prices leads to volatility in the market, time lag in price revision and consequent reduction in the margins.

**(e) Outlook**

The Dairy Division has segmentized its business into retail, institutions and food services with a view to increase market penetration, open new upcoming markets, special thrust on organized retail and constant liaison with institutional clients, like McDonald's, Mother Dairy, Coffee Chains etc. The Division achieved significant growth in ice-cream mix and fresh cream segment by adding new customers and by opening up-country markets.

**2.2 SEGMENT – REAL ESTATE**

**(a) Industry structure and development**

The real estate sector in India assumed greater prominence with the liberalization of the economy, as the consequent increase in business opportunities and labour migration led to rising demand for commercial and housing space. At present, the real estate and construction sectors are playing a crucial role in the overall development of India's core infrastructure. The real estate industry's growth is linked to developments in the retail, hospitality & entertainment industries, economic services and information technology and vice-versa.

Historically, the real estate sector in India was unorganized and characterized by various factors that impeded organized dealings, such as the absence of a centralized title registry providing title guarantee, lack of uniformity in local laws and their application, non-availability of bank financing, high interest rates and transfer taxes and the lack of transparency in transaction values. In recent years, however, the real estate sector has exhibited a trend towards greater



organization and transparency, accompanied by various regulatory reforms, including rationalization of property tax in a number of States, computerization of land records, modification in the Rent Control Act, etc. The trend towards greater organization and transparency has contributed to the development of reliable indicators of value and the organized investment in the real estate sector by domestic and international financial institutions, and has also resulted in greater availability of financing for real estate developers.

Residential real estate has witnessed stupendous growth in the last few years due to continuous growth in population, migration towards urban areas, ample job opportunities in service sectors, growing income levels, rise in nuclear families and easy availability of finance. Demand for houses increased considerably whilst supply of houses could not keep pace with demand thereby leading to a steep rise in residential capital values especially in urban areas. Despite strong fundamentals backing the residential real estate, the segment is highly influenced by economic cycles. Owing to global meltdown, the residential real estate market in India too witnessed an astounding fall in demand and capital values during the last few years. However, the demand is picking-up in the current year across major cities with several new mid-income housing projects being launched by developers to attract potential buyers. End-users, who had put their purchasing plans on hold due to the fall in affordability levels and job-related uncertainties, have started booking houses.

The demand for commercial and retail real estate dropped sharply leading to sharp correction in lease rentals during the last two years. With demand slowing substantially, most of the urban cities are faced with a oversupply of office space. Subdued demand and rentals have impacted the execution adversely in addition to cancellation of many projects. Going forward, organized retailing is expected to grow, however, the planned supply in the retail real estate market is much higher than the demand. Hence, absorption is expected to be lower than the supply with the oversupply situation likely to continue in most of the cities.

**(b) Opportunities and threats**

The demand for residential real estate is expected to remain strong with capital values witnessing modest rise. The residential space is expected to witness substantial supply of houses especially in urban areas due to ample job opportunities in services sector, migration towards urban areas, growing income-levels and rise in nuclear families. Your Company is primarily focussing on development of townships in the NCR region by offering reasonably priced plots to cater to middle class segment. There is consistent demand for such land offerings from the actual users as well as small builders who are offering constructed floors on individual plots.

**(c) Segmental review**

During the year, there was no major activity in the real estate segment. Development of Gagan Enclave Extension project is now complete and the sale of plots has commenced. There is good response from the actual users as well as small builders and it is planned that the entire inventory of the Gagan Enclave Extension project is disposed-off during the current financial year.

**(d) Risks and concerns**

Global economic uncertainties have affected India's economy, including the real estate market. Macro-economic indicators are not healthy. Fiscal deficit and interest rates are high while the rupee is depreciating. All this does not bode well for the real estate industry.

Further, the real estate developers are reeling under high debt and FDI inflows have also slowed down. The successive increase in the interest rates in the financial year has also dampened the sales. Amidst these macro-economic conditions, Indian real estate industry across the prime cities of India will have mixed sentiments in time to come. Your Company is most resilient to these factors as it is focussing on providing reasonably priced plots/flats and is avoiding expensive land acquisitions.



**(e) Outlook**

There continues to be good demand in the affordable residential segment. By positioning product prices in mid-income and lower mid-income segments there is enough scope to address the demand supply gap in this segment. All this augurs well for your Company which is aiming at providing reasonably priced houses/plots to the middle class segment in the NCR region.

**2.3 SEGMENT – SERVICES**

The Company is providing business advisory and BPO services to the group companies. The services segment generated revenue (including other income) of ₹ 1,082.98 lacs during the year. There is substantial improvement in costing, MIS & budgeting framework and corporate governance & compliance mechanism in the Group companies in line with the present day business requirements.

**3. COMPANY'S FINANCIAL PERFORMANCE & ANALYSIS**

During the year, the revenue from operations and other income of your Company increased to ₹ 6,935.79 lacs from ₹ 4,868.64 lacs in the previous year, recording a growth of over 42%. The operating profit (EBIDTA) increased by over 136.22% from ₹ 755.53 lacs to ₹ 1,784.72 lacs. The net profit after tax for the current year (after accounting for exceptional items i.e. profit from sale of 'Gagan' Trademark and loss from sale of long term investments) is ₹ 9,507.75 lacs as against ₹ 1,867.56 lacs in the previous year.

**4. INTERNAL CONTROL SYSTEMS**

Your Company has evolved a system of internal controls to ensure that the assets are safeguarded and transactions are authorised, recorded and correctly reported. The internal control system is supplemented by management reviews and independent periodical reviews by the outside chartered accountancy firms which evaluate the functioning and quality of internal controls and provide assurance of its adequacy and effectiveness. The scope of internal audit covers a wide variety of operational methods and, as a minimum, ensures compliance with specified standards with regard to availability and suitability of policies and procedures, extent of adherence, reliability of management information system and authorization procedures including steps for safeguarding of assets. The reports of internal audit are placed before Audit Committee of the Directors. Audit Committee reviews such audit findings and the adequacy of internal control systems. The Statutory Auditors and the Internal Auditors of the Company also interact with the Audit Committee to share their findings and the status of corrective actions under implementation.

**5. HUMAN RESOURCES**

The Company lays great emphasis on proper management of human resources and believes that this is the most important ingredient for achieving excellence in performance and sustainable growth. The management constantly reviews the skill mix and takes appropriate steps to achieve desired skill mix. For upgrading the skills, special emphasis is laid on training. Selective and intensive training is being imparted to employees at various levels.

**6. CAUTIONARY STATEMENT**

*Statements in this "Management Discussion and Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities, laws and regulations. Actual results could differ materially from those expressed or implied depending upon economic conditions, government policies, regulations, environmental laws, tax regimes and other incidental factors.*



## REPORT ON CORPORATE GOVERNANCE

### 1. Company's philosophy on Code of Corporate Governance

The principles of Corporate Governance and the Code of Business Conduct & Ethics are the cornerstones of your Company. Your Company has consistently striven to implement best corporate governance practices reflecting its strong value system and ethical business conduct. The Company's philosophy on Corporate Governance envisages attainment of highest levels of transparency, accountability and integrity in the functioning of the Company with a view to create value that can be sustained continuously for the benefit of its stakeholders.

### 2. Board of Directors

The Board of Directors consisted of 8 Directors as on 31<sup>st</sup> March, 2012. The Board has a healthy blend of executive and non-executive directors which ensures the desired level of independence in functioning and decision making. The Board comprises of a Chairman & Managing Director, a Managing Director and six non-Executive Directors. Out of eight directors, five non-Executive Directors are independent directors. All the non-Executive directors are eminent professionals and bring in wealth of expertise and experience for directing the management of the Company.

#### (a) Composition of the Board

Name of Director (S/Shri)	Category	No. of Board Meetings during 2011-12		Whether attended the last AGM	No. of Directorships in other public limited companies	**No. of Committee positions held in other companies as	
		Held	Attended			Chairman	Member
N.K. Bajaj *(Chairman & Managing Director)	Promoter/ Executive	7	7	Yes	5	1	1
A.K. Bajaj (Managing Director)	Promoter/ Executive	7	6	Yes	3	-	1
V.K. Bajaj	Promoter/ Non-Executive	7	7	Yes	4	-	1
G.N. Mehra	Independent Non-Executive	7	7	Yes	6	4	3
K.R. Ramamoorthy	— do —	7	7	Yes	6	2	4
Praveen Kumar	— do —	7	6	Yes	1	-	-
Mohit Satyanand	— do —	7	6	Yes	3	-	2
Kamal Budhiraja***	— do —	6	6	Yes	-	-	-

\* Without remuneration.

\*\* Committee positions of Audit Committee and the Shareholders/Investors Grievance Committee have been considered as per sub-clause I(C)(ii) of Clause 49 of the listing agreement with stock exchanges.

\*\*\* Appointed as Director on 27.04.2011 in the casual vacancy caused by the demise of Shri Romesh Lal.



**(b) Number of Board Meetings**

During the financial year 2011-12, seven (7) Board Meetings were held on 27<sup>th</sup> April, 2011, 16<sup>th</sup> July, 2011, 10<sup>th</sup> August, 2011, 24<sup>th</sup> August, 2011, 2<sup>nd</sup> November, 2011, 21<sup>st</sup> December, 2011 and 2<sup>nd</sup> February, 2012. The maximum interval between any two meetings was not more than 4 months.

**(c) Information supplied to the Board**

The Board of Directors has complete access to any information within the Company. At the Board Meetings, directors are provided with all relevant information on important matters, working of the Company as well as all related details that require deliberations by the members of the Board.

Information regularly provided to the Board inter-alia include:

- Annual operating plans, budgets & updates;
- Expansion/capital expenditure plans & updates;
- Production, sales & financial performance data;
- Business-wise operational review;
- Quarterly and Annual Financial Results with segment-wise information;
- Minutes of the meetings of the Audit and other committees as well as circular resolutions passed;
- Significant initiatives and developments relating to labour/human resource relation and/or problems and their proposed solutions;
- 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 show cause/demand/prosecution/penalty notices and legal proceedings by or against the Company;
- Fatal or serious accidents or dangerous occurrences;
- Any issue which involves public or product liability claims of substantial nature;
- Materially significant effluents or pollution problems;
- Material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- Non-compliances of any regulatory or statutory provision or listing requirement on non-payment of dividend or delay in share transfers;
- Compliance reports of all laws applicable to the Company;
- Details of any joint-venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Proposals for investments, divestments, loans, guarantees, mergers and acquisitions;
- Sale of material nature of investments, subsidiaries and assets which is not in the normal course of business;
- Quarterly details of foreign exchange exposure and the steps taken by the management to limit the risk of adverse exchange rate movement;
- Any other information which is relevant for decision-making by the Board.



**(d) Materially significant related party transactions**

There have been no materially significant related party transactions, pecuniary transactions or relationship between Amrit Corp. Limited and its directors during the year 2011-12 that may have potential conflict with the interests of the Company at large.

**(e) Details of remuneration paid to the directors during the financial year 2011-12:**

(Amount in ₹)

Name (S/Shri)	Relationship with other Directors	Basic Salary	Perquisites + Contribution to PF/other Funds	Commission	Sitting fees	Total
N.K. Bajaj	Father of Shri A.K.Bajaj & Shri V.K.Bajaj	-	-	-	-	-
A.K. Bajaj	Son of Shri N.K.Bajaj and brother of Shri V. K. Bajaj	19,20,000	12,60,736	38,70,851	-	70,51,587
V.K. Bajaj	Son of Shri N.K.Bajaj and brother of Shri A. K. Bajaj	-	-	-	1,05,000	1,05,000
G.N. Mehra	-	-	-	-	1,80,000	1,80,000
K.R. Ramamoorthy	-	-	-	-	1,80,000	1,80,000
Praveen Kumar	-	-	-	-	90,000	90,000
Mohit Satyanand	-	-	-	-	1,50,000	1,50,000
Kamal Budhiraja	-	-	-	-	90,000	90,000

**3. Committees of the Board**

**(a) Audit Committee**

The Audit Committee was constituted on 29<sup>th</sup> July, 1995 and has been in position since then. The scope and the terms of reference of the working of the Audit Committee are constantly reviewed and changes are made from time to time to ensure effectiveness of the Committee. The constitution and terms of reference of the Audit Committee conform to the requirements of Clause 49 of the listing agreement and Section 292A of the Companies Act, 1956. Presently, the following functions are performed by the Audit Committee:

- Overseeing the company's financial reporting process and the disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory & internal auditors, fixing audit fees and approving payments for any other service;
- Reviewing with management the annual financial statements before submission to the Board;
- Reviewing with the management Quarterly/Annual and other financial statements before submission to the Board for approval;
- Reviewing with the management the performance of statutory and internal auditors, the adequacy of internal control systems and recommending improvements to the management;
- Reviewing the adequacy of internal audit function;



- Discussing with internal auditors of any significant findings and follow-up thereon;
- Reviewing the findings of any internal investigation by the internal auditors into matters where there is a suspected fraud or irregularity or a failure of the internal control systems of a material nature and reporting the matter to the Board;
- Discussing with the Statutory Auditors before the audit commences on the nature and scope of audit as well as have post-audit discussions to ascertain any area of concern;
- Reviewing reports furnished by statutory and internal auditors and ensuring follow-up thereon;
- Reviewing the Company's financial and risk management policies; and
- Initiating investigations into the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any.

The Committee also reviews the Management Discussion and Analysis of the financial condition and results of operations, statements of significant related party transactions and any other matter which may be a part of its terms of reference or referred to by the Board of Directors.

The Company continues to derive immense benefit from the deliberations of the Audit Committee. The Audit Committee of the Company as on 31<sup>st</sup> March, 2012 comprised of the following four directors of the Company – three non-executive & independent and one executive & non-independent:

Shri G.N. Mehra	Chairman	Independent, Non-Executive Director
Shri N.K. Bajaj	Member	Non-independent, Executive Director
Shri K. R. Ramamoorthy	Member	Independent, Non-Executive Director
Shri Mohit Satyanand	Member	Independent, Non-Executive Director

During the financial year 2011-12, Audit Committee met five times and the attendance of the Directors on the above meetings was as follows:

Director	No. of meetings held	No. of meetings attended
Shri G.N. Mehra	5	5
Shri N.K. Bajaj	5	5
Shri K. R. Ramamoorthy	5	5
Shri Mohit Satyanand	5	4

The Managing Director, Executive Director and other senior executives (when required) are invited to the meetings. Representatives of the Statutory Auditors and Internal Auditors are also invited to the meetings, when required. All the meetings are attended by the Statutory Auditors.

The Company Secretary acts as the Secretary of the Committee.

All the members of the Audit Committee were present at the last AGM held on 24<sup>th</sup> August, 2011.

All the recommendations of the Audit Committee during the year were accepted by the Board of Directors.





**(b) Shareholders'/Investors' Grievance Committee**

The Company has constituted Shareholders'/Investors' Grievance Committee for speedy disposal of all grievances/complaints relating to shareholders/investors. The terms of reference of the Committee include the following:

- To specifically look into complaints received from the shareholders of the Company;
- To oversee the performance of the Registrar & Share Transfer Agents of the Company;
- To recommend measures for overall improvement in the quality of services to the investors.

The Committee as on 31.03.2012 comprised of:

Shri Praveen Kumar	Chairman	Independent Non-Executive Director
Shri G.N. Mehra	Member	Independent Non-Executive Director
Shri Mohit Satyanand	Member	Independent Non-Executive Director

Shri P. K. Das, Company Secretary, is the Compliance Officer of the Company.

During the year, the Company received 8 shareholders' complaints which were replied/resolved to the satisfaction of the investors. As on 31<sup>st</sup> March, 2011, no complaints and/or requests were pending. All valid requests for share transfers received during the year 2011-12 have been acted upon by the Company and no transfer is pending.

**(c) Remuneration Committee**

Independent Directors of the Company constitute the Remuneration Committee of the Board, which is responsible for determining and recommending to the Board, the remuneration payable to the Managing Director/Executive Director. The remuneration of the working director is decided by the Board based on the recommendation of the Remuneration Committee within the ceiling prescribed under the Companies Act, 1956. The remuneration to non-executive directors comprised of the sitting fee only.

The terms of reference of the Remuneration Committee are as follows:

- To review and recommend to the Board, the salaries, commission, other benefits and service conditions of Managing/Whole-time/Executive Directors;
- To approve the selection, appointment and remuneration of relatives of directors for holding an office of profit pursuant to Section 314 of the Companies Act, 1956.

The Remuneration Committee as on 31.3.2012 comprised of the following directors of the Company:

Shri G.N. Mehra	Chairman	Independent Non-Executive Director
Shri Kamal Budhiraja	Member	Independent Non-Executive Director
Shri Praveen Kumar	Member	Independent Non-Executive Director



#### 4. General Body Meetings

A. The last three Annual General Meetings of the Company were as under:

Financial Year	Date	Time	Place
2008-09	24.09.2009	11.00 a.m.	Choudhary Bhawan, 'E' Block (near Jain Mandir), Kavi Nagar, Ghaziabad-201 002 (U.P.)
2009-10	28.09.2010	11.00 a.m.	Choudhary Bhawan, 'E' Block (near Jain Mandir), Kavi Nagar, Ghaziabad-201 002 (U.P.)
2010-11	24.08.2011	11.00 a.m.	Choudhary Bhawan, 'E' Block (near Jain Mandir), Kavi Nagar, Ghaziabad-201 002 (U.P.)

#### B. Details of resolution passed by way of Postal Ballot:

Pursuant to the provisions of Section 192-A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2011, the Company conducted a postal ballot vide notice dated 21<sup>st</sup> December, 2011 for obtaining approval of shareholders by way of Ordinary Resolution for assigning by way of transfer/sale of the Trademark "Gagan" and its variants and copyrights for use in hydrogenated vegetable oil and edible refined oils to M/s. Bunge India Pvt. Ltd., the result of which was declared on 1<sup>st</sup> February, 2012, as per details hereunder:

Sl. No.	Particulars	No. of ballots	No. of votes	%age of votes
1	Number of postal ballots received	628	26,53,732	*82.588%
2	Invalid votes	17	268	—
3	Valid postal ballots	611	26,53,464	100.00%
4	Votes in favour of the resolution	582	26,53,012	99.983%
5	Votes against the resolution	29	452	0.017%

\*82.588% of the paid-up equity share capital of the Company.

The above Ordinary Resolution was, therefore, declared 'Passed' with the requisite majority.

#### 5. Disclosures

- (i) There were no transactions of material nature with the directors or the management or their subsidiaries or relatives etc. during the year that had potential conflict with the interests of the Company at large. The details of related party transactions have been reported in the Notes to Accounts.
- (ii) The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and in conformity, in all material respects, with the generally accepted accounting principles and standards in India. The estimates/judgments made in preparation of these financial statements are consistent, reasonable and on prudent basis so as to reflect true and fair view of the state of affairs and results/operations of the Company.
- (iii) The Company has well-defined Risk Management Policies for each of the businesses, duly approved by the Board, which are periodically reviewed to ensure that the executive management controls risk by means of a properly defined framework.



- (iv) The Company has not raised any funds from the capital market (public/rights/preferential issues etc.) during the financial year under review.
- (v) Disclosure under Clause 5A of the Listing Agreement in respect of unclaimed shares:  
The Securities and Exchange Board of India vide its Circular No. CIR/CFD/DIL/10/2010 dated 16 December 2010, amended clause 5A of the Equity Listing Agreement for dealing with unclaimed shares in physical form. In compliance with this amendment, the Company has sent all three reminders to such shareholders whose share certificates are in undelivered form and requesting them to update their correct details viz. postal addresses, PAN details etc. registered with the Company.  
The total equity shares lying unclaimed with the Company as on 31<sup>st</sup> March, 2012 are 41,828 owned by 3,459 number of shareholders. The Company has transferred all the shares into one folio in the name of "Unclaimed Suspense Account". The Company will shortly open a de-mat account with any of the Depository Participant to get the shares dematerialized held in the said Unclaimed Suspense Account.
- (vi) There was no instance of non-compliance of any matter relating to the capital market by the Company. No penalties or strictures have been imposed on the Company by the stock exchanges, SEBI or any other statutory authorities on any matter relating to the capital market during the last three years.
- (vii) The details of the equity shares of the Company held by the Directors as on 31<sup>st</sup> March, 2012 are as under:  
Mr. N.K. Bajaj – 1,16,916 shares; Mr. A.K. Bajaj – 1,30,052 shares; Mr. V.K. Bajaj – 1,72,166 shares; Mr. G.N. Mehra - 2,375 shares; Mr. K.R. Ramamoorthy – 500 shares; Mr. Praveen Kumar – 500 shares, Mr. Mohit Satyanand – 500 shares and Mr. Kamal Budhiraja – 500 shares.
- (viii) The Company is complying with all mandatory requirements of Clause 49 of the listing agreements. Non-mandatory requirement relating to Remuneration Committee has been adopted by the Company.

#### **6. Means of communication**

The Quarterly, Half Yearly and Annual Results are communicated to all the stock exchanges where the Company's shares are listed as soon as they are approved and taken on record by the Board of Directors of the Company. Further, the quarterly and half-yearly results are published in leading newspapers such as 'Financial Express' (English) and 'Jansatta' (Hindi). The results are not sent individually to the shareholders. The financial results are also displayed on the web-site of the Company at [www.amritcorp.com](http://www.amritcorp.com).

Pursuant to Circular No. CIR/CFD/DIL/10/2010 dated 16<sup>th</sup> December, 2010 issued by Securities & Exchange Board of India (SEBI), the Company has maintained website namely [www.amritcorp.com](http://www.amritcorp.com) providing the basic information about the Company such as details of our businesses, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc. The information provided on the website is being updated regularly.

The Company has an Investor Grievance Cell in the Share Department to redress the grievances/queries of the shareholders. In order to redress shareholders' queries and grievances, the Company has a separate e-mail ID [info@amritcorp.com](mailto:info@amritcorp.com).

The Management Discussion and Analysis forms part of the Directors' Report.

#### **7. Code of Conduct**

The Board of Directors of the Company have adopted Code of Business Conduct & Ethics. This Code is based on three fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary conduct and is applicable to all the directors and senior management personnel.



In terms of the requirements of Clause 49 of the Listing Agreement, the Code of Business Conduct & Ethics, as approved by the Board of Directors, has been displayed at the website of the company, www.amritcorp.com, under the heading 'Investor Relations'. All the members of the Board and senior management personnel have affirmed compliance with the Code for the year ended 31<sup>st</sup> March, 2012 and a declaration to that effect signed by the Chairman & Managing Director is attached and forms part of this report.

#### 8. Code of Conduct for Prevention of Insider Trading

The Company has a Code of Conduct for Prevention of Insider Trading in the shares and securities of the Company. This Code, inter alia, prohibits purchase/sale of shares of the Company by directors and employees while in possession of unpublished price sensitive information in relation to the Company. This Code is available on the Company's website, www.amritcorp.com.

#### 9. Disclosure regarding appointment/re-appointment of Directors

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Shri G. N. Mehra, Shri V. K. Bajaj & Shri A. K. Bajaj retire by rotation and are eligible for re-appointment. The profiles in brief of the aforesaid Directors are as under:

Name of Director	Age	Qualification	Date of Appointment	No. of Shares of the Company held	Expertise	Other Directorships in public companies & membership of Committees as on 31.03.2012
Shri G. N. Mehra	79 years	M.A.LLB, IAS (Retired)	21.05.2003	2,375	Distinguished bureaucrat (retired IAS officer) having long experience in administration and industrial development & management of public/private sector companies.	Amrit Banaspati Company Ltd Action Construction Equipment Ltd. Bharat Seats Limited Subros Limited U.P. Hotels Limited Usha Breco Limited <b>Committee Membership</b> <b>Audit Committee:</b> Amrit Banaspati Company Ltd. - Member Action Construction Equipment Ltd - Member Bharat Seats Limited- Chairman Subros Limited-Chairman Usha Breco Limited-Chairman <b>Shareholders'/Investors</b> <b>Grievance Committee:</b> Bharat Seats Limited-Member Subros Limited-Chairman
Shri V.K. Bajaj	48 years	B.Com.	03.03.2006	1,72,166	Industrialist having wide experience in FMCG, edible oils & food industries and language coaching/corporate training.	Amrit Banaspati Company Ltd. Amrit Agro Industries Ltd. Amrit Learning Limited Amrit Realities Limited <b>Committee Membership</b> <b>Shareholders'/Investors</b> <b>Grievance Committee:</b> - Amrit Agro Industries Ltd - Member
Shri A. K. Bajaj	50 years	B. Sc.	01.08.1992	1,30,052	Industrialist with rich experience in edible oils & food industries	Amrit Banaspati Company Ltd. Amrit Learning Limited Amrit Realities Limited <b>Committee Membership</b> <b>Shareholders/ Investors</b> <b>Grievance Committee:</b> - Amrit Banaspati Company Ltd. - Member



#### 10. Auditors' Certificate on Corporate Governance

A certificate has been obtained from the Auditors of the Company regarding compliance with the provisions relating to Corporate Governance laid-down in clause 49 of the listing agreement with the stock exchanges. The same is annexed to this report.

#### Declaration regarding compliance of Code of Conduct

I, Naresh Kumar Bajaj, Chairman & Managing Director of Amrit Corp. Limited, hereby declare that all the Board Members and senior management personnel of the Company have affirmed compliance of the Code of Conduct for the year ended 31<sup>st</sup> March, 2012.

**N.K. Bajaj**  
*Chairman & Managing Director*

Place: Noida

Date: 25<sup>th</sup> May, 2012

#### GENERAL SHAREHOLDERS INFORMATION

- **Annual General Meeting**

Date	14 <sup>th</sup> August, 2012
Time	11.00 a.m.
Venue	Choudhary Bhawan, 'E' Block (near Jain Mandir), Kavi Nagar, Ghaziabad-201 002 (U.P.)

- **Financial Calendar 2012-13 (Tentative)**

#### Board Meetings to take on record

Financial results for Quarter ended 30.06.2012	First week of August, 2012
Financial results for Quarter ended 30.09.2012	First week of November, 2012
Financial results for Quarter ended 31.12.2012	First week of February, 2013
Financial results for Quarter/year ended 31.03.2013	Last week of May, 2013
Book Closure Date	7 <sup>th</sup> August, 2012 to 14 <sup>th</sup> August, 2012 (both days inclusive)

- **Dividend payment date**

Dividend, if any, declared at the next AGM will be paid on or after 14<sup>th</sup> August, 2012 but before the statutory time limit of 30 days from the date of declaration.



- **Listing**

Sl. No.	Name & address of stock exchanges
1	Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
2	The Uttar Pradesh Stock Exchange Ltd., "Padam Towers", 14/113, Civil Lines, Kanpur-208 001.

The Company has already paid annual listing fee for the year 2012-13 to both the stock exchanges.

- **Stock Code :**

Bombay Stock Exchange Limited, Mumbai : 507525

The Uttar Pradesh Stock Exchange Ltd., Kanpur : AMRI

- Demat ISIN in NSDL and CDSL for equity shares : INE866E01026

- **Market Price Data**

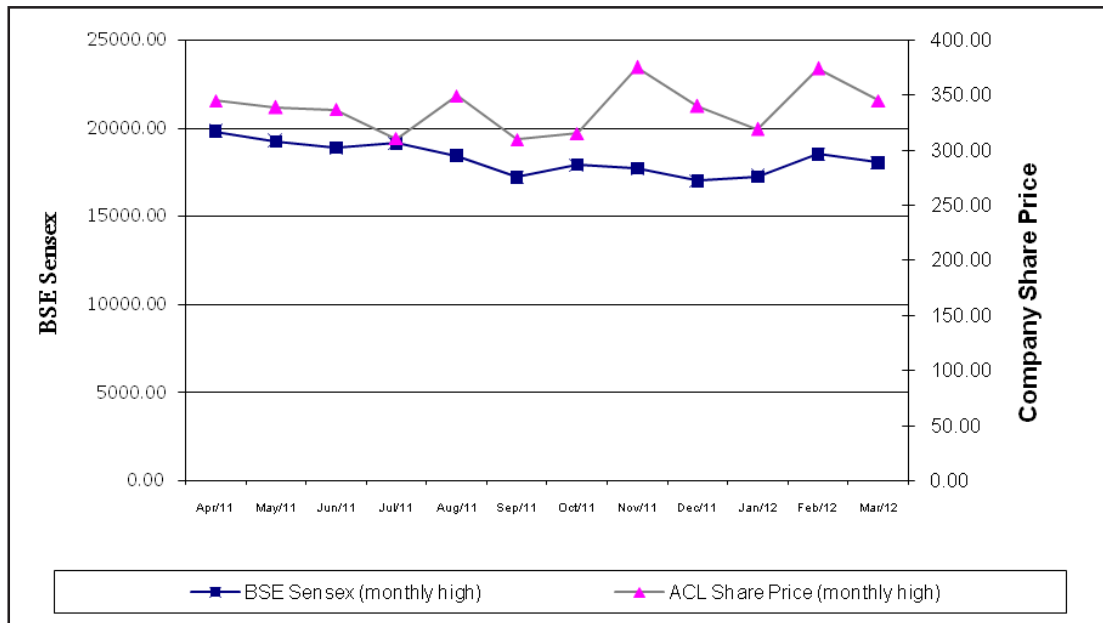
The monthly high/low quotations of the equity shares traded at Stock Exchange, Mumbai and BSE Sensex during the financial year 2011-12 are given below:

Month	Share price of the Company (₹)		BSE Sensex	
	High	Low	High	Low
April, 2011	345.00	259.00	19,811.14	18,976.19
May, 2011	339.00	240.05	19,253.87	17,786.13
June, 2011	336.90	265.00	18,873.39	17,314.38
July, 2011	310.50	260.00	1,9131.7	18,131.86
August, 2011	349.50	254.00	18,440.07	15,765.53
September, 2011	309.60	250.00	1,7211.8	15,801.01
October, 2011	314.95	256.60	17,908.13	15,745.43
November, 2011	375.00	248.55	17,702.26	15,478.69
December, 2011	340.00	225.00	17,003.71	15,135.86
January, 2012	319.00	253.50	17,258.97	15,358.02
February, 2012	374.00	265.05	18,523.78	17,061.55
March, 2012	345.00	260.00	18,040.69	16,920.61

Source: BSE website: [www.bseindia.com](http://www.bseindia.com)



● **Comparison of Company's Share Price with BSE Sensex (based on monthly average)**



● **Share Transfer Agents and Demat Registrar**

The Company has appointed M/s Mas Services Ltd., New Delhi as the Registrar & Share Transfer Agents for handling both physical share registry work and demat share registry work having their office at:

**Mas Services Limited**

T-34, 2nd Floor, Okhla Industrial Area, Phase - II,  
 New Delhi - 110 020  
 Ph: 011-26387281/82/83  
 Fax: 011-26387384  
 email: info@masserv.com  
 website: www.masserv.com

● **Share Transfer System**

The transfers are normally processed within a period of 15 – 20 days from the date of receipt if the documents are complete in all respects. Requests for dematerialization of shares are processed and confirmation is given to the respective depositories i.e. NSDL and CDSL within 15 days. The connectivity with NSDL & CDSL is maintained through M/s Mas Services Ltd. The shareholders have the option to open account with any of the depository participants registered with NSDL and CDSL. In the case of off-market/private transactions involving transfer of shares in physical form, SEBI has made mandatory for the transferee(s) to furnish copy of PAN card to the company/RTA. The shareholders/investors are advised to comply with the same while filing transfer documents with the company/RTA.



● **Distribution of Equity Shareholding**

(a) **Shareholding Pattern as on 31<sup>st</sup> March, 2012:**

Category	No. of shareholders	No. of shares	% of shareholding
<b>Promoters holding</b>			
Individuals/HUF	13	6,64,317	20.67
Bodies Corporate	6	15,72,518	48.94
<b>Total Promoters holding</b>	<b>19</b>	<b>22,36,835</b>	<b>69.61</b>
<b>Non Promoters holding</b>			
Institutions/banks	6	587	0.02
Bodies Corporate	102	3,04,545	9.48
Individuals	17,024	6,61,545	20.59
NRIs/OBCs	313	3,706	0.12
Clearing members	11	1,718	0.05
Trust	1	967	0.03
Others	32	3,328	0.10
<b>Total Non Promoters holding</b>	<b>17,489</b>	<b>9,76,396</b>	<b>30.39</b>
<b>Total</b>	<b>17,508</b>	<b>32,13,231</b>	<b>100.00</b>

(b) **Distribution of shareholding as on 31<sup>st</sup> March, 2012:**

Range of holding	No. of shareholders	%age of shareholders	No. of shares	%age of Holding
1 to 5,000	17,424	99.52	2,31,380	7.201
5,001 to 10,000	31	0.177	23,156	0.721
10,001 to 20,000	12	0.069	16,852	0.524
20,001 to 30,000	7	0.04	17,950	0.559
30,001 to 40,000	4	0.023	14,364	0.447
40,001 to 50,000	5	0.029	22,908	0.713
50,001 to 1,00,000	2	0.011	13,500	0.42
1,00,001 and Above	23	0.131	28,73,121	89.415
<b>Total</b>	<b>17,508</b>	<b>100.00</b>	<b>32,13,231</b>	<b>100.00</b>

● **Dematerialization of Shares**

The Company has entered into an agreement with NSDL and CDSL to offer depository services to the shareholders. As on March 31, 2012, 30,32,259 equity shares equivalent to 94.37% of the shares of the Company have been dematerialized. All the shares held by the promoters of the Company are in dematerialized form.





- **Reconciliation of Share Capital Audit**

A qualified practicing Company Secretary carried out Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The Secretarial Audit Report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

- **Outstanding GDRs/ADRs/Warrants etc.**

Not applicable

- **Plant Location:**

Amrit Food

Amrit Nagar, G. T. Road, Ghaziabad – 201 009 (U.P.)

- **Address for correspondence**

- (a) **Regd. Office:**

- Amrit Corp. Limited,  
CM/28C (First Floor), Gagan Enclave, Amrit Nagar, G.T. Road,  
Ghaziabad – 201 009 (U.P.)  
Tel. 0120-2866880/2866886, Fax No.0120-2866888  
email: info@amritcorp.com, amritcmd@vsnl.net

- (b) **Corporate Office:**

- Amrit Corp. Limited  
Amrit Corporate Centre  
A-95, Sector – 65, Noida – 201 309 (U.P)  
Tel: 0120 – 4506900, Fax: 0120 – 4506910  
email: info@amritcorp.com

- (c) **Registrar & Share Transfer Agents:**

- Mas Services Limited**

- T-34, 2nd Floor, Okhla Industrial Area,  
Phase - II,  
New Delhi - 110 020  
Ph: 011-26387281/82/83  
Fax: 011-26387384  
email: info@masserv.com  
Website: www.masserv.com

- Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants.



**AUDITORS' CERTIFICATE REGARDING COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

**To the Members of Amrit Corp. Limited**

We have examined the compliance of the conditions of Corporate Governance by Amrit Corp. Limited for the year ended 31<sup>st</sup> March, 2012 as stipulated in clause 49 of the listing agreement of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2012, no investor grievances are pending against the Company for a period exceeding one month as per records maintained by the Company.

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

For **V Sahai Tripathi & Co.**  
*Chartered Accountants*  
Firm's Registration No. 000262N

Place: Noida  
Date: 25<sup>th</sup> May, 2012

**MAHESH SAHAI**  
*(Partner)*  
M.No. 06730



## AUDITORS' REPORT

### To the Members of Amrit Corp. Ltd.

1. We have audited the attached Balance Sheet of **Amrit Corp. Limited** as at 31<sup>st</sup> March, 2012, Statement of Profit and Loss Account and also Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the management of the company. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, issued by the Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we set out in the Annexure, a statement on the matters specified in paragraph 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 accounts as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii) The Balance Sheet, Statement of Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - iv) In our opinion, the Balance Sheet and Statement of Profit & Loss Account dealt with by this Report have been prepared in compliance with the applicable accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable;

- v) On the basis of information and explanations given to us and representations received from all the Directors of the Company and taken on record by the Board of Directors, we report that there is no Director of the Company who, as at 31<sup>st</sup> March, 2012, is disqualified u/s 274 (1) (g) of the Companies Act, 1956, from being appointed as Director; and
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Statement of Profit and Loss Account, read together with the significant accounting policies along with the notes to accounts forming part of financials, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a) In the case of the Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2012;
  - b) In the case of Statement of Profit and Loss Account, of the Profit for the year ending March 31<sup>st</sup> 2012;
  - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

for **V SAHAI TRIPATHI & CO.**  
*Chartered Accountants*  
Firm Regn. No. 000262N

Place: Noida  
Date : 25<sup>th</sup> May, 2012

**MAHESH SAHAI**  
(Partner)  
M.No.06730

### ANNEXURE TO AUDITORS' REPORT (Referred to in paragraph (3) of our Report of even date)

#### Annexure referred to in paragraph (3) of Auditors' Report to the members of Amrit Corp. Limited on the financial statements for the year ended March 31, 2012

1. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The company has a phased programme of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the



<p>size of the company and the nature of its assets. In accordance with such programme, the management has physically verified its fixed assets during the year and no material discrepancies were noticed by them.</p> <p>(c) During the year, there was no substantial disposal of fixed assets. However, the company sold the Trademark 'Gagan' used in hydrogenated vegetable oils and edible refined oils to Bunge India Pvt. Ltd. ('Bunge') for a lump sum consideration of ₹ 10,450 lacs. The Trademark 'Gagan' was licensed to Amrit Banaspati Company Ltd. ('ABCL') and since, ABCL decided to exit the Edible Oils Business and sold the same on slump sale basis and as a going concern to Bunge, the said Trademark 'Gagan', being an integral part of Edible Oils Business of ABCL, was also purchased by Bunge.</p> <p>2. (a) According to the information and explanations given to us, physical verification of inventories is conducted by the management at periodic intervals. These intervals are reasonable having regard to the size of the company and the nature of its inventories.</p> <p>(b) The procedures followed by the company for physical verification of inventories are reasonable and adequate in relation to the size of the company and the nature of its business.</p> <p>(c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification as compared to book records.</p> <p>3. (a) The company has granted unsecured loans amounting to ₹ 424.50 lacs to two (2) companies covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year in respect of aforesaid two parties is ₹ 424.50 lacs and the year-end balance of the said two loan amounts is ₹ 399.50 lacs.</p> <p>(b) The rate of interest and other terms &amp; conditions of the unsecured loan given by the company are not prima-facie prejudicial to the interest of the company;</p> <p>(c) The unsecured loans are regularly serviced as per agreed terms;</p> <p>(d) There is no overdue amount in respect of the said unsecured loans;</p> <p>(e) An unsecured loan of ₹ 392.73 lacs was granted to the erstwhile Amrit Banaspati Company Ltd. (ABCL) by the then Amrit Enterprises Ltd. (now known as 'Amrit Banaspati Co.Ltd. '), a company covered under the register maintained u/s 301 of the Act under the Modified Rehabilitation Scheme (MRS) of ABCL sanctioned by the Hon'ble Board of Industrial &amp; Financial</p>	<p>Reconstruction (BIFR). Out of the said unsecured loan, a sum of ₹ 88.53 lacs has devolved on the company pursuant to the Scheme of Arrangement sanctioned by the jurisdictional High Courts and becoming effective from 1<sup>st</sup> April, 2006.</p> <p>(f) The MRS provided that the said loan would be subordinated to institutions/banks term loans and would be repaid after payment to all financial institutions/banks. Accordingly, the interest on the said loan has been fixed at 10% on annual basis and is being regularly paid as per terms of MRS. The repayment of the loan commenced during the financial year 2010-11 and was completed during the year. The maximum amount involved during the year was ₹ 44.27 Lacs and year-end balance was nil. In view of this, we are of the opinion that the rate of interest and other terms &amp; conditions of the loan are not prejudicial to the interests of the company.</p> <p>(g) The company has since repaid the unsecured loan during the financial year 2011-12.</p> <p>4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. There was no continuing failure to correct major weaknesses in internal controls noticed by us during the course of our audit.</p> <p>5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.</p> <p>(b) In our opinion and according the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding the value of ₹ 5 lacs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.</p> <p>6. In our opinion and according to the information and explanations given to us, the company has complied with the directives issued by the Reserve Bank of India and the provisions of Sections 58A, 58AA or any other relevant provisions of the Act and the Rules framed there-under, wherever applicable with regard to the deposits accepted during the year. In accordance with the information and explanations given to us, there were no orders passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other "Tribunal" which have not been complied with.</p>
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7. In our opinion the company has an internal audit system which is commensurate with the size and nature of its business.
8. Under the Companies (Cost Accounting) Rules, 2011, the company is required to maintain cost records w.e.f. 1<sup>st</sup> April, 2011 in respect of milk processing. We have broadly reviewed the books of accounts maintained by the company, pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 read with Companies (Cost Accounting) Rules, 2011 and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of such accounts and records.
9. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, in our opinion the company is regular in depositing the undisputed statutory dues including provident fund, investor education & protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other material statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of the above dues which were outstanding as at 31st March, 2012 for a period of more than six months from the date of becoming payable.
- (b) According to the records of the company examined by us, the particulars of the dues outstanding of income tax, sale tax, wealth tax, service tax, custom duty, excise duty and cess as at 31st March, 2012 which have not been deposited on account of disputes, are as under:

Name of the Statutes	Nature of Dues	Amount (₹ lacs)	Forum where dispute is pending
Income Tax Act, 1961	Withdrawal of Investment allowance and other disallowances	2,35,71,688/-	High Court, Allahabad

10. The company has no accumulated losses as at 31st March, 2012 and has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. The company has not during the year defaulted in the re-payment of dues to the bank. The company has no loans from financial institutions nor has it issued any debentures.
12. The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company is not a chit fund, nidhi, mutual benefit fund or a society. Accordingly, the provisions of clause 4(xiii) of the Order are not applicable.
14. In respect of dealing/trading in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. All the shares, securities, debentures and other investments have been held by the company in its own name.
15. In our opinion, and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year. There is no corporate guarantee which is outstanding at the end of the year. Accordingly, clause 4(xv) of the order is not applicable.
16. The company has not obtained term loan from bank during the year ending 31st March, 2012.
17. According to the information and explanation given to us, in our opinion, there are no funds raised on a short term basis which have been used for long term investment.
18. During the year, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, clause 4(xviii) of the order is not applicable.
19. The company has not issued any debentures. Accordingly, clause 4(xix) of the order is not applicable.
20. The company has not raised any money by way of public issue during the year. Accordingly, clause 4(xx) of the order is not applicable.
21. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor we have been informed of such case by the management.

for **V SAHAI TRIPATHI & CO.**  
Chartered Accountants  
Firm Regn. No. 000262N

**MAHESH SAHAI**  
(Partner)  
M.No. 06730

Place: Noida  
Date : 25<sup>th</sup> May, 2012



## BALANCE SHEET as at 31st March, 2012

Particulars	Note No.	As at 31st March, 2012 (₹)	As at 31st March, 2011 (₹)
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	1	3,21,32,310	3,21,32,310
(b) Reserves and Surplus	2	1,30,14,68,000	44,03,20,873
<b>2 Non-current Liabilities</b>			
(a) Long-term borrowings	3	3,14,64,558	4,45,05,635
(b) Deferred tax Liabilities (Net)	4	72,27,856	66,33,625
(c) Long-term Provisions	5	65,73,264	53,42,840
<b>3 Current Liabilities</b>			
(a) Short-term borrowings	6	1,17,28,584	2,32,21,798
(b) Trade payables	7	1,06,30,474	1,43,19,682
(c) Other current liabilities	8	8,69,21,385	8,56,13,733
(d) Short-term provisions	9	9,60,15,728	1,48,41,005
<b>TOTAL</b>		<b>1,58,41,62,159</b>	<b>66,69,31,501</b>
<b>II. ASSETS</b>			
<b>1 Non-current Assets</b>			
(a) Fixed assets	10		
(i) Tangible Assets		9,80,14,880	8,39,68,439
(ii) Intangible Assets		1,31,250	3,06,250
(b) Non-current Investments	11	71,55,49,213	14,11,71,221
(c) Long-term Loans and Advances	12	5,45,34,688	5,61,21,688
<b>2 Current assets</b>			
(a) Current Investments	13	18,92,40,337	15,36,62,213
(b) Inventories	14	15,21,10,344	5,08,42,164
(c) Trade Receivables	15	1,14,77,211	85,97,883
(d) Cash and Cash Equivalents	16	19,25,09,785	5,77,04,108
(e) Short-term Loans and Advances	17	17,05,94,451	11,45,57,535
<b>TOTAL</b>		<b>1,58,41,62,159</b>	<b>66,69,31,501</b>

**Significant Accounting Policies and Notes forming part of the financial statements**

1- 42

**This is the Balance Sheet referred to in our Report of even date.**

for **V. Sahai Tripathi & Co.**  
Chartered Accountants  
Firm Regn No. 000262N

**N.K. Bajaj**  
(Chairman & Managing Director)

**A.K. Bajaj**  
(Managing Director)

**Mahesh Sahai** (Partner)  
Membership No. 06730

**G.N. Mehra**  
**K.R. Ramamoorthy**  
**Praveen Kumar**  
**Kamal Budhiraja**  
**V. K. Bajaj**

Directors

**P. K. Das**  
(Company Secretary)

Place : Noida  
Date : 25th May, 2012



## STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2012

Particulars	Note No.	For the year ended 31st March, 2012 (₹)	For the year ended 31st March, 2011 (₹)
I. Revenue from Operations	18	54,10,75,641	45,42,71,492
II. Other income	19	15,25,03,639	3,25,92,250
<b>III. Total Revenue (I + II)</b>		<b>69,35,79,280</b>	<b>48,68,63,742</b>
<b>IV. Expenses</b>			
Cost of materials consumed	20	30,25,72,537	23,98,20,692
Purchases of stock-in-trade	21	12,03,91,495	1,31,11,255
Changes in inventories of finished goods			
Work-in-Progress and stock-in-trade	22	(9,56,17,881)	(1,12,44,002)
Employee benefits expenses	23	4,76,39,925	4,24,72,932
Finance costs	24	1,22,41,378	1,06,02,379
Depreciation and amortization expenses	10	63,18,261	1,07,13,571
Other expenses	25	14,01,20,351	12,71,50,479
Total expenses		<b>53,36,66,066</b>	<b>43,26,27,306</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>15,99,13,214</b>	<b>5,42,36,436</b>
<b>VI. Exceptional Items</b>			
Profit from sale of 'Gagan' Brand	28(b)	1,03,81,59,345	-
Profit/(Loss) on sale of Long Term Investments		(1,37,32,971)	16,55,92,800
<b>VII. Profit before extraordinary items and tax (V + VI)</b>		<b>1,18,43,39,588</b>	<b>21,98,29,236</b>
<b>VIII. Extraordinary Items</b>		<b>-</b>	<b>-</b>
<b>IX. Profit before tax (VII - VIII)</b>		<b>1,18,43,39,588</b>	<b>21,98,29,236</b>
<b>X Tax expenses</b>	<b>26</b>		
(1) Current tax		23,29,70,293	3,35,83,000
(2) Deferred tax		5,94,230	(5,09,599)
<b>XI Profit/(Loss) for the year after tax (IX - X)</b>		<b>95,07,75,065</b>	<b>18,67,55,835</b>
<b>XII EPS (Net Profit from operations after tax)</b>			
- Basic		295.89	58.12
- Diluted		295.89	58.12
<b>XIII Number of weighted average shares used in computing earnings per share</b>			
- Basic		32,13,231	32,13,231
- Diluted		32,13,231	32,13,231

**Significant Accounting Policies and Notes forming part of the financial statements**

1- 42

**This is the Profit & Loss Account referred to in our Report of even date.**

for **V. Sahai Tripathi & Co.**  
Chartered Accountants  
Firm Regn No. 000262N

**N.K. Bajaj**  
(Chairman & Managing Director)

**A.K. Bajaj**  
(Managing Director)

**Mahesh Sahai** (Partner)  
Membership No. 06730

**G.N. Mehra**  
**K.R. Ramamoorthy**  
**Praveen Kumar**  
**Kamal Budhiraja**  
**V. K. Bajaj**

Directors

**P. K. Das**  
(Company Secretary)

Place : Noida  
Date : 25th May, 2012



## CASH FLOW STATEMENT for the year ended 31st March, 2012

Particulars	31st March, 2012 (₹)	31st March, 2011 (₹)
<b>A. Cash flow from Operating Activities</b>		
Profit Before Tax	1,18,43,39,588	21,76,06,392
Add:		
Loss on sale of Assets	4,65,914	5,72,652
Loss on sale of investment	1,37,32,971	-
Depreciation	63,18,261	1,14,50,648
Interest Paid	1,22,41,378	1,06,02,379
Interest Received	(2,48,36,133)	(1,85,33,546)
Dividend Received	(11,28,03,383)	(89,58,269)
Profit on Sale of Assets	-	(2,10,690)
Effect of Change of Accounting Policies	-	(19,99,575)
Depreciation Short Charged earlier	(34,138)	-
Profit on Sale of 'Gagan' Brand	(1,03,81,59,345)	-
Sundry Balances Adjusted	33,866	-
Provision for doubtful debts	22,171	-
Sundry balance written back	(5,57,644)	-
Profit on sale of units	(1,25,96,678)	(4,84,634)
Provision written Back	(7,66,795)	(16,82,136)
Exceptional Income	-	(16,55,92,800)
Operating Profits before working Capital changes	2,74,00,033	4,27,70,421
Adjustment for:		
Change in Trade Payable	36,64,239	1,25,23,403
Change in Inventories	(10,12,68,180)	(1,09,88,212)
Change in Trade receivable	(29,35,365)	(9,54,642)
Change in Loans & Advances	(6,56,07,758)	(7,14,22,189)
Cash generation from Operating Activities	(13,87,47,031)	(2,80,71,219)
Add: Income Tax refund	17,57,915	-
Less: Income Tax paid	21,89,33,087	4,08,62,705
<b>Net Cash generation from Operating Activities</b>	<b>(35,59,22,203)</b>	<b>(6,89,33,924)</b>
<b>(B) Cash Flow from Investing Activities</b>		
Purchase of Investment	(79,73,69,622)	(21,22,85,935)
Interest Income	2,48,36,133	1,85,33,546
Dividend Income	11,28,03,383	89,58,269
Purchase of Fixed Assets	(2,13,01,272)	(80,44,646)
Change in Depreciation Reserve Fund	-	19,99,575
Sale of Brand	1,03,81,59,345	-
Sale of Investment	18,62,77,213	19,45,48,934
Sale of Fixed Assets	6,45,657	7,45,257
<b>Net Cash from Investing Activities</b>	<b>54,40,50,837</b>	<b>44,55,000</b>
<b>(C) Cash Flow from Financing Activities</b>		
Interest Paid	(1,26,15,191)	(1,06,02,379)
Proceeds from Borrowing of working Capital	(1,14,93,214)	25,16,438
Proceeds from long term Borrowing	(1,30,41,077)	(45,77,450)
Payment of Leave Encashment	(5,04,540)	-
Proceeds from Unsecured Loans	-	(66,33,093)
Payment of Corporate Dividend tax	(20,85,066)	-
Payment of Gratuity	(7,30,945)	-
Redemption of Preference Shares	-	(19,250)
Payment of Dividend	(1,28,52,924)	(74,93,817)
Raising of overdraft Loan	-	1,35,00,000
<b>Net Cash flow in Financing Activities</b>	<b>(5,33,22,957)</b>	<b>(1,33,09,551)</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>13,48,05,677</b>	<b>(7,77,88,475)</b>
<b>Cash and Cash equivalents as at 01.04.2011 (Opening Balance)</b>	<b>5,77,04,108</b>	<b>13,54,92,583</b>
<b>Cash and Cash equivalents as at 31.03.2012 (Closing Balance)</b>	<b>19,25,09,785</b>	<b>5,77,04,108</b>

Significant Accounting Policies and Notes forming part of the financial statements  
This is the Cash Flow Statement referred to in our Report of even date.

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for **V. Sahai Tripathi & Co.**  
Chartered Accountants  
Firm Regn No. 000262N

**N.K. Bajaj**  
(Chairman & Managing Director)

**A.K. Bajaj**  
(Managing Director)

**Mahesh Sahai** (Partner)  
Membership No. 06730  
Place : Noida  
Date : 25th May, 2012

**G.N. Mehra**  
**K.R. Ramamoorthy**  
**Praveen Kumar**  
**Kamal Budhiraja**  
**V. K. Bajaj**  
Directors

**P. K. Das**  
(Company Secretary)





## SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of Preparation of Financial Statements

The Financial statements have been prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on accrual basis and are in accordance with the applicable accounting standards issued by the Institute of Chartered Accountants of India (ICAI) & prescribed in the Companies (Accounting Standards) Rules, 2006. These Accounting policies have been consistently applied, except where a newly issued accounting standard is initially adopted by the company. Management evaluates the effect of accounting standards issued on a going concern basis and ensures that they are adopted as mandated by the ICAI.

### (b) Fixed Assets

#### (i) Owned Assets

Fixed assets are stated at their original cost of acquisition inclusive of inward freight, duties, taxes and incidental expenses relating to acquisition and installation, adjusted by revaluation of land. The cost of assets under installation or under construction plus direct allocable expenses as at the Balance Sheet date are shown as capital work-in-progress.

#### (ii) Assets taken on finance lease

Fixed assets taken on finance lease are stated at the lower of the fair value of the lease assets or the present value of minimum lease payments at the inception of the lease.

#### (iii) Intangible Assets and Amortization

Intangible Assets & related expenditure are recognized as per criteria specified in **Accounting Standard-26 on "Intangible Assets"** issued by the Institute of Chartered Accountants of India. The cost of software purchased for internal use or main software comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable by the enterprise from the taxing authorities) and any directly attributable expenditure on making the software ready for its use. Any trade discounts and rebates are deducted in arriving at the cost.

### (c) Depreciation

- (i) Depreciation so far was being provided on Written Down Value Method at the Corporate Office and Straight Line Method at the Amrit Food Unit at the rates specified in Schedule XIV of the Companies Act, 1956. In order to have uniformity in the depreciation accounting, the Written Down Value Method was changed to Straight Line Method at the Corporate Office w.e.f. 1<sup>st</sup> April, 2010. From the previous year ended 31<sup>st</sup> March, 2011 onwards, Company is following Straight Line Method on all assets, except software, in both units.
- (ii) The software is amortized over a period of 36 months from the month subsequent to the month in which it got activated for use.
- (iii) In respect of assets added/disposed off during the year, depreciation is charged on a pro-rata basis with reference to the month of addition/disposal. In the case of additions, it is charged for the full month in which additions took place and in the case of sales up to the month preceding the date of sale.
- (iv) Assets below ₹ 5,000/- are depreciated at the rate of 100%.
- (v) In respect of fixed assets taken on finance lease, when there is reasonable certainty that the company will obtain ownership by the end of the lease term, depreciation is provided in accordance with the policy followed by the company for owned assets.

### (d) Impairment

The carrying amount of assets is reviewed at each balance date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use the estimated future cash flows are discounted to their present value at the weighted cost of capital.



**(e) Investment**

Investments are classified into current and long term investments. Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are stated at the lower of cost and fair value determined on an individual basis. Long term investments, including interests in joint-venture companies, are carried at cost. A provision for diminution in value is made to recognize a decline other than temporary in the value of long term investments. Profit/loss on sale of investments is computed with reference to their average cost.

**(f) Inventories**

- (i) Raw materials, components, stores, spares and loose tools are valued at lower of weighted average cost.
- (ii) Work-in-progress
  - ❖ Work-in-progress (other than the property development or construction related) is valued at cost determined at different stages of production which includes related overheads.
  - ❖ Property Development and construction-related work-in-progress is valued at cost till such time the outcome of the work cannot be ascertained and thereafter at lower of cost or net realizable value.
- (iii) Finished goods are valued at lower of weighted average cost or net realizable value. In the case of finished goods, cost is determined by taking material, labour and related factory overheads including depreciation and fixed production overheads which are apportioned on the basis of normal capacity.
- (iv) Unsold real estate inventory is valued at lower of cost or market value.
- (v) Stock in trade are valued at cost or at market value, whichever is lower. The cost in such cases, is valued at the last month weighted average price.

**(g) Revenue Recognition**

Revenue is recognized to the extent that it can be reliable, measured and is appropriate to the economic benefits that will flow to the company.

**(i) Sale of goods**

Revenue from the sale of goods is recognized when the significant risks & rewards of ownership of the goods are transferred to the customers and is stated net of rebates/trade discounts. Consignment sales are booked to the extent of consignment sales notes received from consignees. The revenue on sale of residential/commercial plots and constructed units are recognized on completion and execution of sale/conveyance deeds and on reasonable expectation of collection of the sale consideration from the customer. The estimates relating to sale value, estimated cost etc., are revised and updated periodically by the management and necessary adjustments are made in the current year's account.

**(ii) Royalty and income from services**

Income from royalty & services rendered is booked on accrual basis in accordance with the terms of the royalty agreements/arrangements with the concerned parties.

**(iii) Interest**

Interest is recognized on a time proportion basis in accordance with agreement taking into account the amount outstanding and the rate applicable.

**(iv) Dividend**

Dividend income is recognized if the right to receive the payment is established by the Balance Sheet date.

**(h) Employee Benefits**

**(i) Short Term Employee Benefits**

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the



expected cost of bonus, ex-gratia etc. are recognized in the period in which the employee renders the related service.

There are no other encashable short-term benefits.

**(ii) Post-Employment Benefits**

**(1) Defined Contribution Plans:** The State governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.

**(2) Defined Benefit Plans:** The employees gratuity fund scheme and provident fund scheme managed by trust are defined benefit plans.

- ❖ In the case of gratuity liability, the present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, is based on the market yields on Government Securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains and losses are recognized immediately in the Profit & Loss Account.

- ❖ In the case of provident fund administered by the Trust constituted by the Company, the Company makes monthly contributions as a fixed percentage of basic pay of certain specified employees to the Fund every month. The interest credited to the account of the employees is adjusted on annual basis to conform to the interest rate notified by the Govt. for the Employees Provident Fund. The Company has an obligation to make good the shortfall, if any, between the return on investment of the Trust and the notified interest rate. There is no deficit in the Fund.

- ❖ **Long Term Employee Benefits**

Entitlements to annual leave, casual leave and sick leave are recognized when they accrue to the employees. Sick leave and casual leave can only be availed while earned leave can either be availed or encashed subject to restriction on the maximum number of accumulation of leaves. The Company determines the liability for such accumulated leaves using the projected unit credit method with actuarial valuation being carried out at each Balance Sheet date in the similar manner as in the case of defined benefit plans as mentioned in (ii) (2) above.

(3) The other staff benefit schemes will be provided according to respective laws in respect of employees as and when these will be applicable on company.

**(i) Taxes on Income**

The current charge for Income Tax is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternative Tax ("MAT") paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an Asset if there is convincing evidence that company will pay normal tax in future. MAT Credit entitlement can be carried forward and utilized for a period of ten years from the year in which the same is availed. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the company and the asset can be measured reliably.

Deferred tax is recognized subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between taxable profits and accounting profits. 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. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date. Deferred tax assets on timing difference are recognized only if there is a



reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. However, deferred tax assets on the timing differences when unabsorbed depreciation and losses carried forward exist, are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax can be realized. Deferred tax assets are reassessed for the appropriateness of their respective carrying values at each balance sheet date.

**(j) Leases**

- (i) Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.
- (ii) Assets taken on lease under which lessor effectively retains all significant risks & rewards of ownership have been classified as operating lease. Lease payments made under operating lease are recognized as expense in the profit & loss account on straight line basis over the primary term of the lease as mentioned in the lease agreement on accrual basis.
- (iii) Assets given under a finance lease are recognized as receivable at an amount equal to the net investment in the lease. Lease income is recognized over the period of the lease so as to yield a constant rate of return on the net investment in the lease.
- (iv) Assets leased out under operating leases are capitalized. Rental income is recognized on accrual basis over the lease term.
- (v) Initial direct costs relating to assets given on finance leases are charged to the Profit and Loss Account.

**(k) Research and Development**

Revenue expenditure on research and development is charged under respective heads of account in the year in which it is incurred. Capital expenditure on research and development is included as part of fixed assets and depreciated on the same basis as other fixed assets.

**(l) Provisions and Contingencies**

Provisions are recognized when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Where the Company expects a provision to be reimbursed, the reimbursement is recognized as a separate Asset, only when such reimbursement is virtually certain. Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved. Contingent Assets are neither recognized, nor disclosed. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

**(m) Use of Estimates**

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income tax, post-sales customer support and the useful lives of fixed assets and intangible assets. Actual results could differ from those estimate. Any revision to accounting estimate is recognized prospectively in the current and future periods.

**(n) Foreign Currency Transactions**

Foreign exchange transactions are recorded at the rate of exchange prevailing on the dates of the respective transactions. Exchange differences are recorded in the Profit & Loss Account when the amount actually is paid on import of goods are converted into Indian Rupees. Accordingly, exchange differences arising on foreign exchange differences settled during the period are recognized in the profit and loss account of the period.

Monetary current assets and monetary current liabilities that are denominated in foreign currency are translated at the exchange rate prevalent at the date of the Balance Sheet. The resulting difference is also recorded in the Profit & Loss Account.



**(o) Borrowing Costs**

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

**(p) Earnings per Share**

In determining earnings per share, the company considers the net profit after tax and includes the post-tax effect of any extraordinary/exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

The details are stated in the financial notes, which are not reproduced here. There is no diluted Earning per Share as there are no dilutive potential equity shares.

**(q) Segment Accounting**

The Company has three primary segments namely, Food, Real Estate and Services.

**(i) Segment accounting policies**

Segment accounting policies are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

- ❖ Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter-segment revenue.
- ❖ Expenses that are directly identifiable with/allocable to segments are considered for determining the Segment Result. Expenses which relate to the Company as a whole and not allocable to segments are included under "Un-allocable Expenditure".
- ❖ Income which relates to the Company as a whole and not allocable to segments is included in "Un-allocable Income".
- ❖ Segment result includes margins on inter-segment capital jobs, which are reduced in arriving at the profit before tax of the Company.
- ❖ Segment assets and liabilities include those which are directly identifiable with the respective segments. Un-allocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment. Un-allocable assets mainly comprise Deposits with Banks, Margin Money, Bank Balances and Investments and Deferred Tax Assets to the portfolio of the Company's core/thrust areas of business such as infrastructure development. Un-allocable liabilities include mainly Interest bearing Share Capital, Reserves & Surplus, Public Deposits, Provision for Tax and Interest Payable on Loans.

**(ii) Segment Transactions**

Segment transactions with other business segments are accounted on the basis of cost to the segment concerned.

**(r) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated. The Cash Flow statement is separately attached with the Financial Statements of the company.

**(s) Accounting for interest in Joint Venture**

Interest in Joint venture companies is accounted as follows:

- (i) Income on investments is recognized when the right to receive the same is established.
- (ii) Investment in such joint ventures is carried at cost after providing for any permanent diminution value.



## NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

### 1 SHARE CAPITAL

The Authorised, Issued, Subscribed and fully Paid up Share Capital of Equity Shares having a par value of ₹ 10/- each as follows:

Share Capital	As at 31st March, 2012		As at 31st March, 2011	
	Number	Amount in ₹	Number	Amount in ₹
<b>Authorised</b>				
Equity Shares of ₹ 10/- each	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
15% Redeemable Cumulative Preference shares of ₹ 10/- each	10,00,000	1,00,00,000	10,00,000	1,00,00,000
11% Redeemable Cumulative Preference shares of ₹ 10/- each	40,00,000	4,00,00,000	40,00,000	4,00,00,000
	<b>2,50,00,000</b>	<b>25,00,00,000</b>	2,50,00,000	25,00,00,000
<b>Issued</b>				
Equity Shares of ₹ 10 each fully paid up (refer Note 1A)	32,13,231	3,21,32,310	32,13,231	3,21,32,310
<b>Total</b>	<b>32,13,231</b>	<b>3,21,32,310</b>	32,13,231	3,21,32,310

Notes:

- In terms of the Scheme of Arrangement between Amrit Banaspati Company Ltd. ('ABCL' - now known as 'Amrit Corp. Ltd. '), ABC Paper Ltd. ('ABC Paper') and Amrit Enterprises Ltd. ('AEL' - now known as "Amrit Banaspati Co. Ltd.") sanctioned by the jurisdictional High Courts at Allahabad, Delhi and Chandigarh w.e.f 1st April, 2006, the Paid-up Share Capital of the Company reduced from ₹ 1,285.29 lacs to ₹ 321.32 lacs and for every four (4) fully Paid-up Equity Shares of ₹ 10/- each held by the Equity Shareholders of the Company on the 'Record Date', two (2) fully Paid-up Equity Shares of ₹ 10/- each were cancelled against allotment and issuance of Equity Shares by ABC Paper and one (1) fully Paid-up Equity Share of ₹ 10/- each was cancelled against allotment and issuance of equity shares by AEL to the Equity Shareholders of the Company.

### 1A Reconciliation of number of shares

Particulars	Equity Shares			
	As at 31st March, 2012		As at 31st March, 2011	
	Number	Amount in ₹	Number	Amount in ₹
Shares outstanding at the beginning of the year	32,13,231	3,21,32,310/-	32,13,231	3,21,32,310/-
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement	-	-	-	-
Shares outstanding at the end of the year	32,13,231	3,21,32,310/-	32,13,231	3,21,32,310/-

- Equity Shares:** The Company has one class of equity shares having at par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividend in Indian rupees. The proposed dividend of ₹ 24/- per share recommended by Board of Directors in its meeting held on 25th May, 2012 is subject to the approval of the shareholders in the ensuing Annual General Meeting.



## 1B Details of shares held by shareholders holding more than 5% of aggregate shares in the Company

Name of Shareholder	Equity Shares			
	As at 31st March, 2012		As at 31st March, 2011	
	No. of Shares held	%age of Holding	No. of Shares held	%age of Holding
V.K. Bajaj	1,72,166	5.36%	1,72,166	5.36%
A.F. Trading Co. Pvt. Ltd.	2,06,032	6.41%	2,06,032	6.41%
Amrit Trademart Pvt. Ltd.	9,22,666	28.71%	-	-
Pooja Gases & Traders Pvt. Ltd.*	-	-	5,31,627	16.54%
United Holding Pvt. Ltd.*	-	-	2,75,011	8.56%
Amrit Agro Industries Ltd.	2,67,817	8.33%	2,67,817	8.33%
Dhirendra B Sanghavi	1,72,752	5.38%	1,71,623	5.34%
Others (less than 5% of holding)	14,71,798	45.80%	15,88,955	49.45%
<b>Total</b>	<b>32,13,231</b>	<b>100.00%</b>	<b>32,13,231</b>	<b>100.00%</b>

\*Pooja Gases & Traders Pvt. Ltd. and United Holding Pvt. Ltd. amalgamated with Amrit Trademart Pvt. Ltd. w.e.f. 23rd November, 2011 and consequently all the assets and liabilities, including the investments, devolved on Amrit Trademart Pvt. Ltd.

## 2 RESERVES AND SURPLUS

Reserves and Surplus consist of the following:

Reserves and Surplus	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
<b>a. Preference Share Capital Redemption Reserve</b>		
Opening Balance	40,50,000	40,50,000
Additions /(Deductions) during the year	-	-
Closing Balance	40,50,000	40,50,000
<b>b. Revaluation Reserve on land</b>		
Opening Balance	64,29,155	64,29,155
Additions /(Deductions) during the year	-	-
Closing Balance	64,29,155	64,29,155
<b>c. General Reserve</b>		
Opening Balance	32,00,00,000	16,00,00,000
Add: Transfer from Statement of Profit and Loss	15,00,00,000	16,00,00,000
(-) Written Back in Current Year	-	-
Closing Balance	47,00,00,000	32,00,00,000
<b>d. Surplus in Statement of Profit and Loss Account</b>		
Opening Balance	10,98,41,718	9,80,23,873
(+) Net Profit/(Loss) for the current year	95,07,75,065	18,67,55,835
(-) Proposed dividend on Equity Shares	7,71,17,544	1,28,52,924
(-) Dividend distribution tax on proposed dividend	1,25,10,394	20,85,066
(-) Transfer to General Reserves	15,00,00,000	16,00,00,000
Closing Balance	82,09,88,845	10,98,41,718
<b>Total</b>	<b>1,30,14,68,000</b>	<b>44,03,20,873</b>

**Note:** The Board of Directors in their meeting held on 25th May, 2012 has recommended a dividend of ₹ 24/- per Equity Share of ₹ 10/- each, including one time special dividend of ₹ 20/- per Equity Share from the proceeds of the sale of 'Gagan' Trademark of the Company.



### 3 LONG TERM BORROWINGS

Long term borrowings consist of the following:

Long Term Borrowings	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
<b>Secured</b>		
(a) <b>Term Loans</b>		
- Punjab National Bank(refer Note 3A (ii))	-	24,00,000
(b) <b>Long Term maturities of Financial Lease Obligations</b> (refer Note 37)	<b>12,67,558</b>	12,92,075
	<b>12,67,558</b>	<b>36,92,075</b>
<b>Unsecured</b>		
(a) <b>Fixed Deposits</b> (refer Note 3B)	<b>1,92,47,000</b>	2,50,37,000
(b) <b>Loans &amp; Advances</b>		
- Other than from Banks	<b>1,09,50,000</b>	1,57,76,560
	<b>3,01,97,000</b>	4,08,13,560
<b>Total</b>	<b>3,14,64,558</b>	4,45,05,635

**Notes:**

**3A(i)** During the year ended 31st March, 2012, Company has repaid/prepaid all the term loans availed from Punjab National Bank. Consequently, necessary returns for satisfaction of charge have been filed and registered with the Registrar of Companies. The term loans were secured / to be secured by a equitable mortgage of the immovable properties both present and future and a first charge by way of hypothecation over the machinery, machinery spares, tools and accessories and other movables both present and future (save and except book debts) ranking pari-passu with the charges created/ to be created on the Company's assets, subject to prior charge of the bankers on working capital on specified movables. The term loans are also secured by:

- Exclusive first charge on the assets created/ to be created with Bank's term loans;
- First charge on all the fixed assets of the Company ranking pari passu with the existing charge holders;
- Second charge on all the current assets of the Company ranking pari passu with the existing charge holders; and
- Personal guarantees of S/Shri N.K. Bajaj, A.K. Bajaj and V.K. Bajaj.

#### 3A (ii) Terms of Repayment of Punjab National Bank Term Loans

Term Loans	As at 31st March, 2012	As at 31st March, 2011
Term Loan II		
- Rate of Interest	-	0.50% over BPLR
- No. of Installments (Quarterly)	-	6
- Total amount of installments	-	12,00,000
Term Loan III		
- Rate of Interest	-	2.00% over BPLR
- No. of Installments (Quarterly)	-	3
- Total amount of installments	-	12,00,000





### 3B Terms of Repayment of Deposits (Public Deposits)

Period of deposits and Category	As at 31st March, 2012	As at 31st March, 2011
	Quarterly/Cumulative Income Scheme	Quarterly/Cumulative Income Scheme
- 12 Months deposit General Category	9.00%	9.50%
- 12 Months deposit Special Category**	9.50%	10.00%
- 24 Months deposit General Category	9.50%	10.00%
- 24 Months deposit Special Category**	10.00%	10.50%
- 36 Months deposit General Category	10.00%	10.50%
- 36 Months deposit Special Category**	10.50%	11.00%
Repayment Schedule	As at 31 March, 2012 Amount in ₹	As at 31 March, 2011 Amount in ₹
Period of 2 years or more but less than 3 years	1,35,25,000	1,23,41,000
Period of 3 years or more	57,22,000	1,26,96,000
<b>Total</b>	<b>1,92,47,000</b>	<b>2,50,37,000</b>

\*\* Special Category persons mean:

- Senior Citizens (60 years and above)
- Equity Shareholders of the Company having minimum 100 Equity Shares

**3C** Vehicle loan(s) are secured by hypothecation of the vehicles purchased out of the said loans. The vehicle loans have been taken for the period of 36 months at the rate varying from 9% to 12% on reducing balance basis.

### 4 DEFERRED TAX LIABILITIES

Major components of the deferred tax balances:

	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
<b>Deferred Tax Liabilities</b>		
Depreciation and Amortisation	1,05,03,431	93,86,853
<b>Total</b>	<b>1,05,03,431</b>	<b>93,86,853</b>
<b>Deferred Tax Assets</b>		
Unpaid Bonus	2,41,180	1,25,237
Unpaid Earned Leave	21,32,696	17,33,484
Provision for Doubtful Debts	9,01,700	8,94,507
<b>Total</b>	<b>32,75,575</b>	<b>27,53,228</b>
<b>Net Deferred Tax Liabilities</b>	<b>72,27,856</b>	<b>66,33,625</b>



## 5 LONG TERM PROVISIONS

Long term provisions consist of the following:

Long Term Provisions	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
<b>Provision for employee benefits</b> Leave Encashment (refer Note 38)	65,73,264	53,42,840
<b>Total</b>	<b>65,73,264</b>	<b>53,42,840</b>

## 6 SHORT TERM BORROWINGS

Short term borrowings consist of the following:

Short Term Borrowings	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
<b>Secured</b>		
<b>(a) Working Capital Loan (Cash Credit)</b> - Punjab National Bank (refer Note 6(i))	1,17,28,584	97,21,798
<b>(b) Overdraft against Fixed Deposits</b> - Yes Bank Ltd. (refer Note 6 (ii))	-	1,35,00,000
<b>Total</b>	<b>1,17,28,584</b>	<b>2,32,21,798</b>

### NOTE:

- 6 (i) The working capital (Cash Credit) borrowings are secured by:
- Hypothecation of raw materials, stores, finished goods, stock-in-process, book-debts;
  - 1st charge on Current Assets ranking pari-passu with the existing chargeholders;
  - Second charge on the fixed assets of the Company ranking pari-passu with the existing chargeholders; and
  - Personal guarantees of S/Shri N.K. Bajaj, A.K. Bajaj and V.K. Bajaj.
  - Interest Rate is 4% over Base Rate.
- 6 (ii) The overdraft facility which has been availed by the company during the previous year ended 31st March, 2011, has been squared up during the financial year ended 31st March, 2012. The facility of "overdraft against fixed deposit" was secured against the fixed deposit.

## 7 TRADE PAYABLES

Trade payables consist of the following:

Other Long Term Liabilities	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
Trade Payables		
- Due to MSMED (refer Note 34)	9,49,751	12,87,309
- Due to others	96,80,723	1,30,32,373
<b>Total</b>	<b>1,06,30,474</b>	<b>1,43,19,682</b>



## 8 OTHER CURRENT LIABILITIES

Other current liabilities consist of the following:

Other Current Liabilities	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
(a) Current maturities of long-term debt (refer Note 8A)	3,46,23,000	4,72,61,469
(b) Current maturities of finance lease obligations (refer Note 37)	16,15,301	17,33,513
(c) Interest accrued but not due on borrowings	15,77,756	18,96,764
(d) Interest accrued and due on borrowings	60,565	1,15,370
(e) Unpaid Equity dividends** (refer Note 8B)	33,69,127	29,74,058
(f) Unpaid Redemption amount on Preference Shares**	12,27,030	12,27,530
(g) Unpaid Fractional Payment	5,62,479	5,62,754
(h) Other Payables (refer Note 8C)	4,38,86,127	2,98,42,275
<b>Total</b>	<b>8,69,21,385</b>	<b>8,56,13,733</b>

### 8A Details of Current maturities of Long-Term Debt

Particulars	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
Fixed Deposits	3,46,23,000	4,41,87,000
Term Loan from Punjab National Bank	-	30,74,469
<b>Total</b>	<b>3,46,23,000</b>	<b>4,72,61,469</b>

### 8B Details of Unpaid Dividend Accounts

Particulars	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
Unpaid Dividend Account-2004-05-Yes Bank Ltd	14,90,628	14,91,751
Unpaid Dividend Account-2005-06-Yes Bank Ltd	6,67,458	6,67,458
Unpaid Pref.Interim Dividend Account-2005-06- Yes Bank Ltd	59,715	59,752
Unpaid Dividend Account-2006-07-Yes Bank Ltd	1,71,918	1,71,918
Unpaid Dividend Account-2007-08-Yes Bank Ltd	1,63,610	1,63,615
Unpaid Dividend Account-2008-09-Yes Bank Ltd	2,12,778	2,12,828
Unpaid Dividend Account-2009-10-Yes Bank Ltd	2,06,736	2,06,736
Unpaid Dividend Account-2010-11-Yes Bank Ltd	3,96,284	-
<b>Total</b>	<b>33,69,127</b>	<b>29,74,058</b>



### 8C Details of other payables consist of the following:

Other payables	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
Statutory Liabilities	17,23,256	23,87,560
Expenses Payable	92,02,286	31,66,208
Employees Balances	14,15,661	12,12,185
Debtors having Credit Balances	24,54,450	14,87,468
Advances from other parties	1,40,11,194	65,19,735
Excise Payable	59,15,979	59,05,818
Received from Excise Deptt. (refer Note 33)	91,63,301	91,63,301
<b>Total</b>	<b>4,38,86,127</b>	<b>2,98,42,275</b>

\*\* Not due for deposit to 'Investor Education & Protection Fund'

### 9 SHORT TERM PROVISIONS

Short term provisions consist of the following:

Short Term Provisions	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
<b>(a) Provision for employee benefits</b>		
Gratuity(refer Note 38)	25,18,998	7,30,945
<b>(b) Others</b>		
Proposed final dividend on Equity Shares	7,71,17,544	1,28,52,924
Dividend distribution tax on dividend	1,25,10,394	20,85,066
Provision for Income Tax (Net of Advance Tax)	37,52,499	(8,27,930)
Provision for Wealth Tax (Net of Advance Tax)	1,16,293	-
<b>Total</b>	<b>9,60,15,728</b>	<b>1,48,41,005</b>

## 10 FIXED ASSETS

Fixed assets consist of the following:

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April, 2011	Additions	Deletion/ Adjustment	Balance as at 31st March, 2012	Balance as at 1st April, 2011	Depreciation charge for the year	On Disposals/ Transfer	Balance as at 31st March, 2012	Balance as at 31st March, 2012	Balance as at 31st March, 2011
<b>a. Tangible Assets</b> (Not under Lease)										
Land	64,50,000	-	-	<b>64,50,000</b>	-	-	-	-	<b>64,50,000</b>	64,50,000
Building	2,57,83,025	-	-	<b>2,57,83,025</b>	1,18,36,384	7,46,344	-	<b>1,25,82,728</b>	<b>1,32,00,297</b>	1,39,46,64
Plant & Machinery	19,49,85,859	1,46,15,390	11,29,186	<b>20,84,72,063</b>	15,92,90,635	24,23,853	9,13,587	<b>16,08,00,900</b>	<b>4,76,71,163</b>	3,56,95,225
Laboratory Equipments	11,52,376	62,981	-	<b>12,15,357</b>	6,26,492	41,975	-	<b>6,68,467</b>	<b>5,46,890</b>	5,25,884
Furniture & Fixtures	94,03,998	2,06,611	50,000	<b>95,60,609</b>	16,27,070	5,68,330	14,243	<b>21,81,157</b>	<b>73,79,452</b>	77,76,928
Office Equipments	66,60,335	7,96,589	63,351	<b>73,93,573</b>	15,95,470	2,83,744	67,252	<b>18,11,962</b>	<b>55,81,611</b>	50,64,865
Vehicles	1,42,10,841	26,52,326	10,39,085	<b>1,58,24,082</b>	35,67,110	15,15,348	5,26,472	<b>45,55,986</b>	<b>1,12,68,096</b>	1,06,43,731
Computers	17,52,576	12,90,707	-	<b>30,43,283</b>	8,22,402	2,74,139	-	<b>10,96,541</b>	<b>19,46,742</b>	93,0,174
Electric Installation	57,74,149	15,68,955	4,70,762	<b>68,72,342</b>	29,24,942	2,86,419	1,19,259	<b>30,92,102</b>	<b>37,80,240</b>	28,49,207
Water Supply System	1,45,817	1,07,713	-	<b>2,53,530</b>	60,032	3,109	-	<b>63,141</b>	<b>1,90,389</b>	85,785
<b>Total</b>	<b>26,63,18,976</b>	<b>2,13,01,272</b>	<b>27,52,384</b>	<b>28,48,67,864</b>	<b>18,23,50,537</b>	<b>61,43,261</b>	<b>16,40,813</b>	<b>18,68,52,984</b>	<b>9,80,14,880</b>	<b>8,39,68,439</b>
<b>b Intangible Assets</b>										
Computer Softwares	5,25,000	-	-	<b>5,25,000</b>	2,18,750	1,75,000	-	<b>3,93,750</b>	<b>1,31,250</b>	3,06,250
<b>Total</b>	<b>5,25,000</b>	<b>-</b>	<b>-</b>	<b>5,25,000</b>	<b>2,18,750</b>	<b>1,75,000</b>	<b>-</b>	<b>3,93,750</b>	<b>1,31,250</b>	<b>3,06,250</b>
<b>c Capital Work In Progress</b>										
Capital Work In Progress	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>26,68,43,976</b>	<b>2,13,01,272</b>	<b>27,52,384</b>	<b>28,53,92,864</b>	<b>18,25,69,287</b>	<b>63,18,261</b>	<b>16,40,813</b>	<b>18,72,46,734</b>	<b>9,81,46,130</b>	<b>8,42,74,689</b>
Previous Year	26,15,73,932	80,44,646	27,74,602	26,68,43,976	17,57,45,943	1,07,13,571	38,90,227	18,25,69,287	-	-

**11 NON CURRENT INVESTMENTS**

Long Term Investments - at Cost

11A	Particulars	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
	<b>Others (Quoted) (refer Note 11B)</b>		
	- Investments in Equity Shares	<b>9,03,11,548</b>	13,11,71,221
	- Investments in Debentures or Bonds	<b>43,27,89,165</b>	1,00,00,000
	- Investments in Mutual Funds	<b>19,24,48,500</b>	-
	<b>Total</b>	<b>71,55,49,213</b>	14,11,71,221

**11B Details of other Investments**

Sr. No.	Particulars	Subsidiary/ Associate/ JV/Controlled Special Purpose Entity/Others	No. of Shares/Units		Quoted/ Unquoted	Partly Paid/ Fully Paid	Amount in ₹		Basis of Valuation
			As at 31st March, 2012	As at 31st March, 2011			As at 31st March, 2012	As at 31st March, 2011	
(a)	<b>Investments in Equity Shares</b>								
	Housing Development Finance Corporation Ltd of ₹ 2/- each	Others	2,600	-	Quoted	Fully Paid	17,23,049	-	At Cost
	Page Industries Ltd of ₹ 10/- each	Others	334	-	Quoted	Fully Paid	8,79,682	-	At Cost
	Hawkins Cooker Ltd of ₹ 2/- each	Others	634	-	Quoted	Fully Paid	9,54,085	-	At Cost
	MCX India Ltd of ₹ 2/- each	Others	359	-	Quoted	Fully Paid	3,70,488	-	At Cost
	Amrit Banaspati Company Ltd of ₹ 10/- each	Associate	16,81,373	16,81,373	Quoted	Fully Paid	8,13,34,744	8,13,34,744	At Cost
	Electrosteel Castings Ltd. of ₹ 1/- each	Others	-	39,888	Quoted	Fully Paid	-	17,98,267	At Cost
	Reliance Industries Ltd of ₹ 10/- each	Others	-	1,925	Quoted	Fully Paid	-	20,47,138	At Cost
	Sterlite Industries India Ltd of ₹ 1/- each	Others	-	11,226	Quoted	Fully Paid	-	19,84,752	At Cost
	ICICI Bank Ltd of ₹ 10/- each	Others	-	1,780	Quoted	Fully Paid	-	19,98,839	At Cost
	Dhanlaxmi Bank Ltd of ₹ 10/- each	Others	-	13,722	Quoted	Fully Paid	-	22,91,055	At Cost
	The Jammu & Kashmir Bank Ltd of ₹ 10/- each	Others	-	2,051	Quoted	Fully Paid	-	16,23,344	At Cost
	GVK Power & Infrastructure Ltd of ₹ 1/- each	Others	-	48,431	Quoted	Fully Paid	-	18,85,991	At Cost
	Hindustan Media Ventures Ltd. of ₹ 10/- each	Others	-	9,354	Quoted	Fully Paid	-	16,49,670	At Cost
	Tata Motors Ltd -DVR A ORD of ₹ 10/-each	Others	-	2,607	Quoted	Fully Paid	-	19,89,896	At Cost
	India Bulls Real Estate Ltd of ₹ 2/- each	Others	-	12,398	Quoted	Fully Paid	-	22,92,337	At Cost
	Aditya Birla Nuvo Ltd of ₹ 10/- each	Others	-	1,915	Quoted	Fully Paid	-	15,91,007	At Cost
	Gujarat NRE Coke Class B of ₹ 10/-each	Others	-	40,260	Quoted	Fully Paid	-	16,37,389	At Cost
	Rico Auto Industries Ltd of ₹ 1/- each	Others	-	86,420	Quoted	Fully Paid	-	21,69,244	At Cost
	Nagarjuna Construction Ltd. of ₹ 2/- each	Others	-	16,644	Quoted	Fully Paid	-	23,22,378	At Cost
	Wipro Ltd of ₹ .2/- each	Others	-	3,779	Quoted	Fully Paid	-	16,35,009	At Cost
	Venus Remedies Ltd of ₹ 10/- each	Others	-	5,335	Quoted	Fully Paid	-	16,54,391	At Cost
	Axis Bank Ltd of ₹ 10/- each	Others	-	1,338	Quoted	Fully Paid	-	20,42,084	At Cost
	Amar Raja Batteries Ltd of ₹ 2/- each	Others	-	8,490	Quoted	Fully Paid	-	16,15,900	At Cost
	Graphite India Ltd of ₹ 2/- each	Others	-	17,248	Quoted	Fully Paid	-	16,46,108	At Cost
	Prakash Industries Ltd of ₹ 10/-each	Others	-	13,740	Quoted	Fully Paid	-	20,48,021	At Cost
	Pantaloon Retails India Ltd of ₹ 2/- each	Others	-	4,721	Quoted	Fully Paid	-	18,64,156	At Cost
	Amrit Digvijai Infra-Tech Pvt Ltd of ₹ 10/- each	JV	4,950	4,950	Un Quoted	Fully Paid	49,500	49,500	At Cost
	ABC Paper Ltd - Preference share of ₹ 10/- each	Others	5,00,000	10,00,000	Un Quoted	Fully Paid	50,00,000	1,00,00,000	At Cost

Sr. No.	Particulars	Subsidiary/ Associate/ JV/Controlled Special Purpose Entity/Others	No. of Shares/Units		Quoted/ Unquoted	Partly Paid/ Fully Paid	Amount in ₹		Basis of Valuation
			As at 31st March, 2012	As at 31st March, 2011			As at 31st March, 2012	As at 31st March, 2011	
(b)	<b>Investments in Debentures or Bonds</b>								
	Bonds of Indian Railway Finance Corporation Ltd of Rs 1000/- each.	Others	54,377	-	Quoted	Fully Paid	5,43,77,000	-	At Cost
	Bonds of National Highways Authority of India of ₹ 1,000/- each.	Others	2,472	-	Quoted	Fully Paid	24,72,000	-	At Cost
	Bonds of Power Finance Corporation Ltd of ₹ 1,000/- each.	Others	2,75,624	-	Quoted	Fully Paid	28,19,60,075	-	At Cost
	NCD of Purvankara Projects Ltd. of ₹ 1,00,00,000/- each.	Others	2	1	Quoted	Fully Paid	2,00,00,000	1,00,00,000	At Cost
	NCD of Purvankara Projects Ltd. of ₹ 50,00,000/- each.	Others	4	-	Quoted	Fully Paid	2,00,00,000	-	At Cost
	NCD of T ata Power Company Ltd of ₹ 10,00,000/- each.	Others	32	-	Quoted	Fully Paid	3,34,56,000	-	At Cost
	NCD of Tata Steel Ltd. of ₹ 10,00,000/- each.	Others	8	-	Quoted	Fully Paid	85,48,000	-	At Cost
	NCD of Mannapuram Finance Ltd. of ₹ 1,000/- each.	Others	9,850	-	Quoted	Fully Paid	98,17,753	-	At Cost
	NCD of Sriram City Union Finance Ltd of ₹ 1,000/- each.	Others	2,150	-	Quoted	Fully Paid	21,58,337	-	At Cost
(c)	<b>Investments in Mutual Funds</b>								
	Kotak FMP Series 77 -Growth of ₹ 10/- each	Others	50,00,000	-	Quoted	Fully Paid	5,00,00,000	-	At Cost
	ICICI Prudential FMP Series 62-396 Days Plan F Cumulative of ₹ 10/- each	Others	30,00,000	-	Quoted	Fully Paid	3,00,00,000	-	At Cost
	Religare FMP SeriesXIII Plan B -14 months-Growth Plan of ₹ 10/- each	Others	10,00,000	-	Quoted	Fully Paid	1,00,00,000	-	At Cost
	Kotak FMP Series 80 -Growth of ₹ 10/- each	Others	30,00,000	-	Quoted	Fully Paid	3,00,00,000	-	At Cost
	Religare Fixed Maturity Plan- SeriesXII-Plan D (14 months)- Growth of ₹ 10/- each	Others	30,00,000	-	Quoted	Fully Paid	3,00,00,000	-	At Cost
	UTI Fixed Term Income Fund Series XI -III (368 days)-Growth Plan of ₹ 10/- each	Others	20,00,000	-	Quoted	Fully Paid	2,00,00,000	-	At Cost
	HDFC FMP 36 M (Oct 2011) (1)-Growth -Series XIX of ₹ 10/- each	Others	15,00,000	-	Quoted	Fully Paid	1,50,00,000	-	At Cost
	Kotak India Real Estate Fund-IV (KIREF-IV) of ₹ 1,000/- each	Others	7,449	-	Quoted	Fully Paid	74,48,500	-	At Cost
	<b>Total</b>						<b>71,55,49,213</b>	<b>14,11,71,221</b>	

Particulars	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
Aggregate amount of quoted investments-Market Value	83,44,45,272	43,56,78,830
Aggregate amount of unquoted investments-Market value	50,49,500	1,00,49,500





## 12 LONG TERM LOANS AND ADVANCES

Long term loans and advances consist of the following:

Long Term Loans and Advances	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
<b>a. Capital Advances</b>		
Unsecured, considered good	-	3,92,944
	-	3,92,944
<b>b. Security Deposits</b>		
Unsecured, considered good (refer Note 12A)	23,41,140	17,85,196
	23,41,140	17,85,196
<b>c. Loans and advances to related parties</b>		
Unsecured, considered good (refer Note 12B)		
- Inter Corporate Deposits	3,99,50,000	4,17,00,000
- Security Deposits	25,00,000	25,00,000
	4,24,50,000	4,42,00,000
<b>d. Other loans and advances</b>		
Secured, considered good		
-Excise Duty Recoverable	97,43,548	97,43,548
Doubtful		
-Mandi Tax Recoverable	11,08,625	11,08,625
-Ajeet Purandary (Supplier)	57,483	57,483
Less: Provision for Doubtful Advances	11,66,108	11,66,108
	97,43,548	97,43,548
<b>Total</b>	<b>5,45,34,688</b>	<b>5,61,21,688</b>

### 12A Details of Security Deposits consist of the following:

Particulars	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
Security for Telephone	56,025	56,025
Sales Tax Deptt.	3,09,145	3,87,601
UPSEB	18,08,100	11,73,700
Excise Deptt.	20,870	20,870
LDO licence	10,000	10,000
Other Securities	1,37,000	1,37,000
<b>Total</b>	<b>23,41,140</b>	<b>17,85,196</b>

### 12B Details of related parties balances consist of the following:

Particulars	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
Kamal Apparels Pvt. Ltd. (ICD)	3,00,00,000	3,25,00,000
Amrit Digvijay Infra-Tech Pvt. Ltd. (ICD)	99,50,000	92,00,000
Kamal Apparels Pvt. Ltd. (Security Deposit)	25,00,000	25,00,000
<b>Total</b>	<b>4,24,50,000</b>	<b>4,42,00,000</b>



**13 CURRENT INVESTMENTS**  
**SHORT TERM INVESTMENTS - AT THE LOWER OF COST AND FAIR VALUE**

13A	Particulars	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
	Others(Quoted) (refer Note 13B) Investments in Mutual Funds	<b>18,92,40,337</b>	15,36,62,213
	<b>Total</b>	<b>18,92,40,337</b>	15,36,62,213

**13B Details of Other Investments**

Sr. No.	Name of Body Corporate	Subsidiary/ Associate/ JV/Controlled Special Purpose Entity/Others	No. of Shares/Units		Quoted/ Unquoted	Partly Paid/ Fully Paid	Amount in ₹		Basis of Valuation
			As at 31st Mar., 2012	As at 31st Mar., 2011			As at 31st Mar., 2012	As at 31st Mar., 2011	
(a)	<b>Investments in Mutual Funds</b>								
	DWS Ultra Short Term Fund -Institutional Weekly Dividend.-Reinvest of ₹ 10/- each	Others	10,62,017	-	Quoted	Fully Paid	1,07,21,019	-	Lower of cost or fair value
	DWS Ultra Short Term Fund -Institutional Weekly Dividend.-Reinvest of ₹ 10/- each	Others	7,88,765	-	Quoted	Fully Paid	79,55,683	-	Lower of cost or fair value
	Kotak FMP SERIES 41 -Growth of ₹ 10/-each	Others	8,00,000	8,00,000	Quoted	Fully Paid	80,00,000	80,00,000	Lower of cost or fair value
	Kotak FMP SERIES 29 -Growth of ₹ 10/-each	Others	-	45,00,000	Quoted	Fully Paid	-	4,50,00,000	Lower of cost or fair value
	ICICI Prudential FMP Series 53 -1 YEAR Plan F Cumulative of ₹ 10/- each	Others	-	15,00,000	Quoted	Fully Paid	-	1,50,00,000	Lower of cost or fair value
	ICICI Prudential FMP Series 55 -1 YEAR Plan A Cumulative of ₹ 10/- each	Others	-	20,00,000	Quoted	Fully Paid	-	2,00,00,000	Lower of cost or fair value
	TATA Fixed Maturity Plan Series 30 Scheme A-Growth of ₹ 10/- each	Others	-	15,00,000	Quoted	Fully Paid	-	1,50,00,000	Lower of cost or fair value
	Religare FMP Series V Plan B Growth A of ₹ 10/- each	Others	-	20,00,000	Quoted	Fully Paid	-	2,00,00,000	Lower of cost or fair value
	HDFC High Interest Fund-Growth of ₹ 10/-each	Others	1,48,534	-	Quoted	Fully Paid	50,00,000	-	Lower of cost or fair value
	IDFC-SSIF-Short Term Plan A-Growth of ₹ 10/-each	Others	2,42,323	-	Quoted	Fully Paid	50,00,000	-	Lower of cost or fair value
	ICICI Prudential Interval Fund II Quarterly Interval Plan Institutional Dividend of ₹ 10/- each	Others	20,00,000	-	Quoted	Fully Paid	2,00,00,000	-	Lower of cost or fair value
	ICICI Prudential FMP Series 57 -1 YEAR Plan A Cumulative of ₹ 10/- each	Others	10,00,000	10,00,000	Quoted	Fully Paid	1,00,00,000	-	Lower of cost or fair value
	NCD of Kotak Mahindra Investments Ltd of ₹ 10,00,000/- each	Others	120	-	Quoted	Fully Paid	11,95,27,951	-	Lower of cost or fair value
	Kotak Floater Long Term-Growth of ₹ 10/- each	Others	1,84,088	6,93,056	Quoted	Fully Paid	30,35,684	1,06,62,213	Lower of cost or fair value
	<b>Total</b>						<b>18,92,40,337</b>	15,36,62,213	

Particulars	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
Aggregate amount of quoted investments - Market Value	<b>19,15,82,093</b>	15,62,83,205
Aggregate amount of unquoted investments - Market value	-	-



## 14 INVENTORIES

Inventories consist of the following:

Inventories	As at 31st March, 2012	As at 31st March, 2011
	Amount in ₹	Amount in ₹
<b>a. Raw Materials and components</b>		
- Milk	5,93,445	3,24,167
- Stabilizer	6,19,550	1,80,738
- Skimmed Milk Powder (SMP)	17,87,930	9,41,397
- Whey Powder(WP)	64,89,349	47,29,564
- Sugar	1,69,898	3,89,266
- Dextrose	1,03,108	2,44,445
- Flavours	14,02,122	20,61,796
	<b>1,11,65,402</b>	<b>88,71,373</b>
<b>b. Finished goods</b>		
- Milk	3,70,046	7,01,489
- Flavoured Milk	17,16,373	26,24,607
- Creams	10,80,022	8,56,940
- Dairy Mixes	17,78,550	17,35,013
	<b>49,44,991</b>	<b>59,18,049</b>
<b>c. Stock-in-Trade</b>		
-Commodities (Silver)	7,43,17,772	-
-Land & Buildings	4,83,56,765	2,60,83,598
	<b>12,26,74,537</b>	<b>2,60,83,598</b>
<b>d. Stores and spares</b>		
- Stores	63,77,915	53,24,300
- Oil & Lubricants	6,13,411	8,30,130
- Pet Coke	3,73,460	4,23,742
- Packing Material	58,95,268	33,38,642
- Chemicals	65,360	52,330
	<b>1,33,25,414</b>	<b>99,69,144</b>
<b>Total</b>	<b>15,21,10,344</b>	<b>5,08,42,164</b>

### Valuation of inventory

- (a) Raw materials, components, stores, spares and loose tools are valued at lower of weighted average cost.
- (b) Work-in-progress
  - (i) Work-in-progress (other than the property development or construction related) is valued at cost determined at different stages of production which include related overheads.
  - (ii) Property Development and construction-related work-in-progress is valued at cost till such time the outcome of the work cannot be ascertained and thereafter at lower of cost or net realizable value.
- (c) Finished goods are valued at lower of weighted average cost or net realizable value. In the case of finished goods, cost is determined by taking material, labour and related factory overheads, including depreciation and fixed production overheads, which are apportioned on the basis of normal capacity.
- (d) Unsold real estate inventory is valued at lower of cost or market value
- (e) Stock in trade are valued at cost or at market value, whichever is lower. The cost in such cases is valued at the last month weighted average price.



## 15 TRADE RECEIVABLES

Trade receivables consist of the following:

Trade Receivables	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
Trade receivables outstanding for a period less than six months from the date they are due for payment Unsecured, considered good	1,14,51,095	85,50,104
	1,14,51,095	85,50,104
Trade receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good	26,116	47,779
Unsecured, considered doubtful	16,13,057	15,90,886
Less: Provision for doubtful debts	(16,13,057)	(15,90,886)
	26,116	47,779
<b>Total</b>	<b>1,14,77,211</b>	<b>85,97,883</b>

## 16 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following:

Cash and Cash Equivalents	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
a. Balances with banks		
- In Current Accounts (refer Note 16A)	14,55,01,804	30,64,730
- In Deposit Accounts	3,12,87,000	3,97,74,658
b. Cheques, drafts in hand	-	-
c. Cash in hand	7,49,044	2,87,077
d. Others		
- Unclaimed Dividends & others (refer Note 16B)	51,58,636	47,64,342
- Margin money for the Bank Guarantees (refer Note 16C)	98,13,301	98,13,301
<b>Total</b>	<b>19,25,09,785</b>	<b>5,77,04,108</b>

Cash and cash equivalents as of March 31, 2012 and March 31, 2011 include restricted cash and bank balances of ₹ 2,00,27,837. (Previous Year - ₹ 2,11,44,643). The restrictions are primarily on account of:

- (i) ₹ 50,55,900/- (Previous Year ₹ 65,67,000) on account of Investment in Un-encumbered Liquid Funds required as per Section 58A of the Companies Act, 1956.
- (ii) ₹ 51,58,636/- (Previous Year ₹ 47,64,342/-) on account of unclaimed dividends.
- (iii) ₹ 98,13,301/- (Previous year ₹ 98,13,301/-) on account of margin money towards Bank Guarantees.



#### 16A Details of Current Bank Accounts

Particulars	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
ICICI Bank Ltd.	61,00,000	-
Kotak Mahindra Bank Ltd.	7,21,18,700	-
Punjab National Bank	3,32,59,254	27,17,778
Yes Bank Ltd.	3,02,15,758	1,38,457
Axis Bank Ltd	35,09,305	-
Others Bank Balances	2,98,787	2,08,495
<b>Total</b>	<b>14,55,01,804</b>	<b>30,64,730</b>

#### 16B Details of Unpaid Dividend Bank Accounts

Particulars	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
Unpaid Dividend Account-2004-05-Yes Bank Ltd.	14,90,628	14,91,751
Unpaid Dividend Account-2005-06-Yes Bank Ltd.	6,67,458	6,67,458
Unpaid Pref.Interim Dividend Account-2005-06 -Yes Bank Ltd	59,715	59,752
Unpaid Dividend Account-2006-07-Yes Bank Ltd.	1,71,918	1,71,918
Unpaid Dividend Account-2007-08-Yes Bank Ltd.	1,63,610	1,63,615
Unpaid Dividend Account-2008-09-Yes Bank Ltd.	2,12,778	2,12,828
Unpaid Dividend Account-2009-10-Yes Bank Ltd.	2,06,736	2,06,736
Unpaid Dividend Account-2010-11-Yes Bank Ltd.	3,96,284	-
Unpaid Redemption of Preference Shares -Yes Bank Ltd.	12,27,030	12,27,530
Unpaid Fractional Shares Entitlement-Yes Bank Ltd.	5,62,479	5,62,754
<b>Total</b>	<b>51,58,636</b>	<b>47,64,342</b>

#### 16C Details of Margin Money

Particulars	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
Punjab National Bank		
-Ghaziabad Development Authority	6,50,000	6,50,000
-Excise Deptt. (refer Note 33)	91,63,301	91,63,301
<b>Total</b>	<b>98,13,301</b>	<b>98,13,301</b>



## 17 SHORT TERM LOANS AND ADVANCES

Short term loans and advances consist of the following:

Short-term Loans and Advances	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
<b>(a) Loans and advances to related parties</b> Unsecured, considered good (refer Note 17A) -Balances with Related parties	<b>16,60,984</b>	82,17,413
<b>(b) Other Loans and advances</b> Unsecured, considered good		
- Inter Corporate Deposits (refer Note 17B)	<b>12,65,00,000</b>	8,75,75,568
- Other Loans and advances (refer Note 17C)	<b>4,24,33,467</b>	76,06,712
- MAT Entitlement	-	1,11,57,842
<b>Total</b>	<b>17,05,94,451</b>	11,45,57,535

### 17A Details of Related Parties consist of the following:

Particulars	As at 31st March 2012 Amount in ₹	As at 31st March 2011 Amount in ₹
Amrit Banaspati Company Ltd.	11,192	75,24,137
Amrit Digvijay Infra-Tech Pvt. Ltd.		
Interest Recoverable	7,12,564	6,56,048
Amrit Learning Ltd.	37,228	37,228
Loans and advances due by other officers	9,00,000	-
<b>Total</b>	<b>16,60,984</b>	82,17,413

### 17B Details of other Loans and advances consist of the following:

Particulars	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
Digvijay Real Estate Developers Pvt. Ltd.	-	3,00,00,000
Digvijay Capital Management Pvt. Ltd.	1,25,00,000	-
Kotak Commodity Services Ltd.	10,00,00,000	-
Nimmi Investment Pvt. Ltd.	40,00,000	25,00,000
Savvy Constructions Pvt. Ltd.	50,00,000	50,00,000
Sonata Travels India Pvt. Ltd.	50,00,000	-
RSA Exim Pvt. Ltd.	-	5,00,75,568
<b>Total</b>	<b>12,65,00,000</b>	8,75,75,568



**17C Details of other Loans and advances consist of the following:**

Particulars	As at 31st March, 2012 Amount in ₹	As at 31st March, 2011 Amount in ₹
Prepaid Expenses	4,35,610	3,67,883
Cenvat Recoverable	3,93,546	42,787
Interest Recoverable	1,43,33,600	38,16,965
Staff Advances	2,91,590	3,08,384
Kotak Commodities Service Ltd.	58,82,228	-
Kotak Securities Ltd.	2,00,26,444	-
Other Loans & Advances	10,70,449	30,70,693
<b>Total</b>	<b>4,24,33,467</b>	<b>76,06,712</b>

**18 REVENUE FROM OPERATIONS**

Revenue from operations consist of revenues from:

Particulars	For the year ended 31st March, 2012 Amount in ₹	For the year ended 31st March, 2011 Amount in ₹
(a) Sale of products (refer Note 18A)	50,80,59,694	39,69,80,694
(b) Sale of Services (refer Note 18B)	61,50,000	1,16,50,000
(c) Other operating revenues (refer Note 18C)	2,78,60,386	4,57,41,851
(d) Less: Excise duty	9,94,439	1,01,053
<b>Total</b>	<b>54,10,75,641</b>	<b>45,42,71,492</b>

**18A Details of Goods sold**

Particulars	For the year ended 31st March, 2012 Amount in ₹	For the year ended 31st March, 2011 Amount in ₹
Manufacturing Goods		
- Flavoured Milk	8,99,73,920	7,84,18,705
- Cream	11,89,20,596	9,39,15,336
- Milk	7,79,00,177	7,73,66,288
- Dairy Mixes	19,64,28,973	13,90,16,027
Stock-in-trade		
- Land & Building	8,70,816	82,64,338
- Castor Seed	1,18,53,394	-
- Castor Oil	1,16,35,110	-
- Steel Kurnool	4,76,708	-
<b>Total</b>	<b>50,80,59,694</b>	<b>39,69,80,694</b>



### 18B Details of Services

Particulars	For the year ended 31st March, 2012 Amount in ₹	For the year ended 31st March, 2011 Amount in ₹
Services		
- Business Advisory	55,00,000	1,05,00,000
- Group Chairman Office	6,50,000	11,50,000
<b>Total</b>	<b>61,50,000</b>	<b>1,16,50,000</b>

### 18C Details of other Operating Income

Particulars	For the year ended 31st March, 2012 Amount in ₹	For the year ended 31st March, 2011 Amount in ₹
Sale of Scrap	9,00,322	4,56,145
Royalty of 'Gagan' Brand	2,17,30,337	1,48,22,850
Royalty of Corporate Logo	52,29,727	3,04,62,856
<b>Total</b>	<b>2,78,60,386</b>	<b>4,57,41,851</b>

### 19 OTHER INCOME

Other income (Net) consist of the following:

Particulars	For the year ended 31st March, 2012 Amount in ₹	For the year ended 31st March, 2011 Amount in ₹
Interest Income (refer Note 19A)	2,48,36,133	1,85,33,546
Dividend Income	11,28,03,383	89,58,269
Rent	9,01,391	8,25,807
Gain on exchange fluctuation	7,477	31,588
Miscellaneous income	-	4,70,079
Sundry Creditors Balance written Back	5,57,644	1,621
Net Gain/(Loss) on sale of investments - Net	1,25,96,678	4,84,634
Effect of Change in Policy		
- Depreciation written back [refer Note 30(a)]	-	29,59,921
Prior Period Adjustments		
- Depreciation short charge earlier [refer Note 30(b)]	34,138	(7,37,077)
Provisions made for previous years no longer required	7,66,795	10,63,862
<b>Total</b>	<b>15,25,03,639</b>	<b>3,25,92,250</b>



### 19A Details Interest Received

Particulars	For the year ended 31st March, 2012 Amount in ₹	For the year ended 31st March, 2011 Amount in ₹
On Fixed Deposits with Banks	43,25,870	36,94,147
On Non-Convertible Debentures	59,57,369	-
On Tax Free Bonds	41,78,204	-
On Inter Corporate Deposits	91,72,345	1,23,53,766
On Sweep Account	2,88,147	2,95,428
On Applications for Bond / NCD	8,70,253	-
On Wealth Tax/IT Refund	43,945	5,26,332
On Insurance claims	-	16,63,873
<b>Total</b>	<b>2,48,36,133</b>	<b>1,85,33,546</b>

### 20 COST OF MATERIALS CONSUMED

Details of Materials Consumed

Particulars	For the year ended 31st March, 2012 Amount in ₹	For the year ended 31st March, 2011 Amount in ₹
Inventory at the beginning of the year	88,71,374	82,41,510
Add: Purchases	30,48,66,565	24,32,61,305
	<b>31,37,37,939</b>	25,15,02,815
Less: Transfer	-	28,10,750
Less: Inventory at the end of the year	1,11,65,402	88,71,373
<b>Cost of raw materials consumed (refer Note 20A)</b>	<b>30,25,72,537</b>	<b>23,98,20,692</b>

### 20A Details of Raw Materials Consumed

Particulars	For the year ended 31st March, 2012 Amount in ₹	For the year ended 31st March, 2011 Amount in ₹
Food Division		
- Milk	25,18,08,708	20,17,68,816
- Stabilizer	52,29,927	35,88,706
- Skimmed Milk Powder (SMP)	25,03,382	19,27,396
- Whey Powder(WP)	20,73,217	14,91,348
- Sugar	1,11,06,990	63,92,146
- Dextrose	2,25,86,743	1,82,11,070
- Flavours	72,63,570	64,41,210
<b>Total</b>	<b>30,25,72,537</b>	<b>23,98,20,692</b>





## 21 Details of goods purchased for trading

Particulars	For the year ended 31st March, 2012 Amount in ₹	For the year ended 31st March, 2011 Amount in ₹
Real estate - Purchases/procurement/improvement expenses	2,24,79,291	1,31,11,255
Stock of Commodities		
-Silver	7,43,17,772	-
-Castor Seed	1,16,34,923	-
-Castor Oil	1,14,89,169	-
-Steel Kurnool	4,70,340	-
<b>Total</b>	<b>12,03,91,495</b>	<b>1,31,11,255</b>

## 22 Details of changes in Inventory

Inventory at the end of the year consists of the following:

Particulars	For the year ended 31st March, 2012 Amount in ₹	For the year ended 31st March, 2011 Amount in ₹	Increase/ (Decrease) Amount in ₹
Stock in Trade			
- Land & Building	4,83,56,765	2,60,83,598	2,22,73,167
- Commodities (Silver)	7,43,17,772	-	7,43,17,772
Finished Goods			
- Milk	3,70,046	7,01,489	(3,31,443)
- Flavoured Milk	17,16,373	26,24,607	(9,08,234)
- Cream	10,80,022	8,56,940	2,23,082
- Dairy Mixes	17,78,550	17,35,013	43,537
<b>Total</b>	<b>12,76,19,528</b>	<b>3,20,01,647</b>	<b>9,56,17,881</b>

## 23 EMPLOYEE BENEFITS EXPENSES

Employee benefits expenses consist of the following:

Particulars	For the year ended 31st March, 2012 Amount in ₹	For the year ended 31st March, 2011 Amount in ₹
(a) Salaries & Wages	3,70,48,588	3,11,13,373
(b) Bonus	10,36,883	6,35,734
(c) Leave Encashment (refer Note 38)	17,34,965	9,58,681
(d) Contributions to:		
(i) Provident Fund	28,44,797	26,40,525
(ii) Gratuity Fund Contribution (refer Note 38)	25,18,998	48,52,203
(iii) Employee State Insurance (ESI)	5,74,035	5,35,195
(e) Employee Welfare expenses	18,81,659	17,37,221
<b>Total</b>	<b>4,76,39,925</b>	<b>4,24,72,932</b>

The above amounts include ₹ 70,51,587/- (₹ 32,15,475/-) Gross Remuneration paid to the Managing Director.



## 24 FINANCE COSTS

Finance costs consist of the following:

Particulars	For the year ended 31st March, 2012 Amount in ₹	For the year ended 31st March, 2011 Amount in ₹
Interest expenses (refer Note 24A)	1,22,41,378	1,06,02,379
<b>Total</b>	<b>1,22,41,378</b>	<b>1,06,02,379</b>

### 24A Interest expenses consist of the following:

Particulars	For the year ended 31st March, 2012 Amount in ₹	For the year ended 31st March, 2011 Amount in ₹
Interest paid on term loans	4,21,339	9,37,154
Interest paid on CC Account	4,42,700	83,861
Interest paid on overdraft	5,54,049	-
Interest paid on MSMED Parties (refer Note 34)	59,952	25,893
Interest paid on Dealers Security	41,407	64,423
Interest paid on Fixed Deposits	66,36,911	75,50,143
Interest paid on ICD	3,32,901	10,91,251
Interest paid on Vehicle finance	3,70,653	3,58,323
Interest paid to Kotak Mahindra Prime Ltd.	28,87,094	-
Interest paid to Infina Finance Pvt Ltd.	4,91,972	-
Interest paid to Yes Bank Ltd.	-	4,90,564
Interest - others	2,400	767
<b>Total</b>	<b>1,22,41,378</b>	<b>1,06,02,379</b>

## 25 OTHER EXPENSES

Other expenses consist of the following:

Particulars	For the year ended 31st March, 2012 Amount in ₹	For the year ended 31st March, 2011 Amount in ₹
Consumption of Stores & Spares, Chemicals & others (refer Note 25A)	4,81,08,145	4,14,48,426
Power & Fuel consumed	2,83,00,772	2,60,19,721
Rent	53,23,581	53,69,476
Rates & Taxes	3,63,262	6,57,246
Repairs to Buildings	6,11,062	7,77,623
Repairs to Machineries	1,02,83,654	84,19,150
Freight Outward	38,28,625	42,61,124
Payment to Auditors		
- Audit fee	2,50,000	1,32,360
- Tax Audit fee	50,000	33,090
- Reim. of expenses	81,400	42,550
- Other services		1,00,000
Payment to Directors		
- as sitting fees	7,95,000	6,90,000
- as travelling expenses	5,55,300	1,92,457
Advisory & Consultancy	21,93,384	56,70,714
Travelling Expenses	55,21,824	31,74,195
Sundry Balance written off	33,866	1,18,929
Selling Expenses	1,18,21,852	96,81,029
Provision of doubtful debts	22,171	
Loss/(Net Gain) on sale of Fixed Assets-Net	4,65,914	3,61,962
Other Expenses	2,15,10,539	2,00,00,427
<b>Total</b>	<b>14,01,20,351</b>	<b>12,71,50,479</b>



**25A Stores & Spares, Chemicals & others consist of the following:**

Particulars	For the year ended 31st March, 2012 Amount in ₹	For the year ended 31st March, 2011 Amount in ₹
Chemicals	26,26,834	22,87,631
Packing Materials	4,04,74,272	3,51,73,944
Packing Expenses	50,07,039	39,86,851
<b>Total</b>	<b>4,81,08,145</b>	<b>4,14,48,426</b>

**26 TAX EXPENSES**

Tax expenses consist of the following:

Particulars	For the year ended 31st March 2012 Amount in ₹	For the year ended 31st March 2011 Amount in ₹
Current Tax - Income Tax	23,29,70,293	3,35,83,000
Deferred Tax Liabilities		
- Deferred Tax Liabilities Depreciation and amortisation*	11,16,577	(8,75,220)
- Deferred Tax Assets		
Bonus not Paid	(1,15,942)	(20,271)
Earned Leave	(3,99,212)	(87,165)
Provision for doubtful debts	(7,193)	4,05,481
Restructuring Expenses	-	67,576
<b>Total</b>	<b>23,35,64,523</b>	<b>3,30,73,401</b>

\*Previous year figures of deferred tax liabilities includes deferred tax charge of ₹ 9,60,346/- on excess depreciation due to change in accounting policy.



## NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

### 27. Contingent Liabilities and Commitments

#### (i) Contingent Liabilities

(Fig. in ₹)

	2011-12	2010-11
(a) Bank Guarantee given to the Excise Deptt. against refund of excise duty to Amrit Food Division as per Order dated 02.02.2009 of the Hon'ble Supreme Court of India	<b>91,63,301</b>	91,63,301
(b) Claims against the Company not acknowledged as debts	<b>6,89,170</b>	6,89,170
(c) Income Tax cases reopened u/s 148 of Income Tax Act regarding treatment of capital gain on business profit by the Assessing Officer. Writ filed by the Company before the Hon'ble High Court at Allahabad admitted and stay granted.	<b>2,00,00,000</b>	2,00,00,000

#### (ii) Commitments

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31<sup>st</sup> March, 2012 amounted to Nil (Previous Year - Nil).
- (b) Outstanding commitments (futures) on account of sale of commodity purchased for trading as at 31<sup>st</sup> March, 2012 amounted to ₹ 7,43,17,772/- (Previous Year - Nil). (refer Note 14 for details of commodity trading).
28. (a) The company, being the legal/beneficial owner and registered proprietor of the Trademark 'Gagan' for use in hydrogenated vegetable oils and edible refined oils ('Gagan' brand), had licensed the same to Amrit Banaspati Co. Ltd. ("ABCL") for which ABCL was paying royalty. ABCL decided to exit the edible oils business and sold the same on slump sale basis and as a going concern to Bunge India Private Ltd. ("Bunge"). The said 'Gagan' brand being an integral part of the edible oils business of ABCL, Bunge also offered to purchase the same by way of transfer/assignment to it for a consideration of ₹ 1,04,50,00,000/-. The offer of Bunge was accepted by the Company after approval of the same by the Board of Directors and shareholders pursuant to Section 293(1)(a) of the Companies Act, 1956. The said consideration was within the range of valuation computed by M/s SSPA & Co., Chartered Accountants, Mumbai, which valued the 'Gagan' brand in the range of ₹ 95,66,00,000/- and ₹ 1,07,90,00,000/-. The Company has, during the financial year, recognized net profit of ₹ 1,03,81,59,345/- in the books of accounts arising out of the sale of 'Gagan' brand as shown under the head "Exceptional Income" in the Profit & Loss Account.
- (b) The transfer of the Trademark 'Gagan' to Bunge has resulted in a profit of ₹ 1,03,81,59,345/-. The same has been shown under the head "Exceptional Item" in the Profit & Loss Account. The profit of ₹ 1,03,81,59,345/- is computed as under:

(Fig. in ₹)

(i) Gross amount realized on sale of 'Gagan' brand name	1,04,50,00,000
(ii) Less: Direct expenses of professional nature incurred for effecting sale of brand	68,40,655
<b>(iii) Net Profit on sale of 'Gagan' Brand Name</b>	<b>1,03,81,59,345</b>

29. The Company promoted a joint venture company (hereinafter referred to as 'JV Company') under the name & style of "Amrit Digvijay Infra-tech Pvt. Ltd." for developing a housing project at Dehradun. The



company invested a sum of ₹ 49,500/- towards equity and provided ₹ 99,50,000/- as unsecured loan. The JV company has already acquired and registered in its name a portion of the land. The Company could not acquire the balance land and, therefore, it has been decided by the JV company to abandon the housing project on this land. Efforts are being made to sell the land and identify another project in Dehradun or any other suitable location. Pursuant to Accounting Standard (AS) 27 – Financial Reporting on interest in Joint Venture, the disclosures relating to the joint-venture viz., Amrit Diggvijay Infra-Tech Pvt. Ltd. are as follows:

- (a) The proportion of interest of the Company in the JV is by way of 50% equity participation.
- (b) The aggregate amount of assets, liabilities, income and expenses relating to the company's interest in the JV as on 31<sup>st</sup> March, 2012 is as follows:

(Fig. in ₹)

	2011-12	2010-11
1. Assets		
- Fixed Assets	90,39,229	82,65,579
- Current Assets	56,899	65,090
2. Liabilities		
- Current Liabilities	11,33,214	15,27,746
- Unsecured Loan	99,50,000	92,00,000
3. Revenue	-	-
4. Expenses	23,125	23,377

- (c) The Company's share of capital commitment in the JV as on 31<sup>st</sup> March, 2012 is Nil (previous year Nil).
  - (d) The Company's share of contingent liabilities of the JV as on 31<sup>st</sup> March, 2012 is Nil (previous year Nil).
  - (e) There was no contingent liability outstanding as on 31<sup>st</sup> March, 2012 in relation to the Company's interest in the JV alongwith the co-venturer.
- 30 (a) **Note on Change in Accounting Policy effected in Previous Year** (i.e. 2010-2011) Depreciation on fixed assets, other than intangibles, was being provided on the written down value method at the Corporate Office and straight line method at the Amrit Food Unit at the rates specified in Schedule XIV of the Companies Act, 1956. In order to have uniformity in the depreciation accounting for both the units which would ensure more appropriate presentation of the financial statements of the enterprise, in the previous year ended 31<sup>st</sup> March, 2011, the Company changed (with retrospective effect) its method of providing depreciation on fixed assets in the Corporate Office (other than Intangibles) from the written down value ('WDV) method to the straight line (SLM) method at the Schedule XIV rates prescribed in the Companies Act, 1956. The excess of ₹ 29,59,921/- arising out of retrospective re-computation of depreciation and after considering the effect of deferred tax charge of ₹ 9,60,346/- on such excess amount, the previous year's profit and loss account has been credited with the net amount of ₹ 19,99,575/- and the same was shown separately.

Had the company not changed the policy and continued to provide depreciation on the earlier basis, the aforesaid excess amount of ₹ 19,99,575/- credited to the Profit & Loss account during the previous year, would not have arisen and there would have been in lieu thereof higher depreciation charge to the Profit and Loss account of ₹ 21,60,440/- and after considering effect of deferred tax charge of ₹ 7,00,955/- on such depreciation amount, the previous year's profit and loss account had been charged/debited with the net amount of ₹ 14,59,485/-. Consequently reserve and surplus as on 31<sup>st</sup> March, 2011, would have been lower by ₹ 34,59,060/-. Similarly, the net block of fixed assets



as on 31<sup>st</sup> March, 2011 would have been lower by ₹ 51,20,361/- and deferred tax liability as on 31<sup>st</sup> March, 2011 would have been lower by ₹ 16,61,301/-.

**(b) Note on Short Provision Adjustment on Depreciation in Previous Year (i.e F.Y. 2010-11):**

The Amrit Food Division of the Company had short charged depreciation on some of the equipments in the previous years amounting to ₹ 7,37,077/- and the same has now been charged during the year ended 31<sup>st</sup> March, 2011 and has been shown as prior period adjustments in the Profit and Loss Account.

31. The auditors have issued letters of confirmation in duplicate to all debtors, creditors, depositors & others for confirming their balances. Balance confirmations have been received from major parties, except some parties whose outstandings are not material and some of whom are in dispute and/or under litigation with the Company. The balances of such parties have been incorporated in the financial statements at the value as per the books of account. The Company, to the extent stated, has considered them as good and necessary provisions have been made in respect of debtors/advances under litigation and where recovery is considered doubtful.
32. The Bombay Municipal Corporation (BMC) through the Special Land Acquisition Officer had acquired freehold land belonging to the Company admeasuring 3857.069 sq.mtrs. for ₹ 5,61,927/-. The Company had filed a petition in the Hon'ble Bombay High Court for enhancement of compensation. By a judgement dated 24<sup>th</sup> October, 1994, the Bombay High Court enhanced the compensation, including interest, by ₹ 31,27,603/- with a direction to pay further interest from 15<sup>th</sup> October, 1994 till the actual date of payment. Against the judgement by a Single Judge, the BMC filed an appeal before the Division Bench of the High Court for stay and vide order dated 21<sup>st</sup> November, 1995 the execution and operation of the judgement dated 24<sup>th</sup> October, 1994 was stayed on the condition that BMC deposits the decretal amount with upto date interest amounting to ₹ 42,75,769.65 with the Court which the Company was allowed to withdraw after furnishing a solvent security. ₹ 32,08,889.65 was received by the Company on 5<sup>th</sup> January, 1999 and the balance on account of interest accrued thereon amounting to ₹ 10,66,880/- (including TDS) was received on 15.03.2000 and these have been accounted for in the books of account for the relevant period. The appeal by BMC was finally disposed off by the Division Bench of the Bombay High Court vide order dated 29<sup>th</sup> April, 2004, which has modified the order of the Single Judge and reduced the compensation to ₹ 21,01,271.97 as against the amount of ₹ 32,08,889.65 decreed by the Single Judge. The Company has filed an SLP before the Hon'ble Supreme Court of India against the order as well as a stay application against the deposit of the differential amount of ₹ 11,07,617.68 together with interest @12% thereon from 29<sup>th</sup> January, 1999. The appeal came up for hearing on 25<sup>th</sup> November, 2004 and the Hon'ble Supreme Court of India was pleased to issue a Notice on the SLP as well as on the interim stay application. There has been no further progress in this matter during the year.
33. Milk products, namely, soft serve mix and milk shake mix manufactured by Amrit Food Division and supplied to McDonald's restaurants had been held to be excisable products by the Commissioner, Central Excise, Meerut. On appeal, the CEGAT (now CESTAT) confirmed the order passed by the Commissioner. The Company filed an appeal against the CEGAT's order before the Hon'ble Supreme Court of India challenging the excisability of these products. The Hon'ble Supreme Court while setting-aside the order of CESTAT in so far as it pertained to determination of the classification of the aforesaid products, remanded the matter back to CESTAT for the purpose of disposing of the same on merit. The CESTAT after detailed arguments passed an order dated 29<sup>th</sup> March, 2006 holding inter-alia that the products in question were classifiable under Chapter 4 heading 04.04 of the Central Excise Act having 'nil' rate of duty and not under Chapter 19 heading 19.01.19, as contended by the Excise Department. The CESTAT has, thus, set-aside the order passed by the Commissioner imposing duty on the said products and the demands raised by the Excise Deptt. have also been set-aside with consequential relief. The Excise Department has, however filed an appeal before the Hon'ble Supreme Court against the order of CESTAT which has been admitted. In the meantime, Amrit Food filed appropriate application(s) seeking refund of the duty paid in the past.



On an application for stay filed by the Excise Deptt., the Hon'ble Supreme Court vide order dated 2.2.2009 allowed the Company refund of ₹ 91,63,301/- subject to the Company furnishing bank guarantee for the same. In compliance of the order of the Hon'ble Supreme Court, the Company submitted the requisite bank guarantee to the Excise Deptt. and has received refund of ₹ 91,63,301/- from the Excise Deptt. on 01.06.2009. The Company is also entitled to interest on the refund amount as applicable under the Central Excise Act/Rules, which is under appeal before CESTAT. Necessary adjustment entries for the refund/ interest will be passed upon adjudication of the appeal by the Hon'ble Supreme Court. The amount of ₹ 91,63,301/- has been shown as recoverable in Note 16C.

34. The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31.03.2012. The disclosure pursuant to the said Act is as under:

(Fig. in ₹)

	2011-12	2010-11
(a) The Principal amount remaining unpaid to any supplier as at the end of each accounting year	<b>9,49,751</b>	12,87,309
(b) The Interest due remaining unpaid to any supplier as at the end of each accounting year	<b>59,952</b>	25,893
(c) The amount of interest paid by the buyer in terms of section 18	<b>Nil</b>	Nil
(d) Amount of the payment made to the supplier beyond the appointed day during each accounting year	<b>16,34,373</b>	7,38,809
(e) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	<b>59,952</b>	25,893
(f) The amount of interest accrued and remaining unpaid at the end of each accounting year	<b>59,952</b>	25,893
(g) The amount of further interest remaining due and payable even in the succeeding years, until such dated when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

**Note:** The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the company.

### 35. Related Party Disclosure

#### A. Related Parties

(i) Key Management Personnel	: Mr. N.K. Bajaj, Chairman & Managing Director : Mr. A.K. Bajaj, Managing Director
(ii) Associate Companies	: M/s Amrit Banaspati Company Ltd. (ABCL) : M/s Amrit Agro Industries Ltd. (AAIL) : M/s Kamal Apparels Private Limited (KAPL) : M/s Amrit Learning Ltd. (ALL) : M/s Amrit Digvijay Infra-Tech Pvt.Ltd. (ADIPL)



## B. Transactions with Related Parties

(Fig. in ₹)

Type of Transaction	ABCL		AAIL		KAPL		ALL		ADIPL		Key Managerial Personnel	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
(a) BPO Services	60,66,500	60,66,500	-	-	-	-	-	-	-	-	-	-
(b) GCO Receipts	5,51,500	5,51,500	-	-	-	-	1,65,452	1,65,452	-	-	-	-
(c) Receipt of royalty for use of brand names/ logo	2,97,36,952	2,19,23,730	-	-	-	-	-	-	-	-	-	-
(d) Payment of interest on Unsecured Loan	3,32,901	7,74,648	-	-	-	-	-	-	-	-	-	-
(e) Receipt of interest on Unsecured Loans/ Receivables	-	-	-	-	37,38,288	34,44,576	-	-	7,91,738	7,28,942	-	-
(f) Dividend Income	10,76,07,872	32,80,074	-	-	-	-	-	-	-	-	-	-
(g) Dividend Payment	-	-	10,71,268	5,35,634	-	-	-	-	-	-	9,87,872	4,69,298
(h) Rent paid	-	-	-	-	46,32,600	46,32,600	-	-	-	-	-	-
(i) Expenses recovered	98,60,213	5,57,314	-	16,658	-	-	-	-	-	-	-	-
(j) Expenses reimbursed	-	-	-	-	3,99,014	3,72,660	-	-	-	-	-	-
(k) Advances/loans given	-	-	-	-	-	3,25,00,000	-	-	7,50,000	7,00,000	-	-
(l) Advances/loans repaid/Recovered	44,26,562	44,26,562	-	-	25,00,000	-	-	-	-	-	-	-
(m) Investment in shares	-	88,36,744	-	-	-	-	-	-	-	-	-	-
(n) Remuneration of key managerial personnel	-	-	-	-	-	-	-	-	-	-	70,51,587	32,15,475
(o) Assets sold	-	-	-	-	-	-	-	-	-	-	-	-
(p) Security deposit given	-	-	-	-	-	25,00,000	-	-	-	-	-	-
<b>Balances as on 31<sup>st</sup> March, 2012</b>												
(i) Unsecured Loans taken	-	44,26,562	-	-	-	-	-	-	-	-	-	-
(ii) Unsecured Loans given	-	-	-	-	3,00,00,000	3,25,00,000	-	-	99,50,000	92,00,000	-	-
(iii) Investments in shares	8,13,34,744	8,13,34,744	-	-	-	-	-	-	49,500	49,500	-	-
(iv) Receivables	11,192	75,24,137	-	-	25,00,000	25,00,000	37,228	37,228	7,91,738	6,56,048	-	-
(v) Payable	-	-	-	-	24,750	-	-	-	-	-	-	-
(vi) Deposit Received	-	-	-	-	-	-	-	-	-	-	1,00,000	1,00,000
(vii) Commission Payable	-	-	-	-	-	-	-	-	-	-	38,70,851	-
(viii) PF Payable	-	-	-	-	-	-	-	-	-	-	19,200	19,200

### 36. Segment information for the year ended 31<sup>st</sup> March, 2012

#### (a) Business Segments

Based on the guiding principles given in Accounting Standard AS-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company's business segments include milk/ milk products (manufacture of dairy milk & milk products), real estate & services.

#### (b) Geographical Segments

Since the Company's activities/operations are within the country and considering the nature of products it deals in, the risks and returns are the same and as such, there is only one geographical segment.

#### (c) Segment Accounting Policies

In addition to significant accounting policies applicable to the business segments, the accounting policies in relation to segment accounting are as under:

##### (i) Segment revenue and expenses

The revenue and expenses of segments are directly attributable to the segments.





(ii) **Segment assets and liabilities**

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets net of allowances and provisions which are reported as direct offsets in the Balance Sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets do not include income tax assets and interest bearing assets. Segment liabilities do not include interest bearing liabilities and income-tax liabilities.

Particulars	Milk/Milk Products		Real Estate		Services		Total	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
<b>Segment Revenue</b>								
External sales/ Income from services	4,83,233,666	38,87,16,356	8,70,816	82,64,338	30,115,212	1,16,50,000	51,42,09,694	40,86,30,694
Other income	12,40,994	15,52,268	-	-	2,75,62,397	4,57,27,546	2,88,03,391	4,72,79,814
Total revenue	48,44,64,660	39,02,68,624	8,70,816	82,64,338	5,76,77,609	5,73,77,546	54,30,13,085	45,59,10,508
Segment results	3,47,82,137	2,04,15,729	1,73,475	49,69,497	(1,43,05,614)	83,07,541	2,06,49,998	3,36,92,767
Unallocated income (net of expenses)							12,66,68,461	1,26,12,501
Interest income							2,48,36,133	1,85,33,546
Interest expenses							(1,22,41,378)	(1,06,02,378)
Profit before Exceptional Item & tax							15,99,13,214	5,42,36,436
Exceptional income (Net)							1,02,44,26,374	16,55,92,800
Profit before tax							1,18,43,39,588	21,98,29,236
Provision for taxation							23,35,64,523	3,30,73,401
Profit after tax							95,07,75,065	18,67,55,835
<b>Segment assets</b>	14,93,20,969	12,57,40,660	9,97,25,657	12,48,34,372	1,27,98,54,212	35,38,59,134	1,52,89,00,838	60,44,34,166
Unallocated assets							5,52,61,323	6,33,25,266
<b>Segment liabilities</b>	4,86,22,034	5,04,04,543	74,76,070	3,15,000	8,10,42,353	8,93,23,003	13,71,40,457	14,00,42,546
Unallocated liabilities							1,44,70,21,074	52,77,16,886
Capital expenditure	1,79,65,061	51,09,087	-	-	33,36,211	29,35,559	2,13,01,272	80,44,646
Unallocated capital expenditure	-	-	-	-	-	-	-	-
Depreciation & amortization	39,66,795	85,78,365	-	-	23,51,464	21,35,206	63,18,259	1,07,13,571
Unallocated depreciation								
Non-cash expenses other than depreciation & Amortization	56,037	1,18,929	-	-	-	-	56,037	1,18,929
Unallocated non cash expenses								

**37. Fixed Assets acquired under finance lease:**

Disclosure in respect of assets taken on lease under Accounting Standard AS-19 "Accounting for Leases" issued by the Institute of Chartered Accountants of India.

(1) General description of the finance lease

The Company has entered into finance lease arrangements for vehicles. Some of the significant terms and conditions of such leases are as follows:

- Renewal for a further period on such terms and conditions as may be mutually agreed upon between lessor and the company.



- Assets to be purchased by the Company or the nominee appointed by the company at the end of the lease term.

i) Vehicles in Fixed Assets Note '10' – include assets acquired under finance lease arrangements, the details of which are given below:

	2011-12 (₹)	2010-11 (₹)
Carrying amount		
Gross book value as at the beginning of the year	<b>89,99,555</b>	70,74,311
Less: Accumulated Depreciation	<b>25,17,731</b>	15,94,158
Net book value	<b>64,81,824</b>	54,80,153
Additions during the year	<b>26,49,676</b>	19,25,244
Depreciation for the year on such assets	<b>2,45,118</b>	68,615

Particulars	2011-12			2010-11		
	Total	Finance charges	Present value of minimum lease payments at the Balance Sheet date	Total	Finance charges	Present value of minimum lease payments at the Balance Sheet date
Total minimum lease payments at the Balance Sheet date	<b>31,70,045</b>	<b>2,87,186</b>	<b>28,82,859</b>	33,31,179	3,06,120	30,25,588
Not later than one year	<b>18,33,937</b>	<b>2,18,636</b>	<b>16,15,301</b>	19,43,518	2,10,005	17,33,513
Later than one year but not later than five years	<b>13,36,108</b>	<b>68,550</b>	<b>12,67,558</b>	13,87,661	96,115	12,92,075
Later than five years	-	-	-	-	-	-

### 38. Employee Benefits:

#### (a) Defined Contribution Plans

The Company has recognized the contribution/liability in the Profit & Loss Account for the financial year 2011-12.

#### (b) Defined Benefit Plans & Other Long Term Benefits

The following disclosures are made in accordance with AS-15 (Revised) pertaining to Defined Benefit Plans and Other Long Term Benefits:



(Fig. in ₹)

	Gratuity (Funded Plan)		Leave Encashment (Unfunded Plan)	
	2011-12	2010-11	2011-12	2010-11
<b>Amount recognized in Balance Sheet</b>				
Present value of funded obligations	1,53,70,723	1,21,49,788	-	-
Fair value of plan assets	1,28,51,725	1,14,18,843	-	-
Present value of unfunded obligations	-	-	65,73,264	53,42,840
Unrecognized past service cost	-	-	-	-
<b>Net (Liability)/Assets</b>	<b>(25,18,998)</b>	<b>(7,30,945)</b>	<b>(65,73,264)</b>	<b>(53,42,840)</b>
<b>Amount in Balance Sheet</b>				
Liability	25,18,998	7,30,945	65,73,264	53,42,840
Assets	-	-	-	-
<b>Net (Liability)/Assets</b>	<b>(25,18,998)</b>	<b>(7,30,945)</b>	<b>(65,73,264)</b>	<b>(53,42,840)</b>
<b>Expenses recognized in the Profit &amp; Loss Account</b>				
Opening defined benefit obligation less benefits paid	-	-	-	-
Current service cost	8,75,930	7,01,495	4,70,666	3,90,622
Interest on defined benefit obligation	10,32,732	5,27,025	4,54,141	3,87,483
Expected return on plan assets	(9,70,602)	(5,46,726)	-	-
Net actuarial losses/(gain) recognized in the year	15,80,938	41,70,409	8,10,158	1,80,576
Past service cost	-	-	-	-
Losses/(gains) on "Curtailments and Settlements"	-	-	-	-
<b>Total, included in "Employee Benefit Expense"</b>	<b>25,18,998</b>	<b>48,52,203</b>	<b>17,34,965</b>	<b>9,58,681</b>
Actual return on plan assets	9,84,481	9,79,479	-	-
Reconciliation of benefit obligations and plan assets for the period				
<b>Change in defined benefit obligation</b>				
Opening defined benefit obligation	1,21,49,788	65,87,815	53,42,840	48,43,540
Current service cost	8,75,930	7,01,495	4,70,666	3,90,622
Interest cost	10,32,732	5,27,025	4,54,141	3,87,483
Actuarial losses/(gains)	15,94,817	46,03,162	8,10,158	1,80,576
Liabilities extinguished on curtailments	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Liabilities assumed on acquisition	-	-	-	-
Exchange difference on foreign plans	-	-	-	-
Benefits paid	(2,82,544)	(2,69,709)	(5,04,541)	(4,59,381)
<b>Closing defined benefit obligation</b>	<b>1,53,70,723</b>	<b>1,21,49,788</b>	<b>65,73,264</b>	<b>53,42,840</b>
<b>Change in fair value of assets</b>				
Opening fair value of plan assets	1,14,18,843	68,34,073	-	-
Expected return on plan assets	9,70,602	5,46,726	-	-
Actuarial gain/(Losses)	13,879	4,32,753	-	-
Assets distributed on settlements	-	-	-	-
Contributions by employer	7,30,945	38,75,000	-	-
Assets acquired due to acquisition	-	-	-	-
Exchange difference on foreign plans	-	-	-	-
Benefits paid	(2,82,544)	(2,69,709)	-	-
<b>Closing fair value of plan assets</b>	<b>1,28,51,725</b>	<b>1,14,18,843</b>	<b>-</b>	<b>-</b>
<b>Assets information</b>				
<b>Category of assets</b>				
Government of India Securities	-	-	-	-
State Govt. Securities	9.34%	10.51%	-	-
Corporate Bonds	-	-	-	-
Special Deposit Scheme	-	-	-	-
Equity shares of listed companies	-	-	-	-
Property	-	-	-	-
Insurer Managed Funds	89.58%	87.53%	-	-
Bank Balance (for Gratuity)	0.14%	0.72%	-	-
Others	0.94%	1.24%	-	-
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>-</b>	<b>-</b>
<b>Summary of the actuarial assumptions</b>				
Discount rate	8.50%	8.00%	8.50%	8.00%
Expected rate of return on assets	8.50%	8.00%	-	-
Future salary increase	6.00%	5.50%	6.00%	5.50%

**Notes:**

- The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors;
- The liability towards the gratuity for the year ended 31<sup>st</sup> March, 2012, based on actuarial valuation amounting to ₹ 25,18,998/- has been recognized in the Profit & Loss Account.
- The liability towards the earned leave for the year ended 31<sup>st</sup> March, 2012, based on actuarial valuation amounting to ₹ 17,34,965/- has been recognized in the Profit & Loss Account.



### 39 Earning per share

(Fig. in ₹)

	2011-12	2010-11
Profit after taxation as per Profit & Loss Account	<b>95,07,75,065</b>	18,67,55,835
Weighted average number of equity shares outstanding	<b>32,13,231</b>	32,13,231
Basic and diluted earnings per share in rupee (face value – ₹ 10/- per share) including exceptional income	<b>295.89</b>	58.12

### 40. Information pursuant to Clause 32 of the listing agreement with stock exchanges

- Loans and advances in the nature of loans to associates/companies in which Directors are interested:

(Fig. in ₹)

	2011-12	2010-11
Amrit Digvijay Infra-Tech Pvt. Ltd.	<b>99,50,000</b>	92,00,000
Kamal Apparels Private Limited	<b>3,00,00,000</b>	3,25,00,000
	<b>399,50,000</b>	4,17,00,000

The above loans/advances are in the nature of unsecured loans, interest bearing and repayable as per terms of agreements with the parties concerned.

### 41. Foreign Exchange Earning & Outgo

(Fig. in ₹)

	2011-12	2010-11
<b>A) Value of Imports on CIF Basis</b>		
Raw Materials	<b>Nil</b>	15,47,113
Spares/Stores	<b>13,47,261</b>	10,71,570
Capital Goods	<b>4,41,437</b>	11,11,990
<b>B) Earnings in Foreign Exchange</b>		
Exports of goods calculated on F.O.B basis;	<b>Nil</b>	Nil
Royalty, know-how, professional and Consultation fees;	<b>Nil</b>	Nil
Interest and Dividend;	<b>Nil</b>	Nil
Other income, indicating the nature thereof;	<b>Nil</b>	Nil
<b>C) Expenditure in Foreign Exchange</b>		
Travelling	<b>13,75,802</b>	11,13,967
Others	<b>1,10,202</b>	Nil
<b>Total</b>	<b>32,74,702</b>	48,44,640

42. The previous year's figures have been regrouped/re-arranged, wherever necessary, to make them comparable with the figures for the current year.



**AMRIT CORP. LIMITED**

Regd. Office: CM/28-C, First Floor, Gagan Enclave, Amrit Nagar, G.T. Road, Ghaziabad -201 009 (U.P.)

**ATTENDANCE SLIP**

DP ID*	Folio No.
Client ID*	No. of Shares

Name of the Shareholder:

I hereby record my presence at the **71st Annual General Meeting** of the Company at Chaudhary Bhavan (Near Jain Mandir), E Block, Kavi Nagar, Ghaziabad-201 002 (U.P.) at **11.00 a.m. on Tuesday, 14th August, 2012.**

\*Applicable for Member holding shares in electronic form. Signature of the Shareholder/Proxy

- Note: 1. Member/Proxyholder desiring to attend the meeting must bring the Attendance slip to the meeting and hand it over at the entrance duly signed.  
 2. Member/Proxyholder desiring to attend the meeting should bring his/her copy of the Annual Report for reference at the meeting.



**AMRIT CORP. LIMITED**

Regd. Office: CM/28-C, First Floor, Gagan Enclave, Amrit Nagar, G.T. Road, Ghaziabad -201 009 (U.P.)

**PROXY FORM**

I/we.....  
 of.....in the district of .....  
 being member/members of the above named company, hereby appoint.....  
 .....of ..... in the district of.....  
 or failing him..... of ..... in the district of.....  
 as my/our proxy to attend and vote for me/us on my/our behalf at **71st Annual General Meeting** of the Company at Chaudhary Bhavan (Near Jain Mandir), E Block, Kavi Nagar, Ghaziabad-201 002 (U.P.) at **11.00 a.m. on Tuesday, 14th August, 2012.** and at any adjournment thereof.

Signed this.....day of.....2012

Folio No.:..... DP ID No.\*.....Client ID No.....

\*Applicable for Member holding shares in electronic form.

No. shares held:.....

Signature of the member across the stamp.....



- Note : 1. The Proxy must be lodged with the Company at its Registered at CM/28-C, First Floor, Gagan Enclave, Amrit Nagar, G.T. Road, Ghaziabad - 201 009 (U.P.) not less than FORTY EIGHT HOURS before the commencement of the meeting.  
 2. Those members who have multiple folios with different jointholders may use copies of this attendance slip/Proxy.