

*38th
Annual Report & Accounts
2011-12*



VIPPY INDUSTRIES LTD.

An ISO 9001:2008 Certified Company



Board of Directors	: Shri Rahul Mutha (Managing Director) Shri Praneet Mutha(Executive Director) Dr. K. Savagaon Shri Sajeve Deora Dr. Shailendra Karnawat
Auditors	: M/s. Sodani & Company Chartered Accountants
Cost Auditors	: M. Goyal & Company
Company Secretary	: Shri Prakash Chakrawarti
Registered Office	: 28 , Industrial Area, A.B. Road, Dewas- 455001 (M.P.) Phone: 07272-258545, 6 Fax: 07272-258552
Works Office	: 28, 29 & 30 Industrial Area, A.B. Road, Dewas -455001 (M.P.) Phone: 07272-258545,6 Fax: 07272-258552
Registrar & Share Transfer Agent	: Ankit Consultancy Pvt. Ltd. 60, Electronic Complex, Pardeshipura, Indore (M.P.)-452010 Ph. 0731-3198601-602 ,2551745-46 Fax.0731- 4065798

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NOTICE

Notice is hereby given that the 38th Annual General Meeting of the Company will be held on Saturday, 29th day of September, 2012 at 2.00 p.m. at the Registered Office of the Company situated at 28, Industrial Area, A. B. Road, Dewas-455001 (M. P.) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31st, 2012 and the Profit and Loss Account for the year ended on that date and Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Praneet Mutha who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Dr. K. Savagoan who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass, with or without modification, the following resolution as Ordinary Resolution relating to re- appointment of the Auditors of the Company :

“RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any of the Companies Act, 1956, M/s. Sodani & Co., Chartered Accountants (Firm Registration No. 000880C), the retiring Auditors of the Company, be and are hereby re-appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, to do Statutory Audit of the Company's accounts including its branch office for the Financial Year 2012-13 on a remuneration as may be fixed by the Board of Directors of the Company and that be paid, in addition, out of pocket and/or travelling expenses as may incur in carrying out their duties as such Auditors.”

SPECIAL BUSINESS

5. To Consider and, if thought fit, to pass, with or without modification, the following resolution as Ordinary Resolution:

“RESOLVED THAT Dr. Shailendra Karnawat, who was appointed as an Additional Director of the Company by the Board of Directors and who hold office upto the date of this Annual General Meeting of the Company pursuant to the provisions of section 260 of the Companies Act, 1956 and Article 93(a) of the Articles of Association of the Company, and in respect of whom the Company has received notice in writing from a member of the Company, expressing his intention of proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company.

6. To Consider and, if thought fit, to pass, with or without modification, the following resolution as Ordinary Resolution:

“RESOLVED THAT the members of the company hereby accorded their approval to the re-appointment of Shri Praneet Mutha as a Whole Time Director designated as Executive Director of the Company for a period of 2 years with effect from 1st, April 2012 on the remuneration and terms and conditions mentioned in the explanatory statement annexed hereto.”

“RESOLVED FURTHER THAT the remuneration as set out in the enclosed explanatory statement be paid as minimum remuneration to Shri Praneet Mutha.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to increase, reduce, alter or vary the terms of remuneration in such manner from time to time as the board may deem fit.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors be and is hereby authorised to do all such act, deeds, matters and other things, as they may in their absolute discretion deem necessary expedient usual and proper.

By Order of the Board
For Vippy Industries Ltd.

Dewas
26th May, 2012

Prakash Chakrawarti
Company Secretary



Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company.
2. The instrument appointing proxy should be deposited at the registered office of the Company not less than 48 hours before commencement of the meeting.
3. An Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956, relating to special business to be transacted at the meeting is annexed hereto .
4. The register of members and share transfer books will remain closed from Saturday, 22nd September, 2012 to Saturday, 29th September, 2012 (both days inclusive) for the purpose of Annual General Meeting.
5. Queries on accounts and operations of the Company, if any, may please be sent to the Company seven days in advance of the meeting, so that , the answers may be made available at the meeting.
6. Members are requested to notify immediately any change of address to their Depository Participant (DPs) in respect of their electronic share accounts and to the Company's Registrar and Share Transfer Agent (RTA), M/s. Ankit Consultancy Pvt. Ltd., 60, Electronic Complex, Pardeshipura, Indore(M.P.)-452010, in respect of their physical share folio, if any.
7. The members, who are still holding the Company's equity shares in physical form and have not converted their shareholding in dematerialized form, are once again requested to convert their equity shares from physical form to dematerialized form .
8. Members/proxies who wish to attend the meeting are requested to bring the enclosed attendance slip duly filled and deliver the same at the entrance of the Meeting Hall.
9. Members are requested to bring their copies of Annual Report at the time of attending the Meeting.
10. Members who are holding Company's share in dematerialised form are requested to bring details of their DP and client ID number for identification.
11. Brief profile of Directors seeking appointment/re-appointment in ensuing Annual General Meeting are provided in the Corporate Governance Report forming part of the Annual Report.

EXPLANATORY STATEMENT

(Pursuant to section 173 (2) of the Companies Act, 1956)

Item No. 5

The Board of Directors of the Company has appointed Dr. Shailendra Karnawat as Additional Director of the Company in their Meetings held on February 07, 2012.

In accordance with section 260 of the Companies Act, 1956 and Article 93(a) of the Articles of the Company, Dr. Shailendra Karnawat would hold office upto the date of this Annual General Meeting.

The Company has received notice in writing from member under section 257 of the Companies Act, 1956 signifying their intention to propose Dr. Shailendra Karnawat as candidature for the office of Director together with requisite deposit as required by law.

Dr. Shailendra Karnawat may be deemed to be concerned or interested in the resolution relating to his appointment.

The Board of Directors recommends the said resolutions for your approval by way of ordinary resolution.

Item No. 6

Shri Praneet Mutha was appointed as the Whole Time Director designated as Executive Director w.e.f. 01.04.2010 for the period of 2 years and the members of the Company at their 36th Annual General Meeting held on 30.09.2010 have accorded their approval .His tenure expired on 31st March, 2012. After considering the present scenario, size and nature of operations of the Company and wide experience and knowledge of Shri Praneet Mutha in the soya extraction industry, the Remuneration Committee approved the terms, conditions including remuneration and recommended to the Board of Directors for the re-appointment of Shri Praneet Mutha as the Whole Time Director designated Executive Director w.e.f. 01st April, 2012 for the further period of 2 years .The Board of Directors at their meeting held on 31.03.2012 , subject to approval of Central Government, if required, and the shareholders in ensuing annual general meeting ,approved his re-appointment as a Whole Time Director designated as Executive Director w.e.f. 01.04.2012 for the period of 2 years on the following terms and conditions :



- a) Basic Salary: ₹ 2,00,000/-(Rupees Two Lacs) per month in the scale of ₹ 2,00,000/- ₹ 50,000/- ₹ 2,50,000/-.
- b) Expenditure incurred by the Executive Director on Water & Electricity at residence will be provided by the company and shall be valued as per the Income Tax Rules 1962.
- c) Leave Travel Concession: Reimbursement once in a year subject to maximum of one month's Salary.
- d) Medical Allowance: Reimbursement during the year subject to a ceiling of one month's salary.
- e) Contribution to provident fund to the extent not taxable under the Income Tax Act.
- f) Gratuity at the rate of half a month's salary for each completed year of service.
- g) Payment of Club Fees subject to a maximum of two clubs excluding life membership fees.
- h) Free Telephone and mobile facility at residence for official use.
- i) Free use of one car with driver for official use.
- j) Payment of annual premium for personal accident insurance subject to maximum of ₹ 25,000/- per annum.
- k) Payment of annual premium for medical insurance for self & his family subject to maximum of ₹ 1,00,000/- per annum.

Note: Sitting fees will not be paid for attending meetings of the Board of Directors or Committee thereof.

In accordance with section 269 and Schedule XIII of the Companies Act, 1956 and all other applicable provisions, if any, the said appointment is required to be approved by the members of the Company. Re-appointment of Shri Praneet Mutha as Whole Time Director designated as Executive Director is made in compliance of provisions of section 269 read with and Schedule XIII of the Companies Act, 1956 and his remuneration is within limit prescribed in the Schedule XIII of the Companies Act, 1956. Therefore approval of Central Government is not required.

The notice and explanatory statement may be treated as an abstract of the terms and conditions of appointment and remuneration payable to Shri Praneet Mutha, as required under section 302 of the Companies Act, 1956.

Shri Praneet Mutha may be deemed to be concerned or interested in the resolution relating to his respective re-appointment.

The Board of Directors recommends the said resolutions for your approval by way of ordinary resolution.

By Order of the Board
For Vippy Industries Ltd.

Dewas
26th May, 2012

Prakash Chakrawarti
Company Secretary



DIRECTORS' REPORT

Dear Members,

The Directors of the Company are pleased to present the 38th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2012.

FINANCIAL RESULTS

The summary of the financial highlights for the financial year ended 31st March, 2012 are given hereunder:

(₹ In Crores)

Particulars	For the year Ended 31 st March , 2012	For the year Ended 31 st March , 2011
Income		
Revenue from Operations	970.34	764.74
Other Income	3.49	2.19
Total Revenue	973.83	766.93
Profit before finance cost, depreciation & amortization & tax	25.08	21.90
Finance Costs	1.39	2.04
Depreciation and amortization expenses	4.03	3.90
Profit before Tax	19.66	15.96
Less: Tax Expenses		
Current Tax	3.99	3.30
Deferred Tax	-	-
Profit/(loss) for the period	15.67	12.66
Earning per equity share		
Basic & Diluted	0.98	0.79

OPERATIONAL REVIEW

During the year under review, your Company achieved a turnover of ₹ 973.83 Crores as against ₹ 766.93 Crores in the previous year, representing an increase of 26.98 %. The Profit before Tax of ₹ 19.66 Crores during the year 2011-12 was higher by 23.18 % as against ₹ 15.96 Crores in the previous year. The Profit after tax of ₹ 15.67 Crores during the year 2011-12 was higher by 23.78 % as against ₹ 12.66 Crores in the previous year.

DIVIDEND

With a view of conserving the resources, your Directors do not recommended any dividend for the year under review.

DIRECTORS

Dr. Shailendra Karanwat has been appointed as the Additional Director on the Board of your Company with effect from February 07,2012. As per the provisions of section 260 of the Companies Act,1956 Dr. Shailendra Karanwat will hold office upto the date of the ensuing Annual General Meeting of the Company.

Your Company has received the notice under section 257 of the Companies Act,1956 together with the requisite deposits from the shareholder, in respect of Dr. Shailendra Karanwat, proposing his appointment as the Director on the Board of the Company .

Shri Praneet Mutha has been re-appointed as a Whole Time Director designated as Executive Director w.e.f.01.04.2012 for the period of 2 years subject to approval of Central Government, if required, and Shareholders in the ensuing Annual General Meeting.

In accordance with the provisions of the Companies Act,1956 and the Article of Association of the Company,Shri Praneet Mutha & Dr. K. Savagaon retires by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for the reappointment at the ensuing Annual General Meeting of the Company.

Brief profile of Directors seeking appointment/re-appointment in ensuing Annual General Meeting are provided in the Corporate Governance Report forming part of the Annual Report.



PARTICULARS OF EMPLOYEES

Since no employee is receiving remuneration in excess of the limit specified under the provisions of section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975 (as amended), statement of particulars of the employees do not form part of the report.

CONSERVATION OF ENERGY, TECHNICAL ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The Statement pursuant to Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the report of Board of Directors) Rules, 1988 are given in the Annexure –A, forming part of this report.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits from the public pursuant to Section 58A of the Companies Act, 1956 and rules made there under.

INSURANCE

The Company's buildings, plant and machinery, stocks, stores and spares are adequately insured against various risks.

ENVIRONMENT, POLLUTION CONTROL MEASURES & SAFETY

Your Company gives importance to pollution control and environment protection and efforts are made at each stage of manufacture to maximize recovery, conserve water and to minimize effluents and emissions. Your company has complied with various emission standards and other environmental requirements as per pollution control norms, and company provides all types of safety to employees of the company.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Director's affirm that the audited accounts containing the financial statements for the Financial Year 2011-12 are in conformity with the requirements of the Companies Act, 1956. They believe that the financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operations.

Pursuant to sub section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby confirms that :

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed .
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at end of the financial year and of the profit /loss of the Company for that period.
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The Directors have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of Listing Agreement with Bombay Stock Exchange Ltd., a detailed Report on Corporate Governance is included in the Annual Report .A Practicing Company Secretary's Certificate certifying the Company's compliance with the requirements of Corporate Governance in relation to clause 49 of the Listing Agreement is attached with the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under clause 49 of the Listing Agreement with the Bombay Exchange Ltd, Mumbai , is presented in a separate section forming part of the Annual Report.

IMPLEMENTATION OF REHABILITATION SCHEME SANCTIONED BY HON'BLE BIFR

As the Members are aware, the Board for Industrial and Financial Reconstruction (BIFR) had, vide its Order dated 04/10/2007, sanctioned a rehabilitation scheme of the Company.

The said Sanctioned Scheme is presently under implementation.



The Company has filed two separate Writ Petitions under Article 226 of the Constitution of India before Hon'ble High Court of M.P in the year 2008 & 2010 respectively viz:

(a) Firstly for issuing direction to Assistant Commissioner of Commercial Tax & others, to comply with the terms of the scheme framed by the Hon'ble BIFR for revival of the company and stay was granted from recovery of the tax by Hon'ble High Court.

(b) Secondly to seek a direction against the State of Madhya Pradesh for complying with the reliefs and concession as contemplated by directions of Hon'ble BIFR contained in the rehabilitation scheme.

Both petitions are pending before Hon'ble High Court.

The Commissioner, Commercial Tax filed appeal before Hon'ble AAIFR against the direction as issued in para 10 of the BIFR order dt. 4.10.2007 regarding relief and concession sought from Govt of Madhya Pradesh/MPSIDC. The Hon'ble AAIFR had vide its order dt. 25.08.2008 dismissed aforesaid appeal.

Against the aforesaid order of Hon'ble AAIFR, writ petition was filed before Hon'ble High Court of M.P by the Commissioner Commercial Tax, but the Hon'ble High Court had reverted back the matter before Hon'ble AAIFR & the matter was heard by Hon'ble AAIFR & passed the order on 30.05.2011 with direction to State Govt. to take an appropriate decision within stipulated time as mentioned in the order & it is pending before State Govt. for their consideration.

AUDITORS

M/s. Sodani & Company, Chartered Accountants (Firm Registration No.000880C), the Auditors of the Company, will retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for reappointment. The Company has received a certificate from the Auditors to the effect that their reappointment, if made would be in accordance with section 224(1B) of the Companies Act, 1956.

COST AUDITORS

In pursuance of section 233 B of the Companies Act, 1956, your Directors have appointed M.Goyal & Co., Cost Accountants, Jaipur, (Reg. No. 00051/07/2008) to conduct audit of cost accounting records of the Company for the year 2012-13 subject to approval of the Central Government.

LISTING OF THE SHARES

The Equity Shares of Company are listed with Bombay Stock Exchange Ltd. There are no arrears on account of payment of listing fees to the said Stock Exchange.

ERP IMPLEMENTATION

ERP is in process of implementation at company's plants.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

We believe that CSR is an integrated approach towards operating in an economically, socially and environmentally in sustainable manner. We believe that the CSR means to actively contribute to the social and economic development of the communities in which we operate & build a better, sustainable way of life for the weaker sections of society. We had taken significant efforts in the area of Corporate Sustainability, encompassing Corporate Governance, Social Responsibility and Environment care. We strive towards using locally available material and resources to generate employment and business opportunity for the local community.

We have involved ourselves in various welfare activities around our manufacturing location. We have focused our attentions on areas like imparting education to underprivileged children and providing employment opportunities to women and physically challenged people.

Our main focus areas in Social Responsibility:

Education:

In the memory of our founder Late Shri Prakash Mutha, we run many inspirable activities for promoting the education, such as giving awards to meritorious students, distributing bicycle, School Dress, School Bags, School Books & education material. During the year 123 students of the surrounding area of the plants got benefited. The entire school fees were paid by the Company for children of people residing in the surrounding area to the plants of the Company who met with sudden natural death. During the year we have provided financial help for higher education to the deserving students. We have adopted five villages through "Friends of Tribals Society" to impart education to boys and girls of Tribal Society. We have also supported through Bhaurao Devras Seva Nyas M.P., Bhopal for imparting education to boys and girls of disadvantaged section & poor section of the society.



Women Empowerment:

The Company has provided the employment to the women, and provides the training to develop their skills & quality.

Health and Awareness:

We organized a medical camp to create awareness of health and screening & treatment of the people residing in surrounding area to the plants of the Company. We examined 345 people by taking free blood sample & distributed free medicine among the people who were suffering from health problems and provided financial help where it was necessary. We immunized 345 people against Hepatitis-B.

Environment:

We are committed to creating and maintaining a clean, safe and healthy environment. We are complying all relevant environmental legislation and regulations.

The Company continues to use solar energy for heating water for generation of steam in the boiler and made little contribution to help the nation towards maintaining green & healthy environment.

We are committed to the sustainable use of all resources and minimize waste at source and recycle where possible.

Today, Water is a precious commodity anywhere in the World & the Rain water harvesting continues to be a priority of the Company. Company continues to maintain the "Rain Water Harvesting" since last 17 years at its Factory premises at Dewas, & this effectively recharges rain water in the bore wells and helps maintain ground water levels.

Social:

We have made financial contribution to "Kumar Gandharva Prathishthan" to help cultural activities relating to music & dance festival which is carried out in memory of Padmavibhushan Pandit Kumar Gandharva at Dewas in state of Madhya Pradesh, and also to Indian Red Cross Society & other civil society for the benefit of people of the nation.

We have established water hut in the summer at various places at Dewas City during the year.

COMPANY POLICY FOR PROMOTION OF EMPLOYMENT OF YOUTH COMING FROM THE UNDER-PRIVILEGED/DISADVANTAGED SECTION OF THE SOCIETY

The employment in the company is entirely based on eligibility and merit of the applicant without any discrimination against their gender, religion, caste, colour, ancestry, marital status, nationality and disability. And among equally qualified individuals, preference are given to people from the disadvantaged groups.

The Company makes all efforts for up-skilling and continual training of employees from socially disadvantaged sections of society in order to enhance their capabilities, and competitive skills.

ACKNOWLEDGEMENTS

Your Directors express their sincere appreciation and thanks to the shareholders, customers, soyabean growers / suppliers, banks, regulatory authorities, government authorities, consultants, solicitors and others associated with the Company for their valuable co-operation and assistance. Your Directors wish to place on record their appreciation for the contribution made by the employees at all level.

For and on behalf of the Board of Directors

Dewas
26th May, 2012

Rahul Mutha
Managing Director

Praneet Mutha
Executive Director



ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE –A

Information as per section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2012.

(I) CONSERVATION OF ENERGY

(a) Energy conservation measures taken:

- I. Installation of Steam Condensate Recovery System with Thermo Compressor in Unit-II
- II. Installation of PRV in Nugget Section.
- III. Installation of PRS in Refinery Section
- IV. Installation of VFD in Unit –I.D.T.

(b) Additional investment and proposal for reduction in consumption of energy:

- I. Installation(proposed) of Condensate Recovery System in Unit-III
- II. Replacement (proposed) of CFL lamp 20W to LED Lamp 7 Watt.

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on cost of production.

- I. Installation of Steam Condensate Recovery System with Thermo Compressor in Unit-II saved steam 7-8 Tones per day.
- II. Installation of PRV in Nugget Section saved steam 4-4.5 Tones per day
- III. Installation of PRS in Refinery Section saved steam 6-6.5 Tones per day
- IV. Installation of VFD in Unit –I.D.T. saved electricity 60-70 unit per day

FORM-A

Particulars with respect to conservation of energy

Particulars	Current Year 2011-12	Previous Year 2010-11
A. Power & Fuel Consumption		
1. Electricity		
a. Purchased		
Units	1,55,35,600	1,45,77,950
Total Amt. (₹) (excluding cess)	8,71,71,248	7,34,61,578
Rate/unit (₹)	5.61	5.04
b. Own Generation		
(i) Through Diesel Generator		
Units	1,18,190	1,14,685
Units / liter of diesel oil (₹)	3.17	3.20
Cost / Unit (₹)	13.88	13.59
(ii) Through Steam Turbine /Generator		
2. Coal		
Quality Consumed (in MT)	30,749	27,016
Total Cost (₹)	15,89,06,707	11,82,93,338
Average Rate (₹ /MT)	5,168	4,379
3. Furnace Oil	-	-
4. Others /internal generation		
B. Consumption per unit of production		
Electricity (Unit /MT)	43.99	46.25
Furnace Oil	-	-
Coal (Kg/MT)	86.40	85.05
Others	-	-



(II) TECHNOLOGY ABSORPTION

FORM -B

Form of disclosures of particulars with respect to absorption:

(A) RESEARCH & DEVELOPMENT

The Company is not carrying any R & D in special area; however company is continuously engaged in improvement of upgradation of its products.

R & D Expenditure: N.A.

(B) TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

1. Efforts in brief made towards technology absorption, adoption and innovation.	N.A.
2. Benefits derived as a result of the efforts.	N.A.
3. In case of imported technology during the last 5 years.	N.A.

(III) FOREIGN EXCHANGE EARNING AND OUTGO

	Current Year	Previous Year
1. Earning (₹) (on FOB Basis)	1,22,13,00,441	1,70,61,17,790
2. Outgo (₹)	52,81,113	78,98,212

For and on behalf of the Board of Directors

Dewas
26th May, 2012

Rahul Mutha
Managing Director

Praneet Mutha
Executive Director



CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Code of Corporate Governance

The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and in all its inter-actions with its shareholders, employees, government and lenders. The Company is committed to achieve the highest standards of corporate governance and believes that good corporate governance practice outlines the attitude and conduct of people managing the Company. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value over a sustained period of time and to ensure that:-

- i) Adequate control systems exist to enable the Board to effectively discharge its responsibilities to all stakeholders of the Company;
- ii) The decision making process is fair and transparent.

2. Board of Directors

In terms of the Company's Corporate Governance policy, all statutory and other significant and material information is placed before the Board to enable it to discharge its responsibilities of strategic supervision of the Company.

Composition of the Board

The Board of Directors comprises 5 directors, out of which 3 directors are non-executive. The two executive directors include-the Managing Director and Executive Director(Whole Time Director).Three directors are the independent directors i.e., independent of the management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement. None of the directors is a member of board of more than fifteen companies in terms of section 275 of the Companies Act, 1956, and a member on more than 10 Committees and Chairman of more than 5 Committees (as specified in clause 49 of the listing agreement with Bombay Stock Exchange) across all the companies in which they are Directors. Necessary disclosure regarding committee position has been made by the Directors.

The names and categories of the Directors on the board, their attendance at Board Meeting during the year and at the last Annual General Meeting, as also the number of directorship and committee memberships/chairmanships held by them on other companies are given below. :

S. No.	Name	Category	No. of Board Meetings		Attendance at Last AGM	No. of Directorship in other Public Companies incorporated in India	No. of Committee# position held in other Public Companies incorporated in India	
			Held	Attended			Member	Chairman
1	Shri Rahul Mutha	Promoter-Executive	8	8	Yes	-	-	-
2	Shri Praneeet Mutha	Promoter-Executive	8	8	Yes	1	-	-
3	Dr. K. Savagaon	Independent-Non Executive	8	5	Yes	-	-	-
4	Shri Sajeve Deora	Independent-Non Executive	8	4	Yes	5	2	3
5	Dr. Shailendra Karnawat*	Independent-Non Executive	8	1	N.A.	-	-	-

only the two Committees, viz. the Audit and Shareholders / Investors Grievance Committee are considered.

* Appointed as Additional Director w.e.f.07.02.2012

**Information on directors appointment/re-appointment as required under clause 49 of the Listing Agreement**

Dr. Shailendra Karnawat was appointed as an Additional Director with effect from February 07, 2012. He is B.Sc. from DAVV University, Indore (formerly known Indore University) M.B.B.S & M.S.(ENT) from Jiwaji University, Gwalior. He has experience in general medicine (including Paediatrics Radiology and Skin and V.D.) General Surgery (including ENT, Orthopedics, Ophthalmology) Community Medicine, Obstetrics and Gynecology. He has also working experience in JA Group of Hospitals, Gwalior & Jaslok Hospital and Research Center, Mumbai, Dr. ABR Desai's ENT Hospital Mumbai, At Al- Fateh Hospital, Al-Merj, in Libya, and Gokuldas Hospital & Research Center, Indore. He was born on 21st October, 1960. He neither holds any directorship nor chairmanship/membership of the committees in other public companies. Presently he is holding 30750 Shares of the Company.

Dr. K. Savagoan is liable to retire by rotation as per section 256 of the Companies Act, 1956, being eligible, offers himself for re-appointment. He was born on 15th March, 1936 & he is graduate with B.Sc. (Hons.) with Physics & Chemistry and B.Sc. (Tech.) with food technology, and is also Ph.D. in Biochemistry. He is on the Board of Company since June 08, 2001. He has wide experience in food industries & food technology. He has been recognized as "National Expert" in food Science & Technology by the Department of Science & Technology, Government of India. He has participated in various National & International Seminars/ Symposia held in India and abroad and has also acted as Demonstrator & Lecturer in International Training Course on Food Irradiation. He has been a faculty member on training courses conducted by the Indian Institute of Packaging and Ruia College. He neither holds any directorship nor chairmanship/membership of the committees in other public companies. Presently he is holding 750 Shares of the Company.

Shri Praneet Mutha is liable to retire by rotation as per section 256 of the Companies Act, 1956, being eligible, offers himself for re-appointment. He was re-appointed as Whole Time Director Designated as Executive Director w.e.f. 01.04.2012 for two years subject to approval of shareholders in ensuing Annual General Meeting. He was born on 11th September, 1971 & he is graduate with B.Com from Poona University, Pune, and he is also M.Com from Vikram University, Ujjain. He is on the Board of Company since 31st October, 2007. He possesses vast experience in the field of Finance and Marketing. He has also vast experience in Soya Extraction Industries. He holds directorship in one public limited company and he is not holding any chairmanship / membership of the committees in other public companies. Presently he is holding 10392212 Shares of the Company.

Board Procedures

The Board meets at least once in a quarter to review the Company's performance and results and more often, if considered necessary, to transact other business. Eighth (8) Board Meetings were held during the year under review on 30.05.2011, 21.06.2011, 12.08.2011, 26.08.2011, 14.11.2011, 28.12.2011, 07.02.2012 & 31.03.2012. The gap between two meetings did not exceed four months.

The Key information was placed before the Board of Directors to explain the directors of the affairs of the company. The Board has established procedures to enable the Board to periodically review compliance reports of all laws applicable to the Company, and takes steps to rectify instances of non-compliances, if any.

Code of Conduct

The Board had adopted a Code of Conduct for all Board of Directors and Senior Management Personnel of the Company in compliance with the requirement of Clause 49 of the Listing Agreement. The said Code of conduct is available on the website of the Company. The declaration by Managing Director of the Company regarding compliance by the Board Members and Senior Management Personnel, with the said Code of Conduct is enclosed and form part of this report.

3. Audit Committee

The Company has constituted an Audit Committee in line with the provisions of Clause 49 of the Listing Agreement read with Section 292A of the Companies Act, 1956.

The terms of reference to the Committee covers accounting matters, financial reporting, internal controls and the matters as contained in section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

Composition and Attendance

The Audit Committee comprises of three directors of the Company of whom 2 are non executive & independent and 1 is executive & non independent. All members of the Audit Committee are financially literate. The Chairman of the



Committee is a Practicing Chartered Accountant. He has over 28 years of experience as a professional Chartered Accountant and has long and varied experience in the filed of Finance, Audit and Accounts, Company Restructuring & Amalgamation etc.

The composition of the Audit Committee and details of meeting attended by the members of audit Committee are given below:

Name	Position	Category	No. of Meetings during the year	
			Held	Attended
Shri Sajeve Deora	Chairman	Independent-Non Executive	4	4
Dr. K. Savagaon	Member	Independent-Non Executive	4	4
Shri Rahul Mutha	Member	Promoter-Executive	4	4

Four Audit Committee Meetings were held during the year under review on 30.05.2011, 12.08.2011, 14.11.2011, & 07.02.2012.

The previous Annual General Meeting of the Company was held on 30th September, 2011 and all members of the Audit Committee attended the meeting.

The Audit committee Meetings are usually held at the Registered Office of the Company and the Committees invites the General Manager (Finance) , Sr. Manager Accounts, Internal Auditor, & Statutory Auditors . The Company Secretary acts as the Secretary to the Audit Committee.

4. Remuneration Committee

The Remuneration Committee considers, approves and recommends to the Board the remuneration payable to Managerial personnel coming within the purview of applicable provisions of the Companies Act, 1956.

Composition and Attendance

The Remuneration Committee comprises of three directors of the Company of whom 2 are non executive & independent and 1 is executive & non independent.

The composition of the Remuneration Committee and details of meeting attended by the members of audit Committee are given below:

Name	Position	Category	No. of Meetings during the year	
			Held	Attended
Dr. K. Savagaon	Chairman	Independent-Non Executive	2	2
Shri Sajeve Deora	Member	Independent-Non Executive	2	2
Shri Praneet Mutha	Member	Promoter-Executive	2	2

Two meetings were held during the year on 30.05.2011 & 31.03.2012.

Remuneration policy

The Company while deciding the remuneration package takes into consideration the following:

- Present employment scenario
- Remuneration package of the industry/other industries for the requisite managerial talent.

Remuneration to Executive Directors

The details of remuneration paid to Executive Directors for the year ended 31st March,2012 was as under.



Name of Director	Designation	Salary (₹)	Perquisites and other benefits (₹)	PF (₹)	Total (₹)
Shri Rahul Mutha	Managing Director	22,50,000	70,991	2,70,000	25,90,991
Shri Praneeet Mutha	Executive Director	15,00,000	-	1,80,000	16,80,000

Remuneration to Non Executive Directors

Non- Executive Directors are paid sitting fees for attending the meetings of the Board of Directors. The Sitting Fees not to exceed limit prescribed under the Companies Act, 1956. There are no other pecuniary relationship or transactions of non-executive directors vis-a vis the Company.

Criteria of Making Payments to Non-Executive Directors

The following are the criteria of making payments to non executive directors.

- Number of Board meetings attended by such Directors.

Number of shares held by Non-Executive Directors as on 31.03.2012

Name	No. of Share Held
Dr. K. Savagaon	750
Shri Sajeve Deora	NIL
Dr. Shailendra Karnawat	30750

5. Shareholders / Investors Grievance Committee

The Shareholders/Investor Grievance Committee looks into redressal of Shareholders / Investors complaints, if any, on transfer of shares, non receipt of annual report, non receipt of declared dividends and demat of shares etc. and also the action taken by the Company on those matters.

The Secretarial Department of the Company and the Registrar and Share Transfer Agents (Ankit Consultancy Pvt. Ltd. Indore), attend all grievances of the Shareholders /Investors received directly or through SEBI, Stock Exchange, Ministry of Company Affairs, Registrar of Companies, etc.

Composition and Attendance

The composition of the Shareholders / Investors Grievance Committee and details of meeting attended by the members of the Committee are given below:

Name	Position	Category	No. of Meetings during the year	
			Held	Attended
Dr. K. Savagaon	Chairman	Independent-Non Executive	4	4
Shri Rahul Mutha	Member	Promoter-Executive	4	4

Four meetings were held during the year on 30.05.2011, 12.08.2011, 14.11.2011 & 07.02.2012.

Shri Prakash Chakrawarti, Company Secretary is the Compliance Officer.

The details of number of complaints /grievances received and resolved are as under:

Total number of grievances / complaints received during the year	Total number of grievances / complaints resolved during the year	Total number of grievances / complaints pending as on 31.03.2012
34	34	NIL



There is no grievances / complaints received from shareholders remaining unresolved except disputed as every efforts is maintained to immediately redress investors grievances / complaints without loss of time. The number of pending share transfer requests as on 31st March, 2012 is Nil.

6. General Body Meeting

a) Annual General Meeting

The date, time and venue of the last three Annual General Meeting and special resolutions passed at the meetings are given below:

Financial Year	Date	Time	Venue	No. of Special Resolution
2010-2011	Sept. 30, 2011	2.00 p.m.	Registered Office-28, Industrial Area, A.B. Road, Dewas (M.P.) - 455 001	NIL
2009-2010	Sept. 30, 2010	2.00 p.m.	Registered Office-28, Industrial Area, A.B. Road, Dewas (M.P.) - 455 001	NIL
2008-2009	Sept. 26, 2009	2.00 p.m.	Registered Office-28, Industrial Area, A.B. Road, Dewas (M.P.) - 455 001	NIL

b) Postal Ballot

No postal ballot was conducted during the year under review. Presently there no proposal to pass any resolution by postal ballot.

7. Disclosures

- The Company does not have any material related parties transactions which have potential conflict with the interest of the Company at large. The transactions with related parties are disclosed in the Notes to the Balance Sheet of the Company forming part of the Annual Report.
- Company has Risk Assessment and Minimization Procedures, which are reviewed by the Board periodically.
- There were no cases of non-compliance, no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- The Company does not have any Whistle Blower Policy. However no personnel has been denied to access to the audit committee.
- The Company complies with all the mandatory requirements and one non mandatory requirement of Clause 49 of the Listing Agreement viz. Constitution of Remuneration Committee of Directors.

8. Insider Trading

The Company had adopted a code of conduct for prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 1992. This code is applicable to all Directors /Officers/designated employees who are expected to have access to unpublished price sensitive information relating to the Company.

9. Means of Communication

The main channel of communication to the shareholders is through Annual Report, which includes inter-alia, the Directors' Report, the Auditors' Report, Corporate Governance Report, Audited Financial Statements and other important information.

Quarterly Results / Half Yearly / Audited Annual Financial Results are submitted to the stock exchange immediately after the same are approved by the Board of Directors. The Quarterly Results / Half Yearly / Audited Annual Financial Results are published in English (Pioneer) and Hindi (Swadesh) Newspapers.

The website of the Company www.vippysoya.com acts as the primary source of information about the Company. The Quarterly Results / Half Yearly / Audited Annual Financial Results, Shareholding Pattern, Quarterly Report on Corporate Governance etc. & other news are being displayed thereat.



Pursuant to Clause 47(f) of the Listing Agreement, the Company has designated the following exclusive e-mail Id for the convenience of investors.

investor_relations@vippysoya.com

No presentation was made to the Institutional Investors or to the Analysts during the year 2011-2012.

Management Discussion and Analysis Report forms part of this Annual Report.

10. General Shareholders Information

i) Annual General Meeting

Day	Saturday
Date	29 th day of September, 2012
Time	2.00 p.m.
Venue	Registered Office : 28, Industrial Area, A.B. Road, Dewas - 455001 (M.P.)

ii) Financial Calendar for 2012-2013

Financial Results for the quarter ending 30 th June ,2012	on or before 14 th August ,2012
Financial Results for the quarter ending 30 th September ,2012	on or before 14 th November ,2012
Financial Results for the quarter ending 31 st December,2012	on or before 14 th February ,2013
Audited Annual Results for the fourth Quarter and Year ending 31 st March,2013	on or before 30 th May ,2013

iii) Book Closure Dates

Closures of Register of Members and Share Transfer Books	Saturday,22 nd September ,2012, to Saturday,29 th September,2012 (both days inclusive)
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iv) Dividend Payment Date

Dividend Payment Date	N.A.
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v) Listing of Securities on the Stock Exchanges:

The Company's Equity Shares are listed on the following Stock Exchange:
Bombay Stock Exchange Ltd. (BSE)
Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai -400051

vi) Stock Code (at Bombay Stock Exchange)

Script Code: 519039
Scrip ID: VIPPY
ISIN No.: INE187E01027

vii) Market Price Data:

The monthly high and low quotation of shares of the company at the Bombay Stock Exchange Ltd., Mumbai during the financial year 2011-12 are given below:



Month	High (₹)	Low (₹)
April,2011	8.40	6.92
May,2011	7.26	5.71
June,2011	7.90	5.88
July,2011	7.63	6.17
August,2011	7.40	6.40
September,2011	7.29	6.13
October ,2011	7.33	6.20
November,2011	7.26	6.31
December,2011	6.30	5.21
January,2012	6.30	5.25
February,2012	6.55	5.06
March,2012	6.30	4.92

viii) Distribution of Shareholding as on 31st March,2012 (including Demat)

	No. of Shareholders	% of Shareholders	No. of Share held	% of Shareholding
Upto 1000	13088	95.98	2447903	1.52
1001-2000	287	2.10	411310	0.26
2001-3000	86	0.63	215608	0.13
3001-4000	24	0.18	83472	0.05
4001-5000	24	0.18	112353	0.07
5001-10000	59	0.44	405677	0.25
10001-20000	21	0.15	289815	0.18
20001- 30000	8	0.06	192607	0.12
30001-40000	7	0.05	232255	0.15
40001-50000	4	0.03	189200	0.12
50001-100000	7	0.05	469787	0.29
100001 & Above	21	0.15	155527609	96.86
TOTAL	13,636	100	16,05,77,596	100

ix) Shareholding Pattern of the Company as on 31st March,2012(including Demat)

	Category of Holders	No. of Shares	% of Total Share
a)	Promoters	153674984	95.70
b)	Mutual Funds/UTI	115665	0.07
c)	Financial Institutions/Banks/Insurance Companies	1007721	0.63
d)	Foreign Institutional Investors	7800	0.00
e)	Corporate Bodies	735641	0.46
f)	Residential Individuals	4789736	2.98
g)	NRIs & OCBs	246049	0.15
h)	Any others(Clearing Members)	-	-
	Total	160577596	100



x) Minimum Public Shareholding

As per Clause 40A of the Listing Agreement read with Rule 19A of the Securities Contracts (Regulation) Rules, 1957, Listed Company is required to maintain minimum Public Shareholding of not less than 25% of the total number Shares by June 3rd, 2013 for continuing listing. The Public Shareholding in your company is low (i.e. 4.30%) on account of Equity Shares issued to promoters in term of Rehabilitation Scheme of the Company sanctioned by Hon'ble BIFR vide its order dt. 4.10.2007. The Rehabilitation Scheme of the Company is presently under implementation.

Your Company will raise the public shareholding to at least 25% by use of mechanism/method as prescribed in the law as need arise after the deregistration of the Company from BIFR.

xi) Registrar and Share Transfer Agents of the Company:

Name & Address:
Ankit Consultancy Pvt. Ltd.
60, Electronic Complex, Pardeshipura,
Indore (M.P.)-452010
Ph. 0731-3198601-602, 2551745-46
Fax. 0731-4065798
e-mail: ankit_4321@yahoo.com
Time : 10.00 a.m. to 6.00 p.m..

xii) Share Transfer System

Physical Shares are lodged with the Company/Registrars & Share Transfer Agents are processed and returned to the Shareholders within 30 days, except in case where litigation is involved. Delegation of the power approving the share transfer given to Shri Sushil Choudhary, Secretarial Officer of the Company. A detail of transfer of shares of the company are placed at every shareholders/ Investors Grievance Committee.

xiii) Dematerialization of Shares and Liquidity

The Equity Shares of the Company are compulsory traded and settled in the dematerialized form under ISIN No. INE187E01027. The details of shares under dematerialized and physical mode as on 31.03.2012 are as under:

Particulars	No. of Equity Shares	% of Total Equity Shares
National Securities Depository Ltd.(NSDL)	1822051	1.13
Central Depository Services (India) Ltd.(CDSL)	155292195	96.71
Total Dematerialized	157114246	97.84
Physical	3463350	2.16
Total	160577596	100

xiv) Outstanding Securities

There are no securities outstanding at the end 31st, March, 2012.

xv) Plant Location:

28, 29 & 30, Industrial Area,
A.B Road, Dewas-455001

xvi) Address for correspondence:

28, Industrial Area, A.B Road, Dewas-455001
Phone Nos.: 07272-258545 / 258546
Fax No. 07272-258552
website :www.vippysoya.com
Email: admin@vippysoya.com

xvii) Nomination:

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.



CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Vippy Industries Ltd.

We have examined the compliance of conditions of Corporate Governance by Vippy Industries Ltd. for the year ended 31st March 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with Bombay Stock Exchange Ltd..

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

In our opinion and to the best of our information and according to the 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 no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

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 Shilpesh Dalal & Co.,
Company Secretary

SHILPESH DALAL
(Proprietor)
Indore
26th May, 2012



Certificate by CEO and CFO of the Company

To,

The Board of Directors

Vippy Industries Ltd.

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Vippy Industries Ltd. ("the Company"), to the best of our knowledge and belief certify that :

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2012 and to best of our knowledge and belief, we state that:
 - a. these statement do not contain any materially untrue statement or omit to state a material fact or contains statement that might be misleading;
 - b. these statement together present a true & fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violate the Company's code of conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take rectify these deficiencies.
4. We have indicated, based on our most recent evolution, wherever applicable, the auditors and the audit committee:
 - (i) Significant changes, if any, in the internal control over financial reporting during the year;
 - (ii) Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Dewas
26th May, 2012

Rahul Mutha
Managing Director

V.K. Mittal
General Manager (Finance)/ CFO

Annual Declaration pursuant to clause 49(I) (d) (ii) of the Listing Agreement

As per the requirements of clause 49 (I) (D) (ii) of the Listing Agreement, I hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed confirmed compliance with the Code of Conduct for the year ended 31st March, 2012.

Dewas
26th May, 2012

Rahul Mutha
Managing Director



MANAGEMENT DISCUSSION AND ANALYSIS REPORT
ECONOMY-OVERVIEW

The political instability in the Middle East and North Africa, rising international commodity prices, particularly crude, and the US debt & Euro-zone crises has accentuated concerns regarding the revival of the global economy. The Global Economy is slowly improving, but growth is expected to be weak, especially in Europe, and unemployment in many advanced economies will stay high, according to the IMF. The Indian economy is estimated to grow by 6.9% in 2011-12, after having growth at the rate of 8.4 % in each of the two preceding years. Agriculture and services sectors continuing to perform well, India's slowdown can be attributed almost entirely to weakening industrial growth. The, hardening of crude oil prices in the international market, as well as domestic factors, such as the decision to battle inflation by tightening monetary policy and cutting back on the fiscal stimulus are the main reasons of slow down of the Indian Economy in the year 2011-12.

The slackening of external demand and capital outflows resulting from global uncertainties may pose inside risk to growth of the Indian Economy.

INDUSTRY STRUCTURE AND DEVELOPMENT

The Company is engaged in the business of Edible Oil, Lecithin, Soya Meal and Soya Flour ,Soya TVP, & varieties of Soya products. The meal extracted (De oiled Cake) from the seed through crushing is a rich in protein, which is used as animal feed and Soya oil & other value added products are used for edible purpose. The products of soybean have also nutritional and numerous food, feed & industrial applications (i.e soya milk ,Ice creams and body lotion are amongst the products made from soya based ingredients).

The soy's products are being used as nutritive supplement in various food products in the world.

The Demand of protein rich meal in Asian Countries is continuously growing & India is better place from the point of view of logistics and Customer reach.

OPPORTUNITY AND THREATS

Opportunities

With the increasing health consciousness among the people, soya use is getting acceptance in the form of textured vegetable protein (popularly known in India as soy badi or soy nuggets, soy fortified wheat flour for making nutritious chapatis) and also for other uses. Rising population and income growth are expected to grow of global consumption of soya products such as soya biscuits made from blends of soybean and wheat flour, soya milk, soya sauce etc. Soya is also used as ingredient for non-food products such as candle wax and biodiesel.

Edible oil production has increased over the year but it has not been able to fulfil India's vast domestic demand for edible oil. There has been a large gap between the domestic demand and production. After China, India is the world's biggest importer of vegetable oil. The Country meets half of its edible oil requirements through import. Soybean oil is intensively consumed vegetable oil worldwide. It is used as cooking oil in private households but it is mainly uses as main ingredient in industrial food manufacturing, where, together with palm oil, it represents the most commonly, used fat.

India has price advantage as Indian soya meal is still cheaper when compared with the American or Brazilian soya meal costs .No other country produces cheaper soya meal than India, which contains high protein content of around 48%. Moreover, it is not Genetically Modified (GM). Only India supplies non-GM soya meal while the U.S., Argentina and Brazil manufacture only/ mainly GM soya meal.

Threats

The Company's Plants are situated at Dewas ,State of Madhya Pradesh and the major threats to the Company and other soyabean processing companies are inadequate water supply, insufficient power supply and reduced supplies of raw material.

The domestic availability of soyabean seeds, changes in government policies, increasing price of crude oil ,higher interest rate, global soyabean production especially in US, Brazil and Argentina, demand supply gap and instability in foreign exchange rate may affect the business of the company.

SEGMENT WISE PERFORMANCE

The Company is operating in one segment only, hence segment wise reporting is not applicable.



FUTURE OUTLOOK

The Foods processing Industry Sector in India is one of the largest in terms of production, consumption, export and growth prospects. The government has accorded it a high priority, with a number of fiscal reliefs and incentives, to encourage commercialization and value addition to agriculture produce, generating employment and export growth. India's food processing sector covers a wide range of products fruit, vegetables, meat and poultry, milk and milk products, alcoholic beverages, fisheries, plantation, grain processing and other consumer products groups like confectionery, chocolates and cocoa products, soya based products, high protein foods etc.

The domestic market is improving a lot. Some years back, the (DOC) De-oiled Cake consumption was 10% of the total production. But now it is 40%. It is increasing because of the rise in poultry population in the country, which in turn results in high consumption.

Exports of soya meal have great potential. For about 60% of production of soyameal, there is a ready market available in countries like Indonesia, China, Japan, Korea, and to a lesser extent some European nations.

Rapid urbanization, increased literacy, changing life style, increased numbers of women in workforce, rising per capita income-leading to rapid growth and new opportunities in soya oil & other soya products.

In view of this, Company is continuously striving and shuffling its products mix to establish itself as a producer of Non-GMO Soya value added products not only in the India but in the global arena, the Company strategically transforming itself to be recognized name in soya products and show its presence in Indian Market as well as International Market.

RISK AND CONCERN

The Monsoon, changes in government policies, higher interest rate, global soya bean production especially in US, Brazil and Argentina, demand supply gap and instability in foreign exchange rate may have an effect in the business of the company.

Increasing of international prices of Crude oil is continue to be major area of concern as fuel is widely used in manufacturing and has a direct impact on total costs.

The company has risk management policy to identify the nature and magnitude of risk associated with the Company and to take steps for mitigating the impact of such risks. These are reviewed periodically and placed before the Board.

ADEQUACY OF INTERNAL CONTROL SYSTEMS

The Company has an adequate internal control systems to ensure protection of assets against loss from unauthorized use or disposal, proper maintain of accounting records and adherence to Company's Policies and procedures. The Company has an Internal Audit System which commensurates with its size and nature of its business. Reports of the Internal Auditor are reviewed by the senior management and are also placed before the Audit Committee of the Directors.

Financial Analysis

(₹ in Crores)

Particulars	2011-12	2010-11	Growth (%)
Total Revenue	973.83	766.93	26.98%
Total Expenses	948.75	745.02	27.34%
Profit before Financial cost, Depreciation and Amortization & Tax	25.08	21.90	14.52%
Less: Financial Costs	1.39	2.04	-31.87%
Less: Depreciation and Amortization	4.03	3.90	3.33%
Profit before Tax	19.66	15.96	23.18%
Less: Tax Expenses	3.99	3.30	20.90%
Profit after Tax	15.67	12.66	23.78%

During the year under review, your Company achieved a turnover of ₹ 973.83 Crores as against ₹ 766.93 Crores in the previous year, representing an increase of 26.98 %. The Profit before Tax of ₹ 19.66 Crores during the year 2011-12 was higher by 23.18 % as against ₹ 15.96 Crores in the previous year. The Profit after tax of ₹ 15.67 Crores during the year 2011-12 was higher by 23.78 % as against ₹ 12.66 Crores in the previous year.



DEVELOPMENT IN HUMAN RESOURCE AND INDUSTRIAL RELATIONS

The company has sound HR policies for growth and progress of the employees of the Company. Company has Individual performance management systems to encourage merit and enhance innovative thinking. Roles and responsibilities are clearly defined at all levels. A performance based compensation policy to enable the employees to develop a sense of ownership with the organization. Company recognizes the importance of the providing training and development opportunities to its employees to enhance their skills and experience, which in turn enables the Company to achieve its business objectives. During the year the industrial relations continues to be cordial, peaceful and healthy with the employees.

CAUTIONARY STATEMENT

Statements in the “Management Discussion and Analysis” describing the company's objectives, projections, estimates and expectations may be “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include, among others, economic conditions affecting demand/ supply and price conditions in the domestic and overseas markets in which your Company operates, changes in the govt. regulations, tax laws and other statutes and incidental factors.



**INDEPENDENT AUDITOR'S REPORT TO THE
MEMBERS OF VIPPY INDUSTRIES LTD.**

Report on the Financial Statements

We have audited the accompanying financial statements of VIPPY INDUSTRIES LIMITED, ("the Company") which comprises the Balance Sheet as at March 31, 2012 the statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluation of the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unqualified audit opinion.

Opinion

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

- (i) In the case of Balance Sheet, of the State of affairs of the Company as at March 31, 2012;
- (ii) In the case of the Statement of Profit and Loss Account, of the Profit for the year ended on that date, and
- (iii) In the case of the Cash Flow Statement, of Cash Flow for the year ended on that date

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) (Amendment) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that;
 - I. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes 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 of the Company;
 - III. The Balance Sheet, the 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, Statement of Profit and Loss Account and the Cash Flow Statements dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.
- V. On the basis of written representations received from the Directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For : SODANI & COMPANY

Chartered Accountants

(Regd No. : 00880C)

Date : 26.05.2012

Place: Dewas

Rajesh Sodani

(Partner)

M.No. F-77005



**ANNEXURE TO THE AUDITOR'S REPORT
(REFERRED TO IN OUR REPORT OF EVEN DATE)**

- (i) In respect to Fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) As explained to us, the assets have been physically verified by the management during the year in accordance with a phased program of verification, which in our opinion is reasonable, considering size and the nature of the Company. The frequency of verification is reasonable and no material discrepancies have been noticed on such verification.
 - c) The Company has not disposed off any substantial part of fixed assets during the year.
- (ii) In respect of inventory:
 - a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanation given to us, the Company is maintaining proper records of inventory and the discrepancies noticed between the physical stocks and book records, wherever physical verification have been conducted, adjusted to material consumption account at the year end. No material discrepancies were noticed on physical verification.
- (iii) As informed to us, the Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firm or other parties listed in the register maintained under section 301 of the Companies Act, 1956 and as such clauses 4 (iii) (a) to (g) of the Order are not applicable."
- (iv) There are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventories and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls systems.
- (v) In respect of the contracts or arrangement referred to in Section 301 of the Companies Act, 1956:
 - a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5,00,000 in respective of two parties amounting to Rs 42,11,69,089/- during the year have been made at prices which appear reasonable as per information available with the company.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public. Hence, the compliance with the provisions of section 58A and 58AA or any other relevant provisions of the Companies Act, 1956, and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable to the Company.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011, prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determining whether they are accurate or complete.
- (ix) a) According to the information and explanations given to us and the records examined by us, the Company have been generally regularly in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed



arrears of statutory dues were outstanding as at 31st March, 2012 for a period of more than six month from the date they became payable.

b) According to the records of the Company, outstanding dues of sales tax, income tax, custom duty, excise duty and cess on the account of any dispute are as follows

Forum where disputes is pending	Name of the Statute	Nature of the dues	Amount Outstanding as on 31.03.12	Period to which the amount relates
Appellate Board Bhopal	MPCT Act	Commercial Tax	20,74,135/-	2002-03
	CST Act	Central Sales Tax	25,35,257/-	2002-03
	Entry Tax Act	Entry tax	5,209/-	2002-03
Appellate Board, Bhopal	Entry Tax Act	Entry tax	2.01.823/-	2006-07
Additional Commissioner Indore	MPCST Act	Commercial Tax	5,50,870/-	2003-04
	CST Act	Central Sales Tax	20,98,810/-	2003-04
Assessing Officer Dewas	MPCT ACT	Commercial Tax	1,66,917/-	2005-06
	CST Act	Central Sales Tax	2,08,23,391/-	2005-06/2008-09 2009-10
	Entry Tax Act	Entry tax	3,20,80,296/-	2005-06/2007-08 2008-09/2009-10
	VAT Act	Vat Tax	3,64,69,929/-	2008-09-2009-10
Writ Petition pending before the Hon'ble High Court Jabalpur/Indore	MPCT Act	Purchase Tax	3,02,06,909/-	2004-05/2005-06
	Entry Tax Act	Entry tax	2,14,95,748/-	2007-08
Commissioner of Income Tax (appeal)	Income tax Act	U/S 143(3) of the Income tax Act 1961	28,96,406/-	2006-07
Commissioner of Income Tax (Appeal)	Income Tax	Deemed Dividend U/S 2(22)(e)	1,29,81,002/-	2009-10

- (x) The Company has no accumulated losses at the end of the Financial Year ended March 31, 2012 and it has not incurred Cash losses in the current Financial Year and immediately preceding Financial Year.
- (xi) Based on our audit procedures and the explanations given to us, we are of opinion that the Company has not defaulted in repayment of its dues to a Financial Institutions.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/society. Accordingly, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.
- (xiv) The Company has maintained proper records of transactions and contracts in respect of dealing in shares, securities and other investments and timely entries have been made therein. All shares and other securities have been held by the Company in its own name, except to the extent of the exemption granted under section 49 of the Companies Act, 1956.



- (xv) 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. Accordingly, the provisions of clause 4(xv) of the Order are not applicable to the Company.
- (xvi) According to the information and explanation given to us, the Company has not obtained any term loan during the year from Bank and Financial Institutions. Accordingly, the provisions of clause 4(xvi) of the Order are not applicable to the Company.
- (xvii) According to the information and explanation given to us and on examination of the books of accounts of the Company, we report that no funds raised on short term basis have been used for long term investment by the Company and vice versa.
- (xviii) The Company has not made any preferential allotment of shares to the parties and companies listed in the register maintained under section 301 of the companies Act, 1956 during the year. Accordingly, the provision of clause 4(xviii) of the order not applicable to the company.
- (xix) The Company has not issued any debentures during the year. Accordingly, the provisions of clause 4(xix) of the Order are not applicable to the Company.
- (xx) The Company has not raised any money through public issue during the year. Accordingly the provisions of the clause 4 (xx) of the Order are not applicable to the Company.
- (xxi) According to the information and explanations given to us no fraud on or by the Company has been noticed or reported during the course of our audit, which causes the financial statements to be materially misstated.

For: SODANI & COMPANY
Chartered Accountants
(Regd No. :- 00880C)

Date: 26.05.2012
Place: Dewas

Rajesh Sodani
(Partner)
M.No.F-77005

**BALANCE SHEET AS AT 31.03.2012**

Particulars	Note no	Figures as at the end of current reporting period 31.03.12 (₹)	Figures as at the end of previous reporting period 31.03.11 (₹)
I.EQUITY & LIABILITIES			
(1) Shareholders' funds :			
(a) Share capital	3	16,05,77,596	16,05,77,596
(b) Reserves & Surplus	4	84,22,53,106	72,60,39,445
		<u>1,00,28,30,702</u>	<u>88,66,17,041</u>
(2) Share application money pending allotment		0	0
(3) Non -Current Liabilities			
(a) Long -term borrowings	5	2,07,59,258	2,07,59,258
(b) other Long term liabilities	-	25,00,000	1,97,00,000
Total non current Liabilities		<u>2,32,59,258</u>	<u>4,04,59,258</u>
(4) Current Liabilities			
(a) Short -term borrowings	6	33,15,28,467	21,09,19,688
(b) Trade payable	7	12,35,78,566	19,44,75,509
(c) Other current liabilities	7	1,82,34,957	82,80,611
(d) Short term provisions	7	20,09,32,927	24,44,95,063
Total current Liabilities		<u>67,42,74,918</u>	<u>65,81,70,871</u>
TOTAL		<u>1,70,03,64,878</u>	<u>1,58,52,47,170</u>
II.ASSETS			
Non- Current Assets			
1.(a) Fixed assets			
(i) Tangible Assets	8		
Gross Block		1,62,29,67,738	1,57,67,10,018
Less: Depreciation		1,05,03,74,521	96,95,52,535
Net Block		<u>57,25,93,217</u>	<u>60,71,57,483</u>
(ii) In tangible Assets		0	0
(iii) Capital Work-in-Progress		30,82,374	1,00,11,471
(iv) Intangible assets under development		0	0
		<u>57,56,75,591</u>	<u>61,71,68,954</u>
(b) Non-Current Investment	9	22,60,000	22,60,000
(c) Deferred tax assets (net)		0	0
(d) Long Term Loans and advances	9	69,54,529	51,63,204
(e) Other non -current assets	9	1,91,67,213	1,54,35,289
Total non current Assets		<u>60,40,57,332</u>	<u>64,00,27,447</u>



2. Current Assets

(a) Current Investments		0	0
(b) Inventories	10	48,75,59,923	47,90,98,787
(c) Trade Receivables	11	1,48,86,06,94	14,37,26,866
(d) Cash and cash equivalents	12	43,71,00,654	29,19,03,769
(e) Short term loans and advances	13	2,27,86,276	3,04,90,302
Total current Assets		<u>1,09,63,07,547</u>	<u>94,52,19,724</u>
TOTAL		<u>1,70,03,64,878</u>	<u>1,58,52,47,170</u>

Significant Accounting Policies
Notes on Financial Statements

1 to 34

As per our report of even date

For Sodani & Company
Chartered Accountants

V. K. Mittal
General Manager Finance/CFO

Rahul Mutha
Managing Director

Sajeve Deora
Director

Rajesh Sodani
Partner
M.NO.F-77005

Prakash Chakrawarti
Company Secretary

Praneet Mutha
Executive Director

Dewas
Dated:26.05.2012



**STATEMENT OF PROFIT AND LOSS STATEMENT
FOR THE PERIOD FROM 01.04.11 TO 31.03.2012**

Particulars	Note no	Figures as at the end of current reporting period 31.03.12 (₹)	Figures as at the end of previous reporting period 31.03.11 (₹)
I. Revenue from operations	14	9,70,34,45,926	7,64,73,73,791
II. Other Income	14	3,49,15,986	2,18,95,791
III. Total Revenue(I+II)		<u>9,73,83,61,912</u>	<u>7,66,92,69,582</u>
IV. EXPENSES :			
Cost of Materials consumed	15	8,53,16,82,623	6,70,83,99,173
Purchase of Stock in Trade		16,63,19,072	10,49,07,148
Changes in inventories of finished goods, work-in-progress and stock in trade.	16	(2,59,12,352)	(8,19,99,024)
Employees Benefit Expenses	17	6,49,88,574	5,43,09,981
Financial costs	18	1,38,65,869	2,04,37,277
Depreciation and amortization expenses	8	4,02,94,975	3,89,97,964
Other expenses	19	75,04,32,478	66,46,31,220
Total expenses		<u>9,54,16,71,239</u>	<u>7,50,96,83,739</u>
V. Profit before tax. (III-IV)		19,66,90,673	15,95,85,842
VI Tax expenses			
1. Current tax		3,99,50,000	3,29,73,000
2. Deferred tax		0	0
VII. Profit\ (loss) for the period (V-VI)		15,67,40,673	12,66,12,842
VIII. Earning per equity share (1) Basic & Diluted		0.98	0.79

Significant Accounting Policies
Notes on Financial Statements

1 to 34

As per our report of even date

For Sodani & Company

Chartered Accountants

V. K. Mittal
General Manager Finance/CFO

Rahul Mutha
Managing Director

Sajeve Deora
Director

Rajesh Sodani

Partner
M.NO.F-77005

Prakash Chakrawarti
Company Secretary

Praneet Mutha
Executive Director

Dewas
Dated:26.05.2012

**CASH FLOW STATEMENT**

DESCRIPTION	FOR THE YEAR ENDED March.2012 (₹)	FOR THE YEAR ENDED March.2011 (₹)
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(loss) before tax & extraordinary items	19,66,90,673	15,95,85,842
Adjustment for :-		
Depreciation	4,02,94,975	3,89,97,964
Dividend (received)/ Paid	(15,74,650)	(3,08,847)
Loss/(Profit) on sale of fixed assets	0	(10,37,811)
Operating profit before working capital changes	23,54,10,998	19,72,37,148
LESS :-		
Increase/(Decrease) in Inventory	84,61,136	30,26,23,413
Increase/(Decrease) in Debtors, Loans - Advances & Non current assets	29,53,051	(12,10,51,601)
Decrease/(Increase) in Current Liabilities	2,38,45,953	(3,65,07,328)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	20,01,50,858	5,21,72,664
(B) CASH FLOW ARISING FROM INVESTING ACTIVITY		
Acquisition of fixed assets	(3,93,28,623)	(4,09,39,059)
Proceeds from sale of fixed assets	0	11,01,000
Dividend received	15,74,650	3,08,847
NET CASH INFLOW FROM INVESTING ACTIVITY	(3,77,53,973)	(3,95,29,212)
(C) CASH FLOW ARISING FROM FINANCING ACTIVITY		
Increase/(Decrease) in Share capital/Warrants	0	0
Increase/(Decrease) in long term borrowings	(1,72,00,000)	15,67,35,632
NETCASH INFLOW FROM FINANCING ACTIVITIES	(1,72,00,000)	15,67,35,632
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	14,51,96,885	16,93,79,084
ADD-OPENING CASH & CASH EQUIVALENTS	29,19,03,769	12,25,24,685
CLOSING CASH & CASH EQUIVALENTS	43,71,00,654	29,19,03,769

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of
Sodani & Company
Chartered Accountant

V. K. Mittal
General Manager Finance/CFO

Rahul Mutha
Finance Managing

Sajeve Deora
Director Director

Rajesh Sodani
Partner
M.NO.F-77005

Prakash Chakrawarti
Company Secretary

Praneet Mutha
Executive Director

Place : Dewas
Dated : 26.05.2012



NOTE NO-3

SHARE CAPITAL

	AS AT 31.03.12 (₹)	AS AT 31.03.11 (₹)
Authorised:		
Equity		
25,00,00,000 Equity Shares of ₹1/- each	25,00,00,000	25,00,00,000
(Previous year 250000000 Equity Shares of ₹1/- Each)	<u>25,00,00,000</u>	<u>25,00,00,000</u>
Issued,Subscribed & Paid up:		
160577596 Equity Shares of ₹ 1/- each	16,05,77,596	16,05,77,596
(Previous year 160577596 Equity Shares of ₹ 1/- Each)		

- i) During the current year and in the previous year there have been no movement in the NO.of equity shares out standing
ii)The company has only one class of equity share, having a par value of Rs 1 per share. Each share holders is eligible to one vote per share held.

Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	31, March 2012		31, March 2011	
	Nos	₹	Nos.	₹
Out standing at the beginning of the year	16,05,77,596	16,05,77,596	1,60,57,759	16,05,77,596
Issue during the year	-	-	-	-
Out standing at the end of the year	16,05,77,596	16,05,77,596	16,05,77,596	16,05,77,596

Details of shareholders holding more than 5% share in the company

Name of share holders	31, March 2012		31, March 2011	
	Nos	%	Nos	%
Rahul Mutha	10322145	6.43	10322145	6.43
Piyush Mutha	10481112	6.53	10481112	6.53
Praneet Mutha	10392212	6.47	10392212	6.47
Sungem Impex Pvt.Ltd	30035800	18.70	30035800	18.70
Sunline India enterprises Pvt.Ltd	30000000	18.68	30000000	18.68
Starshine Enterprises Pvt Ltd	30000000	18.68	30000000	18.68
Moon Nutrients Pvt Ltd	30000000	18.69	30000000	18.69
	<u>94.18</u>		<u>94.18</u>	

NOTE NO-4

RESERVES AND SURPLUS:

CAPITAL RESERVE	6,97,43,701	6,97,43,701
FIXED ASSETS REVALUATION RESERVE	33,44,04,533	
Less.Dep.for the Period on Revaluation	<u>4,05,27,011</u>	33,44,04,533
GENERAL RESERVE	2,72,78,627	2,72,78,627
PROFIT & LOSS ACCOUNT		
as per last Balance sheet	29,46,12,583	
Add :During the period	<u>15,67,40,673</u>	29,46,12,584
	<u>84,22,53,106</u>	<u>72,60,39,445</u>



NOTE NO 5

LONG TERM BORROWINGS

SECURED LOANS

MPSIDC

AS AT 31.03.12

(₹)

2,07,59,258

2,07,59,258

AS AT 31.03.11

(₹)

2,07,59,258

2,07,59,258

Commercial/Central Sales Tax

Principal amount of Rs207.59 Lacs of deferred sales tax is loan liability payable by the company through MPSIDC. It is secured by charge ranking subsequent to the charge created or to be created in favour of Financial Institutions, Rehabilitation scheme sanctioned by Hon'ble BIFR vide its order dated 04.10.2007, provide settlement in line with settlement with other secured lender of the company, and the relief stand accorded by deemed consent by the Agency. The aforesaid settlement as contained in the Rehabilitation scheme sanctioned by Hon'ble BIFR has not been accepted by the commissioner of commercial Tax .M.P .Indore. Subsequent to that the proposal of the company to settle these dues in light of the Industrial policy 2004 is pending before the state government.

NOTE NO 6

SHORT TERM BORROWINGS

SECURED LOANS

Axis Bank over draft a/c

5,41,05,772

50,14,1931

HDFC Bank over draft a/c

9,96,61,929

47,34,1842

Bank of Baroda over draft a/c

17,77,60,766

66,60,1617

ICICI Bank over draft a/c

0

46,83,4298

33,15,28,467

21,09,19,688

Overdraft accounts against fixed deposit lien with banks shown note no.12

NOTE NO 7

CURRENT LIABILITIES

1) Trade Payable

i) Sundry creditors

12,35,78,566

19,44,75,509

2) Others Current Liabilities

HDFC Bank Car Loan a/c

1,55,401

7,74,181

Other Payables

i) TDS

14,78,766

22,98,880

ii) TCS

1,301

0

iii) Other Statutory dues

4,65,492

3,52,148

iv) Salary ,Wages,Bonus

33,28,403

27,85,813

v) Others

1,28,05,595

20,69,589

3) Short Term Provisions

i) Provision for taxation

86,64,657

4,88,93,000

ii) Outstanding Liabilities

19,22,68,270

19,56,02,063

34,27,46,451

44,72,51,183

Trade Payable : Payments against SSI and Ancillary undertakings are made in accordance with agreed credit terms and to the extent ascertained from available information, there was NIL (NIL) amount overdue as on 31.03.2012. A small scale industrial undertaking has same meaning as assigned to it under clause (J) of section 3 of the Industrial (Development and Regulations) Act, 1951.

This disclosure is on the basis of the information available with the company regarding the Status of the supplies as defined under the interest on delayed payments to Micro Small and Medium Enterprises Development Act 2006.

HDFC Bank car loan @9.38%: are secured by hypothecation of vehicle. The company has not made any default as at the reporting date in repayment of instalment & interest.

Provision for taxation : Liability of MAT Provided as per Provision of section 115JB of the Income Tax Act.



**NOTE NO.-8
FIXED ASSETS**

Particulars of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Cost as on 01.04.2011 ₹	Addition during the year ₹	Deductions during the year ₹	As on 31.03.2012 ₹	Up to 01.04.2011 ₹	Deduction during the year ₹	For the Period ₹	Up to 31.03.012 ₹	As at 31.03.2012 ₹	As at 31.03.11 ₹
TANGIBLE ASSETS										
Land & Lease Hold Land	1,79,50,695			1,79,50,695				0	1,79,50,695	1,79,50,695
Building & site development	15,17,43,434	1,44,85,344		16,62,28,778	6,17,60,425		51,32,238	6,68,92,663	9,93,36,115	8,99,83,009
Plant & Machinery	1,39,89,53,794	3,13,05,850		1,43,02,59,644	90,48,33,197		7,50,32,833	97,98,66,030	45,03,93,614	49,41,20,597
Furniture & Fixtures	33,12,153	37,295	0	33,49,448	16,92,640	0	2,02,905	18,95,545	14,53,903	16,19,513
Vehicles	47,49,942	4,29,231		51,79,173	12,66,273		4,54,010	17,20,283	34,58,890	34,83,669
Total	1,57,67,10,018	4,62,57,720	0	1,62,29,67,738	96,95,52,535	0	8,08,21,986	1,05,03,74,521	57,25,93,217	60,71,57,483
Capital work in progress	1,00,11,471		69,29,097	30,82,374					30,82,374	1,00,11,471
	1,58,67,21,489	4,62,57,720	69,29,097	1,62,60,50,112	96,95,52,535	0	8,08,21,986	1,05,03,74,521	57,56,75,591	61,71,68,954
Previous Year	1,54,58,57,429	4,41,73,913	33,09,853	1,58,67,21,489	89,00,39,371	11,811	7,95,24,975	96,95,52,535	61,71,68,954	65,58,18,058

NOTE:-

1) The Company's building and site development, plant and machinery, and other fixed assets were revalued on 28.12.1999 on the basis of report of Registered Valuer. Accordingly, these assets were restated with the incremented amount over their written down value amounting to Rs. 7,901.94 Lacs as on 31.12.1999, and the same was correspondingly transferred to Revaluation Reserve Account. During the year, depreciation of Rs. 405.27 lacs (Rs. 405.27 lacs) pertaining to revalued portion of fixed assets has been charged to reserve arising on Revaluation of Assets.



NOTE NO -9	AS AT 31.03.12 (₹)	AS AT 31.03.11 (₹)
(b) Non Current Investment		
Long term Investment(at cost) un quoted		
A) Trade investment		
Vipro Exim Ltd.		
450630 fully paid up equity share of Rs 10/each (Out of which 225315 equity shares of Rs10 each received as Bonus shares during 2008-09)	22,50,000	22,50,000
B) Non-Trade investment un quoted		
Saraswat Co.Op. Bank Ltd		
1000 fully paid up equity share of Rs 10/each	10,000	10,000
Total Non Current investment A+B	<u>22,60,000</u>	<u>22,60,000</u>
Aggregate amount of un quoted investment		
(c) Long term Loans & Advances		
Deposits with MPEB		
Others	66,96,226 2,58,303	51,38,868 24,336
	<u>69,54,529</u>	<u>51,63,204</u>
(d) Other Non Current Assets		
i) Cenvat/Ted receivable		
ii) Trade receivable(More than one year)	1,67,40,496	6,18,066
Less: Provision for Bad & doubtful debts	<u>71,67,580</u>	78,03,428
iii) Fixed Deposits	75,87,506	70,13,795
	<u>1,91,67,213</u>	<u>1,54,35,289</u>
The Company is contingently liable		
(a) Guarantees given by the Company's banker on behalf of the Company		
	80.45 Lacs	64.83 Lacs
Against the above, Banks are holding fixed deposit as margin; the deposit forms part of 'Fixed Deposit Account' under the head Non Current Assets (see note no.9 (d)) & part of Cash and Bank Balances (see note no. 12)		
	88.54 Lacs	70.18 Lacs
NOTE NO -10		
INVENTORIES		
(a) Raw Materials	28,73,11,146	30,30,35,003
(b) Coal & Fuel	74,37,267	84,55,979
(c) Stores & Spare Parts	1,16,06,812	1,23,15,459
(d) Finished Goods	18,12,04,698	15,52,92,346
	<u>48,75,59,923</u>	<u>47,90,98,787</u>



NOTE NO -11	AS AT 31.03.12	AS AT 31.03.11
TRADE RECEIVABLE	(₹)	(₹)
(Unsecured considered good)		
TRADE RECEIVABLE		
Others	14,88,60,694	14,37,26,866
	<u>14,88,60,694</u>	<u>14,37,26,866</u>
NOTE NO -12		
CASH & CASH EQUIVALENTS		
1) Balance with Bank		
a) Current account	15,14,376	1,49,57,538
b) Fixed Deposit account	43,42,31,863	27,66,12,118
2) Cash in hand	13,54,415	3,34,113
	<u>43,71,00,654</u>	<u>29,19,03,769</u>
NOTE NO -13		
SHORT TERM LOANS AND ADVANCES		
(Unsecured considered good)		
Recoverable in Cash or Kind for value to be received		
Other Loans & Advances		
i) Prepaid Expenses	5,33,365	4,07,650
ii) T D S deducted/ Advance tax	39,53,300	2,32,38,700
iii) Input Tax Rebate/vat credit	1,74,41,495	63,05,254
iv) Loans to employee	8,58,116	5,38,698
	<u>2,27,86,276</u>	<u>3,04,90,302</u>
NOTE NO -14 REVENUE FROM OPERATIONS	PERIOD ENDED	PERIOD ENDED AT
	31.03.12	31.03.11
SALES OF PRODUCTS		
Finished Products	9,53,88,92,110	7,54,58,29,632
Traded Goods	<u>16,79,82,263</u>	<u>10,59,56,219</u>
	9,70,68,74,373	7,65,17,85,851
Less:Excise duty	<u>34,28,447</u>	<u>44,12,060</u>
	9,70,34,45,926	7,64,73,73,791
OTHER INCOME		
a) Interest on Term Deposits	3,21,74,057	1,96,13,980
b) Miscellaneous Receipts	<u>27,41,929</u>	<u>22,81,811</u>
	3,49,15,986	2,18,95,791
Revenue from operations & other income	<u>9,73,83,61,912</u>	<u>7,66,92,69,582</u>



NOTE NO -15	AS AT 31.03.12	AS AT 31.03.11
COST OF MATERIAL CONSUMED	(₹)	(₹)
Raw Material Consumed:		
Opening Stock	30,30,35,003	9,02,57,760
Add : Purchases	8,51,59,58,766	6,92,11,76,416
	<u>8,81,89,93,769</u>	<u>7,01,14,34,176</u>
Less : Closing Stock	28,73,11,146	30,30,35,003
Cost of Material Consumed	<u>8,53,16,82,623</u>	<u>6,70,83,99,173</u>
NOTE NO -16		
CHANGE IN INVENTORIES OF FINISHED GOODS		
Opening Stock of Finished Goods & Stock in Process	15,52,92,346	7,32,93,322
Less:Closing Stock of Finished Goods & Stock in Process	18,12,04,698	15,52,92,346
	<u>(2,59,12,352)</u>	<u>(8,19,99,024)</u>
NOTE NO -17		
EMPLOYEES BENEFITS EXPENSES		
(1) Salaries, Wages & Bonus	5,62,33,067	4,71,13,999
(2) Company's Contribution to Provident Fund & Others	52,43,838	44,12,485
(3) Welfare Expenses	15,09,911	13,99,363
(4) Employees Group Gratuity Fund	20,01,758	13,84,135
	<u>6,49,88,574</u>	<u>5,43,09,981</u>
NOTE NO -18		
FINANCIAL COSTS		
Interest Expenses	1,18,88,410	1,79,95,872
Bank Commission & Charges	19,77,459	24,41,405
	<u>1,38,65,869</u>	<u>2,04,37,277</u>
NOTE NO -19		
OTHER EXPENSES		
a)Manufacturing Expenses		
Stores & Spares Consumed	2,28,57,308	2,42,92,775
Power & Fuel charges	26,61,41,572	21,11,44,455
Repairs & Maintenance to P&M	81,19,802	75,00,953
Laboratory Expenses	6,35,945	7,25,763
Excise duty on closing stock	15,21,521	13,14,880
Lease Rent	745	745
	<u>29,92,76,894</u>	<u>24,49,79,571</u>
b)Selling & Distribution expenses		
Selling & Distribution expenses	42,27,49,004	39,91,19,175
Gain/Loss on Foreign currency(Net)	85,70,293	0
	<u>43,13,19,297</u>	<u>39,91,19,175</u>



c) Establishment Expenses

Rates & Taxes	7,11,626	4,10,202
Insurance	49,31,337	37,93,523
Repairs & Maintenance	39,41,103	46,86,820
Audit Expenses	3,71,130	3,10,005
Advertisement & Publicity	1,57,601	1,98,125
Director Sitting Fees	40,000	35,000
Office Expenses	25,73,500	26,06,219
Miscellaneous Expenses	71,09,990	84,92,580
	<u>1,98,36,287</u>	<u>2,05,32,474</u>
TOTAL A+B+C	<u>75,04,32,478</u>	<u>66,46,31,220</u>

Miscellaneous Expenses : Miscellaneous and other expenses include ₹ 7.37 lacs (₹ 5.49 lacs) on account of travelling expenses of Directors, out of which expenses on Directors foreign travelling is Rs 5.14 Lacs (₹ 2.73 lacs)

**Notes to the Financial Statements (For the year ended 31 March 2012)****NOTE NO.1: GENERAL INFORMATION**

Vippy Industries Limited is a manufacturer of De oiled cake(DOC) & Edible Refined oil from soyabean seed through solvent extraction method.

The Company's manufacturing facilities are located at 28, Industrial Area, A.B. Road, Dewas, Madhya Pradesh

NOTE NO.2: SIGNIFICANT ACCOUNTING POLICIES**A BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements are prepared under the historical cost convention, on accrual basis, on a going concern basis, in accordance with the generally accepted accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

B PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS

During the year ended 31 March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

C FIXED ASSETS

Fixed assets are capitalized at cost including direct expenses related to installation and putting to use of the fixed assets upto March, 2012. Fixed assets are revalued at a suitable interval and resulting surplus / deficit is carried over as Revaluation Reserve as part of Reserves and Surplus.

Depreciation on Fixed assets is calculated on revalued figures and the charge pertaining to revalued component is adjusted against the Revaluation Reserve.

D REVENUE RECOGNITION

Sales of goods and services are recognized when risks and rewards of ownership are passed on to the customers which generally coincides with delivery and when the services are rendered. Sales inclusive of Excise Duty & Export incentives/Licenses.

E FOREIGN CURRENCY TRANSACTIONS

a) Transaction denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.

b) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.

c) Non monetary foreign currency items are carried at cost.

d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

F FINANCIAL DERIVATIVES AND COMMODITY HEDGING TRANSACTIONS

In respect of derivative contracts, premium paid, gains / losses on settlement and losses on restatement are recognised in the Profit and Loss account.

G INVESTMENTS

Investments are classified into current and Non current investments. Current investments are stated at the lower of cost or fair market value. Non current investments are stated at cost.

H INVENTORIES

Raw materials, coal & fuel and stores and spares are valued at the lower of cost and net realisable value; Cost being computed on weighted average basis.

Finished goods (ascertained on FIFO basis) and work in process valued at the lower of estimated cost and net realizable value (cost being a composition of direct material cost, direct labor cost and overheads necessary to bring the inventories to their present location and condition).

**I BORROWING COSTS**

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

J DEPRECIATION

Depreciation on fixed assets charged to Profit and Loss Account is calculated on:

- Straight line method basis at the rates specified in Schedule XIV of the Companies Act 1956, in respect of the respective asset.
- Straight Line method basis at revalued amount of fixed assets from the year following the year of revaluation.

K EMPLOYEE BENEFITS

Contributions to defined contribution schemes such as Provident Fund and Employees State Insurance are charged to Profit and Loss Account as incurred.

Liability in respect of the Employee's Group Gratuity Cash Accumulation Cum Life Assurance Scheme is funded by way of contribution to Life Insurance Corporation of India and is determined on the basis of actuarial valuation.

L PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

M TAXES ON INCOME

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on the timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

N IMPAIRMENT OF ASSETS

An impairment loss is recognized in the profit & loss account whenever the carrying amount of an assets or a cash generating unit exceeds its recoverable amount. The recoverable amount is estimated as the higher of its net selling price and its value in use. The carrying amounts are reviewed at each balance sheet date to determine whether there is any impairment.

O EARNINGS PER SHARE

In accordance with the Accounting Standard 20 "Earnings per Share" issued by the Institute of Chartered Accountants of India, basic earnings per share is computed using the weighted average number of shares outstanding during the year.

NOTES TO ACCOUNTS**20. Going Concern.**

The accumulated losses of the Company as at the close of accounting year ended December 31, 2000 exceeded the net worth of the Company, and the Company filed an application before the Hon'ble Board for Industrial and Financial Reconstruction (BIFR) as prescribed by the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). The Company was declared by the Hon'ble BIFR as a sick industrial company within the meaning of SICA, and the Hon'ble BIFR Sanctioned the rehabilitation scheme of the Company vide order dated 04/10/2007 and the same is under implementation.

21.a) The Company was granted exemption from payment of Central Sales Tax, Madhya Pradesh Commercial Tax and Entry Tax up to 31.01.2000 and under Madhya Pradesh Sales Tax up to 31.01.2001 in respect of purchase /sales of raw material/finished goods by Hipro EOU Division. In accordance with the policy of State Government, the Company has sought extension in the period of exemption equal to the number of days of closure of this plant during the initially granted period of exemption. Further Hon'ble BIFR has also granted the said exemption under the sanctioned scheme dated 04.10.2007. The Company has filed writ petition before the Hon'ble High Court of Madhya Pradesh against the exparte order passed by Assistant Commissioner of Commercial Tax, Dewas raising the demand of Entry Tax contrary to exemption granted under sanctioned rehabilitation scheme approved by Hon'ble BIFR dt. 4.10.2007. and the demand was stayed by the Hon'ble High court.



- b) The Company has filed writ petition under Article 226 of the Constitution of India before Hon'ble High Court of M.P for quashment of the order dt. 19.02.2010 passed by M.P. Commercial Tax Appellate Board, Bhopal ,confirming denial of exemption to the Company on the ground of non availability of amended eligibility certificate in accordance with directions of BIFR and also seeks direction to comply the reliefs and concession as contemplated by directions of Hon'ble BIFR contained in Para 17E (iv) of the rehabilitation scheme regarding extension of the period of exemption granted to the company in respect of Commercial Tax, Central Sales Tax, Value Added Tax and Entry Tax .Further a application also filed by the Company for taking on record the subsequent order dt. 24.05.2010 passed by MP Commercial Tax Appellate Board, Bhopal. Presently it is pending before Hon'ble High Court of Madhya Pradesh.
22. The Company has filed the Writ Petition before Hon'ble High Court M.P., against the order dt. 16.01.2008 passed by State Appellate Forum, whereby an appeal filed by the company against an order dt. 16.04.2001, passed by the state Level Committee after reconsidering the matter in respect of capacity with reference to deferment of sales tax regarding ex-parte amendment order passed by the Sales Tax Authority reassessing the production capacity of company's plant as on 31.03.1993 after direction given by Hon'ble High Court of Madhya Pradesh to Sate Level Committee to reconsider the entire matter and decide the same afresh after giving the company an opportunity of being heard. After considering such writ petition the Hon'ble High Court of Madhya Pradesh has quashed the order dt. 16.01.2008 passed by State Appellate Forum, and directed to State Appellate Forum for the revival of the appeal earlier filed by the Company and hear the same as fresh in accordance with law after giving the company an opportunity of personal hearing. The matter has been heard on 25.03.10 by the State Appellate Forum and the said appeal has been rejected by state Appellate Forum vide its order dated 09.06.2010, company has filed the writ petition on 20.06.2011 before Hon'ble Highcourt Indore bench of M.P. The same is pending before Hon'ble High court Indore .
23. **Deferred Income tax:**
Deferred tax assets are ₹ 525.81 Lacs (₹1257.80 Lacs) arising mainly of carried forward, unabsorbed depreciation, provision for doubtful debts/advances and Entry tax & purchase tax not allowable as expenditure under the Income tax Act 1961.
Deferred tax liability is ₹ 380.37 lacs (₹ 426.70 lacs) arising on account of higher depreciation admissible as per Income tax Act Rules, 1962.
Deferred tax assets being higher than deferred tax liabilities, net deferred tax assets are ₹ 145.44 Lacs (₹ 831.10 lacs).
The Company recognizes deferred tax assets to the extent of deferred tax liability, and following a conservative and prudent approach and in view of large accumulated and unabsorbed depreciation ,excess of deferred tax assets has not been given effect in the Balance Sheet.
24. In the opinion of the Board, the current assets, loan and advances have a value on realization in the ordinary course of business at least equal to the amount at which these are stated and provisions for all known liabilities are adequate and not in excess of the amount considered reasonable and necessary.
25. The Company's operation relates to manufacture of soya products, which are in the nature of joint products and by-products. Hence, the company has only one reportable Segment as per Accounting Standard 17.
26. **Contingent liabilities:**
Claims against the Company not acknowledged as debts.
- | | (March 31, 2012) | (March 31, 2011) |
|--------------------------------------------|------------------|------------------|
| Income tax matters in dispute/under appeal | 158.77 Lacs | 28.96 Lacs |
27. **FORWARD BOOKING CONTRACTS**
The Company in accordance with its risk managements polices and procedure enters in to foreign currency forward contracts to manage its exposure in foreign exchange rates these contracts are for a period between one day and one year. The company has outstanding forward booking contracts at year end
- | Foreign Currency | Million
(March 31, 2012) | Million
(March 31, 2011) |
|-------------------|-----------------------------|-----------------------------|
| U.S. DOLLAR / INR | 7.85 | 10-10 |
| EURO / US \$ | 0.30 | 1-40 |
- Net loss on forward booking contracts on market to market basis of ₹ 85.70 Lacs recognized in Profit & Loss A/c of March 31, 2012 as per ICAI Announcement for Accounting for Derivatives.



28. Related party disclosures:

a) Transactions

1.	Vipro Exim Ltd.	Sales during the year	40,55,13,001
		Purchase during the year	1,03,68,108
2.	Vippy Spin Pro Ltd.	Sales during the year	52,87,980

b) Managerial Remuneration

Name	Description of Relationship	Nature of Transaction (Rs.)
Shri Rahul Mutha	Managing Director	Remuneration ₹ 22,50,000
		Provident Fund ₹ 2,70,000
		Perquisites : ₹ 70,991
Shri Praneet Mutha	Executive Director	Remuneration ₹ 15,00,000
		Provident Fund ₹ 1,80,000

The directors, apart from above, have no other transaction, pecuniary or otherwise, or business relationship with the company.

29. Earning Per Share (EPS)

	Current Year	Previous Year
a) Net profit for the year (₹)	15,67,40,673	12,66,12,842
b) Weighted average Number of Equity Shares	16,05,77,596	16,05,77,596
c) Nominal value of per ordinary share (₹)	1/-	1/-
d) Basic earning per share (₹)	0.98	0.79
e) Diluted earning per share (₹)	0.98	0.79

30 Figures and words in brackets pertain to previous year unless otherwise specified.

31 Figures have been rounded off to the nearest Lacs Rupee.

32 Consequent to the notification of revised Schedule VI under the companies act, 1956, the financial statements for the year ended 31 March 2012 are prepared as per the revised schedule VI. Accordingly, the previous year figures have also been reclassified to confirm to this year's classification. The adoption of revised schedule VI for the previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

33 Additional information required under paragraph 3 & 4 in part II of schedule VI of the Companies Act, 1956

a) Auditors remuneration

	Current Year	Previous Year
	₹	₹
i) Audit fees	2,93,840	2,44,866
ii) Cost audit fees	35,000	35,000
iii) Expenses reimbursed	42,290	30,139

b) Number of employees throughout the year who were in receipt of remuneration in aggregate to

₹ 60,00,000/- per annum or more.

	Current Year	Previous Year
	₹	₹
i) Number of Employee	Nil	Nil
ii) Salary & Others	Nil	Nil
iii) Contribution to P.F.	Nil	Nil



- c) Number of employees employed for any part of the year whose remuneration was Rs.500,000/- or more per month in aggregate.

	Current Year ₹	Previous Year ₹
i) Number of Employee	Nil	Nil
ii) Salary & Others	Nil	Nil
iii) Contribution to P.F.	Nil	Nil

- d) Particulars of installed capacity (in M.T.)

	Current year	Previous Year
i) Solvent Extraction Plant	4,12,500	4,12,500
ii) Oil Refinery / Degumming	90,000	90,000
iii)Soya Protein Products	250	250

- e) Turnover, stock, production (in M.T.)

	Solvent Extraction		Oil Refinery	
	Current Year	Previous Year	Current Year	Previous Year
Opening Stock	11,799	4,133	136	786
Production/ Purchase	3,32,724	2,88,549	44,205	44,621
Turnover	3,37,810	2,80,883	43,260	45,271
Closing Stock	6,713	11,799	1,081	136

- f) Loss on hedging Rs 451.25 lacs (Previous year Profit Rs 1.43 Lacs) taken in to account of Refined oil sales.
g) Derivatives contracts entered into by the company and out standing as on 31st March.2012. For hedging commodity related risk:

For hedging commodity related risk ;

	31st March.12	31st March.11
Soyabean seed	20 MT	2170 MT
Refined oil	1200 MT	1300MT
Meal	200 MT	-

Aforesaid derivative instrument acquired by the company for hedging purpose only.

- h) Consumption of Raw Material (in M.T.)

	Indigenous		Imported	
	Current Year	Previous Year	Current Year	Previous Year
i) Solvent Extraction Plant	309156	270361	NIL	NIL
ii) Oil Refinery/Degumming	73507	68009	NIL	NIL

- i) Expenditure in Foreign Exchange

	Current Year ₹	Previous Year ₹
i) On account of Capital Goods / Stores	3,37,099	35,72,416
ii) Travelling	2,37,342	2,03,099
iii) Commission	21,04,330	20,51,877
iv) Others	26,02,342	20,70,820

- v) Earnings in Foreign Exchange

	Current Year	Previous Year
Export of Finished Products (Including earning foreign Exchange on FOB basis ₹ 12,21,30,0441/ (Previous year ₹ 1,70,61,17,790/-)	3,50,73,81,725	39,65,00,9547



vi) Managerial Remuneration to Directors	Current Year ₹	Previous Year ₹
i) Managing Director		
a) Remuneration	22,50,000	17,25,000
b) Contribution to Provident & Other funds	2,70,000	2,07,000
ii) Directors other than Managing Director		
a) Remuneration	15,00,000	12,00,000
b) Contribution to PF & other funds	1,80,000	1,44,000
c) Perquisites	0	0
iii) Non- Executive Directors		
Sitting Fees	40,000	35,000
34. Balance Sheet Abstract and Company's General Business Profile pursuant to provision of part IV of Schedule VI to the Companies Act, 1956 as amended vide Notification No.G.S.R. 388(E) dated 15.05.1995.		
I Registration Details		
Registration No. 10-1225	State Code : 10	
Balance Sheet Date: 31.03.2012		
II Capital raised during the year (Amount in Rs. Thousand)		
Public Issue	Nil	
Right Issue	Nil	
Bonus Issue	Nil	
Private Placement	NIL	
III Position of mobilization and deployment of fund (Amount in Rs. Thousand)		
Total Liabilities	1700365	
Total Assets	1700365	
Source of Funds		
Paid up capital	160578	
Reserve & Surplus	842253	
Long Term borrowings	20759	
Other Long term Liabilities	2500	
Current Liabilities	674275	
Application of funds		
Net Fixed Assets	575676	
Non-Current Investment	2260	
Long term loan & advances	6954	
Other non-current assets	19167	
Current Assets	1096308	
Misc. Expenses	0	
IV Performance of the Company		
Turnover	9738362	
Total Expenditure	9541671	
Current Tax	39950	
Profit/ (Loss) after Tax	156741	
Earning per Share	0.98	
Dividend	NIL	



V. Generic Names of Three Principal Products/ Services of the Company

Item Code (ITC Code)	Product Description
1. 150710	Soya Oil
2. 230400	Soya Meal

As per our Report even date

For Sodani & Company
Chartered Accountants

Rajesh .Sodani
Partner
M.NO.F-77005

V.K.Mittal
General Manager Finance /CFO

For And On Behalf Of The Board
Rahul Mutha **Sajeve Deora**
Managing Director Director

Prakash Chakrawarti
Company Secretary

Praneet Mutha
Executive Director

Place: Dewas
Date : 26.05.2012



VIPPY INDUSTRIES LTD.

Regd. Office : 28, Industrial Area, A.B. Road, Dewas 455001 (M.P.) India.

ATTENDANCE SLIP
38th Annual General Meeting

DP Id*.....

Folio No.....

Client Id*.....

No. of Shares.....

Full Name of the Shareholder/Proxy attending the meeting

.....

(First Name)

(Middle Name)

(Surname)

I here by record my presence at the Annual General Meeting on Saturday, the 29th day of September 2012 at 2.00 P.M at 28, Industrial Area, A.B. Road, Dewas-455 001 (M.P.)

Signature of Member/Proxy

*Applicable for investors holding shares in electronic form

Note: Member/Proxy attending the meeting must fill in this attendance slip and hand it over at the entrance of the meeting hall.

.....



VIPPY INDUSTRIES LTD.

Regd. Office : 28, Industrial Area, A.B. Road, Dewas 455001 (M.P.) India.

PROXY FORM

38th Annual General Meeting 29th September, 2012

DP Id*.....

Folio No.....

Client Id*.....

No. of Shares.....

I/WE..... of.....

in the district of.....being a Member/Members of

Vippy Industries Ltd., hereby appointof.....

..... in the district of or failing him/her

.....of.....in the district of

..... as my /our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the

Company to be held on Saturday, the 29th day of September , 2012 at 2.00 P.M. 28, Industrial Area, A.B. Road, Dewas-

455 001 (M.P.) and at any adjournment thereof.

Signed this day of2012

Affix
Re.1/-
Revenue
Stamp

*Applicable for investors holding shares in electronic form.

Signature

Note: This Proxy form, in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less that 48 hours before the meeting.

BOOK - POST

To, _____

If undelivered, Please return to:
VIPPY INDUSTRIES LTD.
28, Industrial Area, A.B. Road,
Dewas 455 001 (M.P.) India.