



Board of Directors	Mr. Kaushik B. Parikh - Managing Director Mr. Manhar D. Patel - Joint Managing Director Mr. Girishbhai G. Shah - Director Dr. Ramanbhai N.Patel - Director
Auditors	M/s. Ambalal M. Shah & Co.
Bankers	Bank of Baroda.
Plastics Division	66, Industrial Estate, GIDC, Nandesari, Dist. Vadodara.
Agro Division	76, Industrial Estate, GIDC, Nandesari, Dist. Vadodara.
Registered Office	A-207, Oxford Avenue, Opp. C.U.Shah College, Ashram Road, Ahmedabad - 380 014
Corporate Office	5, Alkapuri, Opp. Express (Alkapuri) Hotel, Off. R.C.Dutt. Road, Vadodara - 390 007.

INDEX

SR NO.	CONTENTS	PAGE NO.
1.	Notice	1
2.	Directors Report	4
3.	Certificate on Corporate Governance	8
4.	CEO/CFO Certificate	9
5.	Management Discussion & Analysis	10
6.	Corporate Governance Report	14
7.	Auditors Report	24
8.	Financial Result	29
9.	Cash Flow Statement	47



NOTICE

OCEAN AGRO (INDIA) LIMITED

NOTICE is hereby given that the 22nd Annual General Meeting of the members of M/s OCEAN AGRO (INDIA) LIMITED will be held on Saturday the 29th September 2012 at the 22, Dolly Complex, Stadium Circle, Navrangpura, Ahmedabad - 380 009 at 12.30 p.m. to transact the following business:-

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as on 31st March 2012 and Profit and Loss Account for the year ended on 31st March 2012 together with Directors' and Auditors' Report
2. To appoint a Director in place of Dr. Ramanbhai Patel who retires by rotation and is eligible for reappointment.
3. To appoint the Auditor to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Place: Vadodara
Date: 30th May 2012

Registered Office
A – 207, Oxford Avenue,
Opp. C. U. Shah College,
Ashram Road,
Ahmedabad 380 014

By Order of the Board

Shri K. B. Parikh
Managing Director



NOTES

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself on a poll and that a proxy need not be a member. Proxies, in order to be effective, forms must be received at the Company's Registered Office not less than 48 hours before the commencement of the Meeting.
2. Additional information pursuant to Clause 49 of the Listing Agreement with stock exchanges, on directors recommended for reappointment at the Annual General Meeting, is given in this notice.
3. The Register of Beneficial Owners, Register of Members and Share Transfer Book of the Company shall remain closed from 24th September 2012 to 28th September 2012 both days inclusive.
4. Members / proxies should bring their copy of the Annual Reports and Accounts along with Attendance Slip (duly completed) when attending the Meeting.
5. Members are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
6. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively) has undertaken a "Green Initiative in Corporate Governance" and allowed companies to share documents with its shareholders through an electronic mode. A recent amendment to the Listing Agreement with Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiative by registering / updating their email address for receiving electronic communication.
7. Details of Directors seeking re-appointment and appointment as per Item No. 2 of the Ordinary Business in ensuing Annual General Meeting to be held on 29th September 2012 are as under:



Name of Directors	Dr. Ramanbhai N Patel
Date of Birth	01.03.1945
Date of Appointment	15.06.2007
Education	Ph. D in Organic Chemistry
Expertise in specific functional areas	Dr. R. N. Patel. holds Ph. D. in Organic Chemistry and Master of Science, in Organic Chemistry from Sardar Patel University, Vallabh Vidhyanagar (Gujarat). He is with the company since 1998 and supervises development, production, quality assurance, purchasing and stores functions of our company. Before that he was with United Phosphorous Limited during 1992-1998 as Chief Manager, Quality Assurance. Before that he was with Cibatul Limited during 1979-1992 as Senior Manager, R&D and Quality Assurance. Before that he was with Sardar Patel University, Vallabh Vidhyanagar as Faculty in Post Graduate Department of Chemistry from 1970 to 1979. He has teaching and research experience at Post Graduate Department of Chemistry. He also Served as external referee for examining Ph.D. thesis and Also guided students for Ph.D. Degree.
List of outside Directorship Held	Nil
Chairman / Member of the Committee of the Board of Directors of the Company	2
Chairman / Member of the Committee of the Board of Directors of the other Public Limited Company	Nil
Share Holding	Nil
Relationship with other directors	Nil

Place: Vadodara
Date: 30th May 2012

Registered Office
A – 207, Oxford Avenue,
Opp. C. U. Shah College,
Ashram Road,
Ahmedabad 380 014

By Order of the Board

Shri K. B. Parikh
Managing Director



DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the 22nd ANNUAL REPORT of the Company along with Audited Accounts for the year ended 31st March 2012.

1. FINANCIAL PERFORMANCE :- (Rs. In lacs)

	Year ended 31/03/2012 Rs	Year ended 31/03/2011 Rs
Income for the year was	161738299	147607826
The year's working shows a Gross Profit of	8450901	8701024
Out of which, Provisions have been made for :-		
Depreciation	6273750	6520859
Provision for Taxation :	1800000	2000000
(i) Current Income Tax	0	0
(ii) Deferred Tax	0	0
Provision for doubtful debts	0	0
Previous year expenses	0	0
Profit after Income Tax	377151	180166

2. DIVIDEND :-

In view of inadequate profit during the financial year under review, the Directors are unable to declare dividend.

3. OPERATIONS & FUTURE PROJECTS :-

During the year under report turnover has increased from Rs. 1500.21 lacs to Rs. 1637.95 lacs and the profit after tax has increased from Rs. 1.80 lacs to Rs. 3.77 lacs. The Directors are endeavoring to improve the performance of the Company in the coming years. The project of creating a data base as discussed last year for above three million farmers across the country is in progress. Pilot scale implementation was started this year and we have obtained data from few Districts of Gujarat already. This will enable the Company to have direct communication with the end user to provide customized solutions and create a sustainable long term market for the company's product(s).

Future Projects:

Fertilizer Prices have increased as subsidies are reduced; more over there is a shortage of UREA fertilizers. The inability of farmer's to obtain the required type and quantity of fertilizers at right time has become a common occurrence.



Government of India has started the ADHAR Scheme to give a unique ID to all citizens of the country. The government intends to credit fertilizers subsidy to farmers' accounts directly through ADHAR ID. This will help to remove present fertilizer subsidy system and will enable government to sell fertilizers at commercial rate which will be much higher than prevailing subsidized rate. Farmers will be more attracted for our products as they will be relatively cheaper than commercial fertilizers, leading to more demand. Unfortunately the scheme is not progressing at the speed as required.

As discussed last year, Your Company has identified a unique opportunity in this scenario, where in identification and interaction with progressive farmers for testing BIO FERTILIZERS (organic fertilizer produced by us) has been started on one to one basis through our own call centre. A new product called AMRUTSANJIVANI PLUS has been developed and distributed for trials with selected farmers. Results from these test trials are encouraging and if successful will lead to a substantial demand creation. Such success will also allow better market recognition of our other products as well.

Your company has modified the Bio Fertilizer (DELTA) to make it more competitive. The liquid products mainly Amrutsanjivani Plus has been tried and have performed to the satisfaction of farmers for soil application (given with irrigation). This has opened up new avenues for new markets.

Your Company is in an advanced stage for designing and installing a hi-tech manufacturing plant to produce bio technology based organic fertilizers on economical scale.

The trials for bio technology based bio fertilizers are conducted in Universities and primary results are promising

As discussed last year a project to collect and create a database of farmers throughout Gujarat has been started, and has been operative in more than twelve districts. This database will enable the company to make direct communication via call-center with farmers and help the company to cater directly to the needs of the final consumers and also help to motivate progressive farmers. Your company is in advanced stages of designing crop specific sustainable organic farming solutions, using bio technology based products. Such industry-leading behavior will help your company to grow organically.

As mentioned in last year's report, the contact centre (Call Centre) for providing customized solutions for increasing yield has been started on a trial basis. This center will create a platform for developing a system and procedure to provide training to selected farmers. Moreover the performance of your company's product on farmer's field will be well documented and results will be conveyed to other farmers for adopting company's product in short time.

4. INDUSTRIAL RELATIONS :-

Industrial relations remained cordial throughout the year. Your Directors place on record their deep appreciation of the contribution made by the employees at all levels. Measures have been taken for Human Resources Development.



5. **DIRECTORS :-**
Dr. Ramanbhai N Patel retires from the Board by rotation and being eligible, offer himself for re-appointment.
6. **INSURANCE :-**
The Assets of the company have been adequately insured.
7. **PUBLIC DEPOSIT :-**
During the period under review the company has not mobilized resources by way of deposit from the public.
8. **CORPORATE GOVERNANCE REPORT :-**
Pursuant to clause 49 of the Listing Agreement of the company with the Stock Exchanges, the Management Discussion & Analysis Report, Report on Corporate Governance, and certification by the Managing Director (CEO) confirming compliance by all the Board Members and Senior Management personnel with Company's Code of Conduct are made a part of the Annual Report. A certificate regarding compliance of conditions of Corporate Governance as stipulated under the aforesaid clause 49 is attached to this report.
9. **DIRECTOR'S RESPONSIBILITY STATEMENT :-**
Pursuant to requirement under section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is hereby confirmed :
1. that in the preparation of the Account for the financial year ended 31st March, 2012 the applicable standards have been followed along with proper explanation relating to material departures ;
 2. that 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 as at 31st March 2012 and of the profit of the company for the year ending on that date ;
 3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other Irregularities ;
 4. that the Directors have prepared the accounts for the financial year ended on 31st March, 2012 on a going concern basis.
10. **AUDITOR AND ITS OBSERVATION**
M/s Ambalal M Shah & Co. Chartered Accountants, retire as Auditor of the company and being eligible, offer themselves for re-appointment. A certificate is obtained from them that their re-appointment, if made, will be within the limit prescribed under section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 226 of the said Act.
- The Observation of the Auditors are duly explained in notes 26 to the Annual Accounts.



11. **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.**
As required under section 217 (1) (e) of the Companies Act, 1956 and the rules made therein, the concerned particulars relating to Energy conservation, Technology Absorption, Foreign Exchange Earning and outgo are not applicable to the Company.
12. **PARTICULARS OF EMPLOYEES**
Particulars of employees in accordance with the provisions of section 217(2A) of the Companies Act, 1956 read with Companies (particulars of Employees) Rules, 1975 as amended are not given as none of the employees qualify for such disclosure.
13. **ACKNOWLEDGMENT**
The directors extend their sincere thanks to the Bankers, Financial Institutions, Central Government and State Government Authorities and all associated with the company for the co-operation.
The directors also place on record the efforts made by the employees, workers and all other associated with the company for making their organisation successful.

For and on behalf of the Board

Place : Vadodara
Date : 30th May 2012

Kaushik Parikh
Managing Director

M. D. Patel
Joint Managing Director



**CERTIFICATE
ON CORPORATE GOVERNANCE**

To,
The members of
Ocean Agro (India) Limited

We have examined the compliance of Corporate Governance by Ocean Agro (India) Limited ("the Company") for the year ended on 31st March 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementations thereof adopted by the Company for ensuing compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the above mentioned Listing Agreement.

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.

Ahmedabad
May 30, 2012

CS Ashwin Shah
Company Secretary
C. P. No. 1640



CEO / CFO CERTIFICATE
TO WHOMSOEVER IT MAY CONCERN

We Certified to the Board that:

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

For Ocean Agro (India) Limited

Date: 30th May 2012
Place: Vadodara

Shri K. B. Parikh
Managing Director



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development

Climate change and long-term change to the stable monsoon pattern:

Challenges and Opportunities For rainwater dependent agriculture

After two summers of erratic and delayed monsoons, this year the rains simply failed. The monsoon months, June to September, bring three -quarters of India's annual rainfall. Official studies show it to be erratic in four out of every ten years. Yet farmers rarely get any useful warning of shortfalls. As recently as late June, India's meteorologists were predicting a normal monsoon. Punjab and Haryana, two north-western agricultural states, now say rains are about 70% below average. Six western states have issued drought warnings.

The country remains predominantly rural: over 600m out of 1.24 billion Indians rely directly on farming. Nearly two-thirds of Indian fields are fed only by rain. What is disturbing, though, are tentative signs of long-term change to the summer rains. A less stable monsoon pattern would be harder to predict. It would arrive late more often, yield less water, become more sporadic, or dump rain in shorter, more destructive bursts. The concerns of experts about the monsoon long predate today's dry spell. Too little is known about summer weather systems on the subcontinent.

Deficient rainfall, particularly in southern states where rivers are rain-fed, affects every aspect of life. In the State of Maharashtra, for example, most of the rural population relies on river basins, almost half of which are water deficient. India's reservoirs are 40% lower than last year, affecting drinking water supply and hydroelectric power, which also affects urban populations. The consequences are potentially dire.

India is short of observation stations, weather planes, satellites, climate scientists and modelers. But even with better data, monsoons are ill-understood once they leave the sea or low-lying land. At altitude, notably, for instance, approaching the Himalayas, it is far trickier to grasp just how factors such as wind direction, air pressure, latent heating and moisture levels interact to deliver monsoon rains.

One trend looks clear, India has grown warmer over the past six decades. Glaciers are melting in the Himalayas, and orchards in the range's valleys are being planted on ever-higher slopes in search of a temperate climate. Crops in the northern grain belt, notably wheat, are near their maximum tolerance to heat, and so are vulnerable to short-term blasts of higher temperatures. North India's cities are also growing hotter.



How more warmth affects the monsoon is not straightforward. A land mass heating faster than the oceans will, in theory, draw in more moisture to produce heavier monsoons. Yet the reverse appears to be happening. Indian Institute of Tropical Meteorology in Pune, points to a study showing a “steady decline” in rainfall on the Western Ghats, which run down the west coast. A Japanese model that has applied to southern India predicts that a still more rapid decline in rainfall is likely.

Company recognizes the reality that water shortage will be a regular affair in time to come. With a view to develop products that allow agronomical practices that require less water, the company has started trials with prestigious Agriculture Universities in the neighboring districts of Vadodara, Gujarat. A constant exchange of views and ideas with the research workers and professors of the Universities is maintained to improve business of the company. Company is designing new research programs in consultations with Technical Experts to formulate new products and applications which will reduce irrigation water requirement considerably for some of the selected crops.

Company has been constantly innovating through its persistent efforts in the field of Research & Development. As a result of these R & D efforts, company has been able to regularly introduce new products. As on date, AMRUTSANJIVANI PLUS has been test marketed and results are quite promising. In coming years it will be gradually introduced in the market and will increase company's turnover and profitability considerably.

Opportunities, Threats, Risks, Concerns and Outlook:

In order to keep up with the global economic slowdown, company has decided to change the packing of HDPE bottles by cost effective PET bottles in a phased manner. New areas have been approached for increasing volume of business.

The company is also in the process of implementing a networking system that will allow real-time monitoring of company's field staff, shipments and new orders. This proprietary computer software has been under development for over two years and is now introduced in local market. Success in this market will lead to complete deployment of this system, country-wide.

The company is also working for towards penetrating the international agricultural market. A 100% owned LLC subsidiary was started in the US, with the goal of creating a market for the company's products in the US agricultural sector. Currently initial work for regulatory compliances and field trials has been initiated. It will start commercial operations after completing regulatory compliances & successful trials of the company's product.



INTERNAL CONTROL SYSTEM

The company has adequate internal control systems and procedure with regard to purchase, stores and raw materials including components, plant and machinery, other assets and for sale of goods.

The company has an adequate internal audit system commensurate with size and nature of its business. The company has engaged a firm of Chartered Accountants for its internal audit function. Reports of Internal Auditors are reviewed in the meetings of the Audit Committee of the Board.

INDUSTRIAL RELATIONS & HUMAN RESOURCE DEVELOPMENT

Industrial relations continued to be harmonious and cordial throughout the year. The Company has always valued its human resources and believes in unlimited potential of the each employee. The company employed 104 number of employees as on 31.03.2012.

CAUTIONARY STATEMENT

Statement in this report on Management's Discussion and Analysis describing the company's objectives, projections, estimates, exceptions or predictions may be forward looking statements and are based on certain assumptions and exception of future events. Actual result could however differ materially from those expressed or implied. Important factors that could make a difference to the company's operations including global and domestic demand-supply conditions, finished goods prices, raw material cost and availability, Changes in government regulations and tax structure, economic developments within India and the countries with which the company has business contracts and other factors such as litigation and industries relations.

The company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information and events.



Financial Performance

	Year ended 31/03/2012 Rs	Year ended 31/03/2011 Rs
Income for the year was	161738299	147607826
The year's working shows a Gross Profit of	8450901	8701024
Out of which, Provisions have been made for :-		
Depreciation	6273750	6520859
Provision for Taxation :	1800000	2000000
(i) Current Income Tax	0	0
(ii) Deferred Tax	0	0
Provision for doubtful debts	0	0
Previous year expenses	0	0
Profit after Income Tax	377151	180166

INTERNAL CONTROL SYSTEM

The company has adequate internal control systems and procedure with regard to purchase, stores and raw materials including components, plant and machinery, other assets and for sale of goods.

The company has an adequate internal audit system commensurate with size and nature of its business. The company has engaged a firm of Chartered Accountants for its internal audit function. Reports of Internal Auditors are reviewed in the meetings of the Audit Committee of the Board.

INDUSTRIAL RELATIONS & HUMAN RESOURCE DEVELOPMENT

Industrial relations continued to be harmonious and cordial through out the year. The Company has always valued its human resources and believes in unlimited potential of the each employee. The company employed 104 number of employees as on 31.03.2012.

CAUTIONARY STATEMENT

Statement in this report on Management's Discussion and Analysis describing the company's objectives, projections, estimates, exceptions or predictions may be forward looking statements and are based on certain assumptions and exception of future events. Actual result could however differ materially from those expressed or implied. Important factors that could make a difference to the company's operations including global and domestic demand-supply conditions, finished goods prices, raw material cost and availability, Changes in government regulations and tax structure, economic developments within India and the countries with which the company has business contracts and other factors such as litigation and industries relations.

The company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information and events.



REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

At Company the core set of values of transparency, accountability and integrity, guide the principles and policies of Corporate Governance. Since its inception, Company remained committed to the highest standards of Corporate Governance which could not be possible without the emotional conviction of walking the right path. This has formed the foundation of our Corporate Governance. The Company complied with the Corporate Governance code enshrined in Clause 49 of the Listing Agreement.

2. BOARD OF DIRECTORS

The Board represents an optimum combination of executive and non executive directors and is in conformity with the provisions of Listing Agreements of Corporate Governance. The Board of Directors of your Company comprises four directors composition of the Board and the category of the Directors as well as details of their directorship/membership in other companies/committees as on 31st March, 2012 is given below:

Sr. No.	Name of the Directors	Category	No. of Directorship in other companies	No. of chairmanship/ membership in Board Committees.
1	Mr. Kaushikbhai Parikh	Chairman & Managing Director	NIL	2
2	Mr. Manharbhai Patel	Joint Managing Director	NIL	NIL
3	Mr. Girishbhai G Shah	Independent, Non-executive Director	NIL	2
4	Dr. Ramanbhai Patel	Independent & Non-executive Director	NIL	2

None of above directors is a member in any Committees or acts as Chairman in any committees across all Companies in which he is a director

Number of other Directorships held by the Directors, as mentioned above, do not include alternate directorships and directorships held in foreign companies, Section 25 Companies and Indian private limited companies and are based on the latest declarations received from the Directors.

The Company has a system to circulate and provide adequate information to the Board including as required under Annexure IA of Clause 49 of the Listing Agreements to enable the Board to take informed decisions.

The Compliance report of all laws applicable to the Company as prepared and compiled by the Compliance Officer is circulated to all the Directors along with the agenda and placed/reviewed in each Board Meeting.

The Board laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company and the process has been initiated to post it on the website of the Company.



Certificate of Code of Conduct for the year 2011-12

The Company is committed to conduct its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "Code of Conduct" which is applicable to all directors, officers and employees.

I hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Conduct under a certificate of Code of Conduct for the year 2011-12

Ahmedabad
April 09, 2012

(sd)
Mr. K. B. Parikh
Managing Director

A brief resume and the profile of directors retiring by rotation/ Managing Director eligible for appointment or re-appointment at the ensuing Annual General Meeting of the Company are given in the notice of Annual General Meeting, annexed to this Annual Report

Resolutions have been proposed for the reappointment of Dr. Ramanbhai Patel at ensuing Annual General Meeting as director Dr. Ramanbhai Patel is not related to any of the Directors of the Company.

3. Board Procedure

During the financial year 2011-12, six meetings of Board of Directors were held, the information to be made available to the Board as per Annexure IA forming part of Clause 49 has been complied with. The Board Meetings are generally held at the Corporate Office of the Company in Vadodara. Calendar of the Board Meeting is fixed in advance for each year. The Board meets at least once a quarter with the gap between two meetings not exceeding four months. The Directors also have access to all the information about the company and are free to recommended inclusion of any matter in the agenda for discussion.



Details of the Board Meeting held during the year are as follows:

Sr.No.	Date of Board Meeting	Chairman
1	31 st May 2011	Shri Kaushik B Parikh
2	5 th August 2011	Shri Kaushik B Parikh
3	12 th November 2011	Shri Kaushik B Parikh
4	11 th February 2012	Shri Kaushik B Parikh
5	15 th February 2012	Shri Kaushik B Parikh
6	12 th March 2012	Shri Kaushik B Parikh

Details of Attendance of the directors at the Board Meetings held during the year 2011-12 and at the last Annual General Meeting are given below:

Sr. No.	Name of Directors	No. of Board Meeting held while holding the office	No. of Board Meeting attended while holding the office	Attendance at last AGM
1.	Shri Girishbhai Shah	6	6	Yes
2.	Shri Kaushikbhai Parikh	6	6	Yes
3.	Shri Manharbhai Patel	6	6	Yes
4.	Dr. Ramanbhai Patel	6	6	No

The Details of Share holding of Directors

Name of the Director	No. of shares held as on 31.03.2012
Shri Girishbhai Shah *	500
Shri Kaushikbhai Parikh	29,83,826
Shri Manharbhai Patel	86,578
Dr. Ramanbhai Patel *	Nil

* Non executive Directors

4. Audit Committee:

The Audit Committee has been entrusted to overview the accounting systems, financial reporting and internal controls of the Company. The power and role of audit committee is as set out in Listing Agreements.

As on date, the Audit Committee of the Board, after duly reconstituted consists of the two independent Non Executive Director and Managing Director, as specified below :-



Sr. No.	Name	Designation
1.	Shri Girishbhai Shah	Chairman
2.	Dr. Ramanbhai Patel	Member
3.	Shri Kaushikbhai Parikh	Member

All the members of committee are financially literate and have expert knowledge of finance and accounting.

Quorum of committee is two members, including both the independent directors. Calendar of the meeting is fixed in advance for each year. The committee met 5 times during the year under review. The committee also met prior to finalization of accounts for the period ended on 31st March, 2012.

Meetings of Audit Committee and attendance.

Sr. No.	Date of Meetings	No. of Members	Attendance
1.	31 st May 2011	3	3
2.	5 th August 2011	3	3
3.	12 ^h November 2011	3	3
4.	11 th February 2012	3	3

The Internal Auditors, Head of Finance and representative of Statutory Auditors are permanent invitees at the meetings.

Audit Committee's terms of reference:

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b) Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- c) Reviewing with management the half yearly and annual financial statements before submission to the board, focusing primarily on
 - i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause(2AA) of section 217 of the Companies Act, 1956
 - ii) any changes in accounting policies and practices
 - iii) major accounting entries based on exercise of judgment by management
 - iv) qualification in draft audit report
 - v) significant adjustments arising out of audit
 - vi) the going concern assumption
 - vii) compliance with accounting standards
 - viii) compliance with stock exchange and legal requirements concerning financial statements
 - ix) any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of Company at large.



- d) Reviewing with the management the quarterly financial statements before submission to the board for approval
- e) Reviewing with the management, external and internal auditors, the adequacy of internal control systems and ensuing compliance therewith.
- f) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- g) Discussing with internal auditors any significant finding and follow up thereon.
- h) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- i) Discussing with external auditors before the audit commences nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- j) Reviewing the Company's financial and risk management policies.
- k) To look into the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- l) Any other function(s)/responsibilities as may be delegated by the Board from time to time.
- m) To review mandatorily the following information

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee) submitted by management
3. Management letters/ letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

5. Remuneration Committee:

As on 31st March 2012, the Remuneration Committee of the Board consists of the two independent Non Executive Director and one Executive Director as specified below:-

Sr. No.	Name	Designation
1.	Shri Girishbhai Shah	Chairman
2.	Dr. Ramanbhai Patel	Member
3.	Shri Kaushikbhai Parikh	Member

During the year under review there was no necessity to convene any meeting of the Remuneration Committee.

The Remuneration Committee is responsible for determining and reviewing all matters in respect of remuneration of Directors.



The Company has credible and transparent policy in determining and accounting for the remuneration of Executive Directors. Their remuneration is governed by external competitive environment, track record, potential, individual performance, and performance of the Company as well as industrial standard. The remuneration determined for the Executive Directors is subject to the approval of Remuneration Committee of Board of Directors.

At present the Company does not have the policy of payment of remuneration to non executive directors. In view of the stringent financial position of the Company, the non executive directors have forgone to receive sitting fees for attending the Board/ Committee meetings.

Details of the Remuneration paid to the Executive Directors

The aggregate salary, value of perquisites and contribution of PF paid to the Executive Directors is as under:

Sr. No	Name of Directors	Remuneration Rs.
1	Shri K. B. Parikh	13,44,750
2	Shri M. D. Patel	13,44,750

There were no other pecuniary relationships or transactions of the Non Executive Directors vis a vis the Company.

6. Shareholders Grievances Committee

The committee looks into the redressal of shareholders and investor complains. The function and power of this committee include review and redressal of shareholders' and investors grievances and to give approval to transfer, transmission or dematerialisation of shares. This committee look into complaint of non receipt of Balance Sheet, non receipt of declared dividend and matter relating to Duplicate share certificate, deletion of name, splitting and consolidation of shares etc.

As on 31st March 2012 committee consists of following directors.

- | | | |
|-------------------------|----|----------|
| 1. Shri Girishbhai Shah | -- | Chairman |
| 2. Dr. Ramanbhai Patel | -- | Member |
| 3. Shri Kaushik Parikh | -- | Member |

The total number of complains / correspondence / queries received and replied to the satisfaction of shareholders during the year under review are as follows.

Sr.	Particulars	Nos recd	Nos Replied
1)	Share Transfer Requests	28	28

In General, all correspondence / queries are replied to the satisfaction of share holders.



7. General Body Meeting:

The last three Annual General Meeting of the Company were held as under:

Sr. no.	Year	Location	Date	Time	Special	Resolution
1.	2010-11	22, Dolly Complex, Stadium Circle, Navrangpura Ahmedabad	24.09.11	12 :30 pm	Reappointment of Managing Director and Joint Managing Director	Special
2.	2009-10	22, Dolly Complex, Stadium Circle, Navrangpura Ahmedabad	02.08.10	12:30 p.m	Re-issue/Re-allotment of Forfeited Shares	Special
P 3.	2008-09	22, Dolly Complex, Stadium Circle, Navrangpura Ahmedabad	10.08.09	12:30 p.m	Nil	Nil

No Extra Ordinary General Meeting of the Company was held during last 3 years.

8. Disclosures

- There have been no materially significant related party transactions and pecuniary transactions that may have potential conflict with the interest of the Company at large. Audit Committee reviews periodically significant related party transactions i.e. transactions of the company, which are of material nature, with it's directors, or relatives or the management that may have potential conflict with the interest of the Company at large. Details are provided in Note 14 to the Notes forming part of the Accounts in accordance with the provisions of Accounting Standard 18
- There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority.
- In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the ICAI. The significant accounting policies applied in preparation and presentation of financial statements has been set out in notes 26 forming part of the financial statements.
- The Company has laid down procedure to inform the Board Members about the risk assessment and minimization procedure covering the entire gamut of business operations of the company and the same have been reviewed by the Board during the year.
- The CEO (Managing Director) and the CFO have furnished a Certificate to the Board for the year ended on 31st March 2012 in compliance with Clause 49 V of the Listing Agreements.



F. The designated Senior Management Personnel of the company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

9. Means of Communications:

a. Quarterly Results:

Quarterly results are taken on record by the Board of Directors and submitted to the Stock Exchanges as per requirement of the Listing Agreements. At present Half yearly report is not sent to each household of shareholders.

b. Any Website where displayed: www.oceanagro.com

10. Management Discussion & Analysis Report:

The Management Discussion & Analysis Report is part of Annual Report.

11. General Shareholders Information :

(a) Annual General Meeting

Date	Time	Venue
29 th September 2012	12.30 p.m.	22, Dolly Complex, Stadium Circle, Navrangpura, Ahmedabad - 380 009

(b) Financial Calendar(2012-13)
(tentative)

Annual General Meeting	:	29th September 2012
Quarterly Results		
Quarter ending on June 30 2012		Second week of August 2012
Quarter ending September 30 2012	:	Second Week of November 2012
Quarter ending December 31 2012	:	Second Week of February 2013
Annual Result of 2012-13	:	Last week of May 2013

(c) Book Closure Date : 24th September 2012 to 28th September 2012

(d) Listing on Stock Exchanges : Bombay Stock Exchange.

Listing fees have been paid for the year 2012-13 as per the Listing Agreement with the respective Stock Exchanges.

(e) Stock Code: BSE, Mumbai 519491

(f) Demate ISIN Number for NSDL & CDSL : INE049J01010

Registrar and Transfer Agents : M/s Sharepro Services (India) Private Limited
416-420, 4th Floor, Devnandan Mall, Opp. Sanyash Ashram, Ashram Road, Ellishbridge, Ahmedabad- 9

Contact Person : Ms. Bharti Parikh
Contact Nos : (079) 265 82 381 to 84
Fax No : (079) 265 82 385



(G) Share Transfer System

M/s Sharepro Services (India) Private Limited has been acting as the Depository Registrar for establishing connectivity with NSDL and CDSL for Demat Segment and for physical segment as well. M/s Sharepro Services (India) Private Limited uses Computerized share transfer system for processing transfer of shares. On the basis of periodic report on various requests received from the shareholders, share transfer and other requests are placed for approval of Shareholders' Grievances Committee.

The Company's representatives visit the office of the Registrar and Share Transfer Agents from time to time to monitor, supervise and ensure that there are no delays or lapse in the system.

(h) Distribution of Shareholding:

• Distribution of shareholding as on 31.03.2012 is given below:

No. of Equity Shares held	Number of Shareholders	% of Shareholders	No. of shares held	% of Shareholding
1 - 500	3140	92.87	522000	7.74
501 - 1000	145	4.29	117300	1.74
1001 - 2000	46	1.36	68900	1.02
2001 - 3000	9	0.26	22200	0.33
3001 - 4000	14	0.41	47300	0.70
4001 - 5000	10	0.30	48100	0.71
5001 - 10000	2	0.06	14200	0.21
10000 - 20000	5	0.15	78200	1.16
Above 20000	10	0.30	5826700	86.39
GRAND TOTAL	3381	100.00	6744900	100.00

• Category of shareholders as on 31st March 2012:

Category Promoter Holding	No. of Shares Held	Percentage Held
a Indian Promoters		
Individuals/HUF	37,89,065	56.18
Bodies Corporate	20,37,635	30.21
b Foreign Promoters	0	0
Financial Institutions/ Banks/ Mutual Funds	0	0
Resident Individuals & Corporates	9,18,200	13.61
NRI's/OCB	0	0
Grand Total	67,44,900	100



(i) Dematerialization of Shares and Liquidity :

60,32,400 equity shares of the Company are held in a dematerialised form with National Securities Depository Limited (NSDL) and Central Depositories Services (India) Limited (CDSL) as on 31st March 2012.

The Secretarial Audit Report from Mr. Ashwin Shah, Company Secretary in practice confirming that the total issued capital of the Company is in aggregate with the total number of equity shares in physical form and the total number of dematerialized equity shares held with NSDL and CDSL is placed before the Board on a quarterly basis. A copy of the Audit Report is submitted to the stock exchanges where the equity shares of the Company are listed.

(j) Outstanding GDRs/ADRs/Warrants and Convertible instruments, conversion date and likely impact on equity : Not Applicable.

(k) Plant Location :

66, Industrial Estate, GIDC
Nandesari, Dist Vadodara.

(n) Correspondence with the Company :

Address for correspondence with the Company is :
Mr. Anup Shah
5, Alkapuri, Opp. Express Alkapuri Hotel,
R. C. Dutt Road, Vadodara 390007
Tel: 0265 2351223 Fax: 0265 2313690
Email Id: oailmail@yahoo.co.in





AUDITORS' REPORT

To
The Members of
OCEANAGRO (INDIA) LIMITED

1. We have audited the attached Balance Sheet of OCEAN AGRO (INDIA) LIMITED as at 31 March 2012 and also the Profit & loss a/c of the company for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matter specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:-
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii) In our opinion, the company has kept proper books of account as required by law, so far as it appears from our examination of the books of the company;
 - iii) The Balance sheet and Profit and Loss Account dealt with by the report are in agreement with the books of accounts of the company;
 - iv) In our opinion, the Balance Sheet and Profit and loss Account comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, except AS-15 'Employee Benefits'.
5. On the basis of the written representations received from the directors, and taken on



record by the Board of Directors we report that none of the directors is disqualified as on 31 March 2012 from being appointed as a director in terms of clause (g) of Sub Section (1) of Section 274 of the Companies Act, 1956.

6. Subject to the foregoing, and - 1) The Company has not made any provision for long outstanding debtors during the year but has written off Rs. 1766175.00 lacs during the year to statement of Profit & Loss, leaving a total provision as on date to credit is 50 lacs. Debtors / Credit balances are subject to balance confirmation, Company has fully owned LLC, namely 'Ocean Agro LLC' in USA. Since operational activities are not started, pre-operative expenses US \$ 62541.37 shall be written off proportionately on commencement of its business. Fund transfer to this fully owned Ocean Agro LLC is treated as investment, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and other notes thereon give the information required by the Companies Act, 1956 in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India.
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2012; and
 - ii) in the case of Profit & Loss A/c of the profit of the company for the year ended on 31 March 2012
 - iii) In the case of Cash Flow Statement of the company for the year ended on 31 March 2012.

Place : Vadodara
Date : 30th May 2012

For **Ambalal M. Shah & Co.**
Chartered Accountants

CA. Ashok A. Jain
Partner
M. No. 30389



ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph (1) of our report of even date)

I In respect of its fixed assets :

- a) The Company has maintained records that show full particulars including quantitative details and situation of fixed assets which needs to be updated more regularly.
- b) As explained to us, the fixed assets have been physically verified by the management periodically. No material discrepancies were noticed on such physical verification.
- c) In our opinion, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.

II

- a) As explained to us, the inventories have been physically verified at reasonable intervals by the management during the year. In respect of substantial portion of the stock lying with agents, Certificates containing details of the stock have been received.

- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate as regards the size of the company and the nature of its business.

- c) In our opinion and according to the information and explanations given to us, the company is maintaining proper records of its inventories and no material discrepancies were noticed on physical verification.

III

- a) In respect of loans, secured or unsecured the company has granted advances for business to a company, firms and other parties covered in the register maintained under section 301 of the Companies act, 1956 . The total of the year end balance was Rs. 5694861.47 Credit .

- b) According to the information and explanation given to us, no interest has been charged on loans taken from / granted to parties listed in register maintained U/s 301 of the Companies act , 1956. The said policy seems to be prima facie not prejudicial to the interest of the company.

- c) In respect of the loans granted and taken by the company, the amount is repayable on demand.

- d) On the basis of policy stated above, the question of overdue amount does not arise.

IV

In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of fixed assets. Some of the items purchased are of proprietary nature and suitable alternative sources do not exist for obtaining comparable quotation. There is adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to purchases of inventories and fixed assets and with regards to the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.

V

In respect of transactions covered under section 301 of the Companies Act, 1956

- a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into 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, there are no transactions in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rs.5,00,000 in respect of any party during the year except the purchases from M/s. Industrial Additives aggregating to an amount of Rs. 63,48,395 for the purchase of proprietary nature items for which no suitable alternative source exist for obtaining comparable quotations.



ANNEXURE TO THE AUDITORS' REPORT (contd...)

VI In our opinion and according to information and explanation given to us the Company has not accepted any deposits from the public.

VII Company has in-house internal audit system which is examined by us and found adequate with respect to the size of the company and nature of its business however it is required to be strengthened.

VIII The maintenance of cost records under section 209 (1) (d) of the companies Act, 1956 has not been prescribed by the Central Government.

IX In respect of statutory dues:

- a) The company is generally regular in depositing with appropriate authorities, undisputed Income tax and other statutory dues applicable to it.

- b) According to information and explanation given to us, no undisputed amount payable in respect of statutory dues were in arrears as at 31 March, 2012 for a period of more than 6 months from the date they became payable.

- c) In respect of disputed statutory dues, the following matter are pending with various appellate authorities.

Sr. No.	Year	Liability	Amount Rs.	Status
1	A.Y 2000 - 2001	Income Tax	719,311	Appeal pending with High Court. Ahmedabad

X The accumulated losses of the company are not more than 50% of its net worth and has not incurred cash losses during the year covered by our audit and the immediately preceding financial year.

XI According to the information and explanation given to us, the company has not defaulted in payment of dues to financial institutions.

XII In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

XIII The Company is not a chit fund or a nidhi / mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

XIV In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

XV In our opinion and according to the information and explanation given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.

XVI In our opinion and according to the information and explanation given to us, the Company has not raised any new term loans during the year.

XVII According to the information and explanation given to us and on an overall examination of Balance Sheet, we report that no funds raised on short term basis have been used for long term investment. No long term funds have been used to finance short term assets.



- XVIII According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties covered in the register maintained under section 301 of the Act.
- XIX No funds have been raised through the issue of Debentures by the company.
- XX The company has not made any public issue during the year.
- 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.

For **Ambalal M. Shah & Co.**
Chartered Accountants

Place : Vadodara
Date : 30th May 2012

CA. Ashok A. Jain
Partner
M. No. 30389





BALANCE SHEET AS AT
31st March 2012

Particulars	Notes No.	As at	
		31-03-2012	31-03-2011
		Rupees	Rupees
I EQUITY AND LIABILITIES			
1 Shareholder's Funds			
(a) Share Capital	1	75,871,545.00	75,871,545.00
(b) Reserve & Surplus	2	154,015,180.00	153,638,029.14
(c) Money received against share warrants		0.00	0.00
		229,886,725.00	229,509,574.14
2 Share application money pending allotment		0.00	
3 Non-Current Liabilities			
(a) Long-term borrowings	3	468,519.65	917,939.57
(b) Deferred tax liabilities (Net)		0.00	0.00
(c) Other Long term liabilities	4	6,065,319.73	5,674,319.73
(d) Long term provisions		0.00	0.00
		6,533,839.38	6,592,259.30
4 Current Liabilities			
(a) Short-term borrowings	5	32,181,101.49	27,773,407.30
(b) Trade payables	6	1,103,956.44	78,645.02
(c) Other current liabilities	7	1,332,279.46	455,941.60
(d) Short-term Provision	8	8,276,877.50	9,415,712.50
		42,894,214.89	37,723,706.42
Total		279,314,779.27	273,825,539.86
II Assets			
Non-Current assets			
1 (a) Fixed Assets :			
(i) Tangible assets	9	63,013,528.89	66,701,367.27
(ii) Intangible assets	10	0.00	0.00
(iii) Capital work-in-progress		0.00	0.00
(iv) Intangible assets under development		0.00	0.00
		63,013,528.89	66,701,367.27
(b) Non-Current Investments in fully owned Ocean Agro LLC	11	3,664,554.00	0.00
(c) Deferred Tax assets (Net)	12	0.00	0.00
(d) Long-term loans and advances	13	10,508,945.84	3,762,907.56
(e) Other Non-Current assets		0.00	0.00
2 Current assets			
(a) Current Investments		0.00	0.00
(a) Inventories	14	51,607,846.00	56,436,463.00
(b) Trade receivables	15	138,213,010.13	134,802,452.74
(c) Cash & Cash equivalents	16	12,274,475.51	12,122,349.29
(d) Short term loans and advances		0.00	0.00
(f) Other current assets	17	32,418.90	0.00
		202,127,750.54	203,361,265.03
Total		279,314,779.27	273,825,539.86

As per our Report of even date
Ambalal M. Shah & Co.
Chartered Accountants

CA. Ashok A. Jain
Partner
M. No. 30389

Place : Vadodara
Date : 30th May 2012

For Ocean Agro (India) Limited

K.B. Parikh
Managing Director

M.D. Patel
Jt. Managing Director

Place : Vadodara
Date : 30th May 2012



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED
31st March 2012

Particulars	Notes No.	As at	
		31-03-2012	31-03-2011
		Rupees	Rupees
I Revenue from operations	18	163,795,477.78	150,021,416.70
II Other Income	19	119,972.16	18,777.00
III Total Revenue (I + II)		163,915,449.94	150,040,193.70
IV Expenses :			
Cost of Material Consumed	20	35,547,008.41	33,022,289.89
Purchase of stock-in-Trade		0.00	0.00
Changes in inventories of finished goods work-in-	21	5,893,142.00	2,432,367.00
Employee benefits expense	22	13,780,862.51	15,509,302.19
		55,221,012.92	50,963,959.08
V Finance costs	23	5,786,143.09	5,540,596.57
VI Depreciation and amortization expense	24	6,273,750.38	6,520,859.34
VII Other Expense	25	94,457,392.69	84,834,613.13
Total Expense		161,738,299.08	147,860,028.12
VIII Profit before exceptional and extraordinary items		2,177,150.86	2,180,165.58
IX Exceptional Items		0.00	0.00
X Profit before extraordinary items and tax (VIII - IX)		2,177,150.86	2,180,165.58
XI Extraordinary Items		0.00	0.00
XII Profit before Tax (X - XI)		2,177,150.86	2,180,165.58
XIII Tax expense:			
(1) Current Tax		1,800,000.00	2,000,000.00
(2) Deferred Tax		0.00	0.00
		1,800,000.00	2,000,000.00
XIV Profit (Loss) for the period from continuing		377,150.86	180,165.58
XV Profit/(Loss) form discontinuing operations		0.00	0.00
XVI Tax Expense of discontinuing operations		0.00	0.00
XVII Profit/(Loss) from discontinuing operations (after		0.00	0.00
XVIII Profit (Loss) for the period (XIV + XVII)		377,150.86	180,165.58
XVIII Earnings per equity share :			
(1) Basic		0.06	0.03
(2) Diluted		0.00	0.00
		0.06	0.03

As per our Report of even date
Ambalal M. Shah & Co.
Chartered Accountants

CA. Ashok A. Jain
Partner
M. No. 30389

Place : Vadodara
Date : 30th May 2012

For Ocean Agro (India) Limited

K.B. Parikh
Managing Director

M.D. Patel
Jt. Managing Director

Place : Vadodara
Date : 30th May 2012



NOTES TO THE FINANCIAL STATEMENT

Note 1: Share Capital

31st March 2012

Particulars	As at 31-03-2012		As at 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
AUTHORISED :				
2,99,70,000 Equity Shares of Rs. 10/- each		299,700,000.00		299,700,000.00
30,000 Non-cumulative 10% Redeemable Preference Shares of Rs.10/- each		300,000.00		300,000.00
		300,000,000.00		300,000,000.00
ISSUED, SUBSCRIBED AND PAID UP :				
ISSUED & SUBSCRIBED :				
84,37,900 Equity Shares of Rs.10/- each		84,379,000.00		84,379,000.00
		84,379,000.00		84,379,000.00
PAID UP SHARE CAPITAL :				
67,44,900 Equity Shares of Rs.10/- each Fully paid up	67,449,000.00		67,449,000.00	
Paid-up amount on Shares Forfeited	8,384,500.00		8,384,500.00	
Excess Paid-up amount on Forfeited Shares	38,045.00		38,045.00	
		75,871,545.00		75,871,545.00

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

Note 1. a Details of Share holders holding more than 5% Share in the Company

Name of Shareholders	As at 31/03/2012		As at 31/03/2011	
	No of Shares held	% of holding	No of Shares held	% of holding
Kaushik Babubhai Parikh	2,983,826.00	44.24	2,983,826.00	44.24
Dhanshree Agro chemicals (Nandesari) Pvt. Ltd.	669,070.00	9.92	669,070.00	9.92
Om Pesticides (Nandesari) Pvt. Ltd.	544,285.00	8.07	544,285.00	8.07
Associated Manufacturing (Rania) Pvt. Ltd.	540,000.00	8.01	540,000.00	8.01
Ushaben K. Parikh	345,042.00	5.12	345,042.00	5.12

Note 2 - RESERVE & SURPLUS :

Particulars	SCH.	As at 31-03-2012		As at 31-03-2011	
		Rupees	Rupees	Rupees	Rupees
CAPITAL RESERVE					
		0.00			0.00
CAPITAL REDUMPTION RESERVE					0.00
Add : Profit/(Loss) during the Year			0.00		0.00
SECURITIES PREMIUM ACCOUNT					
Share Premium on Shares		148,487,534.00			148,487,534.00
Share Premium on Forfeited Shares		0.00			0.00
Excess Premium received on Shares		0.00			0.00
			148,487,534.00		148,487,534.00
GENERAL RESERVE :					
Opening Balance		11,916,837.01			11,916,837.01
Additions during the Year		0.00			0.00
			11,916,837.01		11,916,837.01
SURPLUS/(DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS					
Balance as per last financial statements		(6,766,341.86)			(6,946,507.44)
Profit for the year		377,150.86			180,165.58
NET SURPLUS IN THE STATEMENT OF PROFIT AND LOSS			(6,389,191.00)		(6,766,341.86)
TOTAL RESERVE AND SURPLUS			154,015,180.00		153,638,029.15

31



NOTES TO THE FINANCIAL STATEMENT

31st March 2012

Note 3 Long Term Borrowing

Particulars	As at 31-03-2012		As at 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
Secured Loan				
Loan against FDR / H.D.F.C		468,519.65		917,939.57
Loans & Advances Received		0.00		0.00
		468,519.65		917,939.57

Loan from HDFC is secured against vehicle repayable in 36 monthly installment starting from APRIL-2010. Last installment due in MARCH-2013.

Note 4 Other Long Term Liabilities

Particulars	As at 31-03-2012		As at 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
Dealers' Deposits		6,065,319.73		5,674,319.73
		6,065,319.73		5,674,319.73

Note 5 Short-term borrowings

Particulars	As at 31-03-2012		As at 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
Bank of Baroda Cash Credit Account		32,181,101.49		27,773,407.30
		32,181,101.49		27,773,407.30

Cash Credit from Bank of Baroda carried interest @14.50% to 16.25% p.a. The C.C. is secured against paripasu charge of inventory book debt advances plot of lease hold land. Further the loan has been guaranted by the personal guarantee of director Kaushik Babubhai Parikh, Manhar Dhyabhai Patel.

Note 6 Trade Payable

Particulars	As at 31-03-2012		As at 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
CURRENT LIABILITIES				
Creditors for Goods		2,283,347.12		845,356.30
Creditors for Expenses		(1,179,390.68)		(766,711.28)
		1,103,956.44		78,645.02

Note 7 Other current liabilities

Particulars	As at 31-03-2012		As at 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
Other Payable :				
Statutory due		999,485.29		455,941.60
Other		332,794.17		0.00
		1,332,279.46		455,941.60

Note 8 Short term Provision

Particulars	As at 31-03-2012		As at 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
PROVISIONS :				
Provision for doubtful debts		5,000,000.00		5,000,000.00
Other Provisions		1,476,877.50		2,415,712.50
Provision for Income-tax		1,800,000.00		2,000,000.00
		8,276,877.50		9,415,712.50

32



NOTES TO THE FINANCIAL STATEMENT

31st March 2012

Note 9 Tangible Assets :

Particulars	As at	
	31-03-2012	31-03-2011
	Rupees	Rupees
Opening balance	201,693,291.09	200,051,476.01
Add : Additions during the Period	2,610,865.00	2,003,863.08
Less : Deductions during the period	39,244.00	362,048.00
Gross Block	204,264,912.09	201,693,291.09
Depreciation upto prv. year	134,991,923.82	128,670,363.87
Less : Depreciation Written back	(14,291.00)	199,300.00
Add : Depreciation for the Period	6,273,750.38	6,520,859.95
	141,251,383.20	134,991,923.82
Net Block	63,013,528.89	66,701,367.27

Note 9 Tangible Assets :

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	Op. Balance as on 31/03/2011	Adtn./Dedn. during the Year	Total as on 31/03/2012	Op. Balance as on 31/03/2011	Ddn/Adjst during the Year	Provided during the Year	Total as on 31/03/2012	Cl. Balance as on 31/03/2012	Cl. Balance as on 31/03/2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Leasehold Land	6741913.00	0.00	6741913.00	0.00	0	0.00	0.00	6741913.00	6741913.00
Buildings	37443570.51	0.00	37443570.51	19330438.18	0	1249308.11	20579746.29	16863824.22	18113132.33
Plant & Machinery	137707565.69	2270795.00	139978360.69	99823883.11	0	4816554.04	104640437.15	35337923.54	37883682.58
Furniture & Fixtures	4583982.29	0.00	4583982.29	4577936.28	0	2616.29	4580552.57	3429.72	6046.01
Vehicles	11994375.36	-39244.00	11955131.36	10485756.69	(14291)	101511.56	10572977.25	1382154.11	1508618.67
Office Equipment	2063684.24	340070.00	2403754.24	773909.96	0	103760.38	877670.34	1526083.90	1289774.28
Eqp. under Testing	1158200.00	0.00	1158200.00	0.00	0	0.00	0.00	1158200.00	1158200.00
TOTAL	201693291.09	2571621.00	204264912.09	134991924.22	(14291)	6273750.38	141251383.60	63013528.49	66701366.87
Prvious Year's Total	200051476.01	1641815.08	201693291.09	128670364.87	199300	6520859.34	134991921.30	66701366.87	

33



NOTES TO THE FINANCIAL STATEMENT

31st March 2012

Note 11 Non Current Investments

Particulars	As at		As at
	31-03-2012		31-03-2011
	Rupees	Rupees	Rupees
Trade Investment			
Investment in Subsidiary fully owned Ocean Agro LLC	3,664,554		0.00
		3,664,554	0.00

Company has established with name ' OCEAN AGRO LLC ' 100% fully owned subsidiary company. Company has transferred US \$75000. For that shares yet to be issued.

Note 12 Deferred Tax assets (Net)

Particulars	As at		As at
	31-03-2012		31-03-2011
	Rupees	Rupees	Rupees
Deferred Tax Liabilities			
Provision for doubtful debts and advances	0.00		0.00
Other Provision	0.00		0.00
		0.00	0.00

Note 13 Long-term loans and advances

Particulars	As at		As at
	31-03-2012		31-03-2011
	Rupees	Rupees	Rupees
Capital advances			
Secured, Considered Good	0.00		0.00
UnSecured, Considered Good	0.00		0.00
Total : A		0.00	0.00
Security deposit			
Secured, Considered Good	0.00		0.00
UnSecured, Considered Good	1,825,316.01		1,825,316.01
Provision for doubtful security deposit	0.00		0.00
Total : B		1,825,316.01	1,825,316.01
Loan and advances to related parties			
UnSecured, Considered Good	0.00		0.00
Total : C		0.00	0.00
Advances recoverable in cash or kind			
Secured, Considered Good	0.00		0.00
UnSecured, Considered Good	8,683,629.83		1,937,591.55
Provision for doubtful advances	0.00		0.00
Total : D		8,683,629.83	1,937,591.55
Other loans and advances			
Advance income-tax (net of provision for taxation)	0.00		0.00
Prepaid expenses	0.00		0.00
Loans to employees	0.00		0.00
Balances with statutory/government authorities	0.00		0.00
Total : E		0.00	0.00
Total (A + B + C +D + E)		10,508,945.84	3,762,907.56

Note 14 Inventories

Particulars	As at		As at
	31-03-2012		31-03-2011
	Rupees	Rupees	Rupees
INVENTORY :			
(as taken, valued &certified by the management)			
Closing Stock of Finished Goods (at cost)	40,751,227.00		46,644,369.00
Closing Stock of Raw Material (at cost)	6,576,608.00		5,610,158.00
Closing Stock of Packing Material (at cost)	4,280,011.00		4,181,936.00
		51,607,846.00	56,436,463.00

34



NOTES TO THE FINANCIAL STATEMENT

31st March 2012

'Note 15 Trade receivables and other assets

Particulars	As at 31-03-2012		As at 31-03-2011
	Rupees	Rupees	Rupees
Outstanding for a period exceeding six months from			
Secured, Considered Good	120,214,450.13		120,626,205.74
UnSecured, Considered Good	0.00		0.00
Doubtful	0.00		0.00
		<u>120,214,450.13</u>	<u>120,626,205.74</u>
Less : Provision for doubtful receivable	0.00		0.00
		<u>120,214,450.13</u>	<u>120,626,205.74</u>
Other Receivable			
Secured, Considered Good			0.00
UnSecured, Considered Good	0.00		0.00
Doubtful	17,998,560.00		14,176,247.00
	0.00		0.00
		<u>17,998,560.00</u>	<u>14,176,247.00</u>
Less : Provision for doubtful receivable	0.00		0.00
		<u>17,998,560.00</u>	<u>14,176,247.00</u>
		<u>138,213,010.13</u>	<u>134,802,452.74</u>

Note 16 Cash & Cash equivalents

Particulars	As at 31-03-2012		As at 31-03-2011
	Rupees	Rupees	Rupees
CASH & BANK BALANCES :			
On Current accounts	11,646,063.61		11,541,544.39
Deposit with original maturity of less than 3 months	0.00		0.00
Cash on Hand	628,411.90		580,804.90
		<u>12,274,475.51</u>	<u>12,122,349.29</u>

Note 17 Other Assets

Particulars	As at 31-03-2012		As at 31-03-2011
	Rupees	Rupees	Rupees
Others	32,418.90		0.00
		<u>32,418.90</u>	<u>0.00</u>

Note 18 Revenue from operations

Particulars	As at 31-03-2012		As at 31-03-2011
	Rupees	Rupees	Rupees
Revenue from operation			
Sales of Products			
Finished Goods	0.00		0.00
Trade Goods	163,795,477.78		150,021,416.70
Revenue from operation (Gross)	<u>163,795,477.78</u>		<u>150,021,416.70</u>
Less : Excise Duty	0.00		0.00
Revenue from operation (Net)		<u>163,795,477.78</u>	<u>150,021,416.70</u>



NOTES TO THE FINANCIAL STATEMENT

31st March 2012

Note 19 OTHER INCOME :

Particulars	As at 31-03-2012		As at 31-03-2011
	Rupees	Rupees	Rupees
Interest Income on			
Bank deposits	0.00		0.00
Long-term Investments	0.00		0.00
Current Investment	0.00		0.00
Dividend income on	0.00		
Other non-operating income			
Income from Sale of Assets	10,047.00		(64,748.00)
Misc. Income	109,925.16		83,525.00
		<u>119,972.16</u>	<u>18,777.00</u>

Note 20 Cost of Material Consumed

Particulars	As at 31-03-2012		As at 31-03-2011
	Rupees	Rupees	Rupees
RAW MATERIAL :			
Opening Stock	5,610,158.00		5,258,595.00
Add : Purchases	28,444,530.61		27,672,496.77
Add : Purchase Tax	0.00		0.00
	<u>34,054,688.61</u>		<u>32,931,091.77</u>
Less : Closing Stock	6,576,608.00		5,610,158.00
		27,478,080.61	<u>27,320,933.77</u>
PACKING MATERIALS :			
Opening Stock	4,138,657.00		2,972,809.00
Add : Purchases	8,106,551.80		6,731,698.12
	<u>12,245,208.80</u>		<u>9,704,507.12</u>
Less : Closing Stock	4,244,338.00		4,138,657.00
		8,000,870.80	<u>5,565,850.12</u>
PRINTING INK :			
Opening Stock	43,279.00		45,661.00
Add : Purchases	60,451.00		133,124.00
	<u>103,730.00</u>		<u>178,785.00</u>
Less : Closing Stock	35,673.00		43,279.00
		68,057.00	<u>135,506.00</u>
		<u>35,547,008.41</u>	<u>33,022,289.89</u>

Note 21 Changes in inventories of finished goods work-in-progress and stock trade

Particulars	As at 31-03-2012		As at 31-03-2011
	Rupees	Rupees	Rupees
Inventories at the end of the year			
Traded goods	0.00		0.00
Work in progress	0.00		0.00
Finished Goods	40,751,227.00		46,644,369.00
Inventories at the beginning of the year			
Traded goods	0.00		0.00
Work in progress	0.00		0.00
Finished Goods	46,644,369.00		49,076,736.00
		<u>(-5,893,142.00)</u>	<u>(-2,432,367.00)</u>



NOTES TO THE FINANCIAL STATEMENT

31st March 2012

Note 22 Employee benefit expenses

Particulars	As at 31-03-2012		As at 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
Salaries	1,865,391.58		1,612,217.32	
Wages Paid	3,111,465.00		2,456,910.78	
Directors' Remuneration	2,538,000.00		1,982,940.00	
Administrative Charges to E.P.F.	92,068.93		75,745.59	
Company's Contribution to E.S.I.C.	237,437.15		190,889.11	
Company's Contribution to E.D.L.I.	41,398.20		34,193.98	
Company's Contribution to E.P.F.	546,109.00		356,502.00	
Company's Contribution to F.P.F.	361,176.00		243,610.00	
Company's Contribution to LWF	0.00		0.00	
Conveyance Allowance	187,722.61		177,891.41	
Medical Reimbursement	10,611.55		8,550.02	
Rent Allowance	110,823.19		86,274.01	
Employees Welfare Fund	549,590.00		577,139.00	
Incentive to Staff	1,168,636.94		1,431,835.52	
Incentive to Workers	580,357.00		846,773.90	
Incentive	0.00		0.00	
Overtime	0.00		0.00	
Stipend Paid	22,867.00		104,211.00	
Bonus	1,064,006.00		1,084,225.00	
Exgratia	1,129,429.36		4,239,393.55	
Gratuity	123,262.00		0.00	
Leave Encashment	40,511.00		0.00	
		13,780,862.51		15,509,302.19

Note 23 Finance Cost

Particulars	As at 31-03-2012		As at 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
Bank Interest	5,209,379.00		4,989,745.00	
Bank Charges	328,415.01		337,622.00	
Interest to Others	248,349.08		213,229.57	
Exchange difference	0.00		0.00	
		5,786,143.09		5,540,596.57

Note 24 Depreciation and amortization expense

Particulars	As at 31-03-2012		As at 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
Depreciation of tangible assets	6,273,750.38		6,520,859.34	
Amortization of intangible assets	0.00		0.00	
Depreciation of Investment property	0.00		0.00	
Less : recoupment for revaluation reserve	0.00		0.00	
		6,273,750.38		6,520,859.34

37



NOTES TO THE FINANCIAL STATEMENT

31st March 2012

Note 25 Other Expense

Particulars	As at 31-03-2012		As at 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
Consultation Charges	2,135,631.00		1,625,629.00	
Consultation Charges - Excise	14,000.00		19,250.00	
Consumable Stores	258,125.00		324,227.00	
Conveyance Expense	119,805.00		86,848.00	
Design / Art work	3,500.00		48,991.00	
Donation	6,000.00		5,000.00	
Electricity	2,063,146.00		2,072,776.00	
Excise Paid	8,116,292.00		7,703,134.00	
FBT Expenses	0.00		0.00	
Food & Beverages	445,642.00		443,879.00	
Freight	3,517,071.00		2,764,695.00	
General Expenses	100,530.58		217,549.73	
Hardware & Electricals	712,946.00		543,970.00	
Insurance	346,738.00		434,966.00	
Internet charges	17,040.00		7,826.00	
Laboratory Expenses	133,226.89		94,309.75	
Labour Charges	218,714.00		239,760.00	
Legal Charges	23,645.00		500.00	
Liaison Expenses	179,800.00		160,500.00	
Licence Fees	19,480.00		5,556.00	
Medical Expense	45,027.00		26,681.00	
Octroi	0.00		0.00	
Office Expenses	309,429.00		336,982.00	
Processing Expenses	0.00		212,500.00	
Rates & Taxes	401,969.00		344,903.43	
Rent Expenses	54,000.00		57,720.00	
Repairs & Maint. to Plant & Machinery	469,626.00		282,196.00	
Repairs to Building	385,211.00		273,113.00	
Repairs to Others	91,417.00		72,420.00	
Sales Tax Paid	38,651.00		22,294.00	
Repairs to Cars	139,770.00		140,728.00	
Repairs to Vehicle	37,419.00		21,591.00	
Service Tax	296,387.00		223,914.00	
Stationery & Printing	483,326.00		440,580.00	
Stores & Spares	45,776.00		43,600.00	
Subscription and Periodicals	93,067.00		124,139.00	
Telephone/Trunkcall/Postage	565,839.00		394,236.00	
Travelling	495,095.00		73,710.00	
Water	94,980.00		49,429.00	
Web Charges	0.00		0.00	
Membership fees	0.00		0.00	
Petrol to Cars	716,703.00		572,625.00	
Petrol to Motorcycles	200,626.00		183,789.00	
Typing & Duplicating	0.00		0.00	
Bad Debts Written off	1,766,175.00		3,304,500.00	

Cont. (P.T.O)

38



NOTES TO THE FINANCIAL STATEMENT

31st March 2012

Note 25 Other Expense (Contd..)

Particulars	As at 31-03-2012	As at 31-03-2011
Audit Fees	358,522.00	176,480.00
Marketing Expenses	12,584,646.80	11,625,867.80
Sales Distribution Expenses	26,418,041.98	21,678,220.12
Forwarding Expenses	12,128,695.80	9,852,031.88
Advertising Expenses	345,870.00	220,849.00
Deferred Revenue Exp. Written off	0.00	0.00
Product Incentive Expenses	0.00	0.00
Commission	3,469,944.00	2,942,298.00
Sales Discount	13,989,846.64	14,337,849.42
	94,457,392.69	84,834,613.13

Note 25 a. Other Expense

Particulars	As at 31-03-2012	As at 31-03-2011
	Rupees	Rupees
Payment to auditor		
As auditor		
Audit Fees	224,720.00	137,875.00
Tax Audit Fee	78,652.00	38,605.00
Limited review	0.00	0.00
In other Capacity		
Taxation Matters	0.00	0.00
Compy Law matters	0.00	0.00
Management Services	0.00	0.00
Other Services	55,150.00	0.00
	358,522.00	176,480.00

Note 26

1 Significant Accounting Policies :

1.1 System of Accounting:

- Financial Statements are based on historical cost. These costs are not adjusted to reflect the impact of the changing value in the Purchasing Power of money.
- The Company follows the merchantile system of accounting and recognises income and expenditure on an accrual basis, except interest on margin money deposit with Bank of Baroda, and Gratuity.

1.2 Revenue Recognition:

Sales are inclusive of Excise Duty and are net of Trade Discounts and sales returns.

1.3 Fixed Assets :

Fixed Assets are carried at cost of acquisition/installation. Fixed Assets are shown net of accumulated depreciation and amortised amount (except on Leasehold Land). Cost includes related taxes, duties, freight, insurance etc. attributable to acquisition and installation of assets and borrowing cost incurred upto the date of commencing operations, but excludes duties and taxes that are recoverable subsequently from taxing authorities.



Note 26 (contd...)

1.4 **Depreciation :** Depreciation on all the assets is being provided on "Straight Line Method" in accordance with the provisions of Section 205(2)(a) of the Companies Act, 1956 at the rate specified in Schedule XIV to the said Act. Depreciation on additions during the year is being provided on pro-rata as required by Schedule XIV to the Companies Act, 1956. Plant & Machinery which were not put to use during the year were not considered for the purpose of depreciation. The same would be considered for depreciation as and when the said machinery would be put to use again. During the year no depreciation has been provided on slow moving items.

1.5 **Investment :** There are no investments.

1.6 Inventories :

- Raw Materials & Packing Materials are valued at cost. Cost is arrived at on FIFO basis. However, as per AS-2 issued by ICAI, stock should be valued at cost or net realisable value whichever is lower. According to the management, there are no items having realisable value less than the cost.
- Materials in Process are not valued.
- Finished goods are valued at cost. Cost is arrived at considering direct material, direct labour and direct factory overheads. Finished Goods estimated at MRP less Estimate cost work out to make it at cost. Finished stocks lying in the factory are valued exclusive of excise duty except the stocks lying in Duty Paid Godowns and Company's C & F distributors which are valued inclusive of excise duty.
- At present Stores, Machinery Spares are charged to revenue as and when purchased.

1.7 Retirement Benefits :

Company's contribution to Provident Fund and ESIC are charged to Profit & Loss Account. Gratuity is charged to P&L a/c on actual payment basis and not on actuarial valuation as at year end as against AS-15 "Accounting for retirement Benefits".

1.8 Borrowing Cost:

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalized as required by AS-16 "Borrowing Costs".

During the year, there are no borrowing cost attributable to the acquisition of qualifying assets that are required to be capitalized. Hence all borrowing cost have been charged to revenue.

1.9 Taxation:

Provision for current tax is made based on the liability computed in accordance with the relevant tax rates and tax laws. Provision for deferred tax is made for timing differences arising between the taxable income and accounting income computed using the tax rates and the tax laws that have been enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognized only if there is a virtual certainty that they will be realized and reviewed for the appropriateness of their carrying values at each Balance Sheet date.

2. During the year under consideration Rs. 17.66 Lacs has been written off as bad debt, being the amount in recoverable for debtors outstanding. During year the under consideration no additional amount has been provided for doubtful debt. and Provision of Rs. 50 lacs has been carried forward to next year. The management is confident that had from the current year onwards the company will able to recover a substantial amount of its long outstanding.

Moreover, the Company has allowed credit to various debtors in lieu of interest free advance for Godown deposits given by them which is mainly used to store the goods of the Company. The debtors include amount for such facilities which is recoverable and would be useful for future expansion. Company feels that the debtors are good for recovery and do not need any provision for doubtful debts.

- Cost of material is not netted by cenvate credit. Payment of net excise debited to excised expenses.
- In the opinion of directors, the net realizable value of current assets sold in ordinary course of business is not less than the market value.
- Some debtors, creditors, loans & advances, bank deposits are subject to confirmation and reconciliation.
- The financial statements for the year ended 31st March, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification under the Companies Act, 1956, the financial statements for the year ended 31st March, 2012 are prepared under revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification.



Note 26 (contd...)

7. Contingent Liabilities :

There are no contingent liabilities as certified by the Directors.

8. Claims against the Company not acknowledged as debts (estimated) :

	2011-12	2010-11
i) In respect of Labour matters	nil	nil
ii) Other claims	nil	nil
9. a) The company has identified the suppliers who are covered under the Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act, 1993. The liability under the said Act on account of interest is not ascertained as at 31 March 2012. However, no claims have been received for interest from suppliers with reference to the above Act.		
b) There are no small scale industrial undertakings to whom the company owes a sum which is outstanding as per terms of contract agreed for more than 30 days as at Balance Sheet date.		

10. Auditors Remuneration :

	As at 31-03-2012	As at 31-03-2011
i) As audit fees	224,720	137,875
ii) As Tax audit fees	78,652	38,605
Total	303,372	176,480

11. Remuneration to Managing Director & Jt. Managing Director - half & equal to each (exclusive of contribution to Gratuity Fund on Actual valuation)

	2011-12	2010-11
Salaries	2,689,500	2,005,918
Contribution to Provident & Superannuation funds	0	0
Total	2,689,500	2,005,918

Notes:

- Remuneration paid to Managing Director and Joint Managing Director is computed as per the provisions of Section 198 of the Companies Act, 1956 read alongwith the provisions of Schedule XIII thereto.
- As per the terms of appointment applicable during the year, no amount is payable to the Managing Director and Joint Managing Director as Commission

12. Provision for Deferred Tax :

In accordance with AS-22 on 'Accounting for tax on income' issued by ICAI, the net deferred tax as on 31.03.2012 is as follows :

Particulars	As at 31-03-2012		As at 31-03-2011	
	Assets	Liabilities	Assets	Liabilities
Depreciation	1,093,085	-	1,285,634	-
Deferred of Revenue expenditure	0	-	0	-
Provision for bad & daubtful	Nil	-	Nil	-
Total	1,093,085	-	1,285,634	-

13. Segment Reporting:

Considering the organization structure, nature of Products and risk and return profile based on geographical distribution, the agro chemicals business is considered as a single segment in accordance with AS-17 "Segment Reporting".



Note 26 (contd...)

14. Related Party Disclosure :

a) **Related Parties:**

- Subsidiaries of the Company
- Other related parties
- Key Management Personnel

Ocean Agro LLC
Industrial Additives
Mr. Kaushik B. Parikh (MD)
Mr. Manhar D. Patel (Jt. MD)

b) The following transactions were carried out during the year with the related parties in the ordinary course of business :

Transactions	Other related parties	
	2011-12	2010-11
Material purchased	6,348,395	9,653,002
<u>Amount due to / from related parties</u>		
Advances given	(5,694,861.47)	(7,856,466.47)

The remuneration of key management personnel is shown in Note no. 12.

15. Expenditure in foreign currency :

	2011-12	2010-11
Interest	nil	nil
Travel	nil	nil
Other	44,769	nil

16. Disclosure as required under clause 32 of listing agreement

- Loans and Advances in the nature of loans to Firms/Companies in which Directors are interested - Nil (Previous Year - Rs. Nil)
- Investment by the loanee in the shares of the Company as on 31 March 2012 is nil (Previous Year - nil)



Note 26 (contd...)

17. Production, Sales and Stocks of each class of manufactured goods / traded goods :

Class of goods	Licensed Inst. Cap.	Opening Stock	Production	Purchases	Closing Stock	Gross Sales	Sales Value
	MT	MT	MT	MT	MT	MT	(Rs. In lacs)
Plastic Division:							
Valve Type Bags	800.00	0.00	0.00	0.00	0.00	0.00	0.00
Guesseted Bags	120.00	0.00	0.00	0.00	0.00	0.00	0.00
Blow Moulding Items	150.00	0.00	24.73	0.00	0.00	24.73	0.00
Injection Moulding Items	90.00	0.00	17.60	0.00	0.00	17.60	0.00
Other Products	600.00	0.00	5.40	0.00	0.00	5.40	0.00
							0.00
Irrigation Division:							
Irrigation Division	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
Bio-Stimulants:							
Liquid	600.00	167.20	236.18	0.00	175.29	228.09	734.28
Solid	1,200.00	146.77	1138.66	0.00	131.41	1154.02	275.21
Bio Fertilizers	3,600.00	202.01	2627.32	0.00	206.81	2622.52	628.46
Fertilizer(modif.Fly Ashbase)	2,500.00	6.95	0.00	0.00	6.95	0.00	0.00
Other							0.00
							1637.95
Grand Total							1637.95

18.Raw Materials Consumed

Particulars	2011-12		2010-11	
	Qty. MT	Value Rs.	Qty. MT	Value Rs.
Granules	2433.830	4,371,835.00	2090.930	3,094,165.00
Neem Oil	2.530	204,348.00	1.660	104,580.00
Ferrous Sulphate	97.360	615,315.00	71.440	375,060.00
D-oil Cake	345.775	1,860,270.00	253.405	1,047,830.00
Others		20,426,312.61		22,699,298.77
Total		27,478,080.61		27,320,933.77

19.Value of Imported / Indigenous Raw Materials/Stores and spares consumed

Particulars	2011-12		2010-11	
	%	Value (Rs.)	%	Value (Rs.)
Raw Materials				
Imported	Nil	Nil	Nil	Nil
Indigenous	100%	27,478,080.61	100%	27,320,933.77
	100%	27,478,080.61	100%	27,320,933.77
Stores and Spares				
Imported	Nil	Nil	Nil	Nil
Indigenous	100%	45,776.00	100%	43,600.00
	100%	45,776.00	100%	43,600.00



Note 26 (contd...)

20. Balance Sheet Abstract and Company's General Business Profile

I. Registration Details			
Registration No.	13922	State Code	04
Balance Sheet Date	31st March 2012		
II. Capital raised during the year (Amount Rs. Thousands)			
Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL
III. Position of Mobilisation and Deployment of Funds			
Total Liabilities	279,314,779.27	Total Assets	279,314,779.27
Source of Funds			
Paid up Capital	75,871,545.00	Reserves and Surplus	154,015,180.00
Secured Loans	468,519.65	Unsecured Loans	6,065,319.73
		Deferred Tax Liability	0.00
Application of Funds			
Net Fixed Assets	63,013,528.49	Investments	3,664,554.00
Net Current Assets	202,127,750.54	Misc. Expenditure	0.00
Accumulated Losses	NIL		
IV. Performance of Company			
Turnover	163,915,449.94	Total Expenditure	161,738,299.08
Profit / (loss) before Tax	2,177,150.86	Profit / (Loss) after Tax	377,150.86
Earning per Share Rs.	0.06	Dividend %	0%
V. Generic Name of Principal Product of Company (As per monetary terms)			
Item Code No.	3921900	Bags	
(ITC Code)	---		
Product Description	380830	Plant Growth Regulators	
	380890	Others	

As per our Report of even date
Ambalal M. Shah & Co.
Chartered Accountants

For **Ocean Agro (India) Limited**

CA. Ashok A. Jain
Partner
M. No. 30389

K.B. Parikh
Managing Director

M.D. Patel
Jt. Managing Director

Place : Vadodara
Date : 30th May 2012

Place : Vadodara
Date : 30th May 2012



OCEAN AGRO LLC

FINANCIAL STATEMENT (UNAUDITED)

BALANCE SHEET AS AT 31.03.2012

Particulars	As at 31-03-2012 In US \$	As at 31-03-2012 In Rs. ₹
1. Shareholders's Funds:		
(a) Capital	0	0.00
(b) Reserve & surplus	0	0.00
	0	0.00
2. Loan from holding company		
Ocean Agro(l) Limited	75000	3664554.00
3. Loans & Advances	0	0.00
TOTAL	75000	3664554.00
II Assets		
1. Current Assets		
(A) Bank Balances	12458.63	608737.63
(B) Cash	0	0.00
(C) Loans & Advances	0	0.00
Total	12458.63	608737.63
Miscellaneous expenditure to the extend not written off or adjusted	62541.37	3055816.37
TOTAL	75000	3664554.00



OCEAN AGRO LLC

STATEMENT PROFIT & LOSS FOR THE PERIOD OF 2011-2012

Particulars	As at 31-03-2012 In US \$	As at 31-03-2012 In Rs. ₹
INCOME :		
Sales	0	0.00
Other Income	0	0.00
TOTAL (A)	0	0.00
EXPENDITURE :		
Bank Fee	490	23941.75
Liasion Expenses	266.4	13016.50
Office Rent	5588.23	273044.94
Product Registration Fee	100	4886.07
Professional Fees- Lawyers	6360	310754.18
Staff Salaries	36291.02	1773205.37
Statutory Payment	13445.72	656967.56
TOTAL (B)	62541.37	3055816.37
PROFIT/LOSS DURING THE YEAR	-62541.37	-3055816.37
Transfer to Preliminary-Pre Operative a/c	62541.37	3055816.37
Net profit Transfer to P&L A/c	0	0.00

COMPANY HAS ESTABLISHED WITH NAME 'OCEAN AGRO LLC ' 100 % HOLDING SUBSIDIARY COMPANY. COMPANY HAS TRANSFERRED US \$75000 .FOR THAT SHARES YET TO BE ISSUED. FINANCIAL STATEMENT (UNAUDITED) OF 'OCEAN AGRO LLC' IS ATTACHED.



CASH FLOW STATEMENT
FOR THE YEAR ENDED ON 31st March 2012

A. Cash Flow from Operating Activities :			
Net Profit before Tax & extra ordinary items			377,151
Adjustments for :			
Depreciation	6,259,459		
Provision for Direct Tax	1,800,000		
Deferred Revenue Expenses written-off	0		
Interest Income	0		
Interest charged	5,786,143	13,845,602	
Operating Profit before working capital changes		14,222,753	
Trade & Other receivables	(13,853,569)		
Inventories	4,828,617		
Trade Payable	762,814	(8,262,137)	
Cash generated from operations		5,960,616	
Interest paid	0		
Direct Taxes paid	(1,800,000)	(1,800,000)	
Cash Flow before Extra Ordinary Items		4,160,616	
Extra Ordinary Items			0
Net Cash from Operating Activities	A		4,160,616
B. Cash Flow from Investing Activities			
Purchase of Fixed Assets	(2,610,865)		
Sale of Fixed Assets	39,244		
Interest received	0		
Misc. Expenditure	0		
Investments	0		
Net Cash used in Investing Activities	B		(2,571,621)
C. Cash Flow from Financing Activities			
Proceeds from issue of Share Capital	0		
Proceeds from Borrowing	0		
Repayment of Loan	4,349,274		
Interest Paid	(5,786,143)		
Dividend Paid	0		
Net Cash used in Financing Activities	C		(1,436,869)
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)			152,126
Cash & Cash Equivalents Opening Balances			12,122,349
Cash & Cash Equivalents Closing Balances			12,274,476

For and on behalf of the Board

Place : Vadodara
Date : 30 May 2012

K.B. Parikh
Managing Director

M.D. Patel
Jt. Managing Director

AUDITORS' CERTIFICATE

We have verified the above Cash Flow Statement of Ocean Agro (India) Limited derived from Audited Annual Financial Statements for the year ended 31 March 2012 and found the same to be drawn in accordance therewith and also with the requirements of clause 32 of the listing agreement with Stock Exchanges.

For **Ambalal M. Shah & Co.**
Chartered Accountants

Place : Vadodara
Date : 30 May 2012

CA. Ashok A. Jain
Partner
M. No. 30389

OCEAN AGRO (INDIA) LIMITED

Registered Office :

A-207, Oxford Avenue, Opposite C.G. Shah College, Ashram Road, Ahmedabad - 380 014.

ATTENDANCE SLIP

(Please complete this Attendance Slip and hand it over at the entrance of the hall)

Full Name of the Shareholder (**BLOCK LETTERS**)

No. of Shares held

Folio No.

--	--	--

I hereby record my presence at the 22nd Annual General Meeting of the Company held at 22, Dolly Complex, Stadium Circle, Navrangpura, Ahmedabad - 380 009 on Saturday, the 29th September 2012 at 12-30 p.m.

CUT HERE

Signature of the Shareholder

Note :Only Shareholders of the Company or their Proxies will be allowed to attend the Meeting.

CUT HERE

OCEAN AGRO (INDIA) LIMITED

Registered Office :

A-207, Oxford Avenue, Opposite C.G. Shah College, Ashram Road, Ahmedabad - 380 014.

PROXY FORM

No. of Shares held

Folio No.

--	--

I / We _____ of _____
in the District of _____ being a Member/Members of the above
named Company, hereby appoint Shri _____ of _____

as my / our proxy to vote for me / us on my / our behalf at the 22nd Annual General Meeting of the Company at 22, Dolly Complex, Stadium Circle, Navrangpura, Ahmedabad - 380 009; on Saturday, the 29th September 2012 at 12-30 p.m.

Affix a Re. 1/-
Revenue Stamp
here

Signature of the Shareholder

Note :The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.