

## NOTICE

NOTICE is hereby given that the **Eighteenth** Annual General Meeting of the Members of **AGARWAL INDUSTRIAL CORPORATION LIMITED** will be held on **Saturday, 29<sup>th</sup> September, 2012** at the Registered Office of the Company at Unit No. 4, B-Wing, Sita Estate, Aziz Baug, Mahul Road, Chembur, Mumbai - 400 074 at 11.00 A.M. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at **31<sup>st</sup> March 2012** and Profit & Loss Account for the year ended **31<sup>st</sup> March, 2012** along with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of **Mr. Jawahar D. Patil** who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of **Mr. Bhavin Shah** who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of **Mr. Lalit Agarwal** who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of **Mr. Rajkumar Mehta** who retires by rotation, and being eligible, offers himself for re-appointment.
6. To appoint **M/s. Rashmi Agrawal**, Chartered Accountants (Firm Regs. No.104517) as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the Next Annual General Meeting of the Company at such Remuneration as may be approved by the Board of Directors of the Company.

Place: Mumbai.

**For and on behalf of the Board of Directors**

Dated: 27/08/2012

### REGISTERED OFFICE:

Unit No-4, B-Wing,  
Sita Estate, Aziz Baug,  
Mahul Road, Chembur,  
Mumbai- 400 074

**JAIPRAKASH AGARWAL**  
Managing Director

### NOTES:

- 1 A member entitled to attend and vote at the Annual General Meeting (The "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and a proxy need not be a member of the company. The instruments appointing the proxy should, how ever, be deposited at the registered office of the company not less than forty- eight hours before the commencement of the Meeting.
- 2 Member who wants to seek any information or clarification on the Accounts are requested to send in written queries to the company at least one week before the date of the Annual General Meeting.
- 3 The Profiles of the Directors being reappointed under Item Nos. 2,3,4 & 5 of the Notice as required under Clause No.49 of the Listing Agreement with stock Exchange are annexed to this notice.
- 4 In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 5 The Company has already notified closure of Register of Members & Share Transfer Books from **Tuesday 25<sup>th</sup> September, 2012 to Saturday 29<sup>th</sup> September, 2012** (Both days inclusive).
- 6 Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company, The nomination form can be downloaded from the company's website [www.aicldt.in](http://www.aicldt.in) under the section 'Investor Relations'.
- 7 In terms of circulars issued by Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. transfer of shares, deletion of name, transmission of shares and transposition of shares. Shareholders are requested to furnish copy of PAN card for all the above mentioned transactions.

# AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

- 8 The Ministry of Corporate Affairs, Government of India, through its circular Nos. 17/2011 dated 21<sup>st</sup> April, 2011 and 18/2011 dated 29<sup>th</sup> April, 2011, respectively, has allowed companies to send documents viz. Notices of meetings, Annual Reports and other shareholder communication to their shareholders electronically as part of its green initiatives in corporate governance.

Recognizing the spirit of the circular, it is proposed that henceforth document as mentioned above will be sent electronically to the email addresses provided by you and made available to the Company by the Depositories viz. NSDL/CDSL. As and when there are changes in your email address, you are requested to update the same with your depository participant.

For shares held in physical form, shareholders can register their email address with the Company at [www.aicld.in](http://www.aicld.in) mentioning their name(s) and folio no(s).

9. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Ankit Consultancy, for consolidation into a single folio.
- 10 Prevention of Frauds : You are advised to exercise due diligence and notify your DP of any in address, Stay abroad or demise of any shareholder as soon as possible. Do not leave your Demat account dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
- 11 Confidentiality of Security Details : Do not disclose your folio Nos./DP ID/Client ID to unknown persons. Do not hand over signed blank transfer deeds and delivery instruction slips to any unknown persons.
- 12 Annual Report and Attendance Slip will not be distributed at the Annual General Meeting, Shareholders are requested to bring the same along with them.

Place: Mumbai.

**For and on behalf of the Board of Directors**

Dated: 27/08/2012

**REGISTERED OFFICE:**

Unit No-4, B-Wing,  
Sita Estate, Aziz Baug,  
Mahul Road, Chembur,  
Mumbai- 400 074

**JAIPRAKASH AGARWAL**  
Managing Director

**PROFILES OF DIRECTORS BEING REAPPOINTED AS REQUIRED BY CLAUSE 49 VI(G) OF THE LISTING AGREEMENT WITH STOCK EXCHANGES :**

**Item No. 2, 3, 4 & 5 of the Notice**

Name of the Director	Mr.Jawahar D. Patil	Mr. Bhavin Shah	Mr. Lalit Agarwal	Mr Rajkumar Mehta
Date of Birth	28.06.1956	21.09.1966	12.09.1968	04. 08.1957
Expertise in Specific Functional Areas	Technical	Administration	Finance	Liaisoning
Qualifications	B.Tech (Mechanical)	D.E.E. & D.B.M.	B.Com, M. Com	B.A.
List of other companies In which directorship Held on as 31 <sup>st</sup> March 2012	---	---	1.Agarwal Petrochem Pvt. Ltd..	R.K.Bulk Movers(I). Pvt. Ltd
Chairman / Member of the Committee of The Board of other Companies in which he is a Director as on 31 <sup>st</sup> March 2012	---	---	---	---
No of Shares held	NIL	NIL	302000	NIL

## DIRECTOR'S REPORT

The Directors are pleased to present the **Eighteenth** Annual Report and Audited Accounts for the Year ended **March 31<sup>st</sup>, 2012**.

### FINANCIALS RESULTS

( ₹ In Lacs )

	<b>2011-2012</b>	<b>2010-2011</b>
Total Income	7945.91	5668.95
Total Expenditure	7193.32	5338.54
Profit before Interest & Depreciation	752.59	637.92
Interest	123.41	95.41
Depreciation	332.17	307.51
Profit Before Tax	297.01	235.00
Provision for taxation		
a) Current tax	59.43	46.84
b) Deferred tax	(3.66)	19.72
Profit after Tax	241.24	168.44
Balance brought forward from earlier year	565.05	444.18
Profit available for appropriation	806.29	612.62
<b>APPROPRIATION :</b>		
Dividend on Equity Shares		40.93
Dividend Distribution Tax		6.64
Balance Carried to Balance Sheet	806.29	565.05

#### **DIVIDEND:**

To enable the company to augment and conserve money for long term working capital requirement, the Board of Directors do not recommend Dividend in this year.

#### **OPERATIONS:**

The Operations of the Company are elaborated in the annexed Management Discussion and Analysis Report.

#### **CORPORATE GOVERNANCE:**

In terms of clause 49, of the listing agreement, the Corporate Governance report is annexed as "Annexure A" forming part of this report.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management discussion and Analysis Report as required under clause 49 of the listing agreement is annexed as "Annexure B" forming part of this report.

#### **FIXED DEPOSITS:**

The Company did not take any Fixed Deposits from the public and no fixed deposits were outstanding or unclaimed as on March 31,2012.

#### **LISTING OF SHARES:**

The equity shares of the company are listed on the Stock Exchange, Mumbai. (BSE code 531921) the listing fees for the year 2012-13 have been duly paid.

#### **INDUSTRIAL RELATIONS:**

The Company remains committed to Developing and fostering a culture of participation, engagement and accountability, and takes pride in the initiative and team-work, and in the spirit of excellence, demonstrated by all its employees; they have displayed exemplary team-work, result-orientation, and motivation; and also a sense of accomplishment from their contribution to the Company's goals.

#### **COST AUDITORS :**

In Compliance with the Central Government's order No.52/26/CAB-2010 dated June 30, 2011, the Board has appointed M/s. Vinayak Kulkarni, Cost Accountants, Mumbai to carry out the cost audit in respect of insecticide products of the Company for the financial year 2011-12.

The Due date for filing of the Cost Audit Reports for the financial year 2011-12 is September 30, 2012.

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## **DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to section 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:

1. In the preparation of annual accounts for the year ended, March 31, 2012 the applicable Accounting Standards have been followed. There are no material departures from the applicable accounting standards;
2. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year under review and of the profit of the Company for that year;
3. The Directors had 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. The Directors have prepared Annual accounts for the year ended March 31, 2012 on a going concern basis.

## **DIRECTORS:**

**Mr. Jawahar D. Patil , Mr. Bhavin Shah, Mr. Lalit Agarwal and Mr. Rajkumar Mehta** retires by rotation at the forth coming Annual General Meeting and being eligible offer themselves for re-appointment.

## **SUBSIDIARIES:**

Bituminex Cochin Pvt Ltd (BCPL) is a wholly owned subsidiary of Agarwal Industrial Corporation Ltd.

## **CONSOLIDATED FINANCIAL STATEMENTS:**

In accordance with Accounting Standard 21, issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements have been provided in the Annual Report. These Statements provide financial information about your Company and its subsidiary companies as a single economic entity. The Consolidated Financial Statements form part of this Annual Report.

## **STATUTORY DISCLOSURES:**

Ministry of Corporate Affairs (MCA) vide circular No.51/12/2007-CL-III dated 8 February 2011 has given general exemption with regard to attaching of the balance Sheet, profit and loss account and other documents of its subsidiary companies subjects to fulfillments of conditions mentioned therein. The summary of the key financial of the company's subsidiaries is included in this annual report.

The annual accounts of the subsidiary companies and the related detailed information will be made available to the members of the company and its subsidiary company, seeking such information at any point of time. The annual accounts of the subsidiary company will be kept for inspection by any member of the company at its registered office and also at the registered office of the concerned subsidiary company.

## **CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:**

### **(A) Conservation of Energy and Technology Absorption:**

The information required to be given U/s 217(i)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are as under :

#### 1) **Conservation of Energy:**

##### a) Measures :

##### (i) Electrical Energy :

- (a) Reducing the maximum demand by evenly distributing the loads throughout the day and increasing efficiency of plant and equipments.
- (b) Improving power factor by optimum choice of power factor improvement capacitors.

(c) Monitoring the overall energy consumption.

b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy.

The Company is reviewing various proposals for reduction in consumption of energy.

c) Impact of measures (a) and (b) above for reduction of energy consumption and Consequent impact on cost of production of goods are as under-

Total energy consumption -

**Power and Consumption**

a). Electricity

1. Purchase

Unit	37,860
Total Amount (₹ Lacs)	2.18
Rate/Unit (₹)	5.91

b). Own generation

(Through D.G.Set)

Diesel Oil Consumed (Ltrs)	902
Total Amount (₹)	41,115
Avg. Per Ltr. (₹)	45.58
Unit	3608

2) **Technology Absorption:**

The Company has not imported any Technology. The Company has not yet established separate Research & Development facilities.

3) **Foreign Exchange Earnings and Outgo:**

	(₹in Lacs)
<u>Particulars</u>	<u>2012-13</u>
Earnings	NIL
Outgo	2119

## **AGARWAL INDUSTRIAL CORPORATION LIMITED**

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### **AUDITOR'S REPORT:**

The observation made in the Auditor's Report, read together with the relevant notes thereon are self-explanatory and hence, do not call for any comments under section 217 of the Companies Act, 1956.

### **AUDITORS:**

Your Company's Auditors M/s. RASHMI AGARWAL Chartered Accountants, hold office until the conclusion of the forthcoming Annual General Meeting. They have shown their willingness to accept the office as Statutory Auditors, if appointed. Your Company has received a written certificate from the Auditors to the effect that their re-appointment, if made, would be within the prescribe limit under section 224(1B) of the Companies Act, 1956.

### **INTERNAL CONTROL SYSTEMS & ITS ADEQUACY :**

The Company has adequate internal control systems and procedures in place for effective and smooth conduct of business and to meet exigencies of operation and growth. The key business processes have been documented. The transactions are recorded and reported in conformity with generally accepted accounting practices. The Internal Control systems and procedure ensure reliability of financial reporting, Compliance with the company's policies and practices, governmental regulations and statues. Internal audit is conducted by Independent firm of Auditors. Internal Auditors regularly check the adequacy of the system, their observations are reviewed by the management and remedial measures, as necessary, are taken.

### **PARTICULARS OF EMPLOYEES:**

There are no employees of the Company for whom the provisions of section 217(2A) of the Companies Act, 1956 are applicable.

### **ACKNOWLEDGMENT:**

The Board of Directors express their sincere appreciation for the contribution and commitment of the employees of the company and for the excellent support provided by the shareholders, customers, distributors, suppliers, bankers and other service providers during the financial year under review.

Place: Mumbai.  
Dated: 27/08/2012

For and on behalf of the Board of Directors

**JAIPRAKASH AGARWAL**  
Managing Director

**CORPORATE GOVERNANCE REPORT-ANNEXURE A**

**1. Company's Philosophy on Corporate Governance.**

The Company's Philosophy is to conduct business and its dealings with all stakeholders in compliance with law and high standards of business ethics and to exceed the statutory requirements with regard to Corporate Governance. The Company would continue to strengthen its principles of transparency, fairness and accountability to generate long-term value for its shareholders on a continue and sustainable basis in harmony with the interest of all the other stakeholders.

The Company is in compliance with all the regulations stipulated by the Companies Act, 1956, and Securities and Exchange Board of India (SEBI) with regard to Corporate Governance. The following together with information contained in Management Discussion and Analysis and other parts of Annual Report constitutes the Company's compliance with the Corporate Governance.

**2. Board of Directors**

(i) **Composition of the Board**

The Composition of the Board of Directors with reference to the number of Executive and Non-Executive Directors meets the requirement of code of Corporate Governance. The Board is headed by the Executive Managing Director.

(ii) The composition of the Board of Directors of your Company along with the other Directorships(if any) held by each of the Directors is brought out in the following tables.

Category	Name of Director & Designation	Relation	No. of Other Directorship & Committee membership / Chairmanship.			
			Public Co.	Pvt. Co.	Committee	Chairmanship
Promoter & Executive Director	Mr. Jaiprakash Agarwal	Brother of Mr. Lalit Agarwal, Mr. Ram Chandra Agarwal & Mr. Mahendra Agarwal	-	1	-	-
Promoter & Director	Mr. Lalit Agarwal Whole Time Director	Brother of Mr. Jaiprakash Agarwal, Mr. Ram Chandra Agarwal & Mr. Mahendra Agarwal	-	1	-	-
Promoter & Director	Mr. Ram Chandra Agarwal Whole Time Director	Brother of Mr. Jaiprakash Agarwal, Mr. Lalit Agarwal & Mr. Mahendra Agarwal	-	1	-	-
Executive Director	Mr. Jawahar D. Patil Whole Time Director		-	-	-	-
Non Executive	Mr. Mahendra Agarwal	Brother of Mr. Jaiprakash Agarwal, Mr. Lalit Agarwal & Mr. Ramchandra Agarwal	-	1	-	-
Independent Non Executive	Mr. Bhavin A. Shah		-	-	-	-
Independent Non Executive	Mr. Jaswant D. Sharma		-	-	-	-
Independent Non Executive	Mr. Harikrishna Patni		-	-	-	-
Independent Non Executive	Mr. Rajkumar Mehta		-	1	-	-
Independent Non Executive	Mr. Alok Bharara		-	-	-	-

**(iii) Board Meetings and Annual General Meeting:**

During the financial year 2011-12, Nine Board Meetings were held on 6<sup>th</sup> May '11, 31<sup>st</sup> May 11, 31<sup>st</sup> July '11, 25<sup>th</sup> August'11, 30<sup>th</sup> September '11, 20<sup>th</sup> October '11, 15<sup>th</sup> November'11, 4<sup>th</sup> February'12, 23<sup>rd</sup> March'12.

The last Annual General Meeting of the company was held on 30<sup>th</sup> September' 2011. The details of attendance of Directors in Board Meetings and the last Annual General Meeting are as follows:-

Director	No. of meetings		Attended last AGM
	Held	Attended	
Shri Jaiprakash Agarwal	9	7	Yes
Shri Lalit Agarwal	9	9	Yes
Shri Mahendra Agarwal	9	7	Yes
Shri Ramchandra Agarwal	9	6	No
Shri.Bhavin Shah	9	9	Yes
Shri.Jaswant D.Sharma	9	8	Yes
Shri.Harikrishna Patni	9	6	Yes
Shri.Rajkumar Mehta	9	6	Yes
Shri Jawahar D. Patil	9	7	Yes
Shri Alok Bharara	9	5	No

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All the information as required pursuant to requirements of Code of Corporate Governance is placed on regular basis at Board Meetings.

### 3. Code of Conduct

The Board has laid down a code of conduct for all Board members and senior management of the company.

The Company has obtained the confirmation of the Compliance with the Code from all its Board members and senior management personnel. As required by Clause 49 of the Listing Agreement, the declaration on compliance of the Company's code of conduct signed by Whole-Time Managing Director forms a part of this Annual Report.

### 4. Audit Committee

The Audit Committee is duly constituted in accordance with Clause 49 (II) of the Listing Agreement. Members of the Committee are: Mr. Mahendra Agarwal (Chairman), Mr. Bhavin Shah, Mr. Rajkumar Mehta & Mr. Jaswant D. Sharma are Independent/ Non- Executive Directors.

Members of the Audit Committee possess expert knowledge of Accounts, Audit and finance. The Audit Committee meetings were held on **31<sup>st</sup> May 11, 31<sup>st</sup> July '11, 15<sup>th</sup> November'11, 4<sup>th</sup> February 12.**

The following table presents the details of attendance at the Audit Committee meetings held during the year 2011-12

Director	No. of Meetings Held	No of Meetings Attended
Mr. Mahendra Agarwal(Chairman)	4	4
Mr. Bhavin Shah	4	4
Mr. Rajkumar Mehta	4	3
Mr. Jaswant D Sharma	4	3

The powers and role of the Audit Committee is in accordance with the provisions of clause 49 of the Listing Agreement and section 292A of the Companies Act, 1956, and includes oversight of the Company's financial process, reviewing the financial statements, review of significant related party transactions, adequacy of internal audit and look into such matters as mandated under the Listing Agreement as amended from time to time. The role of Audit Committee includes the discussion with internal and statutory auditors periodically about their scope of audit and adequacy of internal control systems.

In addition, the Committee also reviews the Managements Discussion and Analysis of the financial condition and results of operations, the financial statements, investments made and minutes of Board Meetings.

### (II) Remuneration Committee

The Remuneration Committee consists of four Non Executive Directors, and they met one time during the year 2011-12 on 30<sup>th</sup> September 2011.

The following table presents the details of attendance at the Remuneration Committee meetings held during the year 2011-12.

Director	No of Committee Meetings Held	No of Meetings Attended
Mr. Jaswant D. Sharma (Chairman)	1	1
Mr. Harikrishna Patni	1	1
Mr. Bhavin Shah	1	1
Mr. Alok Bhara	1	1

### (III) Remuneration Policy

The Remuneration Committee of the Board constituted in compliance with the SEBI guidelines has framed the compensation structure for the working Directors and the Committee reviews the same from time to time based on certain performance parameters, like growth in business as well as profitability and in line with the best practices prevailing in the industry.



Details of Remuneration and Commission paid to all Directors in financial year 2011-2012.

Whole-time Directors

The details of payment to the Whole-time Directors for the financial year 2011-12 are as follows:

<u>Name</u>	<u>Salary (₹)</u>	<u>Commission</u>
Mr. Jaiprakash Agarwal	21,00,000 p.a.	NIL
Mr. Lalit Agarwal	9,00,000 p.a	NIL
Mr. Ramchandra Agarwal	9,00,000 p.a.	NIL
Mr. Jawahar D. Patil	5,65,000 p.a.	NIL

**5 SHAREHOLDER/INVESTOR GREIVANCE TRANSFER COMMITTEE:**

The Shareholders'/ Investors' Grievance Committee of the Company, inter-alia, reviews and considers the report of Link Intime India Private Limited regarding number of various types of complaints/ requests received, handled and balances, if any. Members of the Committee are : Mr. Bhavin Shah(Chairman), Mr. Jaswant D. Sharma, Mr. Rajkumar Mehta & Mr. Harikrishna Patni. The Committee meetings were held on 31<sup>st</sup> May'11, 30<sup>th</sup> September '11, 4<sup>th</sup> February '12 & 23<sup>rd</sup> March '12.

The attendance at these meetings was as under:

<u>Director</u>	<u>No. of Meetings Held</u>	<u>No of Meetings Attended</u>
Mr. Bhavin Shah(Chairman)	4	4
Mr. Jaswant D. Sharma	4	3
Mr. Rajkumar Mehta	4	4
Mr. Harikrishna Patni	4	3

There were no complaints received from shareholders/investors during the financial year 2011-12 and there were no pending shareholder/investor complaints as on March 31, 2012.

**6. GENERAL MEETING**

Details of Annual general Meetings

a) The particulars of last three Annual General Meeting of the company are as under.

<u>Date &amp; Year</u>	<u>Time</u>	<u>Location</u>
30/09/2011	11.00 A.M	Unit - 4, B-Wing, Aziz Baug, Mahul Road, Chembur, Mumbai - 400 074
30/09/2010	11.00 A.M	Unit - 4, B-Wing, Aziz Baug, Mahul Road, Chembur, Mumbai - 400 074
30/09/2009	11.00 A.M	Unit - 4, B-Wing, Aziz Baug, Mahul Road, Chembur, Mumbai - 400 074

- b) Whether special resolutions were put through postal ballot last year? - No  
c) Are votes proposed to be conducted through postal ballot this year? - No

**7. DISCLOSURE**

(i) Basis of Related-Party Transactions:

All the related party transactions are strictly done on arm's length basis. The Company places all the relevant details of related party transactions, entered in the normal course of business before the Audit Committee, from time to time. There was no material related party transaction, which are not in the normal course of the business, entered into by the Company during the year. Attention of the Members is drawn to the disclosures of transactions with related parties set out in Notes forming part of the Financial Statements.

(ii) Non-Compliance/ Strictures/ Penalties Imposed :

No non compliance/ strictures/ penalties have been imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority on any matters related to capital markets during the last three years.

(iii) Disclosure of Accounting Treatment :

Your Company has followed all relevant Accounting Standards while preparing the Financial Statements.

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(iv) Risk Management :

Risk evaluation and management is an ongoing process within the Organization.

Your Company has a comprehensive risk management policy and it is periodically reviewed by the Board of Directors. During the period under review, a presentation on the critical risks and their mitigation plans devised by respective units were made to the Board.

(v) Management :

Management Discussion and Analysis Report is prepared in accordance with the requirements laid down in Clause 49 of the Listing Agreement and forms part of this Annual Report.

No Material transaction has been entered into by the Company with the Promoters, Directors or the Management, their relatives or its subsidiaries etc... that may have a potential conflict with interests with the Company.

(vi) Report on Corporate Governance :

A Separate section on Corporate Governance forms part of the Annual Report. The Certificate from the Statutory Auditors confirming compliance with all the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement forms part of this Report.

## 8. AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

Auditor's certificate with respect to compliance with Clause 49 of the listing Agreement relating to corporate Governance has been annexed to the end of this Report.

## 9. CEO/CFO CERTIFICATION

As required under Clause 49 of the Listing Agreement, the CEO/CFO certificate was placed before the Board.

## 10. General Shareholder's Information

1	Annual General Meeting Venue	September 30, 2012 at 11.00 hours 4-B, Sita Estate, Aziz Baug, Mahul Road, Chembur, Mumbai.
2	Financial Year	Financial Year is April 1 to March 31
	Quarterly results will be declared as per the Following tentative schedule:	
	* Un-audited Financial results for the quarter ending June 30, 2012	Will be published on or before 15 August, 2012
	* Un-audited/Audited results for the quarter/half year ending September, 2012.	Will be published on or before 15 November, 2012
	* Un-audited results for the quarter ending December 31, 2012.	Will be published on or before 15 February, 2013
	* Audited results for the year ending March 31, 2013.	Will be published on or before 31st May, 2013
3.	Means of Communication Newspapers in which the results are published -  Website on which the Results are uploaded -	Business Standard & Mumbai Lakshdeep.  www.aicltd.in
4.	Dates of Book Closure	September 25, 2012 to September 29, 2012
5.	Listing on Stock Exchanges	The Shares of your Company are listed on Bombay Stock Exchange Limited 25th Floor , P. J. Towers, Dalal Street, Mumbai - 400001.
	Your Company has paid the annual listing fee for the Financial year 2011-12 to the exchange.	
6.	Stock Code	Bombay Stock Exchange Limited: 531921 ISIN : INE204E01012

7. Market price Data and Performance:

Month	High	Low
April 2011	152.95	124.50
May 2011	132.00	115.00
June 2011	194.85	111.50
July 2011	215.50	171.55
August 2011	173.00	132.80
September 2011	164.45	133.55
October 2011	146.05	116.00
November 2011	147.40	115.00
December 2011	126.90	101.75
January 2012	130.00	102.05
February 2012	146.80	115.45
March 2012	148.00	93.10

Period: Year 2011 to Year 2012

All Prices in ₹

Year	Open	High	Low	Close	No. of Shares	No. of Trades	Total Turnover	*Spread-H-L	*Spread-C-O
2011	188.00	215.50	101.75	106.30	18,13,100	25,399	28,89,54,255	113.75	-81.70
2012	108.00	148.00	85.50	110.85	7,72,082	8,847	8,67,50,570	62.50	2.85

\*Spread

H-L : High-Low

C-O : Close- Open

8 Registrar and Share Transfer Agent

ANKIT CONSULTANCY PVT LTD  
60, Electronic Complex,  
Pardeshi Pura,  
Indore (M.P), 452010

a. Share Transfer System

The Board has delegated the power of Share Transfer to your Company's Registrar and Share Transfer Agent, ANKIT CONSULTANCY PVT LTD (address mentioned above) for processing of Share transfer.

10 Compliance Officer

Mr. Bhavin Shah,  
Non Executive & Independent Director  
B/4 wing, Sita Estate, Aziz baug, Mahul Road,  
Chembur, Mumbai.Tel:25549202/25541469  
Email:bhamash@vsnl.net

11 Dematerialisation of shares and Liquidity 95.44% shares of your Company are held in the electronic mode.

12 Investor Complaints to be addressed to Registrar and Share Transfer Agent or to Mr. Bhavin Shah, Compliance officer at the addresses mentioned earlier.

13 Shareholding Pattern as on March 31,2012 Categories of shareholding as on 31<sup>st</sup> March, 2012

## AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

Category	No of shareholders	% of shareholders	No of shares held	% of Shareholding
Individual	1733	93.36	3820709	913.36
Bodies Corporate	110	6.64	271931	6.64
Non Resident Bodies	NIL	NIL	NIL	NIL
Corporate	NIL	NIL	NIL	NIL
FIs	NIL	NIL	NIL	NIL
NR/OCBs	2	0	160	0
Mutual Funds	NIL	NIL	NIL	NIL
Bank, Financial Institution & Insurance Companies	NIL	NIL	NIL	NIL
<b>Total</b>	<b>1845</b>	<b>100</b>	<b>4092800</b>	<b>100</b>
Promoters	21	65.61	2685360	65.61
Non-Promoters	1824	34.39	1407440	34.39
<b>Total</b>	<b>1845</b>	<b>100</b>	<b>4092800</b>	<b>100</b>

### DISTRIBUTION OF SHAREHOLDING AS ON MARCH, 31 2012

No. of Equity Shares Held	No. of Shareholders	%	Share Amount in ₹	%
Upto 1000	866	46.94	473290	1.16
1001 - 2000	238	12.90	412190	1.01
2001 - 3000	108	5.85	289340	0.71
3001 - 4000	75	4.07	280740	0.69
4001 - 5000	95	5.15	456830	1.12
5001 - 10000	161	8.73	1245030	3.04
10001 - 20000	112	6.07	1735080	4.24
20001 - 30000	62	3.36	1548690	3.78
30001 - 40000	33	1.79	1207490	2.95
40001 - 50000	22	1.19	978450	2.39
50001 - 100000	43	2.33	2994590	7.32
100000 ABOVE	30	1.63	29306280	71.60
<b>Total</b>	<b>1845</b>	<b>100.00</b>	<b>40928000</b>	<b>100.00</b>

**AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

To,

The Members

Agarwal Industrial Corporation Ltd

We have examined the compliance of the conditions of Corporate Governance by Agarwal Industrial Corporation Ltd. for the year ended on 31<sup>st</sup> March'2012, as stipulated in clause 49 of the Listing agreement of the said company with the Stock exchanges.

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

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 in all material respect with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances pending for a period excluding one month against the company as per the records maintained by the Shareholders/Investors Grievance Committee.

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

Place: Mumbai  
Date : 27/08/2012

**For RASHMI AGRAWAL**  
*Chartered Accountants*

**RASHMI AGRAWAL**

*Proprietor*  
M.B. No.104517

**CODE OF CONDUCT DECLARATION**

In accordance with Clause 49 I (D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the code of conduct, as applicable to them, for the financial year ended March 31, 2012.

Mr. Jaiprakash Agarwal  
Managing Director

Place : Mumbai  
Date : 27/08/2012

**MANAGEMENT DISCUSSION AND ANALYSIS – ANNEXURE B**

The Management of Agarwal Industrial Corporation Ltd is pleased to present Management Discussion and Analysis report for the year ended 31<sup>st</sup> March'2012.

**INDUSTRY SCENE AND FUTURE GROWTH:**

Performance of physical infrastructure in Indian economy in the last one and half decades has been mixed and uneven. Densities in terms of access or spread of rail and road length clearly indicate that road sector has been successful, compared to railways, in spreading the network as well as providing an access in the economy. The provision of quality and efficient infrastructure services is essential to realize the full potential of the growth impulses surging through the economy.

Government of India has planned to raise the investment in infrastructure from the present 4.7 per cent of GDP to around 7.5 to 8 per cent of GDP in the 11th Five Year Plan. In general, efforts towards infrastructure development is continued to focus on the key areas of physical and social infrastructure.

The investment in infrastructure is to rise from 5.15 per cent of gross domestic product (GDP) during the Tenth Five Year Plan period (2002-07) to about 7.55 per cent during the Eleventh Five Year Plan (2007-12). A preliminary assessment suggests that investment in infrastructure during the Twelfth Five Year Plan (2012-17) would need to be of the order of about US\$ 1,025 billion to achieve a share of 9.95 per cent as a proportion of GDP, according to the Planning Commission.

India's roads are already congested and getting more and more congested. Government has announced plans to increase investments in road infrastructure. The Indian Government, through the National Highway Development Program (NHDP), is planning more projects in NHDP Phase III and V, representing around 13,000km of roads.

Main business activities of your company is of Logistics, Manufacturing of Bituminous products, Import & Export of Bitumen and Bituminous products, Trading of Petroleum products and other similar activities. All these activities are directly linked with the growth of our county's infrastructure facilities and it is growing.

# AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

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As the demand for the Bitumen is growing and to cash in the business contacts with the consumers of the Bitumen, your company successfully established a State of the art factory at Belgaum in Karnataka. The unit is running very satisfactorily and covering larger market share in and around Karnataka.

Bituminex Cochin Pvt Ltd, is a wholly owned subsidiary of our Company at Kerala and is also manufacturing and trading in Bituminous products. The performance of the unit is growing.

To cater the demand in local market and due to commercial benefits, your company has setup a Bulk Bitumen import facility at Karwar Port in Karnataka where Bulk cargos of the Bitumen are imported.

As you are aware, your company is taking the responsibility of the conservation of the environment and is generating power through Wind Mills.

## FINANCIAL PERFORMANCE AND OPERATIONS:

The key indicators of the company's financial performance for the year ended March 31, 2012 are presented in the accompanying financial statements, which have been prepared in accordance with the requirements of the Companies Act, 1956 and the Generally Accepted Accounting Principles (GAAP) and Accounting Standards prevailing in India.

Your Directors are pleased to report that during the financial year 2011-2012 your company has made a net profit before tax and Depreciation of Rs.629.18 Lacs on a Turnover of Rs.7852.25 Lacs as compared to Profit before Tax and Depreciation of Rs.542.51 Lacs and on a turnover of Rs.5576.99 Lacs in the previous accounting year. Thus the company has registered substantial growth on both the fronts. Looking at the current market condition and response from the market, Company is envisaging very good turnover during the coming financial year 2012-13.

Your company is also involved in the field of Green power- Power generation through wind mills and is giving satisfactory results.

## SEGMENT-WISE/PRODUCT-WISE PERFORMANCE:

Presently the company's operations are related to Logistics, Authorized Service Centre, Power generation through Windmill and Manufacturing of Bitumen and Bituminous products,

## RISKS AND CONCERNS:

Risk is intrinsic to Business and it is the de-risking ability of the company which brings success to the company.

## OPPORTUNITIES AND THREATS:

The company is expanding its activities very satisfactorily. The high growth of infrastructure in our county is the biggest opportunity to your company. Years of experience of the field, strategic expansion of the related business activities and long lasting business relations with the consumers are the strength of your company. Having highly experienced board members are added advantage. Your company does not see any major threat, except of political instability which may slow down the infrastructure projects.

## FUTURE PERSPECTIVE:

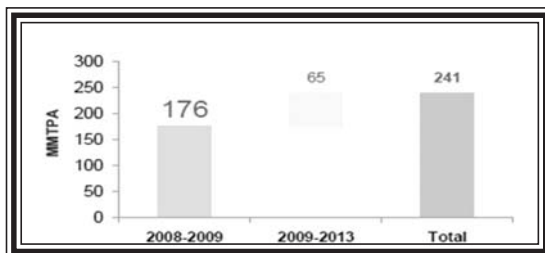
Your company is growing very satisfactorily keeping its core activity in center. Your company is very strong in bitumen related activities. The company is involved in Bitumen transportation, Bituminous Product Manufacturing and Bitumen Import. The company is expanding its activities in different states of India. Your company's name is quite well known among the consumer of Bitumen and bituminous products. It is like one stop solution for all needs related to Bitumen.

The logistic activities are regularly growing and as normal every year company is expanding its fleet of Bulk Bitumen and Bulk LPG tankers. Company is planning to add additional fleet of around 25 Tankers in coming year.

As per the company's expansion plans, your company is in very advance stage to establish a manufacturing unit in southern state of India. It is also considering to establish more such units at the strategic locations.

Company is also exploring the business opportunity in exporting the Bituminous products to African and South East countries.

Capacity of refineries is estimated to increase by 25% in next 5 years.



Source: Earnest & Young

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**INTERPRETATION OF SALES DATA :**

- Market Size of Bitumen - 5000 TMT / Year
- Market Growth - 10-12 % Per Year
- IOCL is the major producer of bitumen (approx 40% Market Share) followed by HPCL, BPCL & Essar.
- IOCL has Maximum Sale of bulk Bitumen in the northern region, BPCL & HPCL has maximum sale of bulk bitumen in western region and Essar has almost similar sale of bulk.
- Packed Bitumen is sold majorly in eastern region followed by Sothern regions.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has appropriate internal control and management information systems which are focused towards achieving efficiency in operations, optimum utilization of resources, financial reporting, safeguarding of assets and compliance with policies, applicable laws and regulations. These systems are IT enabled which facilitate effective checks and tight monitoring of all parameters and control on a continuous basis.

The Audit Committee of Directors actively reviews the adequacy and effectiveness of internal control systems. It also suggests improvement for strengthening them from time to time. Regular internal audits and checks by professional firms of Chartered Accountants ensure that responsibilities are executed effectively. Risk assessment reports received from various departments are reviewed periodically and steps are initiated for mitigation wherever needed.

**HUMAN RESOURCES:**

During the year under report, your company maintained harmonious and cordial industrial relations with its staff and employees.

**SAFETY, HEALTH AND ENVIRONMENT:**

In order to sustain human capital and social development, the Company actively pursue Safety, Health and Environmental issue in a continuous manner.

**CAUTIONARY STATEMENT:**

Certain statements in this report on "Management's Discussion and Analysis" are forward looking statements and have been issued as required by applicable Securities Laws and Regulations. There are several factors which would be beyond the control of Management and as such, may affect the actual results which could be different from that is envisaged.

**AGARWAL INDUSTRIAL CORPORATION LIMITED**

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

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**STANDALONE FINANCIAL STATEMENTS**



## AUDITOR'S REPORT

### AUDITORS' REPORT TO THE MEMBERS OF THE AGARWAL INDUSTRIAL CORPORATION LIMITED.

- 1 We have audited the attached Balance sheet of **Agarwal Industrial Corporation Limited** (the Company) as at 31<sup>st</sup> March, 2012, and also the Profit and Loss account and the Cash Flow Statement for the year ended on that date annexed thereto. These Financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We 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 misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 As required by the Companies (Auditors' Report) Order, 2003 (CARO) issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclosed in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 4 Further to our comments in the Annexure referred to in paragraphs 3 above, we report that:
  - a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit;
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company, so far as it appears from our examination of these books;
  - c) The Balance Sheet and Profit & Loss Accounts and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the Balance sheet and Profit & Loss Account and cash flow statement dealt with by this report comply with the Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956.
  - e) On the basis of written representations received from the directors of the Companies as at 31<sup>st</sup> March 2012, and taken on record by the Board of Directors, we report that no director is disqualified as on 31<sup>st</sup> 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; and
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - (i) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31<sup>st</sup> March, 2012.
    - (ii) In the case of the Profit & Loss Account, of the Profit for the year ended on that date; and
    - (iii) In the Case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

Place: Mumbai  
Date : 27/08/2012

**For RASHMI AGRAWAL**  
*Chartered Accountants*

**RASHMI AGRAWAL**  
*Proprietor*  
M.B. No.104517

# AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

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## ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 3 of our Report of even date)

### 1. Fixed Assets :

- a) The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets.
- b) Fixed assets are physically verified by the management at reasonable intervals having regard to size of the company and nature of its assets. No material discrepancies were noticed during such verification during year.
- c) The company has not disposed off any part of fixed assets during the year and accordingly going concern is not affected.

### 2. Inventories :

- a) As explained to us, physical verification of inventory was carried out at reasonable intervals by the management.
- b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management, are reasonable and adequate, in relation to size of the company and the nature of its business.
  - a) In our opinion, and according to the information and explanation given to us, the company has maintained proper records of its inventory, and the discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.

### 3. Loans & Advances :

- a) According to the Information and explanations given to us, the company has taken interest free, unsecured loan from Parties covered in the register maintained under section 301 of the Companies Act, 1956 which is repayable on demand. The maximum amount outstanding during the year is ₹ 1371.05 Lacs & outstanding balance at year end is ₹ 913.45 Lacs.
- b) The terms and conditions of loan taken by the company are prime facie not prejudicial to the interest of the company.
- c) The payments term of the principles amount has been started.

### 4. Internal Controls :

In our opinion and according to the information and explanations given to us, the internal control system needs to be strengthened with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services, during the course of Audit, no major weakness has been noticed in the internal controls.

### 5. Contracts & Arrangements with parties Covered under section 301 of the Act :

- a) In our opinion and according to the information and explanation given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of ₹ 5 Lacs in respect of any party during the year, have been made at prices which is prima facie reasonable having regard to prevailing market prices at the relevant time.

### 6. Deposits :

According to the information and explanations given to us the company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 58A and 58AA of the Companies Act, 1956 and the rules framed therein.

### 7. Internal Audit System :

In our opinion, the internal audit functions carried out during the year by a firm Chartered Accountants appointed by the management have been commensurate with the size of the Company and nature of its business.

### 8. Cost records :

We have broadly reviewed the books of accounts maintained by Company in respect of product, where pursuant to the rule made by the Central Government of India the maintenance of cost records has been prescribed under section 209(1)(d) of the Companies Act 1956 and are of the opinion that, prima facie, the prescribed records have been maintained. We have not, however made a detailed examination of the records with a view to determine whether they are accurate or complete.

**9. Statutory Dues :**

- a) According to records of the company and information and explanation given to us the company has been regular depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, cess and other material statutory dues applicable to it with appropriate authorities during the year. According to the information and explanation giving to us no undisputed amount payable in respect of above were in arrears, as at 31<sup>st</sup> March, 2012 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there were no dues of sales tax, Income Tax / Customs Duty / Wealth Tax / Excise duty/Cess which have not been deposited by the company on account any dispute.
- c) According to the records of the company, the dues of sales tax, Income-Tax, Customs, Wealth-Tax, Service Tax, Excise Duty, Cess, Which have not been deposited an account of disputes and the forum where the dispute is pending are as under:

Sr. No.	Nature of the Statute	Nature of the Dues	Amount Pending (₹ in Lacs)	Forum Where Dispute is pending
1.	Income Tax Act	Income Tax Demand	20.25	Rectification (Ass. Year 2003-04)
2.	Income Tax Act	Income Tax Demand	17.50	Rectification (Ass. Year 2004-05)

**Other Matters :**

10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and immediately preceding financial year.
11. On the basis of our examination and according to the information and explanation given to us, the company has not defaulted in repayment of dues to any bank or financial institution .The Company has not obtained any borrowing buy way of debentures.
12. Based on our examination of records & the information and explanation given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the Provision of clause 4(xiii) of the order are not applicable.
14. In our opinion the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provision of clause 4 (XIV) of the Order relating to maintenance of proper records, timely entries and holding investment in own name are not applicable.
15. According to the information and explanation given to us and examined by us, the Company has not given any guarantee for loans taken by others from banks or financial institutions, the terms and conditions whereof are prejudicial to the interest of the Company.
16. In our opinion and according to the information and explanation given to us, the company has applied the term loans for the purpose for which they were obtained.
17. In our opinion, and on the basis of our examination and according to the information and explanation given to us, and on an overall examination of the balance sheet of the Company, we report that the company has not, prima facie used the funds borrowed on short term basis during the year for long term investment and vice versa.
18. In our opinion considering the nature of activities carried on by the company during the year, the provision of any special statute applicable to chit fund! nidhi/mutual benefit fund! societies are not applicable to it.
19. On the basis of an overall examination of the balance sheet of the company, in our opinion and according to the information and explanation given to us, there are no funds on short terms basis which have been used for long term investment.
20. The company has not made any preferential allotment of shares or issued debentures or public issue during the year and according clauses (xviii),(xix) and (xx) of the order are not applicable.
21. To the best of our knowledge and belief and according to information and explanations given to us, there have been no cases of fraud on or by the company noticed or reported during the year.

**For RASHMI AGRAWAL**  
*Chartered Accountants*

**RASHMI AGRAWAL**  
*Proprietor*  
M.B. No.104517

Place: Mumbai  
Date : 27/08/2012

# AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

## BALANCE SHEET AS AT 31ST MARCH, 2012

(₹ in lacs)

	Note No.	AS AT 31.03.2012	AS AT 31.03.2011
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDER'S FUNDS</b>			
Share Capital	4	491.40	491.40
Reserves & Surplus	5	806.30	565.06
		<u>1,297.70</u>	<u>1,056.46</u>
<b>NON - CURRENT LIABILITIES</b>			
Long term Borrowings	6	1,758.79	1,814.73
Deferred Tax Liability	7	130.13	133.79
Long Term Provisions	8	7.33	13.20
		<u>1,896.26</u>	<u>1,961.72</u>
<b>CURRENT LIABILITIES</b>			
Short Term Borrowings	9	1,488.62	137.37
Trade Payables	10	678.29	48.54
Other Current Liabilities	11	56.35	112.95
Short Term Provisions	12	141.89	101.94
		<u>2,365.16</u>	<u>400.80</u>
<b>TOTAL</b>		<u><b>5,559.11</b></u>	<u><b>3,418.97</b></u>
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
<b>FIXED ASSETS</b>			
Tangible Assets	13	2,017.14	2,077.33
Capital Work-in-Progress	13	5.31	5.31
		<u>2,022.45</u>	<u>2,082.64</u>
Non Current Investments	14	232.55	232.55
Long Term Loans & Advances	15	135.96	67.60
		<u>368.51</u>	<u>300.15</u>
<b>CURRENT ASSETS,</b>			
Inventories	16	847.36	173.00
Trade Receivable	17	1,269.60	665.99
Cash & Bank Balances	18	896.34	91.45
Short Term Loans & Advances	19	151.01	103.86
Other Current Assets	20	3.84	1.89
		<u>3,168.15</u>	<u>1,036.18</u>
<b>TOTAL</b>		<u><b>5,559.11</b></u>	<u><b>3,418.97</b></u>

### SIGNIFICANT ACCOUNTING POLICIES

The Accompanying notes are an internal part of the financial statements.

As per our report of even date

**For RASHMI AGRAWAL**  
Chartered Accountants

**RASHMI AGRAWAL**  
Proprietor

Place : Mumbai  
Date: 27/08/2012

For and on behalf of the Board of Directors

**JAIPRAKASH AGARWAL**  
Managing Director

**MAHENDRA AGARWAL**  
Director

**LALIT AGARWAL**  
Director

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

Year Ended	NOTE NO.	31.03.2012	Year Ended 31.03.2011
<b>(₹ in lacs)</b>			
<b>INCOME</b>			
Revenue from Operations	21	7,852.25	5,576.99
Other Income	22	93.66	91.97
		<b>TOTAL INCOME</b>	<b>5,668.95</b>
<b>EXPENSES</b>			
Cost of Material Consumed	23	5,641.68	3,251.12
Change in Inventories of Finished Goods, Stock-in-Process & Stock-in-Trade	24	(787.73)	(22.60)
Employee Benefit Expenses	25	127.25	89.95
Production Exp	26	4.02	4.93
Finance costs	27	127.69	97.60
Depreciation & Amortisation Expenses		332.17	307.51
Other Expenses	28	2,203.82	1,705.43
		<b>TOTAL EXPENSES</b>	<b>5,433.94</b>
PROFIT BEFORE TAXATION		297.01	235.01
<b>TAX EXPENSES</b>			
Current Tax		59.43	46.84
Deferred Tax (Credit)		(3.66)	19.72
PROFIT FOR THE YEAR		241.24	168.45
<b>EARNINGS PER SHARE (EPS)</b>			
- Basic & Diluted (₹)		5.89	4.12
- Nominal Value per share (₹)		10.00	10.00

**SIGNIFICANT ACCOUNTING POLICIES** 3

The Accompanying notes are an internal part of the financial statements.

As per our report of even date

**For RASHMI AGRAWAL**  
*Chartered Accountants*

**RASHMI AGRAWAL**  
*Proprietor*

Place : Mumbai  
Date: 27/08/2012

For and on behalf of the Board of Directors

**JAIPRAKASH AGARWAL**  
*Managing Director*

**MAHENDRA AGARWAL**  
*Director*

**LALIT AGARWAL**  
*Director*

# AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE "1"

#### BACKGROUND:

Agarwal Industrial Corporation Ltd ('The Company') is a public company under the provisions of the Companies Act, 1956. The Company is principally engaged in Logistics, Manufacturing of Bituminous Products, Import & Export of Bituminex and Bituminous products, Trading of Petroleum products and other similar activities.

### NOTE "2"

#### BASIS OF PREPARATION:

The Financial Statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The Financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

### NOTE "3"

#### SIGNIFICANT ACCOUNTING POLICIES:

The Significant accounting policies are as follows:

##### a) Change in Accounting Policy

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

##### b) Use of Estimate

The Preparation of financial statements, in conformity with Indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities & disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

##### c) Tangible Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation, amortisation & impairment losses if any. Cost comprises the purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use.

##### d) Depreciation & Amortization

Depreciation on Tangible Fixed Assets are provided using straight line method based on estimated useful life or on the basis of depreciation rates prescribed under Schedule XIV of the Companies Act, 1956 whichever is higher.

##### e) Impairment

An asset is treated as impaired when the carrying cost of the Asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.

##### f) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

##### g) Investments

- (i) Long term investments are carried at cost after deducting provision, if any, for diminution in value considered to be other than temporary in nature.
- (ii) Current Investments are stated at lower of cost and fair value.

**h) Inventories**

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

**i) Foreign Currency**

Transactions in foreign currencies are recorded at the exchange rates notified by CBEC or at the exchange rate under related forward exchange contracts. The realized exchange gains/ losses are recognized in the Profit & Loss account. All foreign currency current assets and liabilities are translated in rupees at the rates prevailing on the date of balance sheet.

**j) Employee benefits**

Short Term Employee Benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered. Post employment benefits are recognized as an expense in the Profit and loss account for the year in which the employee has rendered services. Long Term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services.

**k) Revenue Recognition**

Sale of goods :

Sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates, sales taxes and excise duties.

Interest :

Interest Income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

**l) Taxation**

Provision for current income tax is made in accordance with Local laws. Deferred Tax liabilities and assets are recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing difference.

**m) Revenue :**

Domestic Sales is Exclusive of Excise duty & Vat.

**n) Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities & Contingent Assets are neither recognised nor disclosed in the financial statements.

**o) Segment Reporting**

The Company's operations relate to the business segments namely transportation, service centre, Power Generation by Windmill and Manufacturing of Bitumens & Bituminous Products. These business segments represents primary basis of information set out in the financial statements. In accordance with the Accounting Standard 17 on Segment Reporting issued by the ICAI, the segment information for the year ended March 31,2012 is as follows:

Segment assets include all operating assets used by a segment and consist primarily of debtors,current assetsand fixed assets net of provisions and allowances.Segment liabilities include all operating liabilities and consist principally of creditors and other payables.

(₹ In Lacs)

Particulars	Transporation	Windmill	Petrochemicals ( Bituminous Products)	Total
<u>Revenue</u>				
Segment Revenue	2,387.95	136.84	5,327.46	7,852.25
<u>Result</u>				
Segment Results	(76.31)	76.76	202.89	203.35
Operating Profit	(76.31)	76.76	202.89	203.35
Other Income	93.66	-	-	93.66
Net Profit Before Tax	17.35	76.76	202.89	297.01
Taxation				55.77
Net Profit				241.24
<u>Other Information</u>				
Segment Assets	2,458.06	651.41	2,449.63	5,559.11
Total Assets	2,458.06	651.41	2,449.63	5,559.11
Segment Liabilities	2,139.59	60.07	2,061.75	4,261.41
Total Liabilities	2,139.59	60.07	2,061.75	4,261.41
Capital Employed	318.47	591.34	387.88	1,297.70

## AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

### p) Earning per Share :

The computation of earning per share is set out below.

(₹ in. Lacs)

	₹ except per share data Financial Year 2011-2012	Financial Year 2010-2011
Basic and Diluted weighted average no. of equity share outstanding (nos.)	4,092,800	4,092,800
Net Profit / (Loss)	241.24	168.45
Earning Per Share	5.89	4.12
Nominal Value Per Share	10.00	10.00

### q). RELATED PARTIES DISCLOSURES:

#### I RELATED PARTIES

##### A Key Management Personnel

Mr.Jaiprakash Agarwal , Managing Director

##### B Relatives of the Key Management Personnel

Mr.Lalit Agarwal

Mr.Ramchandra Agarwal

Mr.Mahendra Agarwal

#### II TRANSACTIONS WITH RELATED PARTIES

(₹ in. Lacs)

Related Parties	During the year	Referred in 1(A) above Closing Balance Debit/Credit(-)	During the year	Referred in 1(B) above Closing Balance Debit/Credit(-)
Remuneration	21.0 (18.0)	-	18.0 (15.0)	-
Sitting Fees	-	-	-	-
Rent Paid			1.50 (1.20)	-

### r) Managerial Remuneration under section 198 of the Companies Act, 1956.

	<b>2011-2012</b>	<b>2010-2011</b>
Remuneration to Managing Director	2,100,000.00	1,800,000.00
Remuneration to Directors	2,365,000.00	2,005,000.00
<b>TOTAL</b>	<b>4,465,000.00</b>	<b>3,805,000.00</b>

### s) Remuneration to Auditors

	<b>2011-2012</b>	<b>2010-2011</b>
Audit Fees	115,000.00	75,000.00
Tax Audit Fees	50,000.00	35,000.00
Certification Work	15,000.00	10,000.00
Service Tax	16,995.00	14,832.00
Out of Pocket Expenses	18,005.00	15,168.00
	<b>215,000.00</b>	<b>150,000.00</b>

t) The Company has not appointed a Company Secretary as per provisions of section 383 A of the Companies Act, 1956.

u) (A) Previous year figures have been regrouped whenever necessary .

(B) Figures in bracket are of the previous year.



**NOTE "4"**

**SHARE CAPITAL**

₹ in lacs

**AUTHORISED**

60,00,000 Equity Share of ₹ 10/- Each 600.00 600.00

**ISSUED**

55,12,900 Equity Share of ₹ 10/- Each 551.29 551.29

**SUBSCRIBED & PAID UP**

40,92,800 Equity Share of ₹10/- Each  
fully paid-up 409.28 409.28  
Add : Forfeited Shares 82.12 82.12  
491.40 491.40

Reconciliation of shares outstanding at the Beginning and at the end of the reporting period :

	No.'s	2011-12 ₹ in lacs	No.'s	2010-11 ₹ in lacs
Equity Shares outstanding at the beginning of the period	4,092,800.00	409.28	4,092,800.00	409.28
Issued During the year	-	-	-	-
Equity Shares outstanding at the end of the period	4,092,800.00	409.28	4,092,800.00	409.28

**NOTE "5"**

(₹ in lacs)

**RESERVES & SURPLUS**

Surplus in the statement of Profit & Loss A/c

Balance Beginning of the year	565.06	444.17
Add : Profit for the year	241.24	168.45
	806.30	612.63
Less : Appropriations		
Dividend on Equity Shares	-	40.93
Dividend Distribution Tax	-	6.64
	-	47.57
Balance at end of the year	806.30	565.06

**NOTE "6"**

**LONG TERM BORROWINGS**

**SECURED BORROWINGS**

**Term Loans -**

**From Banks**

**a). Against. Windmills**

(Secured by first Mortgage and charge on all the immovable and movable assets, present and future of the company and personal guarantee of prompter directors)

60.07 215.00

**b). Against. Vehicles**

(Secured by hypothecation of vehicle and are repayable in equated monthly installments over the tenure of the loan)

785.27 584.17

845.34 799.17



**NOTE "13"**

**Notes Forming Part of the Financial Statements**

(₹ In Lacs)

Sr. No.	Description	GROSS BLOCK (AT COST)			DEPRECIATION & AMORTIZATION			NET BLOCK		
		As At 31.03.2011	Add during the year	Ded. during the year	As at 31.03.2012	For the year	Deduction & adjustment for the year	As at 31.03.2012	As at 31.03.2011	
<b>TANGIBLE ASSETS</b>										
1	Commercial vehicles and tanks (LPG, Bitumen & Propane Tankers)	2,102.88	267.84	(17.75)	2,352.96	255.45	(17.75)	1,316.62	1,036.34	1,023.96
2	Furniture & Fixtures.	8.63	0.33	-	8.96	0.55	-	2.61	6.35	6.57
3	Computers & Printers	11.27	0.50	-	11.77	1.85	-	9.38	2.38	3.73
4	Office & Other Equipments	22.13	0.33	-	22.46	1.05	-	3.59	18.87	19.59
5	Other Vehicles	70.29	0.53	-	70.82	6.68	-	31.12	39.71	45.86
6	Wind Mill	1,119.89	-	-	1,119.89	59.13	-	468.48	651.41	710.54
7	Plot	8.37	-	-	8.37	-	-	-	8.37	8.37
8	Workshop	29.82	-	-	29.82	0.49	-	1.84	27.97	28.46
9	Land	37.44	-	-	37.44	-	-	-	37.44	37.44
10	Hydraulic Mobile Floor Crane	0.42	-	-	0.42	0.02	-	0.07	0.35	0.37
11	Plant & Machinery	110.24	0.25	-	110.49	5.25	-	10.41	100.08	105.08
12	Bowell	0.52	-	-	0.52	0.02	-	0.04	0.47	0.49
13	Factory Land	38.70	-	-	38.70	-	-	-	38.70	38.70
14	Factory Building	49.50	2.21	-	51.71	1.69	-	3.01	48.70	48.18
<b>TOTAL TANGIBLE ASSETS</b>		<b>3,610.08</b>	<b>271.98</b>	<b>(17.75)</b>	<b>3,864.31</b>	<b>332.17</b>	<b>(17.75)</b>	<b>1,847.17</b>	<b>2,017.14</b>	<b>2,077.33</b>
	Land (WORK IN PROGRESS)	5.31	-	-	5.31	-	-	-	5.31	5.31
<b>TOTAL CAPITAL WORK IN PROGRESS</b>		<b>5.31</b>	<b>-</b>	<b>-</b>	<b>5.31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5.31</b>	<b>5.31</b>
<b>GROSS TOTAL</b>		<b>3,615.39</b>	<b>271.98</b>	<b>(17.75)</b>	<b>3,869.62</b>	<b>332.17</b>	<b>(17.75)</b>	<b>1,847.17</b>	<b>2,022.45</b>	<b>2,082.64</b>
<b>PREVIOUS YEAR</b>		<b>3,138.96</b>	<b>490.26</b>	<b>(13.83)</b>	<b>3,615.39</b>	<b>307.51</b>	<b>(5.87)</b>	<b>1,532.75</b>	<b>2,082.64</b>	<b>1,907.85</b>

# AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

## NOTE "14"

### NON CURRENT INVESTMENTS

#### GOVERNMENT AND TRUST SECURITIES (UNQUOTED)

Investment in Government Security	*	*
* National savings certificates (lying with government authority) Rs.5000/- (As at 31st March, 2011 ₹ 5000)		
Trade Investments		
Investments in fully paid-up equity shares (Unquoted) In Subsidiary Company Bituminex Cochin (P) Ltd (6200 Equity shares face Value of Rs.100/- each )	232.50 232.50	232.50 232.50

## NOTE "15"

### LONG TERM LOANS & ADVANCES

(Unsecured, considered good)

Capital Advances	40.44	-
Security Deposits	32.16	7.07
Other Loans & Advances	63.36	60.53
	<u>135.96</u>	<u>67.60</u>
	<u>135.96</u>	<u>67.60</u>

### CURRENT ASSETS

## NOTE "16"

### INVENTORIES

(Valued at lower of Cost or Net Realizable Value)

Raw Material	18.48	127.34
Finished Goods	806.52	14.38
Stores, Spares & Packing Material	22.36	31.28
	<u>847.36</u>	<u>173.00</u>

## NOTE "17"

### TRADE RECEIVABLES

(Unsecured, consider good)

Outstanding for a period exceeding six months from the date due for payment	264.45	52.08
Other	1,005.15	613.92
	<u>1,269.60</u>	<u>665.99</u>

## NOTE "18"

### CASH & BANK BALANCE

#### CASH & CASH EQUIVALENTS

Cash on hand	6.05	12.74
<u>Balances with Banks</u>		
In Current Accounts	371.46	63.41
In Fixed Deposits	518.83	15.30
	<u>896.34</u>	<u>91.45</u>

**NOTE "19"**

**SHORT TERM LOANS & ADVANCES**

(Unsecured, consider good)

Advance recoverable in cash or in kind or  
for value to be received  
Advances to Employees  
Advances Tax (net of Provision for Tax)  
Others Advances

	146.84	93.83
	3.57	1.35
	-	5.86
	0.61	2.82
	151.01	103.86
	151.01	103.86

**NOTE "20"**

**OTHER CURRENT ASSETS**

Accrued interest on fixed deposits

	3.84	1.89
	3.84	1.89
	3.84	1.89

**REVENUE**

**NOTE "21"**

**REVENUE FROM OPERATIONS**

Sales

	5,327.46	3,349.20
--	----------	----------

Service Centre

Sales of Spare Parts

	63.68	48.07
--	-------	-------

Labour Charges

	16.78	8.64
--	-------	------

Transportation & Windmill

Vehical freight income

	2,307.50	2,065.26
--	----------	----------

Wind Mill Energy Income

	136.84	105.81
--	--------	--------

	7,852.25	5,576.99
	7,852.25	5,576.99

**NOTE "22"**

**OTHER INCOME**

Interest Income

	2.86	8.56
--	------	------

Dividend

	-	0.10
--	---	------

Misc Income

	90.80	83.31
--	-------	-------

	93.66	91.97
	93.66	91.97

**NOTE "23"**

**COST OF MATERIALS CONSUMED**

Op.stock

	127.34	25.55
--	--------	-------

Add : Purchases

	5,532.83	3,352.91
--	----------	----------

	5,660.17	3,378.46
--	----------	----------

Less : Closing Stock

	18.48	127.34	3,251.12
--	-------	--------	----------

**COST OF MATERIAL CONSUMED**

	5,641.68	3,251.12
	5,641.68	3,251.12

**NOTE "24"**

**INCREASE/ DECREASE IN INVENTORY**

**STOCK IN TRADE**

Opening Stock

	33.37	10.78
--	-------	-------

Less:

Closing Stock

	821.11	33.37
--	--------	-------

	(787.73)	(22.60)
	(787.73)	(22.60)

## AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

### NOTE "25"

#### EMPLOYMENT BENEFIT EXPENSES

Directors' remuneration	44.65	38.05
Salaries, wages and bonus	76.82	48.30
Staff welfare expenses	5.78	3.60
	<b>127.25</b>	<b>89.95</b>

### NOTE "26"

#### PRODUCTION EXPENSES

Production & Incidental Expenses	4.02	4.93
	<b>4.02</b>	<b>4.93</b>

### NOTE "27"

#### FINANCE COSTS

Bank commission and charges	4.28	2.19
Interest on Loan		
Windmills	25.20	29.96
Others	98.21	65.45
	<b>127.69</b>	<b>97.60</b>

### NOTE "28"

#### OTHER EXPENSES

Vehicle running & maintenance exps.	1,479.04	1,209.36
Freight Paid	429.78	379.30
Conveyance & Travelling	23.13	14.49
Transportation Charges	122.90	0.67
Vehicle Expenses	2.88	1.59
Rent, Rates & Taxes	69.87	11.94
Power & Fuel Expenses	6.53	6.90
Postage, Telegram and Telephone charges	6.19	5.88
Printing and Stationery Expenses	1.63	1.65
Professional, legal and consultancy charges	2.93	12.03
Repairs & Maintenance charges	3.93	0.48
Office security charges	6.47	5.35
Miscellaneous Expenses	37.39	34.66
Audit Fees	2.15	1.50
Advertisement and publicity expenses	3.50	4.21
Commission & Discount	5.49	15.42
	<b>2,203.82</b>	<b>1,705.43</b>

For and on behalf of the Board of Directors

JAIPRAKASH AGARWAL  
Managing Director

MAHENDRA AGARWAL  
Director

LALIT AGARWAL  
Director

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

	For the year ended 31st March, 2012 ₹ In Lacs	For the yearended 31st March, 2011 ₹ In Lacs
<b>A. CASH FLOW PROVIDED BY/(USED IN) OPERATING ACTIVITIES :</b>		
PROFIT BEFORE TAX	297.01	235.01
<u>Non-cash Adjustment :</u>		
Depreciation	332.17	307.51
Interest & Finance Charges	127.69	97.60
Dividend Recd	-	(0.10)
Interest recd	(2.86)	(8.56)
	457.01	396.45
OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES	754.02	631.46
<u>MOVEMENT IN WORKING CAPITAL :</u>		
Increase/ (decrease) in trade payables	629.75	(519.53)
Increase/ (decrease) in provisions	99.08	(19.89)
Increase/ (decrease) in other liabilities	(56.60)	71.55
Decrease/ (Increase) in trade receivable	(603.61)	(143.09)
Decrease/ (Increase) in Inventories	(674.36)	(133.15)
Decrease/ (Increase) in Loans & Advances	(115.51)	(69.50)
Decrease/ (Increase) in other Current Aseets	(1.95)	(0.85)
	(723.21)	(814.46)
CASH GENERATED FROM OPERATIONS	30.81	(182.99)
Taxes Paid (Net)	(59.10)	(52.70)
	(28.29)	(235.69)
<b>B. CASH FLOW PROVIDED BY/(USED IN) INVESTING ACTIVITES :</b>		
Purchase of fixed assets including Capital Work-in-progress and capital Advances	(271.98)	(490.26)
Investment in Subsidiary Company	-	(232.45)
Proceeds from sale of Fixed Assets	19.25	10.52
Loan to subsidiary Company	(34.73)	(25.27)
Dividend Received	-	0.10
	(287.46)	(737.35)
NET CASH USED IN INVESTING ACTIVITIES (B)	(287.46)	(737.35)
<b>C. CASH FLOW PROVIDED BY/(USED IN) FINANCING ACTIVITES :</b>		
Interest & Finance Charges	(127.69)	(97.60)
Interest Recd	2.86	8.56
Proceeds from borrowings	1,295.31	1,039.02
Repayment of borrowings	-	-
Dividend Paid	(38.66)	-
Dividend Tax Paid	(6.64)	-
	1,120.64	949.98
NET CASH (USED IN)/ GENERATED FROM FINANCING ACTIVITIES (C)	1,120.64	949.98
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	804.89	(23.06)
Cash and cash equivalents at the beginning of the year	91.45	114.51
Cash and cash equivalents at the end of the year	<b>896.34</b>	<b>91.45</b>

**SIGNIFICANT ACCOUNTING POLICIES**

3

The Accompanying notes are an internal part of the financial statements.  
As per our report of even date

**For RASHMI AGRAWAL**  
*Chartered Accountants*  
**RASHMI AGRAWAL**  
*Proprietor*

For and on behalf of the Board of Directors

**JAIPRAKASH AGARWAL**  
*Managing Director*  
**MAHENDRA AGARWAL**  
*Director*

Place : Mumbai  
Date: 27/08/2012

**LALIT AGARWAL**  
*Director*

**AGARWAL INDUSTRIAL CORPORATION LIMITED**

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

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**CONSOLIDATED FINANCIAL STATEMENTS**



## REPORT OF THE AUDITORS ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors of AGARWAL INDUSTRIAL CORPORATION LIMITED.

We have audited the attached consolidated Balance sheet of **Agarwal Industrial Corporation Limited** (the Company) and its subsidiary (the company and its subsidiary constitute 'the Group) as at 31<sup>st</sup> March, 2012, the related consolidated Profit and Loss account and the consolidated Cash Flow Statement for the year ended on that date annexed thereto. These consolidated 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.

We 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 misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of one subsidiary included in the consolidated financial statements, which constitute total assets of ₹ 131.13 Lacs as at 31 March 2012, total revenue of ₹ 299.74 Lacs, net loss of ₹ 2.56 Lacs and net cash flows amounting to ₹ 2.26 Lacs For the year ended. This financial statements and other financial information have been audited by other auditors whose report has been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21- Consolidated Financial Statements as notified under sub-section 3C of Section 211 of the Companies Act, 1956.

Based on our Audit and on consideration of reports of other auditor on separate financial statements and on the other financial information of the component of the group as referred to above, and to the best of our information and according to the explanation given to us, in our opinion, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

- a) In case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31<sup>st</sup> March 2012;
- b) In case of the consolidated Profit & Loss Account, of the profit of the group for the year ended on that date; and
- c) In the case of the consolidated Cash flow statement, of the cash flow of the Group for the year ended on that date.

Place: Mumbai

Date : 27/08/2012

For RASHMI AGRAWAL

Chartered Accountants

RASHMI AGRAWAL  
Proprietor

M.B. No.104517

# AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

₹ In Lacs

	Note No.	As At 31.03.2012	As At 31.03.2011
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDER'S FUNDS</b>			
Share Capital	4	491.40	491.40
Reserves & Surplus	5	786.08	554.08
		<u>1,277.48</u>	<u>1,045.48</u>
<b>NON - CURRENT LIABILITIES</b>			
Long term Borrowings	6	1,758.79	1,814.73
Deferred Tax Liability	7	132.08	134.18
Long Term Provisions	8	5.58	10.56
		<u>1,896.46</u>	<u>1,959.47</u>
<b>CURRENT LIABILITIES</b>			
Short Term Borrowings	9	1,555.87	207.98
Trade Payables	10	685.51	53.37
Other Current Liabilities	11	60.28	118.07
Short Term Provisions	12	141.97	102.11
		<u>2,443.64</u>	<u>481.33</u>
<b>TOTAL</b>		<u><b>5,617.58</b></u>	<u><b>3,486.48</b></u>
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
<b>FIXED ASSETS</b>			
Tangible Assets	13	2,072.75	2,088.81
Intangible Assets	13	226.30	226.30
Capital Work-in-Progress	13	5.31	5.31
		<u>2,304.35</u>	<u>2,338.50</u>
Non Current Investments	14	0.05	0.06
Long Term Loans & Advances	15	115.59	70.77
		<u>2,420.00</u>	<u>2,409.33</u>
<b>CURRENT ASSETS</b>			
Inventories	16	858.97	194.15
Trade Receivable	17	1,284.42	668.25
Cash & Bank Balances	18	898.60	92.18
Short Term Loans & Advances	19	151.76	120.68
Other Current Assets	20	3.84	1.89
		<u>3,197.58</u>	<u>1,077.15</u>
<b>TOTAL</b>		<u><b>5,617.58</b></u>	<u><b>3,486.48</b></u>

### SIGNIFICANT ACCOUNTING POLICIES

3

The Accompanying notes are an internal part of the financial statements.

As per our report of even date

**For RASHMI AGRAWAL**  
Chartered Accountants

**RASHMI AGRAWAL**  
Proprietor

Place : Mumbai  
Date: 27/08/2012

For and on behalf of the Board of Directors

**JAIPRAKASH AGARWAL**  
Managing Director

**MAHENDRA AGARWAL**  
Director

**LALIT AGARWAL**  
Director

**CONSOLIDATED STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012**

₹ In Lacs

	NOTE NO.	Year Ended 31.03.2012	Year Ended 31.03.2011
<b>INCOME</b>			
Revenue from Operations	21	8,151.82	5,819.42
Other Income	22	93.83	92.06
<b>TOTAL INCOME</b>		8,245.66	5,911.48
<b>EXPENSES</b>			
Cost of Material Consumed	23	5,894.00	3,427.72
Change in Inventories of Finished Goods, Stock-in-Process & Stock-in-Trade	24	(782.19)	(28.47)
Employee Benefit Expenses	25	142.94	112.02
Production Exp	26	14.98	4.93
Finance costs	27	138.68	106.75
Depreciation & Amortisation Expenses		335.15	309.45
Other Expenses	28	2,212.77	1,759.88
<b>TOTAL EXPENSES</b>		7,956.32	5,692.28
PROFIT BEFORE TAXATION		289.34	219.201
TAX EXPENSES			
Current Tax		59.43	46.84
Deferred Tax (Credit)		(2.09)	19.77
PROFIT FOR THE YEAR		232.00	152.60
EARNINGS PER SHARE (EPS)			
- Basic & Diluted (₹)		5.67	3.73
- Nominal Value per share (₹)		10.00	10.00

**SIGNIFICANT ACCOUNTING POLICIES**

3

The Accompanying notes are an internal part of the financial statements.

As per our report of even date

**For RASHMI AGRAWAL**  
*Chartered Accountants*

**RASHMI AGRAWAL**  
*Proprietor*

Place : Mumbai  
Date: 27/08/2012

For and on behalf of the Board of Directors

**JAIPRAKASH AGARWAL**  
*Managing Director*

**MAHENDRA AGARWAL**  
*Director*

**LALIT AGARWAL**  
*Director*

# AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

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## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE "1"

#### **BACKGROUND :**

The Consolidated Financial Statement comprise the financial statements of Agarwal Industrial Corporation Ltd ("The Company") and its subsidiaries hereinafter referred to as 'The Group'. The Group is principally engaged in Logistics, Manufacturing of Bituminous Products, Import & Export of Bituminous and Bituminous products, Trading of Petroleum products and other similar activities.

### NOTE "2"

#### **BASIS OF PREPARATION :**

- a) The Financial Statements of the Company have been prepared in accordance with generally accepted accounting principles in india (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The Financial statements have been prepared under the historical cost conversion on an accrual basis except in case of assets for which provision for impairment is made. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.
- b) The Consolidated financial statements of the Group have been consolidated on a line-by-line basis by adding together the book values of subsidiary companies like items of assets, liabilities, income & expenses, after eliminating intra-group balances and the unrealised profits/ losses on intra-group transactions as per Accounting Standard 21 (AS 21) "Consolidated Financial Statement". The results of subsidiaries are included from the date of acquisition of a controlling interest. The Excess/shortfall of cost to the Company of its investments in the subsidiary companies is recognised in the financial Statement as goodwill, capital reserve, as the case may be. Goodwill on consolidation is tested for impairment at every reporting date.

### NOTE "3"

#### **SIGNIFICANT ACCOUNTING POLICIES :**

The Significant accounting policies are as follows :

#### a) **Change in Accounting Policy**

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

#### b) **Use of Estimate**

The Preparation of financial statements, in conformity with indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities & disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustments to the carrying amounts of assets or liabilities in future periods.

#### c) **Tangible Fixed Assets**

Fixed assets are stated at cost, less accumulated depreciation, amortisation & impairment losses if any. Cost comprises the purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use.

#### d). **Intangible Fixed Assets**

Goodwill is recognize as intangible assets in terms of Accounting Standard -26 "Intangible Assets" based on materiality. Goodwill purchased is not amortized & tested for Impairment purposes every year.

e) **Depreciation & Amortization**

Depreciation on Tangible Fixed Assets are provided using straight line method based on estimated useful life or on the basis of depreciation rates prescribed under Schedule XIV of the Companies Act, 1956 whichever is higher.

f) **Impairment**

An asset is treated as impaired when the carrying cost of the Asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognized as an expenses in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.

g) **Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

h) **Investments**

(i) Long term investments are carried at cost after deducting provision, if any, for diminution in value considered to be other than temporary in nature.

(ii) Current Investments are stated at lower of cost and fair value.

i) **Inventories**

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

j) **Foreign Currency**

Transactions in foreign currencies are recorded at the exchange rates notified by CBEC or at the exchange rate under related forward exchange contracts. The realized exchange gains/ losses are recognized in the Profit & Loss account. All foreign currency current assets and liabilities are translated in rupees at the rates prevailing on the date of balance sheet.

k) **Employee benefits**

Short Term Employee Benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the realted service is rendered. Post employment benefits are recognized as an expense in the Profit and loss account for the year in which the employee has rendered services. Long Term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services.

l) **Revenue Recognition**

Sale of goods :

Sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates, sales taxes and excise duties.

Interest :

Interest Income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

m) **Taxation**

Provision for current income tax is made in accordance with Local laws. Deferred Tax liabilities and assets are recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing difference.

n) **Revenue :**

Domestic Sales is Exclusive of Excise duty & Vat.

## AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

### o) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities & Contingent Assets are neither recognised nor disclosed in the financial statements.

### p) Segment Reporting

The Company's operations relate to the business segments namely transportation, service centre, Power Generation by Windmill and Manufacturing of Bitumens & Bituminous Products. These business segments represents primary basis of information set out in the financial statements. In accordance with the Accounting Standard 17 on Segment Reporting issued by the ICAI, the segment information for the year ended March 31,2012 is as follows: Segment assets include all operating assets used by a segment and consist primarily of debtors,current assets and fixed assets net of provisions and allowances.Segment liabilities include all operating liabilities and consist principally of creditors and other payables.

(₹ In Lacs)

Particulars	Transportation	Windmill	Petrochemicals ( Bituminous Products)	Total
Revenue				
Segment Revenue	2,387.95	136.84	5,627.03	8,151.82
Result				
Segment Results	(84.16)	76.76	202.89	195.50
Operating Profit	(84.16)	76.76	202.89	195.50
Other Income	93.83	-	-	93.83
Net Profit Before Tax	9.67	76.76	202.89	289.33
Taxation				57.33
Net Profit				232.00
Other Information				
Segment Assets	2,458.06	651.41	2,580.76	5,690.24
Total Assets	2,458.06	651.41	2,580.76	5,690.24
Segment Liabilities	2,139.59	60.07	2,213.10	4,412.76
Total Liabilities	2,139.59	60.07	2,213.10	4,412.76
Capital Employed	318.47	591.34	367.66	1,277.48

### q) Earning per Share :

The computation of earning per share is set out below.

₹ In Lacs

	₹ except per share data Financial Year 2011-2012	Financial Year 2010-2011
Basic and Diluted weighted average no. of equity share outstanding (nos.)	4,092,800	4,092,800
Net Profit / (Loss)	232.00	152.60
Earning Per Share	5.67	3.73
Nominal Value Per Share	10.00	10.00

### r) RELATED PARTIES DISCLOSURES:

I RELATED PARTIES

- A Key Management Personnel**  
Mr.Jaiprakash Agarwal , Managing Director
- B Relatives of the Key Management Personnel**  
Mr.Lalit Agarwal  
Mr.Ramchandra Agarwal  
Mr.Mahendra Agarwal

**II TRANSACTIONS WITH RELATED PARTIES**

(₹ in .Lacs)

	Referred in 1(A) above During the year	Closing Balance Debit/Credit(-)	Related Parties Referred in 1(B) above During the year	Closing Balance Debit/Credit(-)
Remuneration	21.0 (18.0)	-	18.0 (15.0)	-
Sitting Fees	-	-	-	-
Rent Paid			1.50 (1.20)	- -

s) Managerial Remuneration under section 198 of the Companies Act, 1956.

	<b>2011-2012</b>	<b>2010-2011</b>
Remuneration to Managing Director	<b>2,100,000.00</b>	<b>1,800,000.00</b>
Remuneration to Director	<b>2,365,000.00</b>	<b>2,005,000.00</b>
<b>TOTAL</b>	<b>4,465,000.00</b>	<b>3,805,000.00</b>

t) Remuneration to Auditors

	<b>2011-2012</b>	<b>2010-2011</b>
Audit Fees	<b>130,000.00</b>	<b>75,000.00</b>
Tax Audit Fees	<b>62,000.00</b>	<b>35,000.00</b>
Certification Work	<b>15,000.00</b>	<b>10,000.00</b>
Service Tax	<b>16,995.00</b>	<b>14,832.00</b>
Out of Pocket Expenses	<b>18,005.00</b>	<b>15,168.00</b>
	<b>242,000.00</b>	<b>150,000.00</b>

u) The Company has not appointed a Company Secretary as per provisions of section 383 A of the Companies Act, 1956.

v) (A) Previous year figures have been regrouped whenever necessary .

(B) Figures in bracket are of the previous year .

## AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

### NOTE "4"

#### SHARE CAPITAL

##### AUTHORISED

60,00,000 Equity Share of Rs.10/- Each	600.00	600.00
--	--------	--------

##### ISSUED

55,12,900 Equity Share of Rs.10/- Each	551.29	551.29
--	--------	--------

##### SUBSCRIBED & PAID UP

40,92,800 Equity Share of Rs.10/- Each		
--	--	--

fully paid-up	409.28	409.28
Add : Forfeited Shares	82.12	82.12

	<b>491.40</b>	<b>491.40</b>
--	---------------	---------------

Reconciliation of shares outstanding at the Beginning

and at the end of the reporting period :

	2011-12		2010-11	
	No.'s	₹ in lacs	No.'s	₹ in lacs
Equity Shares outstanding at the beginning of the period	4,092,800.00	409.28	4,092,800.00	409.28
Issued During the year	-	-	-	-
Equity Shares outstanding at the end of the period	4,092,800.00	409.28	4,092,800.00	409.28

### NOTE "5"

#### RESERVES & SURPLUS

a) Other Reserves		
Opening Balance- Capital Investment Subsidy	0.76	0.76
- Investment Allowance Reserve	0.62	0.62
Closing Balance	1.38	1.38
b) Surplus/ (Deficit) in Statement of Profit & Loss		
Balance Beginning of the year	552.70	447.67
Add : Profit for the year	232.00	152.60
	784.70	600.27
Less : Appropriations		
Dividend on Equity Shares	-	40.93
Dividend Distribution Tax	-	6.64
	-	47.57
Balance at end of the year	784.70	552.70
	786.08	554.08



**NOTE "6"**

**LONG TERM BORROWINGS**

**SECURED BORROWINGS**

Term Loans -

From Banks

<b>a) <u>Against. Windmills</u></b>	60.07	215.00
(Secured by first Mortgage and charge on all the immovable and movable assets, present and future of the company and personal guarantee of prompter directors)		
<b>b) <u>Against. Vehicles</u></b>	785.27	584.17
(Secured by hypothecation of vehicle and are repayable in equated monthly installments over the tenure of the loan)		

	845.34	799.17
--	--------	--------

**UNSECURED BORROWINGS**

Loans from Related Parties

(Repayable after the end of one year but before the end of 3 years, as mutually agreed).

	913.45	1,015.56
	913.45	1,015.56
	1,758.79	1,814.73

**NOTE "7"**

**DEFERRED TAX PROVISION**

**Deferred tax liability**

**Tax Effect of Items constituting deferred tax liability**

On Difference between book Balance and tax balance of Fixed Assest

	137.88	134.27
	137.88	134.27

**Tax Effect of Items constituting deferred tax assets**

Disallowances under section 40a(i), 43 B of the Income Tax Act,1961

Unabsorbed depriciation carried forward

Brought forward business losses

	0.09	0.09
	1.61	-
	4.09	-
	5.80	0.09
	132.08	134.18

## AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

### NOTE "8"

#### LONG TERM PROVISION

Provision for Income Tax (Net of Advance Tax)	5.58	10.56
	<u>5.58</u>	<u>10.56</u>

#### CURRENT LIABILITIES

### NOTE "9"

#### SHORT TERM BORROWINGS

##### SECURED BORROWINGS

###### From Banks

###### Working Capital Facilities

(Secured against Hypothecation of Raw Material & Finished Goods & Secured by Mortgage and Charge on all the movable assets of the company & immovable Property of Sister Concern and personal guarantee of the Directors)	1,555.87	207.98
	<u>1,555.87</u>	<u>207.98</u>

### NOTE "10"

#### TRADE PAYABLES

Trade Payables	685.51	53.37
( There are no Micro, small & Medium Enterprises, to whom the Company owes dues, which are outstanding as at the Balance Sheet date. The Above information has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.)		
	<u>685.51</u>	<u>53.37</u>

### NOTE "11"

#### OTHER CURRENT LIABILITIES

Advances from Customers	15.37	22.77
Unclaimed Dividend	2.27	-
Bank Overdrafts	33.09	90.23
Other Payables	9.55	5.07
	<u>60.28</u>	<u>118.07</u>
	<u>60.28</u>	<u>118.07</u>

### NOTE "12"

#### SHORT TERM PROVISIONS

Provision for Tax (Net of Advance Tax)	0.33	-
Dividend (including Dividend Distribution Tax)	-	47.57
Others	141.65	54.54
	<u>141.97</u>	<u>102.11</u>

**Notes Forming Part of the Consolidated Financial Statement**  
**SCHEDULE - 13 - FIXED ASSETS.**

Sr. No.	Description	GROSS BLOCK (AT COST)			DEPRECIATION & AMORTIZATION			NET BLOCK		
		As At 30.04.2011	Add during the year	Ded. during the year	As at 31.03.2012	For the year	Deduction & adjustment for the year	As at 31.03.2012	As at 31.03.2011	
<b>TANGIBLE ASSETS</b>										
1	Commercial vehicles and tanks (LPG, Bitumen & Propane Tankers)	2,102.88	267.84	(17.75)	2,352.96	1,078.92	255.45	1,316.62	1,036.34	1,023.96
2	Furniture & Fixtures.	9.60	0.33	-	9.93	2.78	0.60	3.37	6.56	6.83
3	Computers & Printers	12.63	0.50	-	13.13	8.34	2.07	10.41	2.72	4.29
4	Office & Other Equipments	24.49	11.25	-	35.74	4.38	1.44	5.82	29.91	20.11
5	Other Vehicles	80.30	29.65	-	109.96	32.10	7.88	39.98	69.97	48.20
6	Wind Mill	1,119.89	-	-	1,119.89	409.35	59.13	468.48	651.41	710.54
7	Plot	8.37	-	-	8.37	-	-	-	8.37	8.37
8	Workshop	29.82	-	-	29.82	1.36	0.49	1.84	27.97	28.46
9	Land	38.11	-	-	38.11	-	-	-	38.11	38.11
10	Hydraulic Mobile Floor Crane	0.42	-	-	0.42	0.05	0.02	0.07	0.35	0.37
11	Plant & Machinery	123.53	6.38	-	129.91	13.95	6.05	20.00	109.90	109.58
12	Borwell	0.52	-	-	0.52	0.03	0.02	0.04	0.47	0.49
13	Factory Land	38.70	-	-	38.70	-	-	-	38.90	38.70
14	Factory Building	55.34	3.14	-	58.48	4.53	2.00	6.53	51.95	50.82
	<b>TOTAL TANGIBLE ASSETS</b>	<b>3,644.59</b>	<b>319.08</b>	<b>(17.75)</b>	<b>3,945.93</b>	<b>1,555.78</b>	<b>335.15</b>	<b>1,873.18</b>	<b>2,072.75</b>	<b>2,088.82</b>
	Goodwill	226.30	-	-	226.30	-	-	-	226.30	226.30
	<b>TOTAL INTANGIBLE ASSETS</b>	<b>226.30</b>	<b>-</b>	<b>-</b>	<b>226.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>226.30</b>	<b>226.30</b>
	<b>CAPITAL WORK PROGRESS</b>									
	Land (WORK IN PROGRESS)	5.31	-	-	5.31	-	-	-	5.31	5.31
	TOTAL CAPITAL WORK IN PROGRESS	5.31	-	-	5.31	-	-	-	5.31	5.31
	<b>GROSS TOTAL</b>	<b>3,876.20</b>	<b>319.08</b>	<b>(17.75)</b>	<b>4,177.53</b>	<b>1,555.78</b>	<b>335.15</b>	<b>1,873.18</b>	<b>2,304.35</b>	<b>2,320.42</b>
	<b>PREVIOUS YEAR</b>	<b>3,386.40</b>	<b>503.63</b>	<b>(13.83)</b>	<b>3,876.20</b>	<b>1,252.25</b>	<b>309.45</b>	<b>1,555.78</b>	<b>2,320.42</b>	<b>2,134.15</b>

# AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

## NOTE "14"

### NON CURRENT INVESTMENTS

GOVERNMENT AND TRUST SECURITIES (UNQUOTED)

Investment in Government Security

\*

\*

\* National savings certificates (lying with government authority) Rs.5000/- (As at 31st March, 2011 Rs.6000)

## NOTE "15"

LONG TERM LOANS & ADVANCES

(Unsecured, considered good)

Capital Advances

40.44

-

Security Deposits

10.94

9.52

Other Loans & Advances

64.21

61.25

115.59

70.77

115.59

70.77

## CURRENT ASSETS

### NOTE "16"

#### INVENTORIES

(Valued at lower of Cost or Net Realizable Value)

Raw Material

22.95

135.41

Finished Goods

812.02

25.10

Stock in Trade (Trading)

0.65

0.98

Stores, Spares & Packing Material

23.34

32.67

858.97

194.15

## NOTE "17"

### TRADE RECEIVABLES

(Unsecured, consider good)

Outstanding for a period exceeding six months from the date due for payment

264.45

52.08

Others

1,019.97

616.17

1,284.42

668.25

## NOTE "18"

CASH & BANK BALANCES

CASH & CASH EQUIVALENTS

Cash on hand

6.72

12.99

Balances with Banks

In Current Accounts

373.05

63.89

In Fixed Deposits

518.83

15.30

898.60

92.18

## NOTE "19"

SHORT TERM LOANS & ADVANCES

(Unsecured, consider good)

Advance recoverable in cash or in kind or for value to be received

86.84

68.56

Advances to Employees

3.64

1.35

Prepaid taxes

0.21

0.18

Advances Tax (Net of Provision for Tax)

-

5.87

Security Deposits

25.09

0.77

Others Advances

35.98

43.96

151.76

120.68

**NOTE "20"**

**OTHER CURRENT ASSETS**

Accrued interest on fixed deposite	3.84	1.89	
	3.84	1.89	
	3.84	1.89	

**REVENUE**

**NOTE "21"**

**REVENUE FROM OPERATIONS**

Sales	5,627.03	3,591.64	
<b>Service Centre</b>			
Sales of Spare Parts	63.68	48.07	
Labour Charges	16.78	8.64	
<b>Transportation &amp; Windmill</b>			
Vehical freight income	2,307.50	2,065.26	
Wind Mill Energy Income	136.84	105.81	
	8,151.82	5,819.42	
	8,151.82	5,819.42	

**NOTE "22"**

**OTHER INCOME**

Interest Income	2.99	8.56	
Dividend	-	0.10	
Misc Income	90.84	83.40	
	<b>93.83</b>	<b>92.06</b>	
	<b>93.83</b>	<b>92.06</b>	

**NOTE "23"**

**COST OF MATERIALS CONSUMED**

Op.stock		136.80	26.78	
Add : Purchases		5,781.13	3,537.74	
		5,917.93	3,564.52	
Less : Closing Stock	23.94	5,894.00	136.80	3,427.72
		5,894.00	3,427.72	
		5,894.00	3,427.72	

**COST OF MATERIAL CONSUMED**

**NOTE "24"**

**INCREASE/DECREASE IN INVENTORY**

**STOCK IN TRADE**

Opening Stock		45.07	16.60	
<b>Less:</b>				
Closing Stock		827.26	45.07	
		<b>(782.19)</b>	<b>(28.47)</b>	
		<b>(782.19)</b>	<b>(28.47)</b>	

**NOTE "25"**

**EMPLOYMENT BENEFIT EXPENSES**

Directors' remuneration		44.65	39.80	
Salaries,wages and bonus		90.94	67.11	
Staff welfare expenses		7.35	5.11	
		<b>142.94</b>	<b>112.02</b>	
		<b>142.94</b>	<b>112.02</b>	

## AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

### NOTE "26"

#### PRODUCTION EXPENSES

Production & Incidental Expenses	14.98	4.93
	<u>14.98</u>	<u>4.93</u>

### NOTE "27"

#### FINANCE COSTS

Bank commission and charges	4.38	2.31
Interest on Loan		
Windmills	25.20	29.96
Others	109.09	74.47
	<u>138.68</u>	<u>106.75</u>

### NOTE "28"

#### OTHER EXPENSES

Vehicle running & maintenance exps.	1,479.79	1,210.23
Freight Paid	429.78	379.30
Conveyance & Travelling	24.18	6.21
Transportation Charges	122.90	5.49
Vehicle Expenses	2.88	2.38
Rent, Rates & Taxes	71.19	12.62
Power & Fuel Expenses	7.39	7.99
Postage, Telegram and Telephone charges	6.68	6.39
Printing and Stationery Expenses	1.81	2.44
Professional, legal and consultancy charges	3.71	13.54
Repairs & Maintenance charges	5.49	3.84
Office security charges	6.93	5.83
Miscellaneous Expenses	38.41	40.89
Audit Fees	2.42	1.75
Advertisement and publicity expenses	3.72	5.78
Commission & Discount	5.49	45.20
	<u>2,212.77</u>	<u>1,759.88</u>

For and on behalf of the Board of Directors

JAIPRAKASH AGARWAL  
Managing Director

MAHENDRA AGARWAL  
Director

LALIT AGARWAL  
Director

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

	For the year ended 31st March, 2012 ₹	For the yearended 31st March, 2011 ₹
<b>A. CASH FLOW PROVIDED BY/(USED IN) OPERATING ACTIVITIES :</b>		
PROFIT BEFORE TAX	289.33	219.201
<u>Non-cash Adjustment :</u>		
Depreciation	335.15	309.45
Interest & Finance Charges	138.68	106.75
Dividend Recd	-	(0.10)
Interest recd	(2.99)	(8.56)
	470.84	407.54
OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES	760.17	626.75
<u>MOVEMENT IN WORKING CAPITAL :</u>		
Increase/ (decrease) in trade payables	632.14	(555.81)
Increase/ (decrease) in provisions	98.96	28.10
Increase/ (decrease) in other liabilities	(60.06)	(76.81)
Decrease/ (Increase) in trade receivable	(616.17)	(145.34)
Decrease/ (Increase) in Inventories	(664.81)	(154.30)
Decrease/ (Increase) in Loans & Advances	(88.60)	(27.27)
Decrease/ (Increase) in other Current Aseets	(1.95)	(0.85)
	(700.49)	(870.48)
CASH GENERATED FROM OPERATIONS	59.68	(243.73)
Taxes Paid (Net)	(59.85)	(52.70)
NET CASH (USED IN)/ GENERATED FROM OPERATING ACTIVITIES (A)	(0.17)	(204.61)
<b>B. CASH FLOW PROVIDED BY/(USED IN) INVESTING ACTIVITES :</b>		
Purchase of fixed assets including Capital Work-in-progress and capital Advances	(319.08)	(521.68)
Investment in Subsidiary Company	-	(226.26)
Proceeds from sale of Fixed Assets	19.25	10.52
Loan to subsidiary Company	-	-
Dividend Received	-	0.10
	(299.83)	(737.35)
NET CASH USED IN INVESTING ACTIVITIES (B)	(299.83)	(737.35)
<b>C. CASH FLOW PROVIDED BY/(USED IN) FINANCING ACTIVITES :</b>		
Interest & Finance Charges	(138.68)	(106.75)
Interest Recd	2.99	8.56
Proceeds from borrowings	1,291.95	1,109.63
Repayment of borrowings	-	-
Dividend Paid	(43.20)	-
Dividend Tax Paid	(6.64)	-
	1,106.42	1,011.44
NET CASH (USED IN)/ GENERATED FROM FINANCING ACTIVITIES (C)	1,106.42	1,011.44
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	806.42	(22.33)
Cash and cash equivalents at the beginning of the year	92.18	114.51
Cash and cash equivalents at the end of the year	898.60	92.18

**SIGNIFICANT ACCOUNTING POLICIES**

The Accompanying notes are an internal part of the financial statements.

As per our report of even date

**For RASHMI AGRAWAL**

*Chartered Accountants*

**RASHMI AGRAWAL**

*Proprietor*

Place : Mumbai  
Date: 27/08/2012

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For and on behalf of the Board of Directors

**JAIPRAKASH AGARWAL**

*Managing Director*

**MAHENDRA AGARWAL**

*Director*

**LALIT AGARWAL**

*Director*

## AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

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### FINANCIAL INFORMATION OF SUBSIDIARY FOR THE YEAR ENDED 31ST MARCH, 2012

SR.NO.	PARTICULARS	(₹ IN LACS)
		BITUMINEX COCHIN (P) LTD
a).	Paid Up Share Capital	6.20
b).	Reserves & Surplus	(13.55)
c).	Total Assets	131.13
d).	Total Liabilities	131.13
e).	Investments	-
f).	Turnover	299.58
g).	Profit Before Tax	(7.67)
h).	Provision for Tax	5.11
i).	Profit For the Year	(2.56)
j).	Proposed Dividend	-



# AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

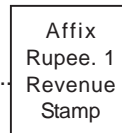
## PROXY

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

I/We ..... of  
..... being a member / members of the above named Company  
hereby appoint ..... of ..... or  
filling him ..... of ..... as my/our proxy to  
vote for me/us on my/our behalf at the EIGHTEENTH ANNUAL GENERAL MEETING of the Company to be held at Registered  
Office of the Company at Unit No. 4, B-Wing, Sita Estate, Aziz Baug, Mahul Road, Chembur, Mumbai - 400 074 on Saturday  
29th September, 2012 at 11.00 A.M. and at adjournment thereof.

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

Signature .....



\* Applicable in case of shares held in Demat.

Note : Proxy Form must reach the Company's Registered Office not less than 48 hours before the commencement of the Meeting.

----- (TEAR HERE) -----

# AGARWAL INDUSTRIAL CORPORATION LIMITED

(Formerly known as Bombay Baroda Roadways (India) Ltd.)

## ATTENDANCE SLIP

(To be handed over, duly filled in, at the Entrance of the Meeting Place)

Name of the attending member/s (in Block Letters)	Folio No.	*DP ID	*Client ID
Name of the Proxy (in Block Letters) (To be filled in by the Proxy who attends instead of the Member)			

No. of Shares held .....

I, hereby record my presence at the Eighteenth Annual General Meeting of the Company at Registered Office of the Company at Unit No. 4, B-Wing, Sita Estate, Aziz Baug, Mahul Road, Chembur, Mumbai - 400 074 on Saturday 29th September, 2012.

\* Applicable in case of shares held in Demat.

.....  
Member's Proxy/s/Signature

(To be signed at the time of handing over this slip)

Note : Shareholders / Proxy holders are requested to bring the attendance slip with them, dully filled in when they come to the meeting and hand over at the gate, affixing signature on it.

**BOARD OF DIRECTORS:**

MR. JAIPRAKASH AGARWAL	- Managing Director
MR. RAMCHANDRA AGARWAL	- Director
MR. MAHENDRA AGARWAL	- Director
MR. LALIT AGARWAL	- Director
MR. BHAVIN SHAH	- Director
MR. JASWANT D. SHARMA	- Director
MR. HARIKRISHNA PATNI	- Director
MR. RAJKUMAR MEHTA	- Director
MR. JAWAHAR D. PATIL	- Director
MR. ALOK BHARARA	- Director

**PRINCIPAL BANKERS:**

STATE BANK OF BIKANER & JAIPUR  
BANK OF BARODA  
UNION BANK OF INDIA  
HDFC BANK  
INDUSIND BANK  
DEVELOPMENT CREDIT BANK  
DOMBIVALI NAGRIK SAHAKARI BANK LTD  
YES BANK LTD

**AUDITORS:**

RASHMI AGRAWAL  
Chartered Accountants

**REGISTERED OFFICE:**

Unit No. 4, B - Wing, Sita Estate, Ground Floor,  
Aziz Baug, Mahul Road,  
Chembur, Mumbai - 400 074

**WORKS:**

Plot No.40, Kiadb Honaga Industrial Area,  
Honaga, Belgaum - 59113.

**REGISTRARS & TRANSFER AGENT:**

ANKIT CONSULTANCY PVT LTD  
60, Electronic Complex.  
Pardeshi Pura,  
Indore (M. P.) Pin : 452010

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