



NOTICE

Notice is hereby given that the 27th Annual General Meeting of the members of **Amrit Banaspati Company Limited** will be held on Saturday, the 28th day of July, 2012 at 11.30 a.m. at J-3, 9/13, Gobind Colony, Rajpura, Distt. Patiala (Punjab)-140 401 to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2012 and the Profit & Loss Account for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To declare final dividend on the equity shares for the financial year 2011-12.
3. To appoint a director in place of Mr. V. K. Sibal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. A. K. Bajaj, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a director in place of Mr. J. C. Rana, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

By Order of the Board
for **Amrit Banaspati Company Limited**

Regd. Office: (Tushar Goel)
J-3, 9/13, Asst. Company Secretary
Gobind Colony,
Rajpura, Distt. Patiala
(Punjab)-140 401
Dated: 26th May, 2012

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK PROXY FORM IS ATTACHED AND IF IT IS INTENDED TO BE USED, THE SAME, IN ORDER TO BE EFFECTIVE, SHOULD BE DULY COMPLETED, STAMPED AND**

SIGNED AND SHOULD REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.

2. Corporate members intending to send their authorized representative(s) to attend the Annual General Meeting are requested to send certified copy of the board resolution authorizing such representative(s) to attend and vote on their behalf.
3. Relevant information pursuant to Clause 49 IV(G)(i) of the Listing Agreement regarding Directors seeking appointment/reappointment is given in the Corporate Governance Report forming part of this Annual Report.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 21st day of July, 2012 to Saturday, 28th day of July, 2012 (both days inclusive).
5. The final dividend for the year 2011-12 on the equity shares will be paid to those members, whose names appear in the Register of Members of the Company as on 28th July, 2012. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership position as at the end of the day on 20th day of July, 2012 as per data to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
6. Members are requested to note that pursuant to the provisions of Section 205C of the Companies Act, 1956, the amount of dividend which remains unpaid/unclaimed for a period of 7 years would be transferred to the "Investor Education and Protection Fund" constituted by the Central Government. Shareholders who have not encashed their dividend warrant(s) for the years 2006-07, 2007-08, 2008-09, 2009-10, 2010-11 and Interim Dividend for 2011-12 are requested to make claim with the Company as no claim shall lie against the Fund or the Company in respect of individual amount once credited to the said Fund.
7. Members holding shares in physical form are requested to intimate immediately to the Registrar & Share Transfer Agents of the Company, M/s Mas Services Ltd., T-34, IInd Floor, Okhla Industrial Area, Phase II, New



Delhi-110 020 quoting registered Folio No., change in their address, if any, with pin code number. The following information to be incorporated on the dividend warrants may also be furnished:

- (i) Name of sole/first joint holder and the folio number
 - (ii) Particulars of Bank Account, viz.
 - (a) Name of the bank
 - (b) Name of the branch
 - (c) Complete address of the bank with pin code number
 - (d) Bank account number allotted by the bank and nature of the account (savings/current etc.)
8. In terms of Section 109A of the Companies Act, 1956, the shareholders of the Company may nominate a person on whom the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit nomination in Form 2B.
9. Copies of relevant documents can be inspected at the Registered Office of the Company on all working days from Monday to Friday between 11 a.m. to 2 p.m. upto the date of the meeting.
10. Members desirous of seeking any information/clarification on accounts or operations of the Company are requested to write to the Company at least 10 days before the date of the meeting to enable the management to keep the information ready.
11. The members/proxies are requested to bring their copies of Annual Report at the meeting since extra copies will not be supplied.
12. Members/proxies should bring duly filled attendance slip sent herewith for attending the meeting. Members are also requested to mention DP ID and Client ID (in case of shares held in electronic form) and Folio no. (in case of shares held in physical form) in the attendance slip for attending the Annual General Meeting in order to facilitate their identification of membership.
13. 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.
14. In respect of the matters pertaining to bank details, ECS mandates, nomination, power of attorney, change in name/address etc., the members are requested to approach the Company's Registrar and Share Transfer

Agents, in respect of shares held in physical form and the respective Depository Participants, in case of shares held in electronic form. In all correspondence with the Company's Registrar and Share Transfer Agents, members are requested to quote their account/folio numbers or DP ID and Client ID for physical or electronic holdings respectively.

15. To facilitate trading in equity shares in dematerialized form, the Company has entered into agreement with NSDL and CDSL. Members can open account with any of the depository participant's registered with NSDL or CDSL.
16. The Securities and Exchange Board of India vide its circular no. CIR/CFD/DIL/10/2010 dated 16 December 2010, amended clause 5A of the Equity Listing Agreement for dealing with unclaimed shares in physical form. In compliance with this amendment, the Company has sent all three reminders to such shareholders whose share certificates are in undelivered form requesting them to update their correct details viz. postal addresses, PAN details etc. registered with the Company. The Company has transferred all the shares into the folio in the name of "Unclaimed Suspense Account".
17. As a part of "Green Initiative in the Corporate Governance", the Ministry of Corporate Affairs vide its circular no's. 17/2011 and 1/2011 dated 21.04.2011 and 29.04.2011 respectively, has permitted the companies to serve the documents, namely, Notice of General Meeting, Balance Sheet, Profit & Loss Account, Auditors' Report, Directors' Report, etc., to the members through e-mail. The shareholders holding shares in physical form are requested to register their e-mail address with the Registrar & Share Transfer Agents by sending duly signed request letter quoting their Folio no., name and address. In case of shares held in demat form, the shareholders may register their e-mail addresses with their DPs (Depository Participants).

By Order of the Board
for **Amrit Banaspati Company Limited**

Regd. Office:
J-3, 9/13,
Gobind Colony,
Rajpura, Distt. Patiala
(Punjab)-140 401
Dated: 26th May, 2012

(Tushar Goel)
Asst. Company Secretary



DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

Dear Shareholders,

Your Directors have pleasure in presenting the 27th Annual Report together with the Audited Statements of Accounts of the Company for the financial year ended 31st March, 2012.

FINANCIAL RESULTS

| | 2011-12 | (₹ in Lacs) 2010-11 |
|--|-------------|------------------------|
| Revenue from Operations and Other Income | 1,04,578.72 | 1,00,844.50 |
| Earnings before Interest, Depreciation and Tax (EBIDTA) | 1,894.07 | 4,055.19 |
| Less: Finance Cost | 385.97 | 336.62 |
| Profit Before Depreciation (PBD) | 1,508.10 | 3,718.57 |
| Less: Depreciation | 372.40 | 390.77 |
| Profit Before Tax (PBT) and Exceptional Item | 1,135.70 | 3,327.80 |
| Add: Exceptional Item (Income from sale of Edible Oils Business and Undertaking) | 17,554.12 | - |
| Profit before tax | 18,689.82 | 3,327.80 |
| Less: Provision for Taxation | | |
| – Current Tax | 4,457.83 | 1,062.91 |
| – Deferred Tax | (828.62) | 58.79 |
| – Prior period taxes | 336.54 | 0.43 |
| Net Profit for the year | 14,724.07 | 2,205.67 |
| Balance brought forward from previous year | 3,373.33 | 1,730.53 |
| Profit available for appropriation | 18,097.40 | 3,936.20 |
| Appropriations | | |
| Interim Dividend | 4,417.78 | - |
| Dividend Distribution Tax on Interim Dividend | 716.67 | - |
| Proposed Final Dividend | 294.52 | 294.52 |
| Dividend Distribution Tax on Proposed Final Dividend | 47.78 | 47.78 |
| Transfer to General Reserve | 1,500.00 | 220.57 |
| Balance carried forward to Balance Sheet | 11,120.65 | 3,373.33 |

DIVIDEND

Your Directors are pleased to recommend a Final Dividend @ ₹ 4/- per Equity Share of ₹ 10/- each (i.e.

40%) for the year ended 31st March, 2012. The Company distributed during the year an Interim Dividend of ₹ 60/- per Equity Share of ₹ 10/- each



(i.e. 600%) as one time Special Dividend from the proceeds of the sale of the Edible Oils Business of the Company. The total Dividend outgo for the current year amounts to ₹ 5,476.75 lacs, including Dividend Distribution Tax, as against ₹ 342.30 lacs in the previous year.

SALE OF THE BUSINESS & UNDERTAKING

During the year, the Company sold its Edible Oils Business and the manufacturing facility at Rajpura, Distt. Patiala (Punjab) on slump sale basis and as a going concern to M/s Bunge India Pvt. Ltd. ("Bunge") for a lump sum Adjusted Consideration of ₹ 231.19 crores. As per terms of the Business Transfer Agreement ("BTA") dated 21st December, 2011, the Company has transferred all its movable and immovable assets, liabilities, business contracts, employees and intellectual property rights and secured and unsecured loans (excluding certain assets, loans & advances and fixed deposits, which have been retained by the Company) to Bunge on 10th February, 2012.

The transfer of the Edible Oils Business and the manufacturing facility at Rajpura has resulted into a profit before tax of ₹ 17,554.12 lacs which has been recognized in the books of Accounts of the Company and shown under the head "Exceptional Item" in the Profit & Loss Account.

MANAGEMENT DISCUSSION AND ANALYSIS

Economic Scenario

The year under review was challenging on many fronts. Inflationary pressures continued unabated and the depreciation of Indian rupee added to input costs. Liquidity conditions were tight with persistent hardening of interest rates. From the economy perspective, the year saw a mixed scenario of growth – while the first six months saw signs of the economy picking up, the second half had a chequered pattern. There have been corrections in GDP growth rate estimate which is currently forecasted around 7% from the initial 9%. However, the year ended with softening of inflation and interest rates which augur well for better growth prospects of the economy.

Edible Oils Industry Outlook

India is World's fourth largest edible oils market after China, U.S. and Brazil. With large population and

continued economic growth, India is likely to register strong gains in total and per capita consumption of edible oils in the medium term. While the consumption grows with the rise in disposable income, the pattern of consumption is also moving towards packed and/or branded form due to factors such as rising incomes coupled with changes in the household demographics, improving health consciousness, growing organized retail, improving reach of the products across the country, visual advertisements etc. Thus, the growth of edible oil in packed form has far exceeded the industry wide growth rate over the last five years. In the foreseeable future, it is envisaged that the overall quantum of edible oil consumption will continue to grow significantly with the pattern of consumption shifting from unpacked to packed form.

The edible oils industry in India is in a consolidation phase. Enterprises having integration of the value chain, risk management, working capital management, efficiencies in procurement, logistics and distribution, manufacturing presence at strategic locations across the country and strong consumer focus, that have undertaken expansion of their market share through organic and inorganic route coupled with introduction of new and innovative products – including presence through branded products, will enjoy the gains in the times to come.

Exit the Edible Oils business

Your Company was a leading player in the branded edible oils segment in Northern India with leadership position in markets like Punjab, Himachal Pradesh, Haryana and Jammu & Kashmir and had been operating at over 100% capacity utilization in the last two financial years. In the light of the capacity constraints and the challenges it faced in the branded edible oils segment by way of competition from the large international players, low margins, volatility in the domestic prices of raw materials, the Company decided to exit the edible oils business to preserve and enhance shareholders' value, in view of the following considerations:

- India for several years has been depending upon import of edible oils to meet its growing demand. Your Company was accordingly heavily dependent on imported Palm Oil

as approximately 70% of its products in terms of sales volume were Palm Oil based. This made the Company vulnerable to global fluctuations in crude Palm Oil and to foreign currency risks;

- In the last decade, the Indian Edible Oil Industry witnessed the entry of many large multi-national corporations (MNCs) with complete backward and forward integration, such as Cargill, Bunge, Noble Grain, LouisDreyfus, ADM etc. These MNCs deal in various agricultural commodities globally, both import as well as exports which acts as natural hedge for them against currency fluctuations, and come with inherent strengths such as direct access to plantations, global economies of scale, international best practices and low cost of capital. The entry of MNCs has, therefore, made the Indian Edible Oil Industry vastly more competitive, thereby putting significant pressure on the operating margins of medium scale domestic companies;
- Many large scale domestic players in the industry have also invested heavily into building capacities over the last few years. The economies of scale, especially the enhanced bargaining power while importing crude oil, put these large scale domestic players at an advantageous position vis-à-vis companies like ours. Your Company could not expand in competition with these large giants which, besides their enhanced budgeting power due to global scale of operations, has access to very low cost of capital, thereby putting significant pressure on the operating margins of companies like ours;
- The competitive pressures from MNCs and large scale domestic players, the volatility in global crude oil prices and the foreign exchange fluctuations had begun to impact the Company's operating margins, thereby reducing the Company's financial ability to expand and grow in order to retain its market share and leadership position.

Looking into this scenario, exiting the edible oils business at this juncture was considered to be the most viable option under the circumstances.

Business Strategy

Pursuant to the sale/transfer of Edible Oils Business, the Company is engaged in treasury operations pertaining to cash consideration received from the said sale/transfer of the business and trading of various commodities. Further, the management of the Company is exploring various new business opportunities in which the Company may engage in future other than the Edible Oils Business.

Operations Review

The financials for FY 2011-12 include financials of Edible Oils Business till 10th February, 2012, being the date up to which this business was with the Company:

- During the year, the Company operated at over 100% capacity utilization and recorded production of 1,29,599 MT of vanaspati and refined oils which on an annualized basis is higher by 4.88% over the previous year's production;
- The gross sales volumes of vanaspati, refined oils and salt (inclusive of outsourced quantity) aggregated to 1,59,306 MT recording a growth of 3.99% on annualized basis over the previous year;
- The Company recorded annualized growth of over 19% in sales. The revenue from operations increased to ₹ 1,04,281.12 lacs as against ₹ 1,00,763.00 lacs in the previous year;
- In spite of difficult market conditions, your Company managed to achieve reasonably good performance during the year under review. However, there was erosion in margins in the initial part of the year due to continuous decline in the raw oil prices. Consequently, the Company posted lower operating profit (EBIDTA) of ₹ 1,894.07 lacs as against ₹ 4,055.19 lacs in the previous year. Sale of Edible Oils Business resulted in profit before tax of ₹ 17,554.12 lacs which has been booked as Exceptional Income. The Net Profit for the year after taxes stood at ₹ 14,724.07 lacs as against ₹ 2,205.67 lacs in the previous year.



FIXED DEPOSITS

Your Company had an aggregate deposits of ₹ 51.48 lacs (previous year ₹ 91.03 lacs) as on 31st March, 2012 from public and shareholders under the Public Deposit Scheme of the Company framed under Section 58A of the Companies Act, 1956. There were no overdue deposits as on 31st March, 2012, nor there was any failure in making repayment of fixed deposits and interest due thereon in terms of the conditions of the public deposit scheme.

DIRECTORS

Mr. Sundeep Aggarwal was appointed as Director on 30th April, 2011 in the casual vacancy caused by the demise of Mr. Romesh Lal and was appointed regular Director at the Annual General Meeting held on 20th August, 2011.

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. V.K. Sibal, Mr. A.K. Bajaj and Mr. J.C. Rana retire by rotation and are eligible for re-appointment.

AUDITORS

The Company's Auditors, M/s V. Sahai Tripathi & Co., Chartered Accountants, hold office upto the conclusion of the ensuing Annual General Meeting. The Company has received requisite certificate from them pursuant to Section 224(1B) of the Companies Act, 1956, confirming their eligibility for re-appointment as Auditors of the Company.

COST AUDIT

The Board of Directors re-appointed M/s R.J. Goel & Co., Cost Accountants, Delhi, as the Cost Auditors of the Company under Section 233B of the Companies Act, 1956 for the financial year 2011-12 and requisite approval was received from the Central Government. Pursuant to General Circular No. 15/2011 – 52/5/CAB-2011 dated April 11, 2011 issued by the Government of India, Ministry of Corporate Affairs, Cost Audit Branch, New Delhi, following are the details of Cost Auditor and filing of Cost Audit Report with Central Government:

| Particulars of Cost Auditor | Details of Cost Audit Report file for the period ended 31st March, 2011 |
|--|--|
| M/s R.J. Goel & Co. Membership No. 14256 31, Community Centre Ashok Vihar, Phase – I Delhi – 110 052 E-mail: rjgoel14@yahoo.com | Due date: 30 th September, 2011 Filing date: 7 th September, 2011 |

The Cost Audit Report for the year ended 31st March, 2012 will be forwarded to the Central Government within the statutory time limit in pursuance of the provisions of Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm:

- (i) That in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- (ii) That the accounting policies selected and applied are consistent and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for that period;
- (iii) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the annual accounts have been prepared on a going concern basis.

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

A statement containing necessary information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, pertaining to conservation of energy,



technology absorption and foreign exchange earnings & outgo is annexed and forms part of this Report.

PERSONNEL AND HUMAN RELATIONS

Employee relations were cordial throughout the year in the Company. The Directors record their appreciation for the dedicated services rendered by the workers, staff and officers of the Company.

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

CORPORATE GOVERNANCE

A Report on Corporate Governance along with a

Certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance pursuant to Clause 49 of the Listing Agreement with stock exchanges is annexed and forms part of the Annual Report.

ACKNOWLEDGEMENT

Your Directors convey their sincere thanks to the various agencies of the Central Government, State Governments, Banks and other concerned agencies for all the help and cooperation extended to the Company. The Directors also deeply acknowledge the trust and confidence the shareholders and investors have placed in the Company. Your Directors also express their appreciation for the contribution made by all the business associates to the operations and success of the Company.

For and on behalf of the Board

(N.K. Bajaj)

Chairman &

Managing Director

Place: Noida

Date : 26th May, 2012



ANNEXURE

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

| | |
|--|---|
| I. CONSERVATION OF ENERGY | |
| (a) Energy conservation measures taken | Energy conservation was the priority area of your Company during the year. The Company continued to follow the basic energy conservation measures such as constant replacement of outdated energy intensive equipments with latest technology energy saving equipments, timely maintenance of machines, effective control on utilization of energy, use of mostly automated machines, thus eliminating idle running of equipments. |
| (b) Additional investments and proposals | The Company will continue its efforts in replacement/modification of inefficient equipments and upgradation of technology. |
| (c) Impact of the measures at (a) and (b) above, for reduction of energy consumption and consequent impact on the cost of production of goods | Through continuous energy conservation measures taken by the Company, the cost of power is optimum as compared to total cost of production. |

(d) Total energy consumption and consumption per unit of production as per Form A:

| | 2011-12 | 2010-11 |
|---|-------------|-------------|
| A. Power and Fuel Consumption | | |
| 1. Electricity | | |
| (a) Purchased | | |
| Unit (KWH) | 51,99,400 | 64,37,973 |
| Total Amount (₹) | 3,22,62,788 | 3,53,23,590 |
| Rate/Unit (₹) | 6.21 | 5.49 |
| (b) Own generation through captive power plant | | |
| Unit (KWH) | 66,05,824 | 77,16,266 |
| Rice husk (for turbine)(MT) | 3,106 | 3,623 |
| Unit per MT of rice husk | 2,127 | 2,130 |
| Total cost (₹) | 2,57,72,917 | 2,65,45,629 |
| Cost/Unit (₹) | 3.90 | 3.44 |
| (c) Own generation through diesel generator | | |
| Unit (KWH) | 67,368 | 1,12,411 |
| HSD for generator | 20,879 | 34,528 |
| Value of diesel (₹) | 8,23,223 | 11,51,869 |
| Cost/Unit (₹) | 12.22 | 10.25 |

| | | |
|---|---------------------|--------------|
| 2. Hydrogen Gas | | |
| Quantity (M3) | 5,46,903 | 6,76,811 |
| Total cost | 1,70,65,926 | 1,80,88,009 |
| Rate/Unit (₹) | 31.20 | 26.73 |
| 3. Others | | |
| Rice husk for boiler | | |
| Quantity (MT) | 35,884 | 40,214 |
| Total cost (₹) | 15,57,79,569 | 14,79,92,508 |
| Rate/Unit (₹) | 4,341 | 3,680 |
| HSD for thermo fluid heater | | |
| Quantity (Ltr.) | 85,411 | 70,360 |
| Total cost (₹) | 33,67,607 | 23,47,239 |
| Rate/unit (₹/ Ltr.) | 39.43 | 33.36 |
| B. Consumption per unit (MT) of production | | |
| Production | 1,29,599 | 1,42,731 |
| Electricity (KWH) | 92 | 100 |
| Rice husk (Kg.) | 277 | 282 |
| HSD (Ltr.) | 0.66 | 0.49 |

II. TECHNOLOGY ABSORPTION

Research and Development

- | | |
|--|---|
| <p>1. Specific area in which R&D carried out by the Company</p> | <p>The Company had a full fledged separate Research & Development Centre with well equipped laboratories, modern analytical instruments and well qualified technical manpower. The R&D Centre had also well equipped bakery & trained bakers for testing the performance of new bakery shortenings developed. R&D Centre of the Company was engaged in the following areas of developmental work:</p> <ol style="list-style-type: none"> i) New product development; ii) Development of new processes; iii) Process improvement for cost reduction; and iv) Improvement in product quality. |
| <p>2. Benefits derived as a result of above R&D</p> | <ul style="list-style-type: none"> ● Better quality products in line with highest quality standards for maximum consumer satisfaction. ● Better market penetration. ● Reduction in trans fatty acids in Vanaspati and bakery shortening. ● The Company has been able to reduce effluent water generation as a result of process modification resulting in less environmental pollution, cost saving and process efficiency. <p>The other benefits derived from R&D were increase in overall efficiency, reduction in cost of production and higher productivity.</p> |



| 3. Expenditure on Research and Development | | | (₹ in Lacs) |
|--|-------------|-------------|-------------|
| | | 2011-12 | 2010-11 |
| Capital | Nil | Nil | |
| Recurring | 33.17 | 29.53 | |
| Total | 33.17 | 29.53 | |
| Turnover | 1,04,521.76 | 1,00,997.59 | |
| Total R&D expenditure as a % of turnover | 0.03% | 0.03% | |

Technology absorption, adaptation and innovation

| | |
|---|---|
| 1. Efforts in brief made towards technology absorption, adaptation and innovation | Efforts were continuously being made to achieve higher productivity, value addition, cost reduction, better plant efficiency, reduction in wastage and above all environmental protection. |
| 2. Benefits derived | Benefits derived as a result of above efforts were product improvement, cost reduction and product development. |
| 3. Imported technology | Technology & Perfector Machine were imported from Denmark, for producing bakery shortening and margarines with improved quality. Technology & Ecopack Machine was imported from Germany for producing table margarine in slab form. |

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars with regard to foreign exchange earnings and outgo appear in Note No. 42 & 43 of Notes to Accounts.

For and on behalf of the Board

Place : Noida
Date : 26th May, 2012

(N.K. Bajaj)
Chairman & Managing Director



REPORT ON CORPORATE GOVERNANCE

(As per Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

Company's Philosophy on Code of Corporate Governance

The philosophy of Amrit Banaspati Company Limited (ABCL) on corporate governance envisages attainment of highest standards of transparency, accountability, equity and integrity in its operations and dealings with all its stakeholders comprising of shareholders, employees, creditors, bankers, government and last but not least the society at large. We at ABCL believe that corporate governance is not merely a set of rules but it is the way a "Corporate" is run and managed so that the interests of all its stakeholders are secured.

Thus, the entire corporate structure of ABCL strives to be consistent with not only the provisions of Clause 49 of the Listing Agreement in letter and spirit but also to adhere to unwritten rules of good corporate governance emanating from ethical behavior, fair play and sense of justice.

I. Board of Directors

1. Composition

Clause 49 of the Listing Agreement provides that the Board of Directors of a company shall have an optimum combination of executive and non-executive directors with not less than fifty percent of the Board of Directors comprising of non-executive directors. Where the Chairman of the Board is a non-executive director, at least one-third of the Board should comprise of independent directors and in case he is an executive director, at least half of the Board should comprise of independent directors.

As on 31.03.2012, the Company had total 10 Directors with composition as under:

| | |
|---|-------------|
| Executive Director | — 1 |
| Non Executive Non Independent Directors | — 3 |
| Non Executive Independent Directors | — 6 |
| Total | — 10 |

Thus, in accordance with Clause 49 of the Listing Agreement:

- Not less than 50% of the Board comprised of Non Executive Directors.
- Since the Chairman is Executive Director, the number of Independent Directors were more than one half of the Board.

All the Directors have informed the Company about the committee positions they occupied in other companies as on 31.03.2012.

The names and categories of the Directors on the Board, their attendance at the Board Meetings and Annual General Meeting held during the year and number of Committee Chairmanships/ memberships held by them in other companies are given herein below:



| Name of the Director ⁵ | Attendance | | | No. of directorships in other companies ³ | No. of Committee positions in other companies as ⁴ | |
|--|----------------------------|----------|-----------------------|--|---|--------|
| | Board Meeting ¹ | | Last AGM ² | | Chairman | Member |
| | Held during the tenure | Attended | | | | |
| Executive Director Mr. N.K. Bajaj Chairman & Managing Director | 8 | 8 | Yes | 5 | 1 | 1 |
| Non Executive Non Independent Directors | | | | | | |
| Mr. A.K. Bajaj | 8 | 7 | Yes | 3 | – | – |
| Mr. V.K. Bajaj | 8 | 7 | No | 4 | – | 1 |
| Mr. J.C. Rana | 8 | 8 | Yes | – | – | – |
| Non Executive Independent Directors | | | | | | |
| Dr. B.S. Bhatia ⁶ | 8 | 8 | Yes | 1 | – | 1 |
| Mr. V.K. Sibal | 8 | 8 | Yes | – | – | – |
| Mr. Mohit Satyanand | 8 | 7 | No | 3 | – | 2 |
| Mr. G.N. Mehra | 8 | 8 | Yes | 6 | 5 | 3 |
| Mr. Sujal Shah | 8 | 7 | Yes | 9 | 5 | 3 |
| Mr. Sundeep Agarwal | 7 | 6 | No | 1 | – | – |
| Mr. M. L. Sarin ⁷ | 1 | – | NA | – | – | – |

1. During the year 2011-12, eight (8) Board Meetings were held.
2. Last AGM was held on 20.08.2011.
3. Directorships in foreign companies, private companies, associations excluded. None of the Directors of the Company is director in more than 15 companies in terms of Section 275 of the Companies Act, 1956.
4. In accordance with Clause 49 of the Listing Agreement, Audit Committee and Shareholders'/ Investors' Grievance Committee alone have been considered. As mandated by Clause 49 of the Listing Agreement, none of the Directors is member of more than 10 aforesaid Committees, nor is Chairman of more than five such Committees.
5. Inter se related Directors are Mr. N.K. Bajaj, Mr. V.K. Bajaj & Mr. A.K. Bajaj.
6. Dr. B.S. Bhatia, who is the Chairman of Audit Committee was present at the last Annual General Meeting of the Company held on 20.08.2011 to answer shareholders' queries.
7. Mr. M. L. Sarin resigned w.e.f. 16th May, 2011.

2. The number of equity shares held by Non Executive Directors as on 31.03.2012 were as under:

| Name of the Director | Number of Equity Shares held |
|----------------------|------------------------------|
| Mr. A.K. Bajaj | 77,446 |
| Mr. V.K. Bajaj | 1,20,645 |
| Mr. J.C. Rana | – |
| Dr. B.S. Bhatia | – |
| Mr. V.K. Sibal | – |
| Mr. Mohit Satyanand | – |
| Mr. G.N. Mehra | 4,825 |
| Mr. Sujal Shah | – |
| Mr. Sundeep Agarwal | – |

3. Number of Board Meetings held

During the year 2011-12, the Board met eight times on the following dates:

| 1 st Quarter | 2 nd Quarter | 3 rd Quarter | 4 th Quarter |
|-------------------------|--|------------------------------|---------------------------|
| April – June (2011) | July - September (2011) | October – December (2011) | January – March (2012) |
| 30.04.2011 | 14.07.2011 06.08.2011 20.08.2011 | 01.11.2011 21.12.2011 | 31.01.2012 17.03.2012 |

The Board of Directors meet atleast once in a quarter to review operations of the Company and financial results, and more often, if there are other businesses to transact.

The time gap between any two Board Meetings was not more than four months.

4. Information supplied to the Board

The Company Secretary in consultation with the Chairman & Managing Director finalizes the agenda papers which are circulated to the Board members well in advance of each meeting. Where it is not practical to attach any document to the agenda, the same is tabled before the meeting. In addition to regular business items, the following items/information are also placed before the Board, wherever applicable:

- Compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any.
- Annual operating plans, budgets and updates.
- Capital budgets and updates.
- Production, sales and financial performance data.
- Quarterly/annual financial results of the Company.
- Minutes of the meeting of Audit Committee and other committees of the Board.



- Information on recruitment and remuneration of senior officers just below the Board level, including appointment and removal of Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligation to and by the Company, or substantial non payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Details of any joint venture or collaboration agreement.
- Significant labour problems and their proposed solutions.
- Significant development in human resources/Industrial relations front.
- Sale of material nature of investments, assets which is not in normal course of business.
- Quarterly details of foreign exchange exposure and steps taken by the management to limit the risk of adverse exchange rate movement.
- Non compliance of any regulatory, statutory or listing requirements and shareholders services such as non payment of dividend, delay in share transfer, etc.

5. Code of Conduct

The Board of Directors have laid down a Code of Conduct for Board and senior management persons and the same is available on the Company's website, namely, www.amritbanaspati.com. In terms of Clause 49 of the Listing Agreement, all Board members and senior management persons have confirmed compliance to the Code of Conduct for the year ended 31st March, 2012. A declaration to this effect by CEO is given herein below:

I hereby declare that

The Company has obtained affirmation from all the Directors and senior management to the effect that they have complied with the Code of Conduct and Ethics of the Company for the year ended 31st March, 2012.

Place: Noida
Date : 26th May, 2012

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

6. Code of Conduct for Prevention of Insider Trading

Under SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has adopted Code of Conduct for prohibition and prevention of Insider Trading. The Code is applicable on all the Directors, officers and designated employees of the Company. The said persons, in addition to giving regular disclosures to the Company, are also prohibited under the code to deal in shares of the Company while in possession of unpublished price sensitive information. All Board members, officers and designated employees have confirmed compliance to the Code of Conduct for the year ended 31st March, 2012.

II. Committees of the Board of Directors

A. Mandatory Committees

1. Audit Committee

The Company has constituted a qualified and independent Audit Committee under Section 292A of the Companies act, 1956 read with Clause 49 of the Listing Agreement. Two third of the members of the Committee, including Committee Chairman are Independent Directors. All the members of the Committee are financially literate.

(i) Meetings and composition

The composition of Audit Committee as on 31.03.2012 and attendance record of the members at the meetings held during the year was as under:

| Name of the members | Category | Status | No. of meetings | |
|------------------------------|--|----------|-------------------------------------|----------|
| | | | Held during the tenure ¹ | Attended |
| Dr. B. S. Bhatia | Non Executive Independent Director | Chairman | 6 | 6 |
| Mr. N.K. Bajaj | Executive Director | Member | 6 | 6 |
| Mr. G. N. Mehra ² | Non Executive Independent Director | Member | 5 | 5 |
| Mr. Mohit Satyanand | Non Executive Independent Director | Member | 6 | 5 |
| Mr. Sujal Shah | Non Executive Independent Director | Member | 6 | 5 |
| Mr. J.C. Rana | Non Executive Non Independent Director | Member | 6 | 6 |

1. Committee meetings held on 30.04.2011, 14.07.2011, 06.08.2011, 01.11.2011, 31.01.2012 and 17.03.2012.

2. Mr. G. N. Mehra was appointed as Committee member on 30th April, 2011.

As mandated by Clause 49 of the Listing Agreement:

- The representatives of statutory and internal auditors of the Company are also invited in the Audit Committee meetings.
- The Asst. Company Secretary, Mr. Tushar Goel, acts as Secretary to the Committee.
- The gap between two Audit Committee meetings was not more than four months.
- Minimum two Independent Directors were invariably present at each meeting of the Audit Committee.

(ii) Terms of reference of the Audit Committee

The terms of reference of Audit Committee are as under:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.



- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Recommending to the Board, the appointment of, and if required, the replacement or removal of cost auditors and the fixation of Cost Audit fees as required under General Circular No. 15/2011 – 52/5/CAB-2011 dated April 11, 2011 issued by the Government of India, Ministry of Corporate Affairs, Cost Audit Branch, New Delhi.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - ◆ Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956;
 - ◆ Changes, if any, in accounting policies and practices and reasons for the same;
 - ◆ Major accounting entries involving estimates based on the exercise of judgment by management;
 - ◆ Significant adjustments made in the financial statements arising out of audit findings;
 - ◆ Compliance with listing and other legal requirements relating to financial statements;
 - ◆ Disclosure of any related party transactions;
 - ◆ Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors regarding any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

- Management discussion and analysis of financial condition and result of operations.
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
- Management letters / letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the Chief Internal Auditor.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

2. Shareholders'/Investors' Grievance Committee

Pursuant to Clause 49 of the Listing Agreement, the Company has constituted a Board Committee designated as Shareholders'/Investors' Grievance Committee under the Chairmanship of a non executive director to specifically look into the redressal of shareholder/investor complaints like transfer of shares, non receipt of balance sheet, non receipt of declared dividends and other ancillary matters.

(i) Meetings and composition

The composition of Committee as on 31.03.2012 and attendance record of the members at the meetings held during the year was as under:

| Name of the members | Category | Status | No. of meetings | |
|---------------------|--|----------|-------------------------|----------|
| | | | Held during the tenure* | Attended |
| Mr. V.K. Sibal | Non Executive Independent Director | Chairman | 4 | 4 |
| Mr. A.K. Bajaj | Non Executive Non Independent Director | Member | 4 | 3 |
| Mr. Sundeep Agarwal | Non Executive Independent Director | Member | 4 | 2 |
| Mr. M. L. Sarin** | Non Executive Independent Director | Member | 1 | — |

* Committee meetings held on 30.04.2011, 14.07.2011, 01.11.2011 & 31.01.2012.

** Mr. M. L. Sarin resigned w.e.f. 16th May, 2011.

(ii) Details of Shareholders'/Investors' complaints received during the year 2011-12

- Complaints pending at the beginning of the year Nil
- Complaints received during the year 11
- Complaints redressed to the satisfaction of 11
Shareholders/Investors
- Complaints pending at the end of the year Nil



(iii) Share Transfer System

Transfer of shares in physical form are processed within a period of 15 days from the date of lodgment, subject to documents being valid and complete in all respects. The transfer, transmission etc. of the Company's securities are looked after by the Registrar & Share Transfer Agents of the Company, M/s Mas Services Limited, under the supervision and control of Company Secretary. The details of shares transferred/transmitted alongwith share transfer/transmission registers are placed before the Board Committee viz. Securities Transaction Committee for approval. Compliance Certificate under Clause 47(c) of the Listing Agreement certifying the compliance of share transfer formalities is being obtained from a Practicing Company Secretary on half yearly basis and is filed with the stock exchanges. Requests received for dematerialization of shares are processed and the confirmation is given by the Registrar & Share Transfer Agents to the Depositories within 21 days.

B. Non Mandatory Committees

1. Remuneration Committee

The Company has constituted a Remuneration Committee under Schedule XIII to the Companies Act, 1956 read with Clause 49 of the Listing Agreement. All the members of the Remuneration Committee are Non Executive Independent Directors.

(i) Terms of reference

The terms of reference of Remuneration Committee is to deal with, decide and recommend to the Board of Directors on all matters relating to appointment and remuneration of Managing Director(s) and other Whole-Time Directors.

(ii) Meetings and composition

The composition of Committee as on 31.03.2012 and attendance record of the members at the meetings held during the year are as under:

| Name of the members | Category | Status | No. of meetings | |
|---------------------|------------------------------------|----------|-----------------|----------|
| | | | Held | Attended |
| Dr. B.S. Bhatia | Non Executive Independent Director | Chairman | – | – |
| Mr. Mohit Satyanand | Non Executive Independent Director | Member | – | – |
| Mr. Sundeep Agarwal | Non Executive Independent Director | Member | – | – |

(iii) Remuneration policy

Executive Directors

The remuneration of executive directors is reviewed by the Remuneration Committee and thereafter recommended to the Board for approval subject to shareholders' approval at the general meeting of the Company and such other authorities as may be required. While recommending remuneration, the Committee considers various factors such as practices prevalent in the industry for the time being, qualification, experience and expertise of the appointee and financial position of the Company.

The details of remuneration paid to Executive Director during the financial year 2011-12 are as under:

| Name of the Executive Director | Fixed (₹) | | | Variable (₹) | Total (₹) |
|--------------------------------|---------------------|---------------------------------|-----------------|------------------|------------------|
| | Salary & Allowances | Provident Fund + Superannuation | Other benefits | Commission | |
| Mr. N.K. Bajaj | 41,79,355 | 3,13,452 | 4,80,814 | 13,06,049 | 62,79,670 |
| Total | 41,79,355 | 3,13,452 | 4,80,814 | 13,06,049 | 62,79,670 |

Non Executive Directors

The Company does not have any pecuniary relationship with the non executive directors other than payment of sitting fees for attending meeting of the Board of Directors and its Committees.

The total sitting fee paid to Non Executive Directors during the year 2011-12 was as under:

| Name of the Director | Gross sitting fee paid (₹) |
|----------------------|----------------------------|
| Mr. A.K. Bajaj | 1,87,500 |
| Mr. V.K. Bajaj | 1,42,500 |
| Mr. J.C. Rana | 3,00,000 |
| Dr. B.S. Bhatia | 2,10,000 |
| Mr. V.K. Sibal | 1,50,000 |
| Mr. Mohit Satyanand | 2,02,500 |
| Mr. G.N. Mehra | 1,95,000 |
| Mr. Sujal Shah | 1,80,000 |
| Mr. Sundeep Agarwal | 1,05,000 |

Notes:

- Sitting Fees: (i) ₹ 15,000/- for each meeting of Board of Directors/Audit Committee.
(ii) ₹ 7,500/- for other Committees.
- The Company does not have any service contract with any of its Directors.
- No separate provision exists for notice period and severance fees.
- The Company has not granted any stock option to any of its Directors/Employees.

2. Other Committees of the Board

The Board has also constituted few other functional Committees apart from the aforesaid statutory Committees such as Securities Transaction Committee for considering transfer/transmission etc. of shares and Loan & Banking Committee for banking matters.



III. General Body Meetings

A. Location and time of last three Annual General Meetings

| Year | Venue | Date | Time | No. of special resolutions passed |
|---------|---|------------|------------|-----------------------------------|
| 2010-11 | Amrit Bhawan, Gobind Colony, Rajpura (Punjab) | 20.08.2011 | 11.30 a.m. | — |
| 2009-10 | | 25.09.2010 | 11.30 a.m. | 1 |
| 2008-09 | | 12.09.2009 | 11.30 a.m. | 1 |

B. Details of resolution passed by way of Postal Ballot

Pursuant to the provisions of Section 192-A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2011, the Company conducted a postal ballot vide notice dated 21st December, 2011 for obtaining approval of shareholders by way of Ordinary Resolution “for sale/transfer of the Edible Oils Business of the Company, including manufacturing facility at Rajpura (Pb.), on slump sale basis and as a going concern to M/s. Bunge India Pvt. Ltd.”, the result of which was declared on 31st January, 2012, as per details hereunder:

| Sl. No. | Particulars | No. of Ballots | No. of votes | %age of votes |
|---------|-----------------------------------|----------------|--------------|---------------|
| 1 | Number of postal ballots received | 639 | 69,62,060 | *94.555% |
| 2 | Invalid votes | 15 | 295 | — |
| 3 | Valid postal ballots | 624 | 69,61,765 | 100.00% |
| 4 | Votes in favour of the resolution | 591 | 69,61,327 | 99.994% |
| 5 | Votes against the resolution | 33 | 438 | 0.006% |

*94.555% of the paid-up equity capital of the Company.

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

IV. Disclosures

1. Disclosure of materially significant related party transactions

The related party transactions are placed before Audit Committee on quarterly basis. During the year under review, there was no transaction of material nature with related parties which are not in the normal course of business or which are not on an arms length basis. The related party transactions have been disclosed under Note No. 35 of Notes to Accounts of the Balance Sheet forming part of this Annual Report.

2. Disclosure of accounting treatment

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, and in conformity, in all respects, with the generally accepted accounting principles and standards in India. The estimates/judgments made in preparation of these financial statements are consistent, reasonable and on prudent basis so as to reflect true and fair view of the state of affairs and results/operations of the Company.

3. Board disclosures- risk management

The Company has well defined management policies to manage the risk inherent in the various aspects of business. The Board is regularly informed about the business risks and the steps taken to mitigate the same.

4. Details of non compliance with respect to capital market

The Company has complied with all the requirements of the stock exchanges as well as Regulations and guidelines prescribed by SEBI. There were no penalties, strictures imposed on the Company by stock exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

5. Disclosure under Clause 5A of the Listing Agreement in respect of unclaimed shares

The Securities and Exchange Board of India vide its Circular No. CIR/CFD/DIL/10/2010 dated 16 December 2010, amended Clause 5A of the Equity Listing Agreement for dealing with unclaimed shares in physical form. In compliance with this amendment, the Company has sent all three reminders to such shareholders whose share certificates are in undelivered form and requesting them to update their correct details viz. postal addresses, PAN details etc. registered with the Company.

The total equity shares lying unclaimed with the Company as on 31st March, 2012 are 41,828 owned by 3,459 number of shareholders. The Company has transferred all the shares into one folio in the name of "Unclaimed Suspense Account". The Company will shortly open a de-mat account with any of the Depository Participant to get the share dematerialized held in the said Unclaimed Suspense Account.

V. Means of Communication

Presently, the quarterly/half yearly financial results are not sent individually to the shareholders. However, as required under the Listing Agreement, the same are published in English and Punjabi Daily newspapers having appropriate circulation such as Times of India, Business Standard, Economic Times, Punjabi Tribune and Rozana Spokesman. The Annual Report is sent to the shareholders individually before the Annual General Meeting. The financial results are also displayed on the BSE website as well as official website of the Company viz. www.amritbanaspati.com.

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

During the year under review, no presentation was made to institutional investors or to the analysts.

VI. CEO/CFO Certification

The certificate required under Clause 49(V) of the Listing Agreement duly signed by CEO/CFO was placed before the Board of Directors in its meeting held on 26th May, 2012.

VII. Auditors Certificate on Corporate Governance

As required under Clause 49 of the Listing Agreement, the Company has obtained Certificate from Statutory Auditors regarding compliance of conditions of Corporate Governance. The same is annexed to this Report.

VIII. Compliance

1. Mandatory requirements

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement.



2. Non mandatory requirements

- (i) **Remuneration Committee:** The Company has constituted a Remuneration Committee, the details of which have already been provided earlier in this Report.
- (ii) **Audit qualifications:** During the current financial year, there are no audit qualifications in the financial statements.

IX. Other Corporate Information

1. Listing details

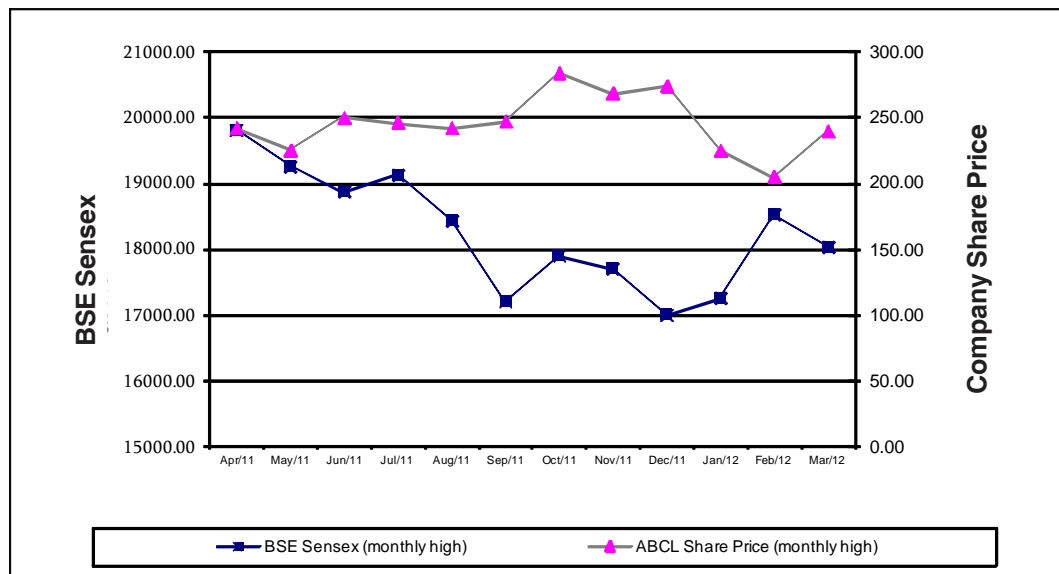
| Name of the stock exchange | Address | Stock code | Status of payment of listing fees for the year 2012-13 |
|-------------------------------|--|------------|--|
| BSE Limited | Phiroze, Jeejeebhoy Towers, 25 th Floor, Dalal Street, Mumbai – 400 001 | 531728 | Paid |
| The Delhi Stock Exchange Ltd. | 3/1, Asaf Ali, Road. DSE House, New Delhi – 110 001 | 8917 | Paid |

2. Market Price Data

| Month | Share price of the Company | | BSE Sensex | |
|-----------------|----------------------------|--------|------------|-----------|
| | High | Low | High | Low |
| April, 2011 | 242.00 | 214.00 | 19,811.14 | 18,976.19 |
| May, 2011 | 225.00 | 191.00 | 19,253.87 | 17,786.13 |
| June, 2011 | 250.00 | 201.05 | 18,873.39 | 17,314.38 |
| July, 2011 | 246.00 | 216.00 | 19,131.70 | 18,131.86 |
| August, 2011 | 242.00 | 206.00 | 18,440.07 | 15,765.53 |
| September, 2011 | 246.85 | 215.00 | 17,211.80 | 15,801.01 |
| October, 2011 | 283.95 | 235.00 | 17,908.13 | 15,745.43 |
| November, 2011 | 268.50 | 200.00 | 17,702.26 | 15,478.69 |
| December, 2011 | 274.00 | 212.10 | 17,003.71 | 15,135.86 |
| January, 2012 | 225.00 | 170.00 | 17,258.97 | 15,358.02 |
| February, 2012 | 205.00 | 175.25 | 18,523.78 | 17,061.55 |
| March, 2012 | 239.50 | 130.00 | 18,040.69 | 16,920.61 |

Source: BSE website: www.bseindia.com

3. Comparison of Company's share price with BSE Sensex



4. Distribution of shareholding as on 31.03.2012

| No. of equity shares held | No. of shareholders | % of shareholders | No. of shares held | % of shareholding |
|---------------------------|---------------------|-------------------|--------------------|-------------------|
| 1 to 500 | 17,828 | 99.25 | 2,87,480 | 3.90 |
| 501-1,000 | 59 | 0.33 | 44,220 | 0.60 |
| 1,001-2,000 | 16 | 0.09 | 24,288 | 0.33 |
| 2,001-3,000 | 16 | 0.09 | 43,187 | 0.59 |
| 3,001-4,000 | 8 | 0.04 | 27,337 | 0.37 |
| 4,001-5,000 | 8 | 0.04 | 37,604 | 0.51 |
| 5,001-10,000 | 4 | 0.02 | 25,108 | 0.34 |
| 10,001 and above | 24 | 0.14 | 68,73,744 | 93.36 |
| TOTAL | 17,963 | 100.00 | 73,62,968 | 100.00 |



5. Shareholding pattern as on 31.03.2012

| Category | No. of shareholders | No. of shares | % of shareholding |
|-----------------------------------|---------------------|------------------|-------------------|
| Promoter holding | | | |
| Individuals/HUF | 15 | 8,56,657 | 11.63 |
| Bodies Corporate | 10 | 46,09,015 | 62.60 |
| Total Promoter holding | 25 | 54,65,672 | 74.23 |
| Non promoter holding | | | |
| Institutions/banks | 6 | 587 | 0.01 |
| Bodies Corporate | 139 | 68,270 | 0.93 |
| Individuals | 17,405 | 17,99,932 | 24.44 |
| NRIs/OBCs | 325 | 7,886 | 0.11 |
| Clearing members | 30 | 16,326 | 0.22 |
| Trust | 1 | 967 | 0.01 |
| Others | 32 | 3,328 | 0.05 |
| Total Non promoter holding | 17,938 | 18,97,296 | 25.77 |
| Total | 17,963 | 73,62,968 | 100.00 |

6. Dematerialization of shares

71,73,037 equity shares equivalent to 97.42% of the Company's equity capital is held in dematerialized form with NSDL and CDSL as on 31.03.2012. The Company has joined NSDL and CDSL to offer depository services to the shareholders and connectivity of the same is being maintained through RTA, Mas Services Limited. The shareholders may open account with any of the Depository Participant registered with NSDL or CDSL.

Reconciliation of share capital audits were carried out by a qualified Practising Company Secretary on quarterly basis for reconciling the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit inter-alia confirms that total issued/paid-up capital is in agreement with the total number of shares held in physical form and the total number of dematerialised shares held with NSDL and CDSL.



X. General Shareholder Information

| | | | | |
|----|---|--|--|--|
| 1 | Annual General Meeting | Day : Saturday Date : 28 th July, 2012 Time : 11.30 a.m. Venue : Amrit Bhawan, J-3, 9/13, Gobind Colony, Rajpura, Distt. Patiala (Punjab) - 140 401 | | |
| 2 | Dividend Payment Date | Dividend as recommended by the Board of Directors, if declared, in the AGM will be paid on or after 28 th July, 2012 but before the statutory time limit of 30 days from the date of declaration. | | |
| 3 | Financial year | 1 st April to 31 st March | | |
| 4 | Financial calendar | Quarter ended on | 2011-12 (Results announced on) | 2012-13 (Tentative) |
| | | 30 th June 30 th September 31 st December 31 st March | 06.08.2011 01.11.2011 31.01.2012 26.05.2012 | First week of Aug., 2012 First week of Nov., 2012 First week of Feb., 2013 Last week of May, 2013 |
| 5 | Book closure dates | 21 st July, 2012 to 28 th July, 2012 | | |
| 6 | Name, designation and address of Compliance Officer | Mr. Tushar Goel Asst. Company Secretary cum Compliance Officer Amrit Banaspati Co. Ltd., Regd. Office: J-3, 9/13, Gobind Colony, Rajpura, Punjab – 140 401 Ph.: 01762-224197, Fax: 0120-4506910 Corporate Office: Amrit Corporate Centre, A-95, Sector-65, Noida-201 309 (U.P.) Ph.: 0120-4506900, Fax: 0120-4506910 | | |
| 7 | Exclusive E-mail ID for redressal of investor complaints in terms of Clause 47(f) of the Listing Agreement | tushar.goel@amritbanaspati.com | | |
| 8 | Registrar & Share Transfer Agents | Mas Services Ltd. T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020 Ph.: 26387281/82/83, Fax: 011-26387384 e-mail:info@masserv.com | | |
| 9 | Website of the Company | www.amritbanaspati.com | | |
| 10 | Demat ISIN in NSDL/CDSL | INE221G01029 | | |
| 11 | Outstanding GDRs/ADRs/Warrants any convertible instruments, conversion date and likely impact on equity | Not Applicable | | |
| 12 | Regd. Office and address for correspondence | Amrit Banaspati Company Limited, J-3, 9/13, Gobind Colony, Rajpura, Distt. Patiala (Punjab) – 140 401 Ph.: 01762-224197, Fax: 0120-4506910 | | |



XI. Details of Directors seeking appointment/re-appointment at the Annual General Meeting
(Pursuant to Clause 49 of the Listing Agreement)

| S.No. | (1) | (2) | (3) |
|---|--|---|--|
| Name of the Director | Mr. A.K. Bajaj | Mr. V.K. Sibal | Mr. J.C. Rana |
| Age | 50 years | 75 years | 55 years |
| Date of appointment | 24.07.2007 | 24.07.2007 | 27.07.2010 |
| Qualification(s) | B.Sc. | MA. L.L.B. M.Sc., IAS | B.Com, LL.B., Diploma in Labour Laws (post – LLB), PGDM, FCS |
| Expertise in specific functional area | Industrialist having more than 25 years of wide ranging experience in edible oils & food industries. | Retired officer of the Indian Administrative Service and the United Nations Civil Service. Currently practicing as a lawyer. His last assignment was a member of the Punjab State Human Rights Commission, a position which carried the status of a High Court Judge. | Mr. J.C. Rana is a corporate executive having over 26 years of experience in the fields of finance, law, HR and secretarial. He has worked with Indian and multi-national companies in various capacities as Corporate Resources Head, Company Secretary & Legal Counsel and presently working as Executive Director of Amrit Corp. Ltd. |
| Directorships in other Public Limited Companies | 1. Amrit Corp. Ltd. 2. Amrit Learning Ltd. 3. Amrit Realities Ltd. | Nil | Nil |
| Chairmanship/ membership of Committees in other Public Limited Companies | Nil | Nil | Nil |
| Shareholding in Company (Equity shares of ₹ 10/- each) | 77,446 | Nil | Nil |



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

To the Members of Amrit Banaspati Company Limited

We have examined the compliance of the conditions of Corporate Governance by Amrit Banaspati Company Limited for the year ended 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

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

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

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

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

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

Place: Noida
Date : 26th May, 2012

MAHESH SAHAI
Partner
M.No.- 006730



AUDITORS' REPORT

The Members of Amrit Banaspati Company Ltd.

1. We have audited the attached Balance Sheet of Amrit Banaspati Company Ltd. as at 31st March, 2012, Statement of Profit & Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government in terms of section 227 (4A) of the Companies Act, 1956 ('the Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us during the course of the audit, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit.
 - (ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books.
 - (iii) The company's Balance Sheet, Statement of Profit & Loss Account and the Cash Flow

Statement dealt with by this report are in agreement with the books of account.

- (iv) In our opinion the Balance Sheet, Statement of Profit & Loss Account and the Cash Flow Statement dealt with by this report comply with the requirements of the accounting standards referred to in sub-section (3C) of section 211 of the Act, to the extent applicable.
- (v) Based on the information and explanations given to us and representations received from all the Directors of the company as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the Directors of the company is disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) to section 274 of the Act.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Statement of Profit and Loss Account, read together with the Significant Accounting Policies in Note No. 28 along with other Notes to Accounts forming part of financials, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2012;
 - (b) In the case of Statement of Profit & Loss account, of the profit for the year ended on that date; and
 - (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

(MAHESH SAHAI)
Partner

Place: Noida
Date : 26th May, 2012

M.No.006730

Annexure to the Auditors' Report (Referred to in paragraph 3 of our Report of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a phased programme of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with such programme, the management has physically verified its fixed assets during the year and no material discrepancies were noticed by them.
- (c) During the year, the Company sold its Edible Oils Business and the Undertaking located at Rajpura, Distt. Patiala (Punjab) on slump sale basis and as a going concern to Bunge India Pvt. Ltd. ("Bunge"). In terms of the Business Transfer Agreement ("BTA") dated 21.12.2011, all the movable and immovable assets, liabilities, business contracts, employees and intellectual property rights and secured & unsecured loans (excluding certain assets, loans & advances and public deposits, which have been retained in the company) have been transferred to Bunge on 10th February, 2012.
The Company is now engaged in trading activities and is also carrying on treasury operations arising out of the cash received from the sale of edible oils business. The management has plans to pursue the trading activities in future on a large scale. The Company may also undertake manufacturing activities in future, other than edible oils business, for which the management is exploring various options. In view of this, the accounts of the company have been prepared on a going concern basis.
2. (a) According to the information and explanations given to us, physical verification of inventories was conducted by the management at periodic intervals during the year. These intervals are reasonable having regard to the size of the Company and the nature of its inventories.
- (b) The procedures followed by the company for physical verification of inventories are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The Company has been maintaining proper records of inventory and no material discrepancies were noticed on physical verification as compared to book records.
3. (a) The Company had granted a loan amounting to ₹ 392.73 lacs to the erstwhile Amrit Banaspati Co. Ltd. (now 'Amrit Corp. Ltd.')
- (b) The MRS provided that the said unsecured loan would be subordinated to institutions/banks term loans and would be repaid after payment to all financial institutions/banks. Accordingly, the interest on the said unsecured loans has been fixed at 10% on annual basis and the loan was to be repaid after 31.03.2010 by which time all the loans of the financial institutions/banks were to be repaid as per MRS.
- (c) Interest was being regularly paid on the said unsecured loan. Amrit Corp. Ltd. has completed repayment of unsecured loan during the financial year 2011-12, as per agreed terms.
- (d) The company has not taken any loan secured or unsecured from any other Company covered in the register maintained under Section 301 of the Act.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures



commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. There was no continuing failure to correct major weaknesses in internal controls noticed by us during the course of our audit.

5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act, have been entered in the register required to be maintained under that section.
- (b) Transactions made in pursuance of such contracts or arrangements entered in the register maintained under Section 301 of the Act have been made, to the best of our knowledge and belief, at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the company has complied with the directives issued by the Reserve Bank of India and the provisions of Sections 58A, 58AA or any other relevant provision of the Act and the Rules framed thereunder, wherever applicable with regard to the deposits accepted during the year. In accordance with the information and explanations given to us, there were no orders passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other "Tribunal" which have not been complied with.
7. In our opinion the company has an internal audit system which is commensurate with the size and nature of its business.
8. We have broadly reviewed the books of accounts maintained by the Company, pursuant to the rules prescribed by the Central government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of such accounts and records.

9. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, in our opinion the company is regular in depositing the undisputed statutory dues including provident fund, investor education & protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other material statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of the above dues which were outstanding as at 31st March, 2012 for a period of more than six months from the date of becoming payable.
- (b) According to the records of the company examined by us, the particulars of the dues outstanding of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess as at 31st March, 2012 which have not been deposited on account of dispute, are as under:

| Name of Statutes | Nature of Dues | Amount (₹) | Forum where dispute is pending |
|------------------|---|------------|---|
| Service Tax | Demand notice of service tax on the deduction of price of the oil lost in transit from the freight amount | 5,59,152 | Central Excise Service Tax Appellate Tribunal (CESTAT) at New Delhi |

10. The company has no accumulated losses as at 31st March, 2012 and has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. The company has not during the year defaulted in the re-payment of dues to the banks. The company has prepaid all the term loans and working capital facilities sanctioned/availed from the banks. The company has no loans from the financial institutions nor issued any debentures.
12. The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.



13. The Company is not a chit fund, nidhi, mutual benefit fund or a society. Accordingly, the provisions of clause 4(xiii) of the Order are not applicable.
14. According to the information and explanations given to us, the company is not dealing or trading in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year. There is no corporate guarantee which is outstanding at the end of the year. Accordingly, clause 4(xv) of the Order is not applicable.
16. According to the information and explanations given to us, the term loan has been applied for the purpose for which it was obtained.
17. There were no funds raised on a short term basis which have been used on a long term basis.
18. The Company has not made any preferential issue during the year.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by public issue during the year.
21. During the course of our examination of the books and records of the Company and according to the information and explanations given to us, there were no frauds on or by the company, noticed or reported during the course of our audit.

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

(MAHESH SAHAI)
Partner
M.No.006730

Place: Noida
Date : 26th May, 2012



BALANCE SHEET as at 31st March, 2012

| Particulars | Note No. | As at 31st March, 2012 (₹) | As at 31st March, 2011 (₹) |
|------------------------------------|----------|-------------------------------|-------------------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1 Shareholders' Funds | | | |
| (a) Share Capital | 1 | 7,48,05,680 | 7,48,05,680 |
| (b) Reserves and Surplus | 2 | 1,38,34,42,014 | 46,37,10,002 |
| 2 Non-Current Liabilities | | | |
| (a) Long-term Borrowings | 3 | 12,49,000 | 12,09,14,752 |
| (b) Deferred Tax Liabilities (Net) | 4 | 3,83,161 | 8,32,45,040 |
| (c) Other Long-term Liabilities | 5 | - | 8,26,26,949 |
| (d) Long-term Provisions | 6 | - | 31,05,189 |
| 3 Current Liabilities | | | |
| (a) Short-term Borrowings | 7 | - | 16,56,46,934 |
| (b) Trade Payables | 8 | 66,052 | 6,30,72,298 |
| (c) Other Current Liabilities | 9 | 13,82,00,760 | 66,56,68,120 |
| (d) Short-term Provisions | 10 | 3,90,42,377 | 7,51,68,955 |
| TOTAL | | 1,63,71,89,044 | 1,79,79,63,919 |
| II. ASSETS | | | |
| 1 Non-Current Assets | | | |
| (a) Fixed Assets | 11 | | |
| (i) Tangible Assets | | 50,45,980 | 49,95,95,009 |
| (ii) Intangible Assets | | - | 3,77,53,375 |
| (iii) Capital Work-In-Progress | | - | 43,01,543 |
| (b) Non-Current Investments | 12 | 28,91,51,000 | - |
| (c) Long-term Loans and Advances | 13 | 1,10,32,201 | 3,96,08,175 |
| 2 Current Assets | | | |
| (a) Current Investments | 14 | 93,11,44,095 | - |
| (b) Inventories | 15 | 5,55,81,399 | 73,28,10,242 |
| (c) Trade Receivables | 16 | - | 18,99,53,809 |
| (d) Cash and Cash Equivalents | 17 | 13,36,36,548 | 26,67,39,988 |
| (e) Short-term Loans and Advances | 18 | 21,15,97,821 | 2,72,01,778 |
| TOTAL | | 1,63,71,89,044 | 1,79,79,63,919 |

Notes forming part of the financial statements

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This is the Balance Sheet referred to in our report of even date

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

N.K. Bajaj
(Chairman & Managing Director)

V.K. Bajaj
(Director)

Mahesh Sahai (Partner)
Membership No. 06730

Mahesh Mittal
[President (Finance & Audit) & CFO]

Tushar Goel
(Asst. Company Secretary)

Place : Noida
Date : 26th May, 2012



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

| Particulars | Note No. | For the year ended 31st March, 2012 (₹) | For the year ended 31st March, 2011 (₹) |
|--|----------|--|--|
| I. Revenue From Operations | 19 | 10,42,81,11,922 | 10,07,63,00,134 |
| II. Other Income | 20 | 2,97,60,429 | 81,50,108 |
| III. Total Revenue | | 10,45,78,72,351 | 10,08,44,50,243 |
| IV. Expenses: | | | |
| Cost of Materials Consumed | 21 | 7,62,39,03,994 | 7,16,63,68,309 |
| Purchases of Stock-in-Trade | 22 | 1,64,76,92,625 | 1,40,36,00,718 |
| Changes in Inventories of Finished Goods | | | |
| Work-In-Progress and Stock-in-Trade | 23 | (21,69,21,539) | (7,12,87,692) |
| Employee Benefits Expense | 24 | 10,99,92,949 | 8,74,49,995 |
| Finance Costs | 25 | 3,85,97,509 | 3,36,61,630 |
| Depreciation and Amortization Expense | 11 | 3,72,39,760 | 3,90,77,282 |
| Other Expenses | 26 | 1,10,37,97,112 | 1,09,27,99,725 |
| Total Expenses | | 10,34,43,02,410 | 9,75,16,69,967 |
| V. Profit before exceptional and extraordinary items and tax | | 11,35,69,941 | 33,27,80,276 |
| VI. Exceptional items | | | |
| Profit on disposal of assets or settlement of liabilities attributable to the discontinuing operations | 30(b) | 1,75,54,12,534 | - |
| VII. Profit/(loss) before extraordinary items and tax | | 1,86,89,82,475 | 33,27,80,276 |
| VIII. Extraordinary Items | | - | - |
| IX. Profit before Tax | | 1,86,89,82,475 | 33,27,80,276 |
| X. Tax Expense: | 27 | | |
| - Current Tax | | 44,57,83,321 | 10,62,91,055 |
| - Deferred Tax | | (8,28,61,879) | 58,79,203 |
| - Prior period Taxes | | 3,36,53,791 | 42,929 |
| XI. Profit (Loss) for the year | | 1,47,24,07,242 | 22,05,67,089 |
| XII. Pre-tax Profit/(Loss) from ordinary Continued Operations | | (1,01,32,078) | 33,27,80,276 |
| XIII. Less : Provision for Tax | | | |
| - Current Tax | | (10,13,569) | 10,62,91,055 |
| - Deferred Tax (Reversal) | | (18,392) | 58,79,203 |
| - Prior period Taxes | | - | 42,929 |
| XIV. Net Profit from Continued Operations | 30(e) | (91,00,117) | 22,05,67,089 |
| XV. Pre-tax profit/(loss) from Discontinuing Operations | 30(d) | 12,37,02,019 | - |
| XVI. Tax expense of Discontinuing Operations | | | |
| - Current Tax | | 5,05,52,493 | - |
| - Deferred Tax | | (8,28,43,487) | - |
| - Prior period taxes | | 3,36,53,791 | - |
| XVII. Net Profit from Discontinuing Operations | | 12,23,39,222 | - |
| XVIII. Pre-tax Profit/(Loss) from disposal of assets & liabilities of Edible Oils Business | 30(b) | 1,75,54,12,534 | - |
| XIX. Net Profit/ (Loss) for the year after tax Equity Shares of Par value ₹ 10/- each | | 1,47,24,07,242 | 22,05,67,089 |
| XX. EPS (Net Profit from operation after tax) | | | |
| - Basic | | 199.97 | 29.96 |
| - Diluted | | 199.97 | 29.96 |
| XXI. Number of weighted average shares used in computing earnings per share | | | |
| - Basic | | 73,62,968 | 73,62,968 |
| - Diluted | | 73,62,968 | 73,62,968 |

Notes forming part of the financial statements
This is the Profit & Loss Statement referred to in our report of even date

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

N.K. Bajaj
(Chairman & Managing Director)

V.K. Bajaj
(Director)

Mahesh Sahai (Partner)
Membership No. 06730

Mahesh Mittal
[President (Finance & Audit) & CFO]

Tushar Goel
(Asst. Company Secretary)

Place : Noida
Date : 26th May, 2012



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

| Particulars | 31st March, 2012 (₹) Continued & Discontinued Operations | | 31st March, 2011 (₹) Ordinary Continued Operations* |
|--|---|------------------|--|
| A. Cash flow from Operating Activities | | | |
| Net Profit before tax from Discontinued Operations | 1,87,91,14,553 | | 33,27,80,278 |
| Adjustments for: | | | |
| Capital Subsidy | (50,00,000) | | - |
| Depreciation | 3,71,63,593 | | 3,90,77,282 |
| Interest- Received | (70,42,905) | | (52,61,655) |
| - Paid | 3,57,40,298 | | 3,36,61,630 |
| (Profit)/loss on Sale of Assets -Net | (4,91,094) | | (4,88,212) |
| Profit from disposal of Assets & Liabilities of Edible Oils Business | (1,75,54,12,534) | 18,40,71,911 | - |
| Net Profit before tax from Continued Operations | (1,01,32,078) | | - |
| Adjustments for: | | | |
| Depreciation | 76,166 | | - |
| Interest - Received | (55,47,082) | | - |
| - Paid | 2,58,726 | | - |
| (Profit)/loss on Sale of Investments - Net | (41,641) | | - |
| Dividend Received | (1,30,51,206) | (2,84,37,115) | - |
| Operating Profit before Working Capital changes | | 15,56,34,797 | 39,97,69,323 |
| Adjustments for: | | | |
| Change in Working Capital from Discontinued Operations | | | |
| Trade and other Receivables | 19,53,62,231 | | (13,04,36,031) |
| Inventories | 73,28,10,242 | | 2,95,00,871 |
| Trade Payables & Other Current Liabilities | (68,62,12,268) | 24,19,60,205 | 14,22,26,200 |
| Change in Working Capital from Continued Operations | | | |
| Adjustments for: | | | |
| Trade and other Receivables | (16,12,28,490) | | - |
| Inventories | (5,55,81,399) | | - |
| Trade payables & Other Current Liabilities | (7,56,83,769) | (29,24,93,658) | - |
| Cash generated from Operations | | 10,51,01,344 | 44,10,60,361 |
| Direct tax paid | | (50,98,46,138) | (7,91,90,811) |
| Cash Flow before extraordinary items | | (40,47,44,794) | 36,18,69,550 |
| Net Cash from Operating Activities | | (40,47,44,794) | 36,18,69,550 |
| B. Cash flow from Investing Activities | | | |
| From Discontinued Operations | | | |
| Profit from disposal of Assets & Liabilities of Edible Oils Business | 1,75,54,12,534 | | (12,47,59,524) |
| Purchase of Fixed Assets | (1,85,75,078) | | 52,24,004 |
| Sale of Fixed Assets | 51,85,42,209 | | 52,61,655 |
| Interest received | 70,42,905 | 2,26,24,22,570 | - |
| From Continued Operations | | | |
| Purchase of Fixed Assets | (1,11,849) | | - |
| Sale of Fixed Assets | - | | - |
| Interest received | 55,47,082 | | - |
| Profit/ (loss) on Sale of Investments - Net | 41,641 | | - |
| Investment Purchase | (7,04,93,02,656) | | - |
| Investment Sale | 5,84,20,58,767 | (1,20,17,67,016) | - |
| Net cash used in Investing Activities | | 1,06,06,55,555 | (11,42,73,865) |
| C. Cash flow from Financing Activities | | | |
| From Discontinued Operations | | | |
| Proceeds from Long-term Borrowings/(Repayment) | (15,88,55,752) | | 2,38,34,996 |
| Interest paid | (3,59,08,863) | | (3,35,40,534) |
| Payment of Dividend (Incl Tax) | (3,42,29,702) | (22,89,94,317) | (1,72,28,609) |
| From Continued Operations | | | |
| Proceeds from Long-term Borrowings/(Repayment) | (4,65,42,138) | | - |
| Interest paid | (32,217) | | - |
| Payment of Dividend (Incl Tax) | (51,34,45,529) | (56,00,19,884) | - |
| Net cash used in Financing Activities | | (78,90,14,201) | (2,69,34,147) |
| Net increase/(decrease) in Cash and Cash Equivalents | | (13,31,03,440) | 22,06,61,538 |
| Cash and Cash Equivalents as at 31.03.2011(Opening Balance) | | 26,67,39,988 | 4,60,78,450 |
| Cash and Cash Equivalents as at 31.03.2012(Closing Balance) | | 13,36,36,548 | 26,67,39,988 |

*Since the decision to divest the Edible Oil Business was taken and concluded in the financial year 2011-12, the figures of previous year ended 31st March, 2011 can not be dissected into Continued & Discontinued Operations. Accordingly disclosure requirements of Accounting Standard 24 on Discontinuing Operations do not apply to figures of previous year. Accordingly cash flow for the year ended 31st March, 2011 should be considered from continued operations in the ordinary course of business only.

Notes forming part of the financial statements

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

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

N.K. Bajaj
(Chairman & Managing Director)

V.K. Bajaj
(Director)

Mahesh Sahai (Partner)
Membership No. 06730

Mahesh Mittal
[President (Finance & Audit) & CFO]

Tushar Goel
(Asst. Company Secretary)

Place : Noida
Date : 26th May, 2012



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

1 SHARE CAPITAL

The authorised, issued, subscribed and fully paid up share capital of equity shares having a par value of ₹10/- each as follows:

| Share Capital | As at 31st March, 2012 | | As at 31st March, 2011 | |
|--|------------------------|--------------------|------------------------|-------------|
| | Number | Amount in ₹ | Number | Amount in ₹ |
| Authorised | | | | |
| Equity Shares of ₹ 10/- each | 90,00,000 | 9,00,00,000 | 90,00,000 | 9,00,00,000 |
| 7% Redeemable preference shares of ₹ 10/- each | 30,00,000 | 3,00,00,000 | 30,00,000 | 3,00,00,000 |
| Issued | | | | |
| Equity Shares of ₹ 10/- each | 73,62,968 | 7,36,29,680 | 73,62,968 | 7,36,29,680 |
| Subscribed & Fully Paid up | | | | |
| Equity Shares of ₹ 10/- each fully paid | 73,62,968 | 73,629,680 | 73,62,968 | 7,36,29,680 |
| Add : Forfeited Shares | - | 1,176,000 | - | 11,76,000 |
| Total | 73,62,968 | 7,48,05,680 | 73,62,968 | 7,48,05,680 |

- (i) **Equity Shares:** The company has one class of equity shares having a par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share.
- (ii) The Company declares and pays dividend in Indian rupees. The proposed dividend by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.
- (iii) The Board of Directors, in their meeting on March 17, 2012 declared an Interim Dividend of ₹ 60/- per equity share from the proceeds of sale/transfer of Edible Oil Business and Undertaking of the Company. Further the Board of Directors, in their meeting on 26th May, 2012, proposed a Final Dividend of ₹ 4/- per equity share. The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on 28th July 2012. The total dividend appropriation for the year ended March 31, 2012 amounted ₹ 54,76,75,231/- including dividend distribution tax of ₹ 7,64,45,279/-.
- (iv) During the year ended March 31, 2011, the amount of per share final dividend recognized as distributions to equity shareholders was ₹ 4/-. The total dividend appropriation for the year ended March 31, 2011 amounted ₹ 3,42,29,702/- including dividend distribution tax of ₹ 47,77,830/-.
- (v) In terms of the Scheme of Arrangement between Amrit Banaspati Company Ltd. (Now known as "Amrit Corp. Ltd."- 'ACL'), ABC Paper Ltd. and Amrit Enterprises Ltd. (Now known as "Amrit Banaspati Co. Ltd."- 'ABCL') sanctioned by the jurisdictional High Courts at Allahabad, Delhi and Chandigarh w.e.f 1st April, 2006:
- (a) The share capital of the company was reorganized by sub-dividing 50,19,400 equity shares of ₹ 10/- into 50,19,400 equity shares of ₹ 5/- each and subsequent to such sub-division, as integral part of the said reorganization, consolidated 50,19,400 equity shares of ₹ 5/- each credited as fully paid-up into 25,09,700 equity shares of ₹ 10/- each credited as fully paid up. In consideration of the said sub-division and consolidation, the equity shareholders were issued and allotted 1 (one) 7% Redeemable Preference Share of ₹ 10/- each credited as fully paid-up which were redeemed at par on 5th July, 2008, after one year of the re-organization of the share capital;
- (b) The shareholders of ACL (erstwhile ABCL) were allotted 32,13,231 equity shares of ₹ 10/- each on 24th July, 2007 in consideration of the demerger and vesting of Edible Oils Undertaking of ACL in AEL in the swap ratio provided in the Scheme; and
- (c) Allotted 16,40,037 equity shares of ₹ 10/- each credited as fully paid-up at a premium of ₹ 34.20 each for consideration other than cash to Amrit Corp. Limited in consideration of transfer and vesting of Edible Oils Brands of ACL (other than 'Gagan') in AEL.



1A Reconciliation of number of shares

| Particulars | Equity Shares | | | |
|---|------------------------|-------------|------------------------|-------------|
| | As at 31st March, 2012 | | As at 31st March, 2011 | |
| | Number | Amount in ₹ | Number | Amount in ₹ |
| Shares outstanding at the beginning of the year | 73,62,968 | 7,36,29,680 | 73,62,968 | 7,36,29,680 |
| Shares Issued during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Any other movement | - | - | - | - |
| Shares outstanding at the end of the year | 73,62,968 | 7,36,29,680 | 73,62,968 | 7,36,29,680 |

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

| Name of Shareholder | Equity Shares | | | |
|----------------------------------|------------------------|---------------|------------------------|---------------|
| | As at 31st March, 2012 | | As at 31st March, 2011 | |
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| N.K.Bajaj | 4,06,951 | 5.53 | 4,06,951 | 5.53 |
| A.F. Trading Co. Pvt. Ltd. | 5,31,535 | 7.22 | 5,31,535 | 7.22 |
| Amrit Trademart Pvt. Ltd. | 19,14,066 | 26.00 | - | - |
| Pushpak Finvest Pvt. Ltd.* | - | - | 5,53,213 | 7.51 |
| United Holding Pvt. Ltd.* | - | - | 10,93,276 | 14.85 |
| Amrit Corp Limited. | 16,81,373 | 22.84 | 16,81,373 | 22.84 |
| Others (Less Than 5% of holding) | 28,29,043 | 38.41 | 30,96,620 | 42.05 |
| Total | 73,62,968 | 100.00 | 73,62,968 | 100.00 |

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



2 RESERVES AND SURPLUS

Reserves and Surplus consist of the following:

| Reserves and Surplus | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|---|---------------------------------------|---------------------------------------|
| (a) Capital Reserves | | |
| Opening Balance | 8,365 | 8,365 |
| Additions /(Deductions) during the year | - | - |
| Closing Balance | 8,365 | 8,365 |
| (b) Preference Share Capital Redemption Reserve | | |
| Opening Balance | 2,50,97,000 | 2,50,97,000 |
| Additions /(Deductions) during the year | - | - |
| Closing Balance | 2,50,97,000 | 2,50,97,000 |
| (c) Securities Premium Account | | |
| Opening Balance | 5,70,89,265 | 5,70,89,265 |
| Additions /(Deductions) during the year | - | - |
| Closing Balance | 5,70,89,265 | 5,70,89,265 |
| (d) Capital Subsidy | | |
| Opening Balance | 50,00,000 | 50,00,000 |
| Additions /(Deductions) during the year | (50,00,000) | - |
| Closing Balance | - | 50,00,000 |
| (e) General Reserve | | |
| Opening Balance | 3,91,82,167 | 1,71,25,458 |
| Add: Transfer from statement of profit and loss | 15,00,00,000 | 2,20,56,709 |
| (-) Written Back in Current Year | - | - |
| Closing Balance | 18,91,82,167 | 3,91,82,167 |
| (f) Surplus in statement of Profit and Loss | | |
| Opening Balance | 33,73,33,205 | 17,30,52,526 |
| (+) Net Profit/(Loss) for the current year | 1,47,24,07,242 | 22,05,67,089 |
| (-) Proposed Final Dividend on Equity Shares | 2,94,51,872 | 2,94,51,872 |
| (-) Dividend Distribution Tax on proposed Final Dividend | 47,77,830 | 47,77,830 |
| (-) Interim Dividend on Equity Shares | 44,17,78,080 | - |
| (-) Dividend Distribution Tax on Interim Dividend | 7,16,67,449 | - |
| (-) Transfer to General Reserves | 15,00,00,000 | 2,20,56,709 |
| Closing Balance | 1,11,20,65,216 | 33,73,33,205 |
| Total | 1,38,34,42,014 | 46,37,10,002 |

The Board of Directors, in their meeting held on March 17, 2012, declared an Interim Dividend of ₹ 60/- per equity share from the proceeds of sale/transfer of Edible Oils Business and Undertaking of the Company. Further the Board of Directors, in their meeting held on 26th May, 2012, proposed a Final Dividend of ₹ 4/- per equity share. The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on 28th July, 2012. The total dividend appropriation for the year ended March 31, 2012 amounted to ₹ 54,76,75,231/- including dividend distribution tax of ₹ 7,64,45,279/-.



3 LONG TERM BORROWINGS

Long term borrowings consist of the following:

| Long Term Borrowings | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|---|---------------------------------------|---------------------------------------|
| Secured | | |
| (a) Term Loans* | | |
| - State Bank of India (refer Note 3A) | - | 4,53,00,000 |
| - State Bank of Patiala (refer Note 3B) | - | 6,97,71,752 |
| | - | 11,50,71,752 |
| Unsecured | | |
| (a) Deposits | | |
| - Public Deposits (refer Note 3C) | 12,49,000 | 58,43,000 |
| | 12,49,000 | 58,43,000 |
| Total | 12,49,000 | 12,09,14,752 |

* **In case of Term Loan**

During the year ended 31st March, 2012, the Company has prepaid all the term loans upon sale/ transfer of the Edible Oils Business & Undertaking of the Company at Rajpura. Consequently, necessary returns for satisfaction of charge have been filed and registered with the Registrar of Companies.

In the previous year the term loans were secured by a equitable mortgage of factory land & building both existing as well as future and a first charge by way of hypothecation on pari passu basis over all the fixed assets of the Company both present and future, save and except assets exclusively charged to bankers for their term loans.

The term loans were further secured by personal guarantees of the Directors, namely, Shri N.K. Bajaj and Shri V.K. Bajaj.

3A Terms of Repayment of State Bank of India

| Term Loan | As at 31st March, 2012 | As at 31st March, 2011 |
|-----------------------------------|------------------------|------------------------|
| Term Loan I | | |
| - Rate of Interest | - | 4.25%+ Base Rate |
| - No. of Installments (Quarterly) | - | 8 |
| - Total Amount of Installments | - | 2,53,00,000 |
| Term Loan II | | |
| - Rate of Interest | - | 5%+ Base Rate |
| - No. of Installments (Quarterly) | - | 10 |
| - Total Amount of Installments | - | 2,00,00,000 |



3B Terms of Repayment of State Bank of Patiala

| Term Loan | As at 31st March, 2012 | As at 31st March, 2011 |
|-----------------------------------|------------------------|------------------------|
| Term Loan I | | |
| - Rate of Interest | - | 0.25%+ BPLR |
| - No. of Installments (Quarterly) | - | 3 |
| - Total Amount of Installments | - | 62,06,000 |
| Term Loan II | | |
| - Rate of Interest | - | BPLR |
| - No. of Installments (Quarterly) | - | 15 |
| - Total Amount of Installments | - | 6,35,65,752 |

3C Terms of Repayment of Deposits (Public Deposits)

| Period of Deposits and Category | As at 31st March, 2012 | As at 31st March, 2011 |
|---|---------------------------------------|---------------------------------------|
| | Quarterly/Cumulative Income Scheme | Quarterly/Cumulative Income Scheme |
| - 12 Months deposit General Category | 10.00% | 10.00% |
| - 12 Months deposit Special Category** | 10.50% | 10.50% |
| - 24 Months deposit General Category | 10.50% | 10.50% |
| - 24 Months deposit Special Category** | 11.00% | 11.00% |
| - 36 Months deposit General Category | 11.00% | 11.00% |
| - 36 Months deposit Special Category** | 11.50% | 11.50% |
| Repayment Schedule | As at 31 March, 2012 Amount in ₹ | As at 31 March, 2011 Amount in ₹ |
| For a period of 2 years or more but less than 3 years | 9,49,000 | 38,33,000 |
| For a period of 3 years or more | 3,00,000 | 20,10,000 |
| Total | 12,49,000 | 58,43,000 |

- ** Special Category persons means:
- Senior Citizens (60 years and above)
 - Equity Shareholders of the company having minimum 100 equity shares



4 DEFERRED TAX LIABILITIES

Major components of the deferred tax balances:

| | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|--|---------------------------------------|---------------------------------------|
| Deferred Tax Liabilities | | |
| Depreciation and Amortisation | 3,83,161 | 8,53,06,150 |
| Total (a) | 3,83,161 | 8,53,06,150 |
| Deferred Tax Assets | | |
| Unpaid Bonus | - | 9,91,503 |
| Earned Leave | - | 10,69,607 |
| Total (b) | - | 20,61,110 |
| Net Deferred Tax Liabilities(a-b) | 3,83,161 | 8,32,45,040 |

5 OTHER LONG TERM LIABILITIES

Other Long term borrowings consist of the following:

| Other Long Term Liabilities | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|---------------------------------|---------------------------------------|---------------------------------------|
| Others - Delears' Securities | - | 8,26,26,949 |
| Total | - | 8,26,26,949 |

6 LONG TERM PROVISIONS

Long term provisions consist of the following:

| Long Term Provisions | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|--|---------------------------------------|---------------------------------------|
| Provision for Employee Benefits Leave Encashment (refer Note 37) | - | 31,05,189 |
| Total | - | 31,05,189 |



7 SHORT TERM BORROWINGS

Short term borrowings consist of the following:

| Short Term Borrowings | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|-------------------------------------|---------------------------------------|---------------------------------------|
| Secured | | |
| Loans repayable on demand | | |
| Working Capital Loan (Cash Credit)* | | |
| - State Bank of India | - | 13,09,36,324 |
| - State Bank of Patiala | - | 3,47,10,610 |
| Total | - | 16,56,46,934 |

* During the year ended 31st March 2012, the company has prepaid all the working capital loans upon sale/ transfer of the Edible Oils Business & Undertaking of the company at Rajpura.

In the previous year the working capital (cash credit) borrowings were secured by:

- First pari passu charge by way of hypothecation over all the current assets of the Company consisting of raw material/stock in process/finished goods/stores & spares/ book debts, bills etc. lying in factory premises/sales depots and offices;
- Second pari passu charge over all the fixed assets of the Company (existing as well as future);
- Equitable mortgage of factory land and building both present and future on 2nd charge basis with the existing charge-holders; and
- Personal guarantees of the Directors, namely, Shri N.K. Bajaj and Shri V.K. Bajaj.

8 TRADE PAYABLES

Trade payables consist of the following:

| Other Long Term Liabilities | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|------------------------------------|---------------------------------------|---------------------------------------|
| Trade Payables | | |
| - Due to MSMED (refer Note No. 33) | - | 1,20,825 |
| - Due to others | 66,052 | 6,29,51,473 |
| Total | 66,052 | 6,30,72,298 |

9 OTHER CURRENT LIABILITIES

Other current liabilities consist of the following:

| Other Current Liabilities | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|---|---------------------------------------|---------------------------------------|
| (a) Current maturities of Long Term Debts | 38,99,000 | 4,70,44,000 |
| (b) Interest accrued but not due on Borrowings | 7,54,727 | 8,35,264 |
| (c) Interest accrued and due on Borrowings | 20,321 | 18,48,750 |
| (d) Income received in Advance* | - | 1,03,74,319 |
| (e) Unpaid Equity Dividends** (refer Note 9A) | 12,82,52,772 | 7,63,309 |
| (f) Unpaid Redemption amount on Preference Shares** | 51,410 | 68,910 |
| (g) Acceptances | - | 57,50,63,537 |
| (h) Other Payables (refer Note 9B) | 52,22,530 | 2,96,70,031 |
| Total | 13,82,00,760 | 66,56,68,120 |



9A Details of Unpaid Dividend Accounts

| Particulars | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|--|---------------------------------------|---------------------------------------|
| Yes Bank Ltd. (Unpaid Equity Dividend 2006-07) | 1,96,631 | 1,99,337 |
| Yes Bank Ltd. (Unpaid Equity Dividend 2007-08) | 1,15,856 | 1,17,397 |
| Yes Bank Ltd. (Unpaid Preference Dividend 2007-08) | 4,545 | 6,092 |
| Yes Bank Ltd. (Unpaid Preference Dividend 2006-07) | 45,478 | 46,703 |
| Yes Bank Ltd. (Unpaid Equity Dividend 2008-09) | 1,66,506 | 1,69,236 |
| Yes Bank Ltd. (Unpaid Equity Dividend 2009-10) | 2,19,704 | 2,24,544 |
| Yes Bank Ltd. (Unpaid Equity Dividend 2010-11) | 4,25,852 | - |
| Yes Bank Ltd. (Interim Dividend FY 2011-12) | 12,70,78,200 | - |
| Total | 12,82,52,772 | 7,63,309 |

9B Other payables consist of the following:

| Particulars | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|-----------------------|---------------------------------------|---------------------------------------|
| Statutory Liabilities | 45,20,811 | 1,79,68,909 |
| Salary Payable | - | 44,86,038 |
| Employees Balances | 1,164 | 19,46,196 |
| Others | 7,00,555 | 52,68,888 |
| Total | 52,22,530 | 2,96,70,031 |

* Advances received from finished goods dealers

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

10 SHORT TERM PROVISIONS

Short term provisions consist of the following:

| Short Term Provisions | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|---|---------------------------------------|---------------------------------------|
| (a) Provision for Employees Benefits | | |
| - Bonus | - | 57,75,496 |
| (b) Others | | |
| - Proposed Final Dividend on Equity Shares | 2,94,51,872 | 2,94,51,872 |
| - Dividend Distribution Tax on Final Dividend | 47,77,830 | 47,77,830 |
| - Interest under Section 234C | 57,944 | - |
| - Current Tax (Net of advance tax) | 47,54,731 | 3,51,63,757 |
| Total | 3,90,42,377 | 7,51,68,955 |

11 FIXED ASSETS

Fixed assets consist of the following:

| Fixed Assets | Gross Block | | | Accumulated Depreciation | | | Net Block | |
|------------------------------------|-------------------------------|--------------|--------------------|--------------------------------|----------------------------------|------------------------|--------------------------------|--------------------------------|
| | Balance as at 1st April, 2011 | Additions | Deletion/ Transfer | Balance as at 31st March, 2012 | Depreciation charge for the year | On Disposals/ Transfer | Balance as at 31st March, 2012 | Balance as at 31st March, 2011 |
| a. Tangible Assets | | | | | | | | |
| (Not under Lease) | | | | | | | | |
| Land | 26,27,162 | - | 19,10,330 | 7,16,831 | - | - | 7,16,831 | 26,27,162 |
| Building | 9,49,09,472 | 48,19,967 | 9,59,27,340 | 38,02,098 | 23,36,878 | 3,33,40,081 | 27,89,988 | 6,28,94,158 |
| Plant & Machinery | 62,43,38,531 | 77,87,113 | 63,21,11,201 | 14,443 | 2,51,67,904 | 23,34,40,564 | 7,232 | 41,60,58,640 |
| Laboratory Equipments | 18,85,596 | 31,693 | 19,17,289 | - | 74,838 | 14,83,210 | - | 4,77,224 |
| Furniture & Fixture | 41,13,817 | 66,748 | 38,07,827 | 3,74,737 | 95,570 | 30,81,786 | 64,909 | 8,17,773 |
| Equipment & Appliances | 72,21,209 | 1,27,426 | 67,85,697 | 5,62,938 | 3,28,035 | 36,51,871 | 2,24,321 | 35,58,755 |
| Vehicle | 81,80,638 | 44,37,936 | 1,11,59,701 | 14,58,873 | 11,02,895 | 29,36,877 | 11,88,314 | 60,76,096 |
| Computer | 1,91,71,517 | 55,545 | 1,91,71,517 | 55,545 | 14,85,772 | 1,39,54,924 | 54,406 | 67,01,225 |
| Electric Installation | 3,42,122 | - | 3,42,122 | - | - | 3,25,016 | - | 17,106 |
| Water Supply System | 24,54,519 | - | 24,54,519 | - | 1,37,918 | 22,25,567 | - | 3,66,869 |
| Nitrogen Cylinder | 4,000 | - | 4,000 | - | - | 4,000 | - | - |
| Temporary Construction | 94,433 | - | 94,433 | - | - | 94,433 | - | - |
| Total | 76,53,43,014 | 1,73,28,427 | 77,56,85,976 | 69,85,465 | 3,07,29,810 | 29,45,38,330 | 50,45,980 | 49,95,95,009 |
| b. Intangible Assets | | | | | | | | |
| Brands | 7,46,73,000 | - | 7,46,73,000 | - | 64,15,870 | 4,33,35,495 | - | 3,77,53,375 |
| Computer Softwares | - | 13,58,500 | 13,58,500 | - | 94,080 | 94,080 | - | - |
| Total | 74,6,73,000 | 13,58,500 | 7,60,31,500 | - | 65,09,950 | 4,34,29,575 | - | 3,77,53,375 |
| c. Capital Work in Progress | | | | | | | | |
| Total | - | - | - | - | - | - | - | 43,01,543 |
| Grand Total | 84,00,16,014 | 1,86,86,927 | 85,17,17,476 | 69,85,465 | 3,72,39,760 | 33,79,67,905 | 50,45,980 | 54,16,49,927 |
| Previous Year | 70,51,88,119 | 14,43,87,015 | 95,59,120 | 84,00,16,014 | 3,90,77,282 | 48,23,326 | 30,26,67,630 | |

12 NON CURRENT INVESTMENTS

Long Term Investments - at Cost

12A

| Particulars | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|---|---------------------------------------|---------------------------------------|
| Others (Quoted) (refer Note 12B) | | |
| Investments in Debentures or Bonds | 13,91,51,000 | - |
| Investments in Mutual Funds | 15,00,00,000 | - |
| Less: Provision for diminution in value | - | - |
| Total | 28,91,51,000 | - |

12B Details of other Investments

| Sr. No. | Particulars | Subsidiary/ Associate/ JV/Controlled Special Purpose Entity/Others | No. of Shares/Units | | Quoted/ Unquoted | Partly Paid/ Fully Paid | Amount in ₹ | | Basis of Valuation |
|---------|--|--|--|------------------------------|--------------------------------------|--|--|------------------------------|--|
| | | | As at 31st March, 2012 | As at 31st March, 2011 | | | As at 31st March, 2012 | As at 31st March, 2011 | |
| (a) | Investments in Debentures/Bonds Bonds of IRFC of ₹ 1,000/- each. Debentures of Purvankara Projects Ltd. of ₹ 50,00,000/- each. | Others Others | 39,151 20 | - - | Quoted Quoted | Fully Paid Fully Paid | 3,91,51,000 10,00,00,000 | - - | At Cost At Cost |
| (b) | Investments in Mutual Funds Kotak FMP-77 Growth of ₹ 10/- each ICICI Pru FMP 62-396 Days of ₹ 10/- each Religare FMP Series-B 14 months of ₹ 10/- each Kotak FMP-80 Growth of ₹ 10/- each | Others Others Others Others | 80,00,000 30,00,000 10,00,000 30,00,000 | - - - - | Quoted Quoted Quoted Quoted | Fully Paid Fully Paid Fully Paid Fully Paid | 8,00,00,000 3,00,00,000 1,00,00,000 3,00,00,000 | - - - - | At Cost At Cost At Cost At Cost |
| | Total | | | | | | 288,151,000 | - | |

Particulars

| Particulars | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|--|---------------------------------------|---------------------------------------|
| Aggregate amount of quoted investments-market value. | 29,05,76,700 | - |

13 LONG TERM LOANS AND ADVANCES

Long term loans and advances consist of the following:

| Long Term Loans and Advances | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|---|---------------------------------------|---------------------------------------|
| a. Capital Advances | | |
| Unsecured, considered Good | - | 13,55,939 |
| Less: Provision for Doubtful Advances | - | - |
| | - | 1,355,939 |
| b. Security Deposits | | |
| Secured, considered Good (refer Note 13A) | 6,71,135 | 41,26,031 |
| Less: Provision for Doubtful Deposits | - | - |
| | 6,71,135 | 41,26,031 |
| c. Other Loans and Advances | | |
| Unsecured, considered Good | | |
| - Advance for Investment* | 1,00,00,000 | - |
| - Wealth Tax | 10,000 | 10,000 |
| - Income Tax Refundable | 1,51,066 | 97,83,966 |
| - Service Tax Refundable | 2,00,000 | 2,00,000 |
| Unsecured, considered Doubtful | | |
| - Income Tax Advance** | 3,36,39,872 | 50,00,000 |
| Less: Provision for tax liability under dispute | (3,36,39,872) | - |
| - Inter Corporate Deposit*** | 1,91,32,239 | 1,91,32,239 |
| Less: Provision for Inter Corporate Deposit | (1,91,32,239) | - |
| | 1,03,61,066 | 3,41,26,205 |
| Total | 1,10,32,201 | 3,96,08,175 |

* Application money paid for investment in Omnivore India Capital Trust.

** Regular tax assessment for AY 2008-09 & AY 2007-08.

*** Kuantum Papers Limited (Formerly known as ABC Paper Ltd.).

13A Details of Security Deposits

| Particulars | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|--|---------------------------------------|---------------------------------------|
| Commercial Taxes Officer, Jaipur | 50,000 | 50,000 |
| Security Deposit with Gujrat State | 70,000 | 70,000 |
| Dy. Commissioner Admn. Sales Tax, Jammu | 74,000 | 74,000 |
| Security Dep. with Sales Tax Deptt., Dhanbad | 2,00,200 | 2,00,200 |
| Security with CJM, Hoshiarpur | 50,000 | 50,000 |
| Other Securities | 2,26,935 | 36,81,831 |
| Total | 6,71,135 | 41,26,031 |

14 CURRENT INVESTMENTS - AT THE LOWER OF COST AND FAIR VALUE

| Particulars | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|---|---------------------------------------|---------------------------------------|
| Others (Quoted) (refer Note 14B) Investments in Mutual Funds Less Provision for Investments | 93,11,44,095 | - |
| Total | 93,11,44,095 | - |

14B Details of Other Investments

| Sr. No. | Name of Body Corporate | Subsidiary/ Associate/ JV/Controlled Special Purpose Entity/Others | No. of Shares/Units | | Quoted/ Unquoted | Partly Paid/ Fully Paid | Amount in ₹ | | Basis of Valuation |
|---------|---|--|-----------------------|-----------------------|------------------|-------------------------|-----------------------|-----------------------|----------------------------|
| | | | As at 31st Mar., 2012 | As at 31st Mar., 2011 | | | As at 31st Mar., 2012 | As at 31st Mar., 2011 | |
| (e) | Investments in Mutual Funds | | | | | | | | |
| | ICICI Prudential Floating Rate Plan-D For monthly Dividend of ₹ 100/- each | Others | 38,073 | - | Quoted | Fully Paid | 38,12,800 | - | Lower of cost & fair value |
| | Kotak Flexi Long Term Growth of ₹ 10/-each | Others | 1,02,966 | - | Quoted | Fully Paid | 17,46,666 | - | Lower of cost & fair value |
| | ICICI Prudential Floating Rate Plan-D For monthly Dividend of ₹ 100/-each | Others | 3,88,889 | - | Quoted | Fully Paid | 3,90,85,743 | - | Lower of cost & fair value |
| | Reliance Monthly Interval Fund Series 1 of ₹ 10/- each | Others | 2,25,14,909 | - | Quoted | Fully Paid | 22,33,25,300 | - | Lower of cost & fair value |
| | ICICI Prudential FMP Interval fund - Qtrly of ₹ 10/- each | Others | 19,99,420 | - | Quoted | Fully Paid | 2,00,00,000 | - | Lower of cost & fair value |
| | HDFC FMP 92 Days of ₹ 10/- each | Others | 2,50,000 | - | Quoted | Fully Paid | 25,00,000 | - | Lower of cost & fair value |
| | ICICI Prudential FMP 63-1 Year Plan of ₹ 10/- each | Others | 20,00,000 | - | Quoted | Fully Paid | 2,00,00,000 | - | Lower of cost & fair value |
| | Fullerton India Credit Co. Ltd. of ₹ 5,00,000/- each | Others | 300 | - | Quoted | Fully Paid | 13,75,61,400 | - | Lower of cost & fair value |
| | ING Active Debt Multi manager FOF Scheme - DIV. of ₹ 10/- each | Others | 1,52,84,118 | - | Quoted | Fully Paid | 16,65,99,949 | - | Lower of cost & fair value |
| | DWS Premier Bond Fund-Premium Plus Growth Plan of ₹ 10/-each | Others | 2,49,60,313 | - | Quoted | Fully Paid | 25,00,00,000 | - | Lower of cost & fair value |
| | Kotak Mahindra Prime Ltd. SR 10 Debentures of ₹ 5,00,000/- each | Others | 94 | - | Quoted | Fully Paid | 5,38,53,332 | - | Lower of cost & fair value |
| | Axis Liquid Fund-Retail Daily Dividend of ₹ 1,000/- each | Others | 8 | - | Quoted | Fully Paid | 8,307 | - | Lower of cost & fair value |
| | Axis Treasury Advantage Fund-Institutional Daily Dividend of ₹ 1,000/- each | Others | 12,549 | - | Quoted | Fully Paid | 1,25,50,516 | - | Lower of cost & fair value |
| | Kotak Flexi Long Term Growth of ₹ 10/- each | Others | 5,952 | - | Quoted | Fully Paid | 1,00,000 | - | Lower of cost & fair value |
| | Total | | | | | | 93,11,44,095 | - | |

| Particulars | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|---|---------------------------------------|---------------------------------------|
| Aggregate amount of quoted investments-Market value | 93,24,24,214 | - |

15 INVENTORIES

Inventories consist of the following:

| Inventories | As at 31st March, 2012 | | As at 31st March, 2011 | |
|--|------------------------|--------------------|------------------------|---------------------|
| | Amount in ₹ | Amount in ₹ | Amount in ₹ | Amount in ₹ |
| a. Raw Materials and components | | | | |
| - Raw Material in Tank | - | - | 22,94,47,103 | - |
| - Raw Material at Port | - | - | 12,58,07,920 | - |
| | | - | | 35,52,55,023 |
| b. Work-In-Progress | - | - | 6,86,99,302 | - |
| | | - | | 6,86,99,302 |
| c. Finished Goods | | | | |
| - Vanaspati | - | - | 13,34,53,436 | - |
| - Refined Oil | - | - | 7,94,68,317 | - |
| - Margarine | - | - | 78,86,248 | - |
| - By-Product | - | - | 98,54,728 | - |
| | | - | | 23,06,62,729 |
| d. Stock in Trade | | | | |
| - Vanaspati | - | - | 1,36,73,555 | - |
| - Refined Oil | - | - | 1,32,24,792 | - |
| - Salt | - | - | 87,60,407 | - |
| - Nuggets | - | - | 9,41,960 | - |
| - Commodities (Silver) | 5,55,81,399 | - | - | - |
| | | 5,55,81,399 | | 3,66,00,714 |
| e. Stores and Spares | - | - | 2,78,64,494 | - |
| | - | - | | 2,78,64,494 |
| f. Others | | | | |
| - Packing Material | - | - | 1,37,27,980 | - |
| | | - | | 1,37,27,980 |
| Total | | 5,55,81,399 | | 73,28,10,242 |

Inventory Valuation Method:

- Stock of manufactured finished goods are valued at cost or at market value, whichever is lower. In the case of finished goods, cost is determined by taking material, labour and related factory overheads, including depreciation and fixed production overheads.
- Work in process is valued at raw material cost or estimated net realizable value, whichever is lower.
- Raw Material, stores, spares and loose tools are valued at cost or estimated net realizable value, whichever is lower. The cost is determined by using moving weighted average method.
- Stock in trade are valued at cost or at market value, whichever is lower. The cost in such cases is valued at the last month weighted average price.



16 TRADE RECEIVABLES

Trade receivables consist of the following:

| Trade Receivables | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|--|---------------------------------------|---------------------------------------|
| Trade Receivables outstanding for a period less than six months from the date they are due for payment Unsecured, considered Good | - | 18,99,53,809 |
| | - | 18,99,53,809 |
| Trade receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered Doubtful | 21,19,341 | 21,19,341 |
| Less: Provision for Doubtful Debts | (21,19,341) | (21,19,341) |
| | - | - |
| Total | - | 18,99,53,809 |

17 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following:

| Cash and Cash Equivalents | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|---|---------------------------------------|---------------------------------------|
| a. Balances with Banks | | |
| - In Current Accounts (refer Note 17A) | 42,24,285 | 1,19,05,111 |
| b. Cheques, Drafts in Hand | - | 3,64,00,086 |
| c. Cash in hand | 1,08,081 | 36,202 |
| d. Others | | |
| - Unclaimed Dividends (refer Note 17B) | 12,82,52,772 | 7,63,309 |
| - Unclaimed Preference Shares Redemption | 51,410 | 68,910 |
| - Margin money deposits against Foreign Letter of Credit (refer Note 17C) | - | 2,98,66,370 |
| - Fixed Deposit with Bank less than 12 months Maturity | 10,00,000 | 18,77,00,000 |
| Total | 13,36,36,548 | 26,67,39,988 |

Cash and Cash Equivalents as of March 31, 2012 and March 31, 2011 include restricted Cash and Bank balances of ₹ 12,93,04,182. (Previous Year - ₹ 13,32,219). The restrictions are primarily on account of:

- (i) ₹ 10,00,000 (Previous Year ₹ 5,00,000) on account of Investment in Un-encumbered Liquid Funds required as per Section 58A of Companies Act, 1956.
- (ii) ₹ 12,83,04,182 (Previous Year ₹ 8,32,219) on account of unclaimed dividends.



17A Details of Current Accounts

| Particulars | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|---------------------------|---------------------------------------|---------------------------------------|
| Axis Bank Ltd. | 41,33,675 | 1,15,10,577 |
| Jammu & Kashmir Bank Ltd. | - | 2,23,747 |
| HDFC Bank Ltd. | - | 1,40,959 |
| Kotak Mahindra Bank Ltd. | 90,610 | - |
| Other Banks | - | 29,828 |
| Total | 42,24,285 | 1,19,05,111 |

17B Details of Unpaid Dividend Bank Accounts

| Particulars | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|--|---------------------------------------|---------------------------------------|
| Yes Bank Ltd. (Unpaid Equity Dividend 2006-07) | 1,96,631 | 1,99,337 |
| Yes Bank Ltd. (Unpaid Equity Dividend 2007-08) | 1,15,856 | 1,17,397 |
| Yes Bank Ltd. (Unpaid Preference Dividend 2007-08) | 4,545 | 6,092 |
| Yes Bank Ltd. (Unpaid Preference Dividend 2006-07) | 45,478 | 46,703 |
| Yes Bank Ltd. (Unpaid Equity Dividend 2008-09) | 1,66,506 | 1,69,236 |
| Yes Bank Ltd. (Unpaid Equity Dividend 2009-10) | 2,19,704 | 2,24,544 |
| Yes Bank Ltd. (Unpaid Equity Dividend 2010-11) | 4,25,852 | - |
| Yes Bank Ltd. (Interim Dividend FY 2011-12) | 12,70,78,200 | - |
| Total | 12,82,52,772 | 7,63,309 |

17C Details of Margin Money

| Particulars | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|---------------------|---------------------------------------|---------------------------------------|
| State Bank of India | - | 2,98,66,370 |
| Total | - | 2,98,66,370 |



18 SHORT TERM LOANS AND ADVANCES

Short term loans and advances consist of the following:

| Short-term Loans and Advances | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|--|---------------------------------------|---------------------------------------|
| (a) Loans and Advances to Related Parties Secured, considered Good (refer Note 18A) | - | 49,21,560 |
| (b) Other Loans and Advances Unsecured, considered Good - Other Loans and Advances (refer Note 18B) | 21,15,97,821 | 2,22,80,218 |
| Total | 21,15,97,821 | 2,72,01,778 |

18A Details of Related Parties consist of the following:

| Particulars | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|--|---------------------------------------|---------------------------------------|
| Amrit Corp Limited | - | 44,26,560 |
| Loans and Advances due by other Officers | - | 4,95,000 |
| Total | - | 49,21,560 |

18B Details of other Loans and Advances consist of the following:

| Particulars | As at 31st March, 2012 Amount in ₹ | As at 31st March, 2011 Amount in ₹ |
|------------------------------------|---------------------------------------|---------------------------------------|
| Prepaid Expenses | 13,500 | 1,43,74,036 |
| Income Tax Refundable AY 2011-2012 | 38,36,670 | - |
| Interest Recoverable | 30,65,705 | 7,63,093 |
| Inter Corporate Deposit | 20,00,00,000 | - |
| Insurance Claims | - | 12,97,885 |
| Sales Tax Recoverable | - | 29,18,712 |
| Toll Tax Recoverable | - | 41,631 |
| Advance to Staff | - | 98,527 |
| Other Advances | 46,81,946 | 27,86,334 |
| Total | 21,15,97,821 | 2,22,80,218 |



19 REVENUE FROM OPERATIONS

Revenue from operations consists of revenues from:

| Particulars | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 |
|---|--|--|
| | Amount in ₹ | Amount in ₹ |
| Sale of Products (refer Note 19A) | 10,45,21,76,491 | 10,09,97,58,686 |
| Other Operating Revenues (refer Note 19B) | 12,91,708 | 21,11,730 |
| Less: | | |
| Excise Duty* | 2,53,56,277 | 2,55,70,282 |
| Total | 10,42,81,11,922 | 10,07,63,00,134 |

* Excise duty has been accounted for on the basis of removal of goods as well as provision made for goods lying as closing stock. The amount of excise duty disclosed as deduction from Gross Sales is the total excise duty for the year except the excise duty related to the difference between the closing stock and opening stock, which has been included in "Changes in Inventories in Finished Goods, Work in Progress & Stock in Trade" under Note 23 annexed and forming part of Profit & Loss Account.

19A Details of Goods sold

| Particulars | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 |
|--------------------|--|--|
| | Amount in ₹ | Amount in ₹ |
| Trading Goods | | |
| - Vanaspati | 1,33,25,61,731 | 96,80,45,898 |
| - Refined Oil | 28,18,65,592 | 45,35,56,431 |
| - Salt | 5,08,72,673 | 4,81,23,437 |
| - Nuggets | 1,32,76,855 | 2,18,70,680 |
| - Raw Oil | 1,44,55,382 | - |
| Manufactured Goods | | |
| - Vanaspati | 4,67,83,81,126 | 5,03,72,28,911 |
| - Refined Oil | 3,66,69,38,531 | 3,18,83,78,714 |
| - Margarine | 14,99,43,669 | 10,05,35,922 |
| - By Products | 26,38,80,932 | 28,20,18,693 |
| Total | 10,45,21,76,491 | 10,09,97,58,686 |

19B Details of Other Operating Income

| Particulars | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 |
|---------------|--|--|
| | Amount in ₹ | Amount in ₹ |
| Sale of Scrap | 12,91,708 | 21,11,730 |
| Total | 12,91,708 | 21,11,730 |



20 OTHER INCOME

Other income (net) consists of the following:

| Particulars | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 |
|---|--|--|
| | Amount in ₹ | Amount in ₹ |
| Interest Income from Bank Deposits and others | 1,25,89,987 | 52,61,655 |
| Dividend Income from Mutual Funds | 1,30,51,206 | - |
| Gain/ (Loss) on Sale of Investments - Net | 41,641 | - |
| Rent | 21,043 | 36,910 |
| Gain on Exchange Fluctuation | 25,40,440 | 2,72,520 |
| Miscellaneous Income | 9,13,258 | 18,95,153 |
| Sundry Creditor Balance written back | 1,11,760 | 1,95,658 |
| Gain/(Loss) on Sale of Fixed Assets - Net | 4,91,094 | 4,88,212 |
| Total | 2,97,60,429 | 81,50,108 |

21 COST OF MATERIALS CONSUMED

Details of Materials Consumed

| Particulars | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 |
|---|--|--|
| | Amount in ₹ | Amount in ₹ |
| Inventory at the beginning of the year | 35,52,55,023 | 45,84,39,104 |
| Add: Purchases | 7,50,11,76,298 | 7,06,31,84,228 |
| | 7,85,64,31,321 | 7,52,16,23,332 |
| Less: Inventory at the end of the year | - | 35,52,55,023 |
| Less: Inventory transferred on Sale of Business | 23,25,27,327 | - |
| Cost of Raw Materials Consumed (refer Note 21A) | 7,62,39,03,994 | 7,16,63,68,309 |
| Total | 7,62,39,03,994 | 7,16,63,68,309 |

21A Details of Raw Material consumed

| Particulars | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 |
|-----------------|--|--|
| | Amount in ₹ | Amount in ₹ |
| Palm Oil | 5,33,50,61,657 | 5,06,41,28,330 |
| Cotton Seed Oil | 99,30,04,730 | 95,25,08,982 |
| Others | 1,29,58,37,607 | 1,14,97,30,997 |
| Total | 7,62,39,03,994 | 7,16,63,68,309 |

22 DETAILS OF GOODS PURCHASED FOR TRADING

| Particulars | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 |
|---------------------------------|--|--|
| | Amount in ₹ | Amount in ₹ |
| Stock in Trade | | |
| - Vanaspati | 1,27,45,55,030 | 92,54,59,852 |
| - Refined Oil | 27,34,64,396 | 42,79,19,293 |
| - Salt | 3,55,40,149 | 3,94,65,611 |
| - Nuggets | 85,51,651 | 1,07,55,962 |
| - Stock of Commodities (Silver) | 5,55,81,399 | - |
| Total | 1,64,76,92,625 | 1,40,36,00,718 |

23 DETAILS OF CHANGES IN INVENTORY

| Particulars | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 | Increase/ (Decrease) |
|---------------------------------|--|--|-------------------------|
| | Amount in ₹ | Amount in ₹ | Amount in ₹ |
| Stock in Trade | | | |
| - Vanaspati | 2,41,10,225 | 1,36,73,555 | 1,04,36,670 |
| - Refined Oil | 1,57,24,772 | 1,32,24,792 | 24,99,980 |
| - Salt | 70,27,074 | 87,60,407 | (17,33,333) |
| - Nuggets | 7,91,826 | 9,41,960 | (1,50,134) |
| - Stock of Commodities (Silver) | 5,55,81,399 | - | 5,55,81,399 |
| Work in Progress | 2,70,74,129 | 6,86,99,302 | (4,16,25,173) |
| Finished Goods | | | |
| - Vanaspati | 18,87,03,118 | 13,34,53,436 | 5,52,49,682 |
| - Refined Oil | 20,78,39,867 | 7,94,68,317 | 12,83,71,550 |
| - Margarine | 1,51,46,022 | 78,86,248 | 72,59,774 |
| - By Product | 1,10,42,022 | 98,54,728 | 11,87,294 |
| - Excise duty on Closing stock | 11,28,839 | 9,72,669 | (1,56,170) |
| Total | 55,41,69,293 | 33,69,35,414 | 21,69,21,539 |



24 EMPLOYEE BENEFITS EXPENSES

Employee benefits expenses consist of the following:

| Particulars | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 |
|---|--|--|
| | Amount in ₹ | Amount in ₹ |
| (a) Salaries & Wages | 9,19,17,245 | 7,09,24,412 |
| (b) Bonus | 52,77,211 | 57,75,496 |
| (c) Leave encashment (refer Note 37) | 13,71,714 | 14,18,690 |
| (d) Contributions to Provident and other Funds | | |
| (i) Provident Fund | 39,95,419 | 41,76,270 |
| (ii) Gratuity Fund Contribution (refer Note 37) | 9,12,858 | - |
| (iii) Superannuation Scheme | 6,09,588 | 6,79,320 |
| (iv) Employee State Insurance (ESI) | 8,29,758 | 9,04,374 |
| (e) Employees Welfare Expenses | 50,79,156 | 35,71,433 |
| Total | 10,99,92,949 | 8,74,49,995 |

25 FINANCE COSTS

Finance costs consist of the following:

| Particulars | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 |
|-----------------------------------|--|--|
| | Amount in ₹ | Amount in ₹ |
| Interest Expense (refer Note 25A) | 3,59,41,080 | 3,36,61,630 |
| Other Borrowing Costs | 25,98,485 | - |
| Interest on Income Tax | 57,944 | - |
| Total | 3,85,97,509 | 3,36,61,630 |

25A Interest expenses consist of the following:

| Particulars | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 |
|--|--|--|
| | Amount in ₹ | Amount in ₹ |
| Interest paid on Term Loans | 1,74,87,471 | 1,55,96,281 |
| Interest paid on Working Capital Loans | 1,24,99,930 | 1,13,70,929 |
| Interest paid on Dealership Security | 50,83,772 | 56,96,899 |
| Interest paid on Fixed Deposits | 8,69,907 | 9,97,521 |
| Total | 3,59,41,080 | 3,36,61,630 |



26 OTHER EXPENSES

Other expenses consist of the following:

| Particulars | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 |
|--|--|--|
| | Amount in ₹ | Amount in ₹ |
| Consumption of Stores & Spares, Chemicals & Others | 5,89,98,229 | 6,30,61,438 |
| Power & Fuel consumed | 22,40,67,894 | 21,86,94,379 |
| Rent | 72,78,515 | 91,93,118 |
| Rates & Taxes | 20,51,795 | 22,30,735 |
| Repairs to Buildings | 49,30,781 | 41,31,514 |
| Repairs to Machineries | 2,06,77,517 | 1,88,75,838 |
| Computers maintenance | 20,66,305 | 23,42,987 |
| Insurance | 50,41,712 | 40,31,684 |
| Packing Material | 46,44,76,969 | 48,02,04,267 |
| Freight Outward | 13,04,88,704 | 12,39,99,990 |
| Payment to Auditors | | |
| - Audit Fee | 6,17,980 | 3,30,900 |
| - Reimbursement of Expenses | 5,06,551 | 2,63,344 |
| - Other Services | 4,44,016 | - |
| Travelling & Conveyance | 1,53,13,312 | 1,68,83,187 |
| Royalty | 2,97,36,952 | 2,19,23,730 |
| Payment to Directors | | |
| - as Sitting Fees | 16,72,500 | 8,17,500 |
| - as Travelling Expenses | 22,54,862 | 12,23,375 |
| Legal & Professional Charges | 79,90,633 | 64,70,049 |
| Advisory & Consultancy | 1,00,76,709 | 93,30,040 |
| Communication Expenses | 20,60,091 | 25,06,709 |
| Advertisement & Sales Promotion | 3,11,71,943 | 4,86,44,038 |
| Dealers Incentive & Target Incentive | 3,58,07,047 | 4,02,00,742 |
| Sales Depot Expenses | 1,06,39,997 | 86,36,240 |
| Provision for Doubtful Advance | 1,91,32,239 | - |
| Prior Period Expenses | 20,37,106 | (60,826) |
| Other Expenses | 1,42,56,752 | 88,64,747 |
| Total | 1,10,37,97,112 | 1,09,27,99,725 |

27 TAX EXPENSES

Tax expenses consist of the following:

| Particulars | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 |
|-------------------------------|--|--|
| | Amount in ₹ | Amount in ₹ |
| Current Tax | | |
| - Income Tax | 44,57,83,321 | 10,62,91,055 |
| Deferred Tax Liabilities | | |
| - Deferred Tax Liabilities | | |
| Depreciation and Amortisation | (8,49,22,989) | 53,28,404 |
| - Deferred Tax Assets | | |
| Bonus Not Paid | 9,91,503 | (57,921) |
| Earned Leave | 10,69,607 | 6,08,720 |
| Prior Period Tax | 3,36,53,791 | 42,929 |
| Total | 39,65,75,233 | 11,22,13,187 |



28 SIGNIFICANT ACCOUNTING POLICY

(a) Basis of Preparation of Financial Statements

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

(b) Use of Estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities and reported amount of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, employee benefits and provision for income tax. Actual results could differ from these estimates. Any revision in accounting estimates is recognized prospectively in the year of revision.

(c) Fixed Assets

(i) Tangible Assets

Fixed Assets are stated at their original cost of acquisition inclusive of inward freight, duties, taxes and incidental expenses relating to acquisition and installation net of grants received, if any.

The Cost of Assets under installation or under construction plus direct expenses as at the Balance Sheet date are shown as capital Work-In-Progress.

(ii) Intangible Assets

The Cost of Brands acquired comprises its purchase price, including any duties and other taxes (other than those subsequently recoverable by the enterprise from the taxation authorities) and any directly attributable expenditure on their acquisition.

(d) Depreciation/Amortization

(i) Depreciation is provided on the straight line method, at the rates specified in Schedule XIV of the Companies Act, 1956.

(ii) In respect of assets added/sold, discarded, demolished or destroyed during the year, depreciation is charged on a pro-rata basis with reference to the month of addition/disposal. In the case of additions, it is charged for the full month in which the additions took place and in the case of sales it is charged upto the month preceding the date of sale.

(iii) Assets below ₹ 5,000/- are depreciated at the rate of 100% in the year of purchase.

(iv) Intangible Assets i.e. Brands are amortized over a period of 10 years subsequent to its purchase on straight line basis.

(e) Impairment

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

(f) Inventories

- (i) Stock of manufactured finished goods is valued at cost or at market value, whichever is lower. In the case of finished goods, cost is determined by taking material, labour and related factory overheads including depreciation and fixed production overheads.
- (ii) Work in process is valued at raw material cost or estimated net realizable value, whichever is lower.
- (iii) Raw material, stores, spares and loose tools are valued at cost or estimated net realizable value, whichever is lower. Cost is determined by using the moving weighted average method.
- (iv) Stock in trades are valued at cost or at market value, whichever is lower. The cost in such cases is valued at the last month weighted average price.

(g) Foreign Currency Transactions

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction or at the forward contract rate agreed with the bank, as the case may be. Monetary current assets and current liabilities that are denominated in foreign currency are translated at the exchange rate prevalent on the date of the Balance Sheet. The resulting difference is also recorded in the Profit & Loss Account.

(h) Investment

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

(i) Revenue Recognition

- (i) Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods are transferred to the customers and is stated inclusive of excise duty. Revenue from the sale of goods is stated at net of trade discount & value added tax (VAT).
- (ii) Interest revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(j) Retirement and Other Employee Benefits

(a) Short Term Employee Benefits

All employee benefits falling due wholly within twelve months of availing service are classified as short term employee benefits. Benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee avails the related service.

(b) Post-Employment Benefits

(i) Defined Contribution Plans: The State governed provident fund scheme, employee state insurance scheme, employee pension scheme and the company's approved superannuation scheme are defined contribution plans. The contribution paid/payable under the schemes is recognized during the period in which the employee avails the related service.

(ii) Defined Benefit Plans: Defined benefit plans of the company comprise employee's gratuity fund schemes managed by a Trust/LIC/SBI Life and Employees Provident Fund managed



by the Trust. The Provident Fund Trust set up by the Company is treated as defined benefit plan since the minimum interest payable by the Provident Fund Trust to the beneficiaries is notified every year by the Government and the Company has an obligation to make good the shortfall, if any, between the return on respective investments of the Trust and the notified interest rate. Accordingly, the contribution paid or payable and the interest shortfall, if any, is recognized as an expense in the period in which the services are availed by the employee.

Wherever applicable, the present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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

Actuarial Gains and Losses are recognized immediately in the Profit & Loss Account.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on net basis.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs. Past service cost is recognized as an expense on a straight-line basis over the average period until the benefits become vested.

(c) Long Term Employee Benefits

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

- (d) The company does not encash leave which has been accumulated up to specified period. Such leaves have been classified as long term employee benefits. Such leave accumulated at each accounting period are carried forward to the next accounting period. Leave other than specified leave is encashable. There are no other encashable short term benefits. The other staff benefit schemes will be provided according to respective laws in respect of employees as and when these schemes will become applicable to the company.

(k) Research and Development Expenditure

Revenue expenditure whenever incurred on research is expensed as incurred and such expenditure incurred during the research phase is directly charged to the Profit & Loss Account. The expenditure incurred during development stage (if any) is capitalized.

(l) Taxes on Income

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

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

it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

Deferred tax is recognized subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originates in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between taxable profits and accounting profits. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date. Deferred tax assets on timing difference are recognized only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. However, deferred tax assets on the timing differences when unabsorbed depreciation and losses carried forward exist, are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax can be realized. Deferred tax assets are reassessed for the appropriateness of their respective carrying values at each Balance Sheet date.

(m) Provisions and Contingencies

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

(n) Borrowing Costs

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

(o) Earnings Per Share

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

(p) Cash Flow Statement

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



29. Contingent Liabilities and Commitments

(a) Contingent Liabilities

Contingent Liabilities of the Company as on 31.03.2012 on account of matters pending before various judicial/appellate authorities are as under:

| Sl. No. | Nature of Contingent Liability | 2011-12 | 2010-11 |
|---------|--|-------------|-------------|
| (i) | Service Tax | 5,59,152 | 5,59,152 |
| (ii) | Central Excise | Nil | 2,09,100 |
| (iii) | Differential Customs Duty | | |
| | (a) On transit loss of Imported CPO; | - | 51,31,410 |
| | (b) On 1269.468 MTs of Imported CPO lying at Kandla Port but not cleared on the date of Transfer of Business | 2,70,27,351 | - |
| (iv) | Income Tax demand for the financial year 2006-07 & 2007-08 | - | 2,73,71,350 |
| (v) | Entry Tax alongwith Interest | 2,68,49,811 | Nil |

These matters are contingent on the facts and evidence presented before the adjudicating authorities.

- (vi) During the year, the Company sold its Edible Oils Business and the Undertaking located at Rajpura, Distt. Patiala (Punjab) on slump sale basis and as a going concern to M/s Bunge India Pvt. Ltd. ("Bunge") for a lump sum adjusted consideration of ₹ 2,31,19,33,251/- on the terms & conditions provided in the Business Transfer Agreement ("BTA") dated 21.12.2011 entered into between the Company and Bunge. Clause 19 of the BTA provides, inter alia, that the Company and each of the promoters shall jointly and severally indemnify and hold harmless Bunge and its directors/officers etc. against all actions and associated costs and expenses pertaining to the conduct of business prior to the "Completion Date" i.e. 10th February, 2012 resulting from or arising out of (i) any liability not being settled by the company and as per law, the liability devolves on Bunge; and (ii) inaccuracies or incorrectness or breach of the representations and warranties or covenants of the Company contained in the BTA. It is further provided in the said Clause 19 of the BTA that any compensation or indemnity shall be such as to place Bunge in the same position as it would have been in had there not been any mis-representation or any breach of representation or warranty or any covenant, obligation or agreement or terms of BTA by the company. It is principally agreed that the total aggregate amount of indemnity shall not exceed the consideration amount i.e. ₹ 2,31,19,33,251/-. However, in the event Bunge claims any costs and expenses incurred by it towards rectification of its reputation damage, the indemnification obligation of the Company in such case shall not exceed 10% of the consideration i.e. ₹ 2,31,19,33,251/- which comes to ₹ 23,11,93,325/-.

The Company is defending various legal proceedings filed against it under the Prevention of Food Adulteration Act ("PFA Act"). These cases pertain to the samples of the products manufactured by the Company which have failed to meet the specifications prescribed under the PFA Act and are pending in various courts. The Company is defending these legal proceedings in the normal course of business and it is expected that the outcome of these proceedings will not have very substantial affect on the financial condition or cash flows of the Company; nevertheless, it may adversely impact the brand-equity of the products

necessitating invocation of the indemnity by Bunge. While the probability of the outflow of resources will depend on the outcome of the legal proceedings pending in various courts and final determination of the indemnification obligation there against by Bunge, the contingent liability exists on the Balance Sheet date for an amount of ₹ 23,11,93,325/- attributable for the indemnification obligation contained in the BTA towards reimbursement of expenses for rectification of reputation damage. As on the date of signing of the financials, Company has not received any such claim from Bunge.

(b) **Commitments of the Company as on 31.03.2012**

- (i) Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March, 2012 amounted to ₹ NIL (Prev. year ₹ 1,24,52,518/-)
- (ii) Outstanding sale commitments (Futures) on account of commodity trading as at 31st March, 2012 amounted to ₹ 5,55,81,399/-. (Previous Year ₹ Nil). (refer Note 15 for details of commodity trading).

30. (a) The Company has, during the year, with the approval of the Board of Directors and of the shareholders pursuant to Section 293(1)(a) of the Companies Act, 1956 and other regulatory authorities and Banks, entered into a Business Transfer Agreement (“BTA”) on 21st December, 2011 for the sale of Edible Oils Business of the Company together with all its movable and immovable assets, liabilities, business contracts, employees and intellectual property rights and secured & unsecured loans (excluding certain assets, loans & advances and public deposits, which have been retained in the Company) as an inseparable whole on a slump sale basis and as a going concern, to M/s Bunge India Private Limited (“Bunge”) for a lump sum consideration of ₹ 2,20,72,00,000/- subject to adjustment in consideration and other terms and conditions as contained in the BTA.

The transfer of the Edible Oils Business to Bunge was completed on 10.02.2012 i.e. the “Completion Date” prescribed in the BTA, on fulfillment of the conditions precedents and determination of adjustment to consideration thereby vesting Bunge with legally valid and subsisting right, title and interest in the Edible Oils Business and upon discharge of the adjusted consideration of ₹ 2,31,19,33,251/- by Bunge therefor.

(b) The transfer of the Edible Oils Business to Bunge has resulted in a pre-tax profit of ₹ 1,75,54,12,534/-. This has been shown under the head “Exceptional Item” in the Profit & Loss Account. The Gross Profit of ₹ 1,75,54,12,534/- is computed as under:

| | | (Amount in ₹) |
|-------|---|-----------------------|
| (i) | Adjusted lump sum Sale Consideration | 2,31,19,33,251 |
| (ii) | Less: net of Assets & Liabilities Transferred | |
| | - Value of Total Assets Transferred | 1,52,22,16,160 |
| | - Value of total liabilities transferred | 1,01,91,38,143 |
| | - Net of Assets & Liabilities | 50,30,78,017 |
| | - Professional Expenses on account of transaction of Slump Sale | 5,84,42,700 |
| | Add: Capital Subsidy written back due to Slump Sale | 50,00,000 |
| (iii) | Pre-tax profit | 1,75,54,12,534 |
| (iv) | Income Tax | 39,62,44,397 |
| (v) | Net Profit after tax | 1,35,91,68,137 |



- (c) The transfer value of the Total Assets and Liabilities relating to the Edible Oils Business transferred to Bunge as on the "Completion Date" i.e. 10th February 2012 is as follows:

| Particulars | Amount in ₹ |
|--------------------------------|-----------------------|
| Gross Block of Fixed Assets | 85,03,04,779 |
| Less: Accumulated Depreciation | 33,72,72,931 |
| Net Block of Fixed Assets | 51,30,31,848 |
| Capital Work in Progress | 1,12,38,921 |
| Inventory | 76,60,67,743 |
| Sundry Debtors | 15,07,68,579 |
| Loans and Advances | 2,50,17,629 |
| Cash and Bank Balance | 5,60,91,440 |
| Total Assets | 1,52,22,16,160 |
| Secured Loans | 6,40,32,925 |
| Unsecured Loans | 7,87,68,298 |
| Current Liabilities | 86,75,00,233 |
| Provisions | 88,36,687 |
| Total Liabilities | 1,01,91,38,143 |

- (d) The amount of revenue and expenses of the ordinary activities attributable to the discontinued operations of the Edible Oils Business is as under:

| Particulars | For the period ended February 10, 2012 |
|-------------------------|---|
| | Amount in ₹ |
| Revenue | 10,60,91,25,635 |
| Expenses | 10,48,54,23,616 |
| Profit before Tax | 12,37,02,019 |
| Less: Tax Expenses | 13,62,797 |
| Profit after Tax | 12,23,39,222 |

- (e) Profit/(Loss) from Continuing Operations

| Particulars | For the year ended March 31, 2012 |
|--------------------------------|--------------------------------------|
| | Amount in ₹ |
| Profit/(Loss) before Tax | (1,01,32,078) |
| Less: Tax Expenses (Reversal) | (10,31,961) |
| Profit/(Loss) after Tax | (91,00,117) |

Note : The previous year figures are not applicable for Note No. 30 as the decision to divest the Edible Oils Business was taken and concluded in the financial year 2011-12.



31. The main business in which the Company was engaged was the manufacture & distribution of various kinds of edible oils & fats and trading of outsourced products. The Company has sold its Edible Oils Business and the Undertaking at Rajpura to Bunge during the financial year 2011-12 on slump sale basis and as a going concern. The Company is carrying on treasury operations arising out of the cash received from the sale of edible oils business and continues to be engaged in trading activities as well. The management has plans to pursue the trading activities in future on a large scale. The Company may also undertake manufacturing activities in future, other than edible oils business, for which it is exploring various options. In view of this, the accounts of the Company have been prepared on a going concern basis.
32. Balance confirmations have been received from major parties, except some parties whose outstandings are not material and some of whom are in dispute and are under litigation with the Company. The balances of such parties have been incorporated in the financial statements at the value as per books of accounts. The Company, to the extent stated, has considered them as good and necessary provisions have been made in respect of debtors/advances under litigation and where recovery is considered doubtful.
33. The Company had sent letters to suppliers to confirm whether they are covered under the Micro, Small and Medium Enterprises Act, 2006 and whether they have filed required memorandum with the prescribed authorities. The information given herein below is in respect of only those suppliers who have intimated to the Company that they are registered as micro or small enterprises.

(Amount in ₹)

| S.No. | Particulars | 2011-12 | 2010-11 |
|-------|---|---------|----------|
| 1. | Principal amount remaining unpaid as on 31 st March, 2012 | - | 1,20,825 |
| 2. | Interest due thereon as on 31 st March, 2012 | - | - |
| 3. | Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed date during the year | - | - |
| 4. | Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006 | - | - |
| 5. | Interest accrued and remaining unpaid as at 31 st March, 2012 | - | - |
| 6. | Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise | - | - |

- 34 The company had granted an unsecured loan of ₹ 3,92,73,483/- to the erstwhile Amrit Banaspati Co. Ltd. (now 'Amrit Corp. Ltd.' - ACL), under the Modified Rehabilitation Scheme (MRS) sanctioned by the Hon'ble Board of Industrial & Financial Reconstruction (BIFR). Pursuant to the Scheme of Arrangement sanctioned by the jurisdictional High Courts effective from 01.04.2006, out of the said unsecured loan, a sum of ₹ 88,53,122/- has devolved on ACL and ₹ 1,91,32,239/- on ABC Paper Ltd.(now known as Kuantum Papers Ltd.- 'Kuantum Papers'), then bodies corporate covered under Section 301 of the Companies Act, 1956. The MRS provided that the said unsecured loan would be subordinated to



institutions/banks term loans and would be repaid after payment to all financial institutions/banks. Accordingly, the interest on the said unsecured loan was fixed at 10% on an annual basis and the loan will be repaid after 31.3.2010, by which time all the loan of financial institutions/banks will be repaid as per MRS. The Company intimated to both ACL and Kuantum Papers that the respective unsecured loans be repaid in 4 equal half-yearly installments during the financial years 2010-11 and 2011-12.

ACL has completed repayment of the said unsecured loan during the year. Interest on the unsecured loan has been regularly paid by Kuantum Papers as well up to 31.3.2012. However, Kuantum Papers has failed to commence the repayment of the loan and has in fact proposed repayment of the same in five years in 20 equal quarterly installments commencing from June, 2011, which is not acceptable to the Company. Kuantum Papers has ceased to be a Company under the same management w.e.f. 16th July, 2010 covered under Section 301 of the Companies Act, 1956. The said unsecured loan has not been transferred to Bunge alongwith the transfer of Edible Oils Business and the Undertaking of the Company.

In view of the dispute by Kuantum Papers on the period of repayment of the unsecured loan, the Company has recalled and cancelled the repayment schedule and demanded from Kuantum Papers to repay the entire unsecured loan of ₹ 1,91,32,239/- forthwith alongwith interest accumulated or due till the date of actual payment. Since no agreement could be reached on a mutually acceptable repayment schedule, the Company, after serving a statutory notice under section 433/434 of the Companies Act, 1956 requiring Kuantum Papers to repay the unsecured loan, filed a winding up petition before the Hon'ble High Court of Punjab & Haryana at Chandigarh praying for an order of winding up of Kuantum Papers. The matter is pending before the Hon'ble High Court of Punjab & Haryana at Chandigarh.

35. Related Party Disclosure

A. Related Parties

| | | |
|-----|-------------------------------|--|
| (1) | Key Management Personnel(KMP) | Mr. N.K. Bajaj Chairman & Managing Director |
| (2) | Associate Companies | Amrit Corp. Ltd. Amrit Agro Industries Ltd. |



B. Transactions with related parties

| | Type of Transaction | *ABC Paper Ltd. | | Amrit Corp. Ltd. | | Amrit Agro | | KMP | | Total | |
|-----|--|-----------------|----------|---------------------|-------------|----------------------|----------------|--------------------|-----------|---------------------|----------------|
| | | 2011-12 | 2010-11 | 2011-12 | 2010-11 | 2011-12 | 2010-11 | 2011-12 | 2010-11 | 2011-12 | 2010-11 |
| (a) | Payment made for BPO services | - | - | 60,66,500 | 60,66,500 | - | - | - | - | 60,66,500 | 60,66,500 |
| (b) | Payment made for Group Chairman's Office | - | - | 5,51,500 | 5,51,500 | - | - | - | - | 5,51,500 | 5,51,500 |
| (c) | Royalty paid for use of Brand names | - | - | 2,39,68,562 | 1,63,49,604 | - | - | - | - | 2,39,68,562 | 1,63,49,604 |
| (d) | Royalty paid for use of Corporate Logo | - | - | 57,68,390 | 55,74,126 | - | - | - | - | 57,68,390 | 55,74,126 |
| (e) | Interest received on Unsecured Loans | - | 5,55,621 | 3,32,901 | 7,74,648 | - | - | - | - | 3,32,901 | 13,30,269 |
| (f) | Expenses reimbursed | - | - | 98,60,213 | 5,57,314 | - | - | - | - | 98,60,213 | 5,57,314 |
| (g) | Advances/Loans given | - | - | - | - | - | - | - | - | - | - |
| (h) | Advances/ Loans received back | - | - | 44,26,562 | 44,26,562 | - | - | - | - | 44,26,562 | 44,26,562 |
| (i) | Remuneration of Key Managerial Personnel | - | - | - | - | - | - | 62,79,669 | 57,83,755 | 62,79,669 | 57,83,755 |
| (j) | Purchase of paper | - | 11,893 | - | - | - | - | - | - | - | 11,893 |
| (k) | Fixed Deposits repaid | - | - | - | - | - | - | - | 54,28,000 | - | 54,28,000 |
| (l) | Interest paid (Gross) | - | - | - | - | 1,37,807 | 84,247 | - | 31,851 | 1,37,807 | 1,16,098 |
| (m) | Dividend paid | - | - | 10,76,07,872 | 32,80,074 | 1,80,95,232 | 5,35,634 | 2,60,44,864 | 9,11,302 | 15,17,47,968 | 47,27,010 |
| (n) | Sale of Finished Goods | - | - | - | - | 3,63,13,50,30 | 1,89,86,18,959 | - | - | 36,31,35,030 | 1,89,86,18,959 |
| (o) | Dealership Security recd. | - | - | - | - | - | 25,00,000 | - | - | - | 25,00,000 |
| (p) | Dealership Security paid back. | - | - | - | - | 25,00,000 | - | - | - | 25,00,000 | - |
| | Balances as on 31.03.2012 | - | - | - | - | - | - | - | - | - | - |
| (q) | Unsecured loan | - | - | - | 44,26,562 | - | - | - | - | - | 44,26,562 |
| (r) | Credit balance | - | - | 11,192 | 75,24,137 | - | - | - | - | 11,192 | 75,24,137 |
| (s) | Debit balance | - | - | - | - | - | 8,77,50,258 | - | - | - | 8,77,50,258 |

* Due to restructuring of shareholding amongst the Promoters, ABC Paper Limited (ABC Paper- now known as Kvantum Papers Ltd), ceased to a related party w.e.f. 16.07.2010. The transactions reported with ABC Paper are, therefore up to 15.07.2010. Mr. J. K. Khaitan and Mr. S.C. Agarwal cease to be key management personnel w.e.f. 16.07.2010 and 01.05.2010 respectively upon their resignations as Whole time Directors as well as Directors of the Company. Mr. N.K. Bajaj was freshly appointed as Chairman & Managing Director with remuneration w.e.f. 17.07.2010. The remuneration paid to KMP are thus as follows :- Mr. J.K. Khaitan and Mr. S. C. Agarwal up to 16th July, 2010 and 30th April, 2010 respectively and Mr. N.K. Bajaj from 17th July, 2010 to 31st March, 2011.

36. Segment wise information for the year ended 31st March, 2012

a. Business Segments

The Company was engaged in the manufacturing of Edible Oils, which in the context of Accounting Standard AS-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, is considered as the only business segment. As described earlier, the Company has sold its edible oils business and the undertaking at Rajpura to Bunge India Pvt. Ltd. during the financial year 2011-12 on slump sale basis and as a going concern. Post sales, the Company is carrying on the treasury operations arising out of the cash received from the sale of Edible Oils Business. There are no reportable segments as on 31st March, 2012.

b. Geographical Segments

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



37. Employee Benefits:

(a) Defined Contribution Plans

The Company has recognized the contribution/liability in the Profit & Loss Account for the period of one year ended 31st March, 2012.

(b) Defined Benefit Plans & Other Long Term Benefits

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

(Amount in ₹)

| | For the year ended 31.3.2012 | | For the year ended 31.03.2011 | |
|--|---------------------------------|---------------------|----------------------------------|---------------------|
| | Gratuity | Leave Encashment | Gratuity | Leave Encashment |
| | Funded Plan | Non Funded | Funded Plan | Non Funded Plan |
| Amount recognized in Balance Sheet | | | | |
| Present value of funded obligations as at | - | - | 1,26,01,239 | - |
| Fair value of plan assets as at | - | - | 1,32,44,404 | - |
| Present value of unfunded obligations as at | - | - | - | 31,05,189 |
| Unrecognized past service cost | - | - | - | - |
| Net Liability/(Assets)* | - | - | (6,43,165) | 31,05,189 |
| Amount in Balance Sheet | | | | |
| Liability as at | - | - | - | 31,05,189 |
| Assets as at | - | - | 6,43,165 | - |
| Net Liability/(Assets) | - | - | (6,43,165) | 31,05,189 |
| Expenses recognized in the Profit & Loss Account | | | | |
| Opening defined benefit obligation less benefits paid | - | - | - | - |
| Current service cost | - | - | 8,84,440 | 5,65,787 |
| Interest on defined benefit obligation | - | - | 16,13,737 | 3,95,008 |
| Expected return on plan assets | - | - | (11,82,339) | - |
| Net actuarial losses/(gain) recognized in the year | - | - | (3,03,886) | 4,58,008 |
| Past service cost | - | - | - | - |
| Losses/(gains) on "Curtailments and Settlements" | - | - | - | - |
| Total, included in "Employee Benefit Expense" | - | - | 10,11,952 | 14,18,803 |
| Actual return on plan assets | - | - | - | - |
| Reconciliation of benefit obligations and plan assets for the period | - | - | - | - |
| Change in defined benefit obligation | | | | |
| Opening defined benefit obligation | - | - | 201,71,712 | 49,37,605 |
| Current service cost | - | - | 8,84,440 | 5,65,787 |
| Interest cost | - | - | 16,13,737 | 3,95,008 |
| Actuarial losses/(gains) | - | - | (3,38,202) | 4,58,008 |
| Liabilities extinguished on curtailments | - | - | - | - |
| Liabilities extinguished on settlements | - | - | - | - |
| Liabilities assumed on acquisition | - | - | - | - |
| Exchange difference on foreign plans | - | - | - | - |
| Benefits paid | - | - | (97,30,448) | (32,51,219) |
| Closing defined benefit obligation | - | - | 1,26,01,239 | 31,05,189 |
| Change in fair value of assets | | | | |
| Opening fair value of plan assets | - | - | 1,31,37,096 | - |
| Expected return on plan assets | - | - | 11,82,339 | - |
| Actuarial gain/(Losses) | - | - | (34,316) | - |
| Assets distributed on settlements | - | - | - | - |
| Contributions by employer | - | - | 86,89,733 | - |
| Assets acquired due to acquisition | - | - | - | - |
| Exchange difference on foreign plans | - | - | - | - |
| Benefits paid | - | - | (97,30,448) | - |

| | | | | |
|---|---|---|---|---|
| Closing fair value of plan assets | - | - | 1,32,44,404 | - |
| Assets information | - | - | - | - |
| Category of assets | - | - | - | - |
| Government of India Securities | - | - | - | - |
| State Govt. Securities | - | - | - | - |
| Corporate Bonds | - | - | - | - |
| Special Deposit Schemes | - | - | - | - |
| Equity shares of listed companies | - | - | - | - |
| Property | - | - | - | - |
| Insurer Managed Funds | - | - | 100% | - |
| Others | - | - | - | - |
| Grand Total | - | - | 100% | - |
| Summary of the actuarial assumptions | - | - | - | - |
| Discount rate | - | - | 8.00% | 8.00% |
| Expected rate of return on assets | - | - | 9.00% | Nil |
| Future salary increase | - | - | 7.00(1 st five years), 5% thereafter | 7.00(1 st five years), 5% thereafter |

There were no employees in the company as on 31st March, 2012, except the Chairman & Managing Director, and the Company Secretary. Pursuant to the sale/transfer of Edible Oils Business and the Undertaking of the company w.e.f. 10th February, 2012, all the employees have been transferred to Bunge in terms of the Business Transfer Agreement. Hence, the figures for gratuity & leave encashment for the current year are not given.

Additional Information

(Amount in ₹)

| | 2011-12 | | 2010-11 | | 2009-10 | | 2008-09 | |
|---|----------|------------------|-------------|------------------|-------------|------------------|-------------|------------------|
| | Gratuity | Leave encashment | Gratuity | Leave encashment | Gratuity | Leave encashment | Gratuity | Leave encashment |
| Experience adjustment | | | | | | | | |
| ...On plan liabilities (loss) / gain | - | - | 3,38,202 | (4,58,008) | (75,97,381) | (6,56,579) | (5,14,139) | (4,21,076) |
| ...On plan assets (loss) / gain | - | - | (34,316) | - | 89,271 | - | (7,45,139) | - |
| Present value of benefit obligation | - | - | 1,26,01,239 | 31,05,189 | 201,71,712 | 49,37,605 | 1,15,14,054 | 41,24,558 |
| Fair value of plan assets | - | - | 1,32,44,404 | — | 1,52,52,776 | — | 1,14,65,031 | — |
| Excess of (obligation over plan assets) | - | - | (6,43,165) | 31,05,189 | 49,18,936 | 49,37,605 | 49,023 | 41,24,558 |

Notes:

- The estimates of future salary increases, considered in actuarial valuation, take into account the inflation, seniority, promotion and other relevant factors.
- The liability towards the earned leave for the year ended 31st March, 2012, based on actuarial valuation amounting to ₹ 13,71,714 has been recognized in the Statement of Profit & Loss Account.
- The liability towards the gratuity for the year ended 31st March, 2012, based on actuarial valuation amounting to ₹ 9,12,858/- has been recognized in the Statement of Profit & Loss Account.



38. In terms of Accounting Standard–28, issued by the Institute of Chartered Accountants of India on “**Impairment of Assets**”, the management has, at period end, estimated the amount recoverable against fixed assets based on the present value of estimated future cash flows expected to arise from the continuing use of such assets. The recoverable amount so assessed was found to be adequate to cover the carrying amount of assets, therefore no provision for impairment in value thereof has been considered necessary by the management.

(Amount in ₹)

| | 2011-12 | 2010-11 |
|---|-----------------------|----------------|
| 39. Borrowing cost capitalized during the year | — | 29,35,618 |
| 40. Earning per Share (Basic & Diluted) | | |
| Profit after tax as per P&L Account | 1,47,24,07,243 | 22,05,67,089 |
| Profit attributable to Equity Shareholders | 1,47,24,07,243 | 22,05,67,089 |
| Number of Equity Shares outstanding | 73,62,968 | 73,62,968 |
| Earnings per Share (par value ₹ 10/- each) | 199.97 | 29.96 |
| 41. Information pursuant to Clause 32 of the Listing Agreement with stock exchanges | | |
| Loans and Advances in the nature of Loans to Associates/ Companies in which Directors are interested | | |
| Amrit Corp. Ltd. | - | 44,26,560 |
| Amrit Agro Industries Ltd. | - | 8,77,50,258 |
| The loan to Amrit Corp. Ltd. was in the nature of unsecured loan, interest bearing and repayable as per terms of Modified Rehabilitation Scheme (MRS), agreements with the parties concerned. | | |
| Advance to Amrit Agro Industries Ltd. was in the nature of debit balance outstanding as on in the previous year. | | |
| 42. Expenditure/Capital Advance in Foreign Currency | | |
| Spares/Advance for machinery | 1,05,319 | 9,24,846 |
| Foreign Travelling | 49,835 | 91,769 |
| Others | 60,740 | 1,17,158 |
| 43. Foreign Exchange Earnings | Nil | Nil |
| 44. Value of Import on CIF basis in respect of | | |
| Raw Materials | 4,72,30,08,467 | 4,84,81,50,823 |
| Capital Goods/Spare Parts | — | 4,53,12,408 |

45. The Company had taken certain commercial premises under cancellable Operating Lease Arrangements. The lease period varies from one to three years with the option to extend the same with mutual consent. The total aggregate Lease rentals recognized as expense in the Profit & Loss Account under cancellable operating lease was ₹ 72,78,515/- (Previous Period : ₹ 91,93,118). There is no contingent rent payables. Sub lease payment received under cancellation agreement recognized in the statement of account during the period ended 31st March 2012 amounts to ₹ 5,30,000/- (Previous Period: ₹ 4,06,000).

46. The Profit and Loss Statement has been prepared in accordance with the Revised Schedule VI. However, the recommendation prescribed in AS-24 on Discontinued Operations is also incorporated and due to the same the requirements of Revised Schedule VI shall stand modified accordingly.

47. Comparative Figures

After considering the Note No. 30, the figures of the previous year are not comparable with the figures of the current year as the Company had manufacturing operations up to 10th February, 2012 only. The figures of previous year have been regrouped/reclassified, wherever necessary, to conform to the current period's classification.



AMRIT BANASPATI COMPANY LIMITED

J-3, 9/13, Gobind Colony, Rajpura, Distt. Patiala, Punjab-140 401

ATTENDANCE SLIP

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

Name of the Shareholder:

I hereby record my presence at the **27th Annual General Meeting** of the Company at J-3, 9/13, Gobind Colony, Rajpura, Distt. Patiala, Punjab-140 401 at **11.30 a.m. on Saturday, 28th July, 2012.**

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

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



AMRIT BANASPATI COMPANY LIMITED

Regd. Office : J-3, 9/13, Gobind Colony, Rajpura, Distt. Patiala, Punjab-140 401

PROXY FORM

I/we.....
 of.....in the district of
 being member/members of the above named company, hereby appoint.....
of in the district of.....
 or failing him..... of in the district of.....
 as my/our proxy to attend and vote for me/us on my/our behalf at **27th Annual General Meeting** of the Company at J-3, 9/13, Gobind Colony, Rajpura, Distt. Patiala, Punjab-140 401 at **11.30 a.m. on Saturday, 28th July, 2012.** and at any adjournment thereof.

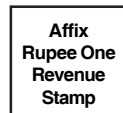
Signed this.....day of.....2012

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

*Applicable for Member holding shares in electronic form.

No. shares held:.....

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



- Note : 1. The Proxy must be lodged with the Company at its Registered at J-3, 9/13, Gobind Colony, Rajpura, Distt. Patiala, Punjab-140 401 not less than FORTY-EIGHT HOURS before the commencement of the meeting.
 2. Those members who have multiple folios with different jointholders may use copies of this attendance slip/Proxy.