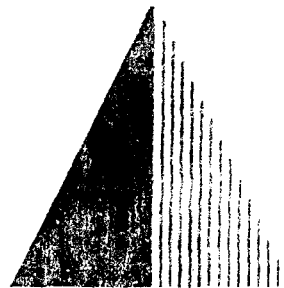


18<sup>th</sup>

ANNUAL REPORT

2008 - 2009



AJANTA

AJANTA SOYA LIMITED

**BOARD OF DIRECTORS**

Mr. Sushil Goyal	<i>Chairman &amp; Managing Director</i>
Mr. Abhey Goyal	<i>Whole Time Director</i>
Mr. Bishan Goyal	<i>Whole Time Director</i>
Mr. S. C. Singhal	<i>Director</i>
Mr. Harsh Chander Kansal	<i>Director</i>
Mr. Babu Lal Jain	<i>Director</i>

**STATUTORY AUDITORS**

**M/s. TAS Associates**  
Chartered Accountants  
Flat No. 4, 11/71, Punjabi Bagh West  
New Delhi - 100 026

**SECRETARIAL ADVISORS**

**M/s. R&D**  
*Company Secretaries*  
138-A, Pocket - F, Mayur Vihar, Phase-II  
Delhi - 110 091  
Phone/Fax : 22725301 / 22725305  
e-Mail : rnccompanysecretaries@gmail.com

**SHARES LISTED WITH STOCK EXCHANGE AT**

**The Stock Exchange, Mumbai**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001

**The Calcutta Stock Exchange Association Ltd.**  
7, Lyons Range, Calcutta - 700 001

**BANKERS**

**State Bank of India**  
Overseas Branch  
Jawahar Vyapar Bhawan  
1, Tolstoy Marg,  
New Delhi-110 001

**REGISTERED OFFICE**

SP-916, RIICO Industrial Area Phase - III,  
Bhiwadi - 301 019. Distt. Alwar (Rajasthan)

**INVESTORS RELATION CENTRE**

4C. Bigjos Tower, A-8 Netaji Subhash Place  
Wazirpur District Centre, New Delhi - 110 034  
Phone : 27352606, 27354063. Fax : 27355594  
E-mail : ajanta\_soya@yahoo.com  
Website : www.ajantasoya.com

**REGISTRAR & SHARE TRANSFER AGENT**

Skyline Financial Services Pvt. Ltd.  
246, 1st Floor, Sant Nagar, East of Kailash,  
New Delhi-110065  
Phone No. : 011-26292682, 26292683  
Fax No. : 011-26292681  
E mail : admin@skylinerta.com

**ALL CORRESPONDENCE RELATING TO TRANSFER OF SHARES, CHANGE IN ADDRESS ETC. SHOULD BE SENT TO THE REGISTRAR & SHARE TRANSFER AGENT OR INVESTORS RELATION CENTRE**

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## NOTICE

Notice is hereby given that the 18th Annual General Meeting of the Members of the Company will be held on **Wednesday, 30th September, 2009** at 11.30 A.M. at the Registered Office and Factory Premises of the Company at SP-916, RIICO Industrial Area, Phase III, Bhiwadi 301 019, Distt. Alwar, Rajasthan to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2009 and Profit and Loss Account for the year ended on that date together with the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr Satish Chand Singhal who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to authorize the Board to fix their remuneration.

The present Statutory Auditors M/s Tas Associates, Chartered Accountants, New Delhi, are holding the office till the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

### Special Business:

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  
"Resolved that Mr Babu Lal Jain, who was appointed as an Additional Director of the Company to hold office till the date of the Annual General Meeting, be and is hereby appointed as an ordinary Director of the Company."
5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  
"Resolved that Mr Abhey Goyal, who was appointed as an Additional Director of the Company to hold office till the date of the Annual General Meeting, be and is hereby appointed as an ordinary Director of the Company."
6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution**:  
"Resolved that pursuant to the provisions of sections 198, 269, 309 & 310 read with schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, Mr Abhey Goyal, Director be and is hereby appointed as Whole Time Director of the Company for a period of 3 years with effect from 1st January 2009 on the following terms and conditions:

### TERMS AND CONDITIONS:

- I. Gross monthly remuneration not exceeding Rs 50,000 (Rupees Fifty Thousand Only) whether paid as salary, allowance(s), perquisites or a combination thereof, from 1st January 2009 to 31st August 2009;
- II. Gross monthly remuneration not exceeding Rs. 1,00,000 (Rupees One Lac only) whether paid as salary, allowance(s), perquisites or a combination thereof, from 1st September 2009 for the remaining period of his current term as Whole Time Director till 31st December 2011.

Provided that any payment towards perquisites as mentioned under Para 2 of the Schedule XIII shall not be included in the aforesaid remuneration.

Provided further that payment/ re-imbursement of telephone and/ or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.

Resolved further that in the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.

Resolved further that the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to assign and delegate, from time to time, such work, duties, power and authorities to the Whole Time Director as it may deem fit and proper.

Resolved further that the Board of Directors and the Remuneration Committee of the Company be and are hereby severally authorised to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

Resolved further that the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to take all necessary steps to give effect to the aforesaid resolution."

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:  
"Resolved that in partial modification to the Special Resolution passed in Annual General Meeting held on 29th September



2008, consent of the members be and is hereby given for modification in the remuneration term of Mr Sushil Goyal as Managing Director of the Company in the following manner:

- (a) In addition to the monthly remuneration of Rs. 1,50,000 (Rupees One Lac Fifty Thousand only), the company will provide a car to the Managing Director with driver at the cost of the company. However, Managing Director will reimburse the company for any personal use of the car.
- (b) As already approved the Managing Director shall also be entitled for the following Statutory Perquisites which will not be included in the remuneration:
  - (i) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
  - (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
  - (iii) Encashment of leave at the end of tenure.

Resolved further that the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to take all necessary steps to give effect to the aforesaid resolution."

For and on Behalf of the Board  
For AJANTA SOYA LTD

SUSHIL GOYAL  
Chairman & Managing Director

Date : 25th August, 2009  
Place : New Delhi

Notes:

- A. **Appointment of Proxy:** A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The proxy form in order to be effective must be deposited with the Company not less than 48 hours before the time fixed for commencement of the Meeting.
- B. **Corporate Members:** Corporate Members intending to send their authorised representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
- C. Members/Proxies attending the meeting are requested to bring their copy of Annual Report to the Meeting.
- D. **Queries at the AGM:** Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
- E. **Book Closure:** The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 29th September 2009 to Wednesday, 30th September 2009 (both days inclusive) for the purpose of the AGM.
- F. Members are requested to notify any change in their address/ mandate/ bank details immediately to the share transfer Agent of the Company- M/s Skyline Financial Services Pvt Ltd.
- G. **Inspection of Documents:** Documents referred to in the Notice etc., are open for inspection at the registered office of the Company at all working days except Saturdays between 11 A.M. and 2 P.M. up to the date of Annual General Meeting.
- H. **Explanatory Statement:** Explanatory Statement as required under section 173(2) of the Companies Act, 1956, in respect of Special Business under item no. 4 and 7 is enclosed herewith.
- I. The information required to be provided under the Listing Agreement regarding the Directors proposed to be reappointed is given in the annexure to the Director's Report.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

**Item No. 4:**

Mr Babu Lal Jain was co-opted on the Board of Directors of the Company as an Additional Director to hold office until the date of ensuing annual general meeting. The Board is proposing to appoint him as an ordinary director in the ensuing AGM. Accordingly, the resolution is placed before the members for their consideration and approval. The Board recommends the proposed resolution for adoption in the larger interest of the Company.

Mr Babu Lal Jain is interested and concerned in the proposed resolution.



**Item No. 5 & 6:**

Mr Abhey Goyal was co-opted on the Board of Directors of the Company as an Additional Director to hold office until the date of ensuing annual general meeting. The Board is proposing to appoint him as an ordinary director in the ensuing AGM.

Mr Abhey Goyal has been appointed as Whole Time Director of the company w.e.f. 1st January 2009 for a period of three years at a monthly remuneration of Rs. 50,000. Considering his valuable contributions to the company his remuneration has been increased upto Rs. 1,00,000 per month w.e.f. 1st September 2009.

The Remuneration Committee has already approved the proposed remuneration to Mr Abhey Goyal as Whole Time Director. Accordingly, the resolution is placed before the members for their consideration and approval. The Board recommends the proposed resolution for adoption in the larger interest of the Company.

None of the directors of the Company except Mr Abhey Goyal, Mr Bishan Goyal and Mr Sushil Goyal is concerned or interested in the proposed resolution.

**Item No. 7:**

The members of the Company in the last Annual General Meeting held on 29th September 2008 has approved the remuneration of Mr Sushil Goyal, Managing Director for Rs. 1,50,000 per month.

It is proposed that Mr Sushil Goyal be allowed the exclusive use of car, accordingly approval of member be sought for the same. The Managing Director is also entitled for the Statutory Allowances as provided under Schedule XIII of the Companies Act, 1956 which were approved by the members in the last Annual General Meeting. These Statutory perquisites are being specifically elaborated in the Resolution. The Board recommends the proposed resolution for adoption in the larger interest of the Company.

The aforesaid explanatory statement for item no. 7 should also be deemed to be notice of the abstract for terms of appointment and payment of remuneration to Mr Sushil Goyal as a Managing Director.

The Remuneration Committee has already approved the proposed remuneration to Mr Sushil Goyal as Managing Director.

None of the directors of the Company except Mr Abhey Goyal, Mr Bishan Goyal and Mr Sushil Goyal is concerned or interested in the proposed resolution.

For and on Behalf of the Board  
For AJANTA SOYA LTD

**SUSHIL GOYAL**  
**Chairman & Managing Director**

Date : 25th August, 2009  
Place : New Delhi



**DIRECTORS' REPORT**

Dear Members

Your Directors have pleasure in presenting the Annual Report of your Company together with the Audited Annual Accounts for the financial year ended 31st March, 2009.

**FINANCIAL HIGHLIGHTS**

(Amount in Lacs)

PARTICULARS	YEAR ENDED	YEAR ENDED
	31/03/2009	31/03/2008
Net Sales	26445.95	28437.82
Profit on Sale of Investment	—	4.08
Profit on Commodities Futures	251.09	—
Other Income	41.96	43.97
Increase/(Decrease) in Stocks	(286.12)	291.62
Total Income	26452.88	28777.49
Total Expenditure	26421.25	28699.33
Profit before tax	31.63	78.16
Provision for tax	23.79	39.51
Profit after tax	7.84	38.65
Transfer to Reserve	—	—
Paid-up Share Capital	1189.66	1189.66
Reserves and Surplus (excluding revaluation reserve)	772.45	764.60

**YEAR IN RETROSPECT**

During the year under review, total income of the Company was Rs. 26452.88 lacs as against Rs. 28777.49 lacs in the previous year. The Company was able to earn a profit after tax of Rs. 7.84 lacs for the year as against a profit of Rs. 38.65 lacs. Your Directors are putting in their best efforts to improve the performance of the Company.

The detailed Management Discussion & Analysis Report is attached hereto with the Director's Report and should be read as part of this Directors Report.

**MATERIAL CHANGES ETC.**

Save as mentioned else where in this Report, no material changes and commitments affecting the financial position of the Company has occurred between the end of the financial year of the Company 31st March, 2009 and the date of this Report.

**DIVIDEND**

The Board of Directors of your Company have decided to retain and plough back the profits into the business of the Company, thus no dividend is being recommended for this year.

**CORPORATE GOVERNANCE**

A Report on Corporate Governance is attached as a part of this Directors Report along with the Auditors' Certificate on compliance of Clause 49 of the Listing Agreement.

**PUBLIC DEPOSITS**

During the year under report, your Company did not accept any deposits from the public in terms of the provisions of section 58A of the Companies Act, 1956.

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

- Conservation of Energy:** The Company is continuously making sincere efforts towards conservation of energy. Information as required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure A, forming part of this report.
- Technology Absorption:** The Company is taking care of latest developments and advancements in technology and all steps are being taken to adopt the same. The Company has spent Rs. 2,12,849 in the internal laboratory of the company for the quality testing of raw materials purchased and finished vanaspati/ refined oil purchased.
- Export Activities:** There was no export activity in the Company during the year under review.

**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

(Amount in Rs Lacs)

	2008-09	2007-08
Total Foreign Exchange Inflow	NIL	NIL
Total Foreign Exchange outflow	11047.91	5159.21
i. Traveling expenses	NIL	1.63
ii. Purchase of Oil	11047.91	5157.58

**Particulars of Employees**

During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and hence no particulars are required to be disclosed in this Report.

**Directors**

After the last Annual General Meeting, Mr Abhey Goyal and Mr Babu Lal Jain were appointed as additional directors w.e.f 15th December, 2008. In terms of the provisions of the Companies Act, 1956, they hold office until the date of the ensuing Annual General Meeting. Their appointment as ordinary directors of the Company is placed before the members for consideration. The Board recommends the resolution for adoption by the members. Mr Gagan Goyal and Mr Manak Kansal resigned from the directorship of the Company w.e.f 15th December, 2008.

Mr Abhey Goyal, Director was appointed as a Whole Time Director of the Company with effect from 1st January, 2009 for a period of 3 years. His appointment is subject to the approval of the members of the Company. Appropriate resolution seeking your approval to the aforesaid appointments is appearing in the Notice convening the 18th Annual General Meeting.

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr Satish Kumar Singhal is liable to retire by rotation and being eligible offer himself for re-appointment. Directors recommend his re-appointment.

**Auditors**

M/s Tas Associates, Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A certificate under section 224(1) of the Companies Act, 1956 regarding their eligibility for the proposed re-appointment has been obtained from them. Your Directors recommend their re-appointment.

**Auditors' Report**

Comments made by the Statutory Auditors in the Auditors' Report are self-explanatory and do not require any further clarification.

**Directors' Responsibility Statement**

In terms of the provisions of section 217(2AA) of the Companies Act, 1956, and to the best of their knowledge and belief and according to the information and explanations obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- a. in preparation of the annual accounts, the applicable accounting standards have been followed;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit of the Company for the year ended on that date;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d. the Directors have prepared the Annual Accounts on a going concern basis.

**Stock Exchange Listing**

The shares of the Company are listed on the Bombay Stock Exchange and Calcutta Stock Exchange. Company's application for de-listing of its shares is pending with the Calcutta Stock Exchange.

The listing fee for the financial year 2009-10 has already been paid to the Bombay Stock Exchange. However, the same has not been paid to the Calcutta Stock Exchange in view of pending de-listing application with the Calcutta Stock Exchange.

**Acknowledgement**

Your Directors take this opportunity to place on record their sincere appreciation for the co-operation and assistance the Company has received from Banks and various Government Departments. The Board also places on record its appreciation of the devoted services of the employees, support and co-operation extended by the valued business associates and the continuous patronage of the customers of the Company.

For and on Behalf of the Board  
For AJANTA SOYA LTD

SUSHIL GOYAL  
Chairman & Managing Director

Date : 25th August, 2009  
Place : New Delhi

**TABLE A**  
**Form for Disclosure of Particulars with respected to Conservation of Energy**

**A. POWER AND FUEL CONSUMPTION**

	Current Year	Previous Year
<b>1. Electricity</b>		
<b>(a) Purchased</b>		
Unit	5733468	5458716
Total amount	25776403	24577595
Rate/unit	4.50	4.50
<b>(b) Own generation</b>		
<b>(i) Through diesel generator</b>		
Unit	152960	74500
Units per ltr. of HSD oil	10.28	5.86
Cost/unit	15.73	4.37
<b>(ii) Through steam turbine/generator</b>		
Units	—	—
Units per ltr. of fuel oil/gas	—	—
Cost/units	—	—
<b>2. Coal (specify quality and where used)</b>		
Quantity (tones)	8030	6864
Total cost	51582252	40056888
Average rate	6423.69	5835.79
<b>3. Others/internal generation (please give details)</b>		
Quantity (Hydrogen Gas)	27057	36125
Total cost	3604372	5170173
Rate/unit	133.21	143.10
<b>(a) Quantity (Rice Husk) (IN TONS)</b>	—	—
Total cost	—	—
Rate/unit	—	—

**B. CONSUMPTION PER UNIT OF PRODUCTION**

	Standards (if any)	Current Year	Previous Year
Vanaspati/Refined Oil	—	—	—
Electncity	—	102.67	97.73
H.S.D	—	27.39	1.33
Coal (specify quality)	—	0.14	0.12
Others (Hydrogen Gas)	—	0.48	0.65
Others (Rice Husk)	—	—	—





## Management Discussion and Analysis Report

### **Cautionary Statement**

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

### **Overview**

The company had suspended its operations of exporting of Rice to various African countries and importing of copper. Company is concentrating on Vanaspati/ Refined Oil business segment.

### **Industry Structure, Developments & Outlook**

The year saw volatile price movements in the edible oils market in the third quarter after a phase of stability during the first half. Spiraling commodity prices internationally cast its shadow on the domestic market. Diversion of edible oils internationally for bio-diesel in response to rising energy prices had impact on all edible oil species. In response to rising inflation, the Government reduced customs duties on vanaspati oils. Consequently, import of vanaspati oil became attractive in the second half of the year. While overall Indian monsoon was 'normal', the distribution was uneven and the rains were delayed. While the volatility continued through best part of the fourth quarter, prices seemed to be stabilizing towards the end of the financial year, albeit at higher levels. Edible oil imports are seen surging in view of lower oilseed production projections and favourable exchange rate leading to firm / rising price trend. Increase in use and creation of capacities for use of edible oils for bio-fuel has become a major price driver. As stated in the previous year, it is expected that in the coming years, crude petroleum prices will determine use of edible oils for bio-fuel and will be a significant determinant of edible oil prices. Towards the end of the year the Government corrected an imbalance amongst different species of edible oils by reducing the customs duties on palm and sunflower oils. This reduced the gap with soyabean oil, which hitherto enjoyed an artificial advantage over the other species. This regulatory measure will provide much needed stability to the Indian edible oils market to a greater extent. The general economic scene in the country remains buoyant notwithstanding inflation. Shortfall on the supply side has caused pressure on global commodity prices, which have impacted domestic prices. This has led to tightening of monetary policies by the RBI, resulting in sharp increase in interest rate. This will impact cost of investment, which in turn can impact the growth story. Further reforms and investments will be needed to ease supply constraints and promote growth. This buoyancy in the economy is fueling demand and has very positive implications for the growth in business. This offers opportunity to partake in the growth by providing value added products to more demanding and discerning customers/ consumers. The rapid growth in modern retail trade also offers opportunity to showcase new offerings and generate demand for innovative products. Your Company intends to utilize these opportunities to grow in value added food products to create a platform for profitable business.

### **Opportunities & Threats**

Due to increased consumer preference for non traditional oils such as soyabean and sunflower oil, the organised Edible Oil sector has emerged as one of the fastest growing sectors in recent times clocking double digit growth. Branded products, though small portion of the total edible oils market, have been one of the main drivers of rapid growth, thus, poses a big opportunity for the companies like us. Though the industry has to contend with increasing competition from imports, the rising cost of oil seeds and the expanding demand-supply gap, by 2010, India's total requirement of edible oils for the projected population of 1.25 billion at the projected per capita consumption of about 15 kg per annum is expected to be around 19 mt, also counting as an opportunity for rise of the Company.

Competition from Indian and global players remain a matter of concern and probable threat; while the company is well prepared to tackle such issues on an ongoing basis.

### **Risks & Concern**

The Vanaspati and edible oil markets are volatile by nature and hence the trading operations are prone to be affected by the price fluctuations. There is stiff competition in the edible oil market with the international entrants. On a macro level business continues to be impacted by changes in Government Policy and International Oil Markets.

**Human resource / Industrial relations**

The Company values and nurtures its human resources and Company would continue to adopt and implement the best HRD practices in future.

The Company has cordial relations with employees and staff. There are no industrial relations problems during the year and the Company does not anticipate any material problems on this count in the current year.

The management is also committed to help the employees and workers to sharpen their skills and to improve their knowledge base for which continuous efforts are made on training and development.

**Internal Control Systems and Adequacy**

The Company has fully computerised its accounting system since many years which has proved versatile. The system of internal control of the company is commensurate with the size and complexity of the Company business. In addition, the operations are subject to periodic internal audit by independent Auditors.

**Product wise Performance**

Presently the Company has been dealing in only one segment only, i.e., Vanaspati & Refined Oil.

Product	Sales			
	Current Year (2008-09)		Previous Year (2007-08)	
	Quantity (MT)	Value (Rs Lacs)	Quantity (MT)	Value (Rs Lacs)
Vanaspati/ Refined Oils	55828.52	26005.84	55675.48	28073.75

### REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement a Report on Corporate Governance is given below:

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Our Company's philosophy on Corporate Governance envisages attainment of highest levels of accountability, transparency, responsibility and fairness in all aspects of its operations. Our business culture and practices are founded upon a common set of values that govern our relationships with customers, employees, shareholders, suppliers and the communities in which we operate. The Company believes that all its actions must serve the underlying goal of enhancing overall shareholder value on a sustained basis.

The Company is conscious of its responsibility as a good corporate citizen. The Company values transparency, professionalism and accountability.

#### 2. BOARD OF DIRECTORS

The Company maintains an optimum combination of Executive, Non Executive and Independent Directors. The Board consists of total Six (6) directors on 31st March, 2009, out of which three (3) are independent. Mr Sushil Goyal is the Chairman cum Managing Director of the Company and Mr Abhey Goyal is the Whole Time Director.

The Constitution of the Board as on 31st March 2009 is as follows:

Name of the Director & Designation	Category	No. of positions held in other Public Companies		
		Board	Committee	
			Membership	Chairmanship
Mr Sushil Goyal Chairman & Managing Director	Promoter & Executive	1	Nil	Nil
Mr Abhey Goyal Whole Time Director	Promoter & Executive	Nil	Nil	Nil
Mr Bishan Goyal <sup>1</sup> Whole Time Director	Promoter & Executive	1	Nil	Nil
Mr Satish Chand Singhal Director	Non Executive Independent	Nil	Nil	Nil
Mr Harsh Chander Kansal Director	Non Executive Independent	Nil	Nil	Nil
Mr Babu Lal Jain Director	Non Executive Independent	Nil	Nil	Nil

<sup>1</sup>Mr Bishan Goyal resigned as Whole time Director of the Company w.e.f. 25th August 2009. He will remain as an Ordinary Director of the Company.

#### Directors' Attendance Record

During the Financial Year 2008-09, (15) fifteen meetings of the Board of Directors were held on 10.04.2008, 30.04.2008, 10.06.2008, 19.07.2008, 31.07.2008, 25.08.2008, 28.08.2008, 10.10.2008, 31.10.2008, 10.11.2008, 15.12.2008, 01.01.2009, 31.01.2009, 02.03.2009 and 25.03.2009. The Board was duly supplied with the agenda of the meetings incorporating all material information for facilitating meaningful and focused discussions at the meeting. The intervening period between the Board Meetings was well within the maximum time gap of four months as prescribed in clause 49 of the Listing Agreement. Details of attendance of Directors in the Board meeting during the financial year 2008-09 are as under:

Name of the Director	No. of Board Meeting	Attendance at the Board Meeting	Whether attended Last AGM
Mr Sushil Goyal	15	15	YES
Mr Gagan Goyal <sup>1</sup>	11	10	YES
Mr Bishan Goyal	15	13	YES
Mr Harsh Chander Kansal	15	15	YES
Mr Mahak Kansal <sup>1</sup>	11	NIL	NO
Mr Satish Chand Singhal	15	15	YES
Mr Abhey Goyal <sup>2</sup>	5	5	NO
Mr Babu Lal Jain <sup>2</sup>	5	5	NO

<sup>1</sup>Mr Gagan Goyal & Mr Mahak Kansal resigned from directorship of the Company w.e.f. 15th December, 2008.

<sup>2</sup>Mr Abhey Goyal & Mr Babu Lal Jain were appointed as Additional Director w.e.f. 15th December, 2008.



**Disclosure Regarding Appointment & Re-appointment of Directors in the ensuing AGM**

Mr Satish Chand Singhal, Director who shall be retiring in this AGM, being eligible have offered himself for re-appointment. Mr Babu Lal Jain & Mr Abhey Goyal were appointed as Additional Director of the company and will be appointed as Ordinary Director of the Company in the AGM. Brief particulars of these gentlemen are as follows:

Particulars	Mr Satish Chand Singhal	Mr Babu Lal Jain	Mr Abhey Goyal
DIN	00998659	01712332	02321262
Father's Name	Mr Laxmi Chand Singhal	Mr P.R.Jain	Mr Sushil Kumar Goyal
Date of Birth	1st June 1927	2nd January 1950	31st March 1987
Address	R-2/36, Raj Nagar, Sector-2, Ghaziabad	QU283 D, Pitampura, Delhi	PP-1, Maurya Enclave, Pitampura, Delhi
Designation	Director	Director	Whole Time Director
Education	B.Tech (Oil)	Graduate	Post Graduate in International business & finance
Experience	40 years experience in Vanaspati Industry	International Business and administration	International Business and administration
Companies in which holds Directorship	Nil	Vishnu Infosys Pvt Ltd	D. G. Estates Pvt Ltd
Companies in which holds membership of committees	Nil	Nil	Nil
Shareholding in the Company (No. & %)	Nil	Nil	Nil
Relationship with other Director	Nil	Nil	Son of Mr Sushil Kumar Goyal

**3. AUDIT COMMITTEE**

**(a) Terms of Reference**

The Terms of reference of the Audit Committee, as defined by the Board of Directors in their meeting held on 15th December, 2008, is to comply with the requirements of Section 292A of the Companies Act, 1956 and the provisions of the Clause 49 of the Listing Agreement. The Audit Committee shall have the authority to investigate into any matter that may be prescribed and the matters listed below and for this purpose the Audit Committee shall have full access to information contained in the records of the Company and external professional advice, if necessary:

- a. To review the Company's financial reporting process and ensure that the financial statements give a true and fair view of the affairs of the Company.
- b. To review the Company's audit procedures and techniques.
- c. To review with the management, external and internal procedures and the adequacy of internal control systems.
- d. To review the quarterly and annual financial statements and submit the same to the Board.
- e. Any other matter that may be delegated by the Board from time to time.

**(b) Composition**

The Audit Committee of the Company comprises of one Executive and two non executive independent directors i.e. Mr Harsh Chander Kansal – as Chairman; Mr Satish Chand Singhal and Mr Bishan Goyal as the Members of the Committee.

**(c) Attendance**

The Committee met five (5) times during the Financial Year 2008-2009 on the following dates: 30.04.2008, 31.07.2008, 25.08.2008, 31.10.2008 and 31.01.2009. Details of attendance of Directors in the Audit Committee meeting are as under:

Name of the Director	Category	Attendance at the Audit Committee Meeting
Mr Harsh Chander Kansal Chairman	Non Executive Independent Director	5
Mr Mahak Kansal <sup>1</sup>	Non Executive Independent Director	NIL
Mr Satish Chand Singhal	Non Executive Independent Director	5
Mr Bishan Goyal	Promoter & Executive Director	5

<sup>1</sup>Mr Mahak Kansal resigned from directorship of the Company w.e.f 15th December, 2008.

#### 4. REMUNERATION COMMITTEE

##### (a) Composition & Terms of Reference

The Remuneration Committee of the Board was reconstituted on 15th December 2008 due to the resignation of Mahak Kansal from the board of the company and Babu Lal Jain was introduced as member of the committee. The reconstituted remuneration committee comprises three non-executive and independent directors namely Mr Harsh Chander Kansal, Chairman and Mr Babu Lal Jain & Mr Satish Chand Singhal as Members.

The Remuneration Committee has been constituted to recommend/ review and approve the remuneration payable to Managing Director, Whole time Director or other directors of the Company based on their performance.

The Committee met three (2) times during the Financial Year 2008-2009 on the following dates: 19.07.2008 and 01.01.2009. Details of attendance of Directors in the Remuneration Committee meeting are as under:

Name of the Director	Category	Attendance at the Remuneration Committee Meeting
Mr Harsh Chander Kansal –Chairman	Non Executive Independent Director	2
Mr Satish Chand Singhal	Non Executive Independent Director	2
Mr Mahak Kansal <sup>1</sup>	Non Executive Independent Director	NIL
Mr Babu Lal Jain <sup>2</sup>	Non Executive Independent Director	1

<sup>1</sup>Mr Mahak Kansal resigned from directorship of the Company w.e.f 15th December, 2008.

<sup>2</sup>Mr Babu Lal Jain was appointed as Additional Director w.e.f 15th December, 2008.

##### (b) Remuneration Policy of the Company

The remuneration policy of the Company is directed towards rewarding performance. The Managing Director and the Whole Time Director of the Company are entitled for payment of Remuneration as decided by the Board and approved by the members as per the provisions of the Companies Act, 1956. Directors are also entitled for the sitting fee for attending Board/ Committee Meeting except the Managing Director and Whole Time Director. However all the Non executive Directors of the Company have waived the sitting fee payable to them for attending Board/ Committee Meeting of the Company.

##### (c) Details of the Directors' Remuneration for the financial year ended 31st March, 2009

Name of Director	Sitting Fees	Salaries & Perquisites (In Rs.)	Commision, Bonus Exgratia	Total Amount (In Rs.)	No. of Shares held & %
Mr Sushil Goyal	Nil	18,00,000	Nil	18,00,000	358214 (3.01%)
Mr Abhey Goyal	Nil	1,50,000	Nil	1,50,000	439701 (3.70%)
Mr Bishan Goyal	Nil	12,00,000	Nil	12,00,000	524643 (4.41%)
Mr Gagan Goyal <sup>1</sup>	Nil	4,25,000	Nil	4,25,000	355416 (2.99%)
Mr Mahak Kansal <sup>1</sup>	Nil	Nil	Nil	Nil	Nil
Mr Satish Chand Singhal	Nil	Nil	Nil	Nil	Nil
Mr Harsh Chander Kansal	Nil	Nil	Nil	Nil	Nil
Mr Babu Lal Jain	Nil	Nil	Nil	Nil	Nil

<sup>1</sup>Mr Gagan Goyal & Mr Mahak Kansal resigned from directorship of the Company w.e.f 15th December, 2008.

**5. INVESTORS' GRIEVANCE COMMITTEE**

- (i) The Company has constituted an "Investors' Grievance Committee" to look into redressal of Shareholder's / investors complaints, to approve share transfer, share transmission etc and to oversee all matters connected with the Shareholders.
- (ii) **Composition:** The investors' grievance committee of the Company was re-constituted on 15th December, 2008. Mr. Harsh Chander Kansal, a non-executive independent director is appointed as the Chairman of the Committee.

Name of the Director	Category	Designation
Mr. Harsh Chander Kansal	Non-executive Independent	Chairman
Mr. Babu Lal Jain	Non-executive Independent	Member
Mr. Satish Chand Singhal	Non-executive Independent	Member

The committee met Twelve (12) times during the year on 10.04.2008, 10.05.2008, 10.06.2008, 10.07.2008, 11.08.2008, 10.09.2008, 10.10.2008, 10.11.2008, 10.12.2008, 10.01.2009, 10.02.2009 and 10.03.2009.

- (iii) Mr. Tajinder Singh Bhatia is the Compliance Officer of the Company for the purpose of Clause 47 of the Listing Agreements to look after the compliances under the Listing Agreement and other SEBI Rules & Regulations etc.
- (iv) During the year, the Company received 4 (Four) complaints from the shareholders of which all are disposed off. There was no pending complaint from any shareholder as on 31st March 2009.

**6. GENERAL BODY MEETINGS**

- A). **Annual General Meetings:** Particulars of past three Annual General Meetings of the Company:

Year	Date	Venue	Time	No. of Special Resolution(s) passed
2006	30.09.2006	SP-916, RIICO Industrial Area, Phase - III, Bhiwadi-301 019, Distt. Alwar, Rajasthan	11:30 A.M.	Nil
2007	27.09.2007	SP-916, RIICO Industrial Area, Phase - III, Bhiwadi-301 019, Distt. Alwar, Rajasthan	11:30 A.M.	Four
2008	29.09.2008	SP-916, RIICO Industrial Area, Phase - III, Bhiwadi-301 019, Distt. Alwar, Rajasthan	11:30 A.M.	One

Special Resolution passed during the last three Annual General Meeting.

Year	Date	Business passed
2007	27.09.2007	<ul style="list-style-type: none"> <li>• To increase remuneration of Mr Sushil Goyal from Rs. 50,000 per month to Rs. 2,00,000 per month w.e.f. 1st July 2007.</li> <li>• To increase remuneration of Mr Gagan Goyal from Rs. 15,000 per month to Rs. 50,000 per month w.e.f. 1st August 2007.</li> <li>• To appoint Mr Bishan Goyal as Whole Time Director w.e.f. 1st January 2007.</li> <li>• To provide Corporate Guarantee upto Rs.32.36 Crores to M/s Dhruv Globals Ltd</li> </ul>
2008	29.09.2008	<ul style="list-style-type: none"> <li>• Appointment of Mr Sushil Goyal as Managing Director of the Company w.e.f. 26th July 2008</li> </ul>

**7. DISCLOSURES**
**(a) Related Party Transactions**

There are no materially significant related party transactions with its Promoters, the Directors or the Management, their Subsidiaries or Relatives etc., which may have potential conflict with the interest of the company at large. The other related party transactions are given in point no. 17 of Notes on Accounts annexed to and forming the part of Balance Sheet and Profit and Loss Account of the Company.

**(b) Non compliance by the Company, Penalties, Structures**

There were no instances of non-compliance by the Company, penalties, structures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

**(c) Non mandatory requirements**

The Company proposes to adopt the non-mandatory requirements including adoption of Whistle Blower Policy given in Annexure-3 of Clause 49 of the listing agreement in due course of time.

**8. CODE OF CONDUCT**

The Board has formulated a code of conduct for the Board members and senior management of the Company. The same has also been posted on the website of the Company. All Board members and senior management personnel have affirmed their compliance with the code.

Declaration on compliance with code of conduct by the Chairman & Managing Director:

The Board has formulated a code of conduct for the Board members and senior management of the Company, which has been posted on the website of the Company – [www.ajantasoya.com](http://www.ajantasoya.com).

It is hereby affirmed that all the Directors and senior management personnel have complied with the code of conduct framed by the Company and a confirmation to that effect has been obtained from the directors and senior management.

Sd/-

**SUSHIL GOYAL**

Chairman & Managing Director

**9. MEANS OF COMMUNICATION**

(a) At present quarterly/ half-yearly reports are not being sent to each household of shareholders.

(b) The Quarterly / half-yearly / annual accounts results are published in the English and Hindi Newspapers.

— which newspaper normally published in

Financial Express(English) & Jan Satta (Hindi)

— Any website where displayed

Yes –

[www.ajantasoya.com](http://www.ajantasoya.com)

Pursuant to clause 51 of the listing agreements, financial information like quarterly financial statements, shareholding pattern are available on SEBI's website [www.sebidifar.nic.in](http://www.sebidifar.nic.in).

(c) The Management Discussion and Analysis forms a part of the Annual Report.

**10. GENERAL SHAREHOLDERS INFORMATION****i) Annual General Meeting**

**Day & Date**

Wednesday, September 30, 2009

**Time**

11.30 A.M.

**Venue**

SP-916, RIICO Industrial Area, Phase III, Bhiwadi-301 019, Distt. Alwar, Rajasthan

**ii) Financial Calendar**

**Events**

Financial Reporting for the first quarter ended 30th June, 2009

Financial Reporting for the second quarter ending 30th September, 2009

Financial Reporting for the third quarter ending 31st December, 2009

Financial Reporting for the fourth quarter ending 31st March, 2010

**Tentative time frame**

31st July, 2009 (actual)

Last Week of October, 2009

Last Week of January, 2010

Last Week of April, 2009

**iii) Dates of Book Closure**

29th September, 2009 to

30th September, 2009

(Both days inclusive)

**iv) Dividend Payment Date**

Not applicable

v) **Listing on Stock Exchanges:** The Shares of the Company are listed on the Bombay Stock Exchange and Calcutta Stock Exchange.

vi) **Stock Code/ Symbol:** 519216 at the Bombay Stock Exchange.

vii) **Market Price Data:** High/ low of market price of the Company's equity shares traded on BSE during the last financial year were as follows:



Year	High	Low	Volume	Year	High	Low	Volume
Apr-08	10.50	7.70	59305	Oct-08	8.50	4.02	88314
May-08	10.13	7.51	98312	Nov-08	5.45	3.57	62536
Jun-08	9.45	7.55	76190	Dec-08	5.00	3.85	54490
July-08	9.65	7.01	91040	Jan-09	5.99	3.85	117510
Aug-08	10.15	8.38	59200	Feb-09	6.50	4.40	61607
Sep-08	10.00	6.65	56454	Mar-09	6.65	4.52	23312

Source : www.bseindia.com

**viii) Registrar and Share Transfer Agent & Share Transfer System**

The company has appointed **M/s. Skyline Financial Services Pvt Ltd**, as its Registrar and Share Transfer Agent to carry out the process of share transfer in physical form and also demat work of the Company. The Company has authorised the Registrar and Transfer Agent to approve and execute transfer and transmission of shares subject to a maximum holding of any one person together with the existing holding not exceeding 1% of total paid up equity share capital of the Company at the time of such transfer. Any transfer, transmission in excess of aforesaid limit of 1% is given effect by the Investor Grievance Committee of the Company. All correspondence with regard to share transfers and matters related therewith may directly be addressed to the Registrar and Share Transfer Agents at the address given below:

Particulars	Skyline Financial Services Pvt Ltd
Contact Person	Mr V K Rana
Address	246, 1st Floor, Sant Nagar, East of Kailash, New Delhi 110 065
Telephone No.	011-2629 2682, 2629 2683
Fax No.	011-2629 2681
E mail	admin@skylinerta.com

The Company's shares are traded in the Stock Exchange, Mumbai compulsorily in Demat mode. Physical shares which are lodged with the Registrar & Transfer Agent or/ Company for transfer are processed and returned to the shareholders duly transferred within the time stipulated under the Listing Agreement subject to the documents being in order.

**ix) Distribution of Shareholding as on 31st March 2009:**

Shareholding of Nominal Value of		Shareholders		Share Amount	
Rs.	Rs.	Number	% to Total	In Rs.	% to Total
(1)		(2)	(3)	(4)	(5)
Up to	5,000	16957	94.68	23750030.00	19.96
5,001	10,000	525	2.93	4361650.00	3.67
10,001	20,000	210	1.17	3318230.00	2.79
20,001	30,000	60	0.34	1533190.00	1.29
30,001	40,000	25	0.14	903520.00	0.76
40,001	50,000	36	0.20	1676930.00	1.41
50,001	1,00,000	37	0.21	2720760.00	2.29
1,00,001 and Above		59	0.33	80701670.00	67.84
<b>Total</b>		<b>17909</b>	<b>100.00</b>	<b>118965980.00</b>	<b>100.00</b>

- x) **Dematerialization of shares and liquidity:** As on 31st March 2009 about 84.94% of the Company's equity paid-up capital had been dematerialized. Trading in equity shares of the Company at the Stock Exchange is permitted compulsorily in demat mode.
- xi) There are no outstanding GDRs/ ADRs/ Warrants or any Convertible other Instruments as on the date.
- xii) **Plant Locations:** The Company has Vanaspati Plant and refinery located at:  
 SP 916, RIICO Industrial Area  
 Phase III, Bhiwadi 301 019  
 Distt. Alwar, Rajasthan.





xiii) **Address for Correspondence:** The shareholders may send their communication grievances/ queries to the Registrar and Share Transfer Agents at their Address mentioned above or to the Company at:

Investor Relation Centre  
Ajanta Soya Ltd  
4C, Bigjo's Tower, A-8, Netaji Subhash Place  
Wazirpur Distt.Center, Delhi 110034  
Phone: 011- 42515151  
Fax: 011- 42515100  
e-mail: ajantasoya@gmail.com  
ajantashareholder@gmail.com

**11. NON-MANDATORY REQUIREMENTS**

The Company proposes to adopt the non-mandatory requirements given in Annexure-3 of Clause 49 of the listing agreement in due course of time.

**CEO/CFO CERTIFICATION**

We, Sushil Goyal, Managing Director and Jai Gopal Sharma, Manager (Accounts), responsible for the finance function certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March 2009 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
  - (i) significant changes in internal control over financial reporting during the year.
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Date : 25th August, 2009  
Place : New Delhi

**Jai Gopal Sharma**  
*Manager (Accounts)*

**SUSHIL GOYAL**  
*Managing Director*



AJANTA

AJANTA SOYA LIMITED

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

**TO THE SHAREHOLDERS OF  
AJANTA SOYA LIMITED**

We have examined the compliance of the conditions of Corporate Governance by Ajanta Soya Limited for the year ended 31st March 2009, as stipulated under Clause 49 of the Listing Agreement as entered into by the Company with the Stock Exchanges in India.

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 abovementioned Listing Agreement.

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

Place : New Delhi  
Dated : 25th August, 2009

**For TAS ASSOCIATES**  
*Chartered Accountants.*

Sd/-  
**(SUBODH GUPTA)**  
*Partner*  
M. No. : 087099



**AUDITOR'S REPORT**

TO THE MEMBERS OF AJANTA SOYA LIMITED

1. We have audited the attached Balance Sheet of Ajanta Soya Limited as at March 31, 2009 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with 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 mis-statements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of sub-section (4A) of section 227 of the Companies Act, 1956, 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:
  - a) We have obtained all the information and explanations, which to the best of knowledge and belief, were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
  - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement, dealt with by this report, are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the applicable Accounting Standards referred to in section 211(3C) of the Companies Act, 1956.
  - e) On the basis of written representations received from the directors, as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies' Act, 1956.
  - f) To the best of our knowledge & belief, the provisions of Section 441A of the Companies Act, 1956 regarding the levy & collection of cess on turnover or gross receipts of the Company, have not yet been notified by the Central Government. Accordingly, the question of the compliance of the said section in terms of clause (g) of sub-section 3 of section 227 of the Companies Act, 1956 and clause 9 of the Annexure attached to our this report, does not arise.
  - g) In our opinion and to the best of our information and according the explanations given to us, the said accounts, together with the notes thereon, give the information required by the Companies' Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - I. in the case of the Balance Sheet, of the state of affairs of the company, as at March 31, 2009; and
    - II. in the case of the Profit and Loss Account, of the Profit of the company for the year ended on that date; and
    - III. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **TAS ASSOCIATES**  
Chartered Accountants

Sd/-  
**(SUBODH GUPTA)**  
Partner  
M. No. : 087099

Place : New Delhi  
Dated : 25th August, 2009

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE AUDITORS REPORT OF EVEN DATE TO THE MEMBERS OF AJANTA SOYA LIMITED FOR THE YEAR ENDED MARCH 31, 2009.**

1. a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
b) During the year, these fixed assets have been physically verified by the management in a phased manner which, in our opinion, is reasonable having regard to the size of the company and nature of its fixed assets. As mentioned to us no serious discrepancies were noticed by the management on such verification.  
c) The company has not disposed off substantial part of its fixed assets during the year.
2. a) The inventory has been physically verified by the management at reasonable intervals. In our opinion the frequency of verification is reasonable.  
b) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies between physical inventory and the book records, as observed on verification, which were not material in relation to the size of the company, have been properly dealt with in the books of accounts
3. (i) a) The company has granted unsecured loan to one Party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.400.00 Lacs (PY. Rs NIL) and the year-end balance of unsecured loans granted to such parties was Rs. 400.42 Lacs. (PY Rs NIL).  
b) The rate of interest and other terms and conditions on which unsecured loans have been granted are not, prima facie, prejudicial to the interest of the company.  
c) The receipt of Principal amount and interest are regular as per stipulations if any. There is no overdue amount of loan granted during the year.
3. (ii) a) The company has taken unsecured loan from Parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 1990.20 Lacs (PY. Rs 175.65 Lacs) and the year-end balance of unsecured loans taken from such parties was Rs. 249.95 Lacs (PY Rs NIL Lacs).  
b) The interest and other terms and conditions on which unsecured loans have been taken from companies listed in the register maintained under section 301 are not, prima facie, prejudicial to the interest of the company.  
c) The company is regular in repaying the principal amounts, wherever stipulated.  
d) There is no overdue amount of loans taken from companies, firms or other parties listed in the register maintained under section 301.
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 purpose of purchase of inventory and fixed assets and for sale of goods. During the course of our audit, on random test check basis, no major weakness has been noticed in the internal controls in respect of these areas.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.  
b) According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 and exceeding the value of five lakh rupees, in respect of any party during the year, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. According to information and explanations given to us, the company has not accepted any deposits to which provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under are applicable.
7. In our opinion, the company has an adequate Internal Audit system commensurate with its size and nature of its business.
8. Pursuant to the rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956, we are of the opinion that, prima facie, the prescribed accounts and records, relating to materials, labour and other items of cost, have been made and maintained.
9. a) According to the records of the company, the company is regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance,



Income Tax, Sales Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it.

- b) According to the records of the company and information and explanations given to us, there are no dues of Sales Tax, Income Tax, Service Tax, Custom Duty, Wealth Tax, Excise Duty and Cess on account of any dispute except the following:

S No.	Statute under which Demand arise	Amount Involved (Rs in Lacs)	Forum at which dispute is pending
1.	Income Tax Act	3.64	Commissioner of Income Tax (Appeals)

10. The company has no accumulated losses as on the balance sheet date. The company has not incurred any a cash loss during the financial year covered by our audit or the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to banks. There are no dues payable to financial institutions or debenture holders except that the company has not paid interest dues of Rs. 0.90 lacs to LIC of India on due date. However the same has since been paid after the end of the financial year.
12. According to information and explanations given to us and based on the documents and records produced before us, 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. In our opinion, the company is not a chit fund or a nidhi mutual benefit fund / society. Therefore, there is no special statute applicable to the company, hence provisions related to requirement of NOF, prudential norms for income recognition, appraisal of credit proposal etc. are not required to be complied by the company.
14. Based on our examination of the records and evaluation of the related internal controls, we are of the opinion that the company has maintained proper records of transactions and contracts in respect of trading in shares and other securities and timely entries have been made therein. All shares and securities have been held by the company in its own name except investment in the Units of LIC profit Plus amounting to Rs. 13.57 lacs [Refer Note no 4 of part B of schedule 'N' to the accounts.]
15. According to information and explanations given to us, the terms and conditions, on which the company has given guarantee for loans taken by others from bank or financial institutions, are not prejudicial to the interest of the company, in view of the counter guarantee provided by such other person for the benefit of company for the major part of guarantee covered.
16. Based on information and explanations given to us and in our opinion, no term loan has been raised by the company during the year.
17. According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that the funds, raised on short-term basis were not used, for long-term investments.
18. During the year, the company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The company has not issued any debentures.
20. The company has not raised any money through a public issue during the year.
21. Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For TAS ASSOCIATES  
Chartered Accountants

Sd/-  
(SUBODH GUPTA)  
Partner  
M. No. : 087099

Place : New Delhi  
Dated : 25th August, 2009



**BALANCE SHEET AS AT 31st MARCH, 2009**

Schedules	As at 31.03.2009 (Rs.)	As at 31.03.2008 (Rs.)
<b>I. SOURCES OF FUND</b>		
<b>1. SHARE HOLDERS FUNDS</b>		
a) Share Capital	A 118,965,980	118,965,980
b) Reserves & Surplus	B 77,244,938	76,460,646
<b>2. LOAN FUNDS</b>		
a) Secured Loans	7,909,572	121,227,823
b) Unsecured Loans	70,902,018	1,500,000
	78,811,590	122,727,823
<b>3. DEFERRED TAX LIABILITY</b> (Refer note no. 20 of Part B of Schedule 'N')		
	21,165,159	21,454,990
<b>TOTAL</b>	<b>296,187,667</b>	<b>339,609,439</b>
<b>II. APPLICATIONS OF FUNDS</b>		
<b>1. FIXED ASSETS</b>		
a) Gross Block	D 225,669,536	221,703,652
Less : Accumulated Depreciation	115,145,008	103,747,820
	110,524,528	117,955,832
b) Capital Work in Progress	3,526,654	—
<b>2. INVESTMENTS</b>		
	E 85,934,026	32,437,370
<b>3. CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>ADVANCES</b>		
a) Current Assets	F	
Inventories	151,125,633	142,965,696
Cash & Bank Balances	32,892,733	36,460,659
Sundry Debtors	70,112,123	137,206,268
b) Loans & Advances	58,844,063	16,552,404
	312,974,552	333,185,027
Less: CURRENT LIABILITIES & PROVISIONS	G 216,772,093	143,996,792
	96,202,459	189,188,235
<b>4. MISCELLANEOUS EXPENDITURE</b> (to the extent not written off or adjusted)		
	H —	28,002
<b>TOTAL</b>	<b>296,187,667</b>	<b>339,609,439</b>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO THE ACCOUNTS</b>		
	N	

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

For TAS ASSOCIATES  
Chartered Accountants

Sd/-  
(SUBODH GUPTA)  
(Partner)  
M. No. : 087099

Sd/-  
(SUSHIL GOYAL)  
Managing Director

Sd/-  
(BISHAN GOYAL)  
Whole Time Director

Sd/-  
(SHALINI AGRAWAL)  
Company Secretary

Place : New Delhi  
Dated : 25th August, 2009



**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009**

Schedules	2008-2009 (Rs.)	2007-2008 (Rs.)
<b>INCOME</b>		
<b>1. Sales</b>		
Vanaspati/Refined Oil/Raw Oil	2,613,709,940	2,818,319,307
By Products	34,321,702	29,001,890
	<u>2,648,031,642</u>	<u>2,847,321,197</u>
Less: Excise Duty on By Products	3,436,405	3,539,342
	<u>2,644,595,237</u>	<u>2,843,781,855</u>
<b>2. Other Income</b> I	4,196,305	4,396,718
<b>3. Profit on Commodities Futures</b>	25,108,630	—
<b>4. Profit on sale of Investments (Net of STT)</b>	—	408,512
<b>5. Increase/ (Decrease) in stocks</b> J	(28,611,995)	29,161,948
	<u>2,645,288,177</u>	<u>2,877,749,033</u>
<b>EXPENDITURE</b>		
<b>1. Raw Material &amp; Cost of Goods Sold</b> K	2,485,943,805	2,730,450,480
<b>2. Manufacturing, Administrative and other Overheads</b> L	138,444,858	117,808,206
<b>3. Financial Charges</b> M	6,289,729	9,160,523
<b>4. Depreciation</b>	11,408,497	11,336,526
<b>5. Misc. Expenditure written off</b>	28,002	54,813
<b>6. Provision for doubtful debts</b>	—	1,122,349
<b>7. Loss on sale of Investments (Net of STT)</b>	10,095	—
	<u>2,642,124,986</u>	<u>2,869,932,898</u>
	<u>3,163,191</u>	<u>7,816,135</u>
<b>PROFIT BEFORE TAX</b>		
<b>LESS: PROVISION FOR TAXATION</b>		
— Current Tax	2,889,226	4,584,841
— Deferred Tax (Reversal)	(289,831)	(922,649)
— Fringe Benefit Tax	213,573	326,384
— (Excess) /short for earlier years	(434,069)	(37,570)
	<u>2,378,899</u>	<u>3,951,006</u>
<b>NET PROFIT FOR THE YEAR</b>	<u>784,292</u>	<u>3,865,129</u>
Surplus Brought Forward from Last Year	50,672,545	46,807,416
<b>SURPLUS, CARRIED TO THE BALANCE SHEET</b>	<u>51,456,837</u>	<u>50,672,545</u>
<b>BASIC &amp; DILUTED EARNING PER SHARE</b>		
— Before Extra Ordinary Items	0.10	0.32
— After Extra Ordinary Items	0.07	0.32
(Refer note no. 16 of Part B of Schedule 'N')		
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO THE ACCOUNTS</b> N		

This is the Profit and Loss Account referred to in our report of even date attached

For **TAS ASSOCIATES**  
Chartered Accountants

Sd/-  
**(SUBODH GUPTA)**  
(Partner)  
M. No. : 087099

Sd/-  
**(SUSHIL GOYAL)**  
Managing Director

Sd/-  
**(BISHAN GOYAL)**  
Whole Time Director

Sd/-  
**(SHALINI AGRAWAL)**  
Company Secretary

Place : New Delhi  
Dated : 25th August, 2009



**SCHEDULES FORMING PART OF THE BALANCE SHEET**

	As at 31.03.2009 (Rs.)	As at 31.03.2008 (Rs.)
<b><u>SCHEDULE - A : SHARE CAPITAL</u></b>		
<b>AUTHORISED</b>		
14,250,000 Equity Shares of Rs. 10/- each	142,500,000	142,500,000
	<u>142,500,000</u>	<u>142,500,000</u>
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
11,896,598 Equity Shares of Rs 10/- each, fully paid up <i>(Of the above 1,926,598 Equity Shares of Rs. 10/- each, have been issued without payment being received in cash, to the shareholders of erstwhile kasturi Finlease &amp; Investments Limited, pursuant to the Scheme of Amalgamation during 2003-04)</i>	118,965,980	118,965,980
	<u>118,965,980</u>	<u>118,965,980</u>
<b><u>SCHEDULE - B : RESERVES &amp; SURPLUS</u></b>		
<i>Capital Reserves</i>		
— As Per Last Year	4,720,000	4,720,000
<i>Statutory Reserve Fund</i>		
— As per last year	1,133,228	1,133,228
<i>General Reserve</i>		
— As per last year	19,934,873	19,130,289
Add: Adjustment as per transitional Provisions	—	804,584
	<u>19,934,873</u>	<u>19,934,873</u>
Surplus, being balance in the Profit & Loss Account	51,456,837	50,672,545
	<u>77,244,938</u>	<u>76,460,646</u>





**SCHEDULES FORMING PART OF THE BALANCE SHEET**

	As at 31.03.2009 (Rs.)	As at 31.03.2008 (Rs.)
<b>SCHEDULE - C : LOAN FUNDS</b>		
<b>SECURED LOANS</b>		
1. Working Capital Loan from Bank	7,229,604	119,677,149
i) Secured by way of first charge/hypothecation of raw material, stores and spares, work in process, finished goods, by-products, packing materials, and chemical lying at works, depots and/or in transit and receivables of the company.		
ii) Further secured by personal guarantee of Managing Director, one Director and two relatives of Managing Director of the company and corporate guarantee of another company under the same management.		
iii) Collaterally secured by way of first charge over the block assets of the company including Company's Land & Building and Plant & Machinery at Bhiwadi.		
2. Hire Purchase Creditors (Secured against hypothecation of respective assets)	679,968	1,550,674
	<u>7,909,572</u>	<u>121,227,823</u>
<b>UNSECURED LOANS</b>		
— Inter Corporate Loans	69,312,018	—
— From LIC of India (Against Keyman Insurance Policy taken by the company)	1,500,000	1,500,000
— Interest Accrued and Due on Loan from LIC	90,000	—
	<u>70,902,018</u>	<u>1,500,000</u>

**SCHEDULE - D : FIXED ASSETS**

(Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2008	Addition during the year	Deductions during the year	As at 31.03.2009	Upto 01.04.2008	For the year	Deductions/ Adjustments	Upto 31.03.2009	As at 31.03.2009	As at 31.03.2008
<b>Tangible Assets</b>										
Lease Hold Land	4,783,029	—	—	4,783,029	—	—	—	—	4,783,029	4,783,029
Buildings #	26,938,254	—	—	26,938,254	11,378,236	815,036	—	12,193,272	14,744,982	15,560,018
Plant & Machineries	167,798,178	1,834,365	—	169,632,543	79,531,415	9,188,545	—	88,719,960	80,912,583	88,266,763
Electrical Installations & Fittings	4,406,812	—	—	4,406,812	3,112,185	209,324	—	3,321,509	1,085,303	1,294,627
Furniture & Fitting	847,296	5,440	—	852,736	740,856	19,731	—	760,587	92,149	106,440
Vehicles	8,008,490	2,183,908	278,000	9,914,398	3,098,502	684,341	11,309	3,771,534	6,142,864	4,909,988
Laboratory Equipments	314,314	—	—	314,314	235,308	14,930	—	250,238	64,076	79,006
Other Equipments & Appliances	8,607,279	220,171	—	8,827,450	5,651,318	476,590	—	6,127,908	2,699,542	2,955,961
<b>Total Current Year</b>	<b>221,703,652</b>	<b>4,243,884</b>	<b>278,000</b>	<b>225,669,536</b>	<b>103,747,820</b>	<b>11,408,497</b>	<b>11,309</b>	<b>115,145,008</b>	<b>110,524,528</b>	<b>117,955,832</b>
Total Previous Year	216,062,574	5,662,878	21,800	221,703,652	92,412,511	11,336,526	1,217	103,747,520	117,955,832	123,650,063

Add : Work in Progress

3,526,654

(including Capital Advances)

# Buildings include Rs. 28.39 Lacs for building purchased with physical possession under Flat Buyer's Agreement dated, 26th July, 1999, which is pending Execution & Registration of Conveyance Deed in the name of the Company.



**SCHEDULES FORMING PART OF THE BALANCE SHEET**

	As at 31.03.2009 (Rs.)	As at 31.03.2008 (Rs.)
<b>SCHEDULE - E: INVESTMENTS (AT COST)</b>		
<b>Long Term - Unquoted - Non-trade</b>		
In companies under the same management		
— Dhruv Globals Limited	—	3,680,500
368050 Equity shares of Rs. 10 each fully paid up (Ceases w.e.f. 01.04.2007)		
— Phoenix Steels Mills Limited (A company incorporated in Nigeria.)	1,090,250	1,090,250
3250000 Equity shares of NgN 1.00 each, fully paid up.		
— Shree Siddi Vinayak Tor Pvt. Ltd.	—	5,484,100
NIL,(P.Y. 390700) Equity shares of Rs.10 each fully Paid up		
— Shree Siddi Vinayak Forgings Pvt. Ltd.	—	4,984,000
NIL,(P.Y. 350500) Equity shares of Rs.10 each fully Paid up		
— D.G Estate Pvt. Ltd.	14,700,000	—
294000 Equity shares of Rs. 10 each fully paid up		
<b>Others</b>		
— Dhruv Globals Limited	3,680,500	—
368050 Equity shares of Rs. 10 each fully paid up		
— Mera Baba Reality Associates Pvt. Ltd.	—	17,198,520
NIL,(P.Y. 228170) Equity shares of Rs. 10 each fully paid up		
	<u>19,470,750</u>	<u>32,437,370</u>
<b>In Units of Mutual Fund</b>		
SBI - SHF-Ultra Short Term Fund - Institutional Plan-Daily Dividend	65,106,276	—
6507373.898 Units (NAV as on 31/03/2009 Rs. 10.005 & P. Y- NIL)		
LIC of India - Profit Plus	1,357,000	—
142810.945 Units (NAV as on 31/03/2009 Rs.7.73 each & P.Y- NIL)		
	<u>85,934,026</u>	<u>32,437,370</u>
(Refer note no. 4 of Part B of Schedule 'N')		
<b>Notes :</b>		
1 Aggregate Cost of Unquoted Investments	85,934,026	32,437,370
2 Investment made and sold during the year	<b>Cost (Rs.)</b>	<b>Qty (units)</b>
SBI-SHF-Ultra Short Term Fund-Institutional Plan-Daily Dividend	35,000,000	1,513,570
SBI Magnum Insta Cash Fund Liquid Floater Plan (Growth)	40,000,000	2,650,931

**SCHEDULE - F : CURRENT ASSETS, LOANS & ADVANCES**

**A) CURRENT ASSETS**

**1. INVENTORIES (As valued, verified and certified by management)**

i) Stock in Trade				
— Raw Material (Oil, including In-Transit)	95,639,064		53,551,312	
— Packing	5,815,495		9,581,931	
— Shares & Securities	27,955		27,955	
— Others	9,033,827	110,516,341	10,583,211	73,744,409
ii) Stock in Process		22,075,380		41,371,979
iii) Finished Products				
— Vanaspati	14,558,133		24,128,307	
— Refined Oil	3,424,791		2,807,723	
— By Products	550,988	18,533,912	913,278	27,849,308
		<u>151,125,633</u>		<u>142,965,696</u>



**SCHEDULES FORMING PART OF THE BALANCE SHEET**

	<i>As at</i> <b>31.03.2009</b> <i>(Rs.)</i>	<i>As at</i> <b>31.03.2008</b> <i>(Rs.)</i>
<b>2. CASH AND BANK BALANCES</b>		
i) Cash in Hand	658,736	588,074
ii) Balance with Scheduled Banks		
— In Current Accounts	5,646,758	5,943,201
— Fixed Deposit including interest accrued (Out of above, FDR of Rs.265.87 lacs (previous year Rs. 299.29 lacs) inclusive of interest, pledged with Banks as margin money against bank guarantees and foreign letter of credit)	26,587,239	29,929,384
	<u>32,892,733</u>	<u>36,460,659</u>
<b>3. SUNDRY DEBTORS (Unsecured &amp; considered good)</b>		
— Outstanding for a period exceeding six months	1,390,219	3,158,662
— Others	69,844,253	135,169,955
	<u>71,234,472</u>	<u>138,328,617</u>
Less : Provision for doubtful debts	1,122,349	1,122,349
	<u>70,112,123</u>	<u>137,206,268</u>
	<u>70,112,123</u>	<u>137,206,268</u>
<b>B) LOANS AND ADVANCES</b> (Unsecured & considered good unless otherwise stated)		
i) Advances recoverable in cash or in kind or for value to be received (Refer Note No.4 of Part B of schedule N)	6,801,636	7,363,608
ii) Security and other deposits	3,696,897	3,696,896
iii) Staff Loans & Imprest	491,599	406,013
iv) Excise Duty Recoverable	33,285	63,855
v) Custom Duty Recoverable	505,300	505,300
vi) Sales tax /vat Recoverable	4,649,930	1,421,373
vii) Advance Tax/TDS	362,905	362,889
viii) Income Tax Deposit (under protest)	100,000	100,000
ix) Sales Tax deposit (Under protest)	—	88,984
x) Prepaid Expenses	2,001,896	2,543,486
xi) Deferred Premium (on Forward exchange Contract)	157,977	—
xii) Loan to Body Corporate	40,042,638	—
	<u>58,844,063</u>	<u>16,552,404</u>

**SCHEDULE - G: CURRENT LIABILITIES AND PROVISIONS**

<b>A. CURRENT LIABILITIES</b>				
<b>Sundry Creditors</b>				
— Due to micro & small enterprises (including interest) (Refer note no.6 of part 'B' of Schedule 'N')	203,060		543,063	
— Due to Other than micro & small enterprises	202,401,693	202,604,753	129,523,319	130,066,382
Security Deposits from Dealers		471,617		471,617
Interest accrued but not due on Loans		56,250		11,250
Advance from Customers		2,222,325		2,633,672
Other Liabilities		5,432,125		5,272,691
		<u>210,787,070</u>		<u>138,455,612</u>
<b>B. PROVISIONS</b>				
— Provision for Taxation (Net of Advance Tax/TDS)		2,365,150		2,534,069
— Provision for Fringe Benefit Tax (Net of Advance Paid)		213,573		226,384
— Provision for Employees Benefits		3,406,300		2,780,727
		<u>216,772,093</u>		<u>143,996,792</u>



**SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT 31ST MARCH, 2009**

	2008-2009 (Rs.)	2007-2008 (Rs.)
<b>SCHEDULE - H : MISCELLANEOUS EXPENDITURE</b>		
(to the extent not written off or adjusted)		
a) Preliminary Expenses (As per last year)	28,002	82,815
Less: Written off to Profit & Loss Account	28,002	54,813
	<u>—</u>	<u>28,002</u>
<b>SCHEDULE - I: OTHER INCOME</b>		
Hire charges (Gross, TDS Rs.Nil, (P.Y. Rs.NIL))	1,008,000	1,008,000
Dividend (Gross)	249,542	—
Interest on Bank Deposits	2,279,531	2,302,117
{Gross, TDS of Rs. 4,08,736 ; (P.Y. Rs.5,50,772)}		
Miscellaneous Income	468,027	944,623
Processing Charges earned (Gross; TDS Rs 3,457/-, (P.Y Rs.3,221))	191,205	141,978
	<u>4,196,305</u>	<u>4,396,718</u>
<b>SCHEDULE - J : INCREASE/(DECREASE) IN STOCKS</b>		
<b>VANASPATI / REFINED OIL</b>		
<b>Opening Stock</b>		
Finished Products	26,936,030	13,764,899
Stock in Process	41,371,979	25,777,161
By Products	913,278	517,279
	<u>69,221,287</u>	<u>40,059,339</u>
Less: Closing Stock		
Finished Goods	17,982,924	26,936,030
Stock in Process	22,075,380	41,371,979
By Products	550,988	913,278
	<u>40,609,292</u>	<u>69,221,287</u>
Increase/(Decrease) in stocks	<u>(28,611,995)</u>	<u>29,161,948</u>
<b>SCHEDULE - K : RAW MATERIAL &amp; COST OF GOODS SOLD</b>		
a) <b>Raw Oils</b>		
1. Raw Oils		
Opening Stock	53,551,312	31,859,213
Purchase	2,321,272,346	2,179,207,554
Custom Duty	—	391,787,528
Freight, Brokerage, Bank charges etc.	122,091,144	100,936,137
	<u>2,496,914,802</u>	<u>2,703,790,432</u>
Less: Closing Stock (including In-Transit)	95,639,064	53,551,312
	<u>2,401,275,738</u>	<u>2,650,239,120</u>
2. Vanaspati	—	1,514,100
3. Packing Material	70,570,123	62,089,166
4. Chemicals	14,097,944	16,608,094
b) Shares/Securities		
Opening Stock	27,955	27,955
Add : Purchase	—	—
	<u>27,955</u>	<u>27,955</u>
Less: Closing Stock	27,955	27,955
	<u>—</u>	<u>—</u>
	<u>2,485,943,805</u>	<u>2,730,450,480</u>



**SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT 31ST MARCH, 2009**

	2008-2009 (Rs.)	2007-2008 (Rs.)
<b>SCHEDULE - L : MANUFACTURING, ADMINISTRATIVE &amp; OTHER OVERHEADS</b>		
Fuel, Power & Electricity	82,536,028	70,242,296
Rates & Taxes	170,111	74,635
Handling Charges	2,831,112	2,641,588
Laboratory Expenses	235,938	265,967
Repair & Maintenance - Plant & Machinery	5,578,649	5,437,489
Repair & Maintenance - Building	253,223	184,319
(Refer note no. 1(d) of Part B of Schedule 'N')		
Salaries & Wages	9,421,836	8,093,969
Contribution to Provident & Other Funds	1,225,177	1,129,702
Provision for Retirement Benefits & Bonus	1,639,198	1,643,721
Managerial Remuneration	3,575,000	2,960,000
Staff Welfare	628,914	632,950
Rent	423,733	410,262
Conveyance & Vehicle Maintenance	688,340	673,266
Telephone & postage Expenses	891,745	1,035,477
Legal, Professional Expenses	1,385,890	1,079,294
Printing & Stationery	414,780	345,221
Insurance	1,441,261	1,538,460
Tours & Travelling	671,865	692,842
Charity & Donation	62,000	8,200
Business Promotion	222,564	279,945
Publicity & Advertisement	243,338	410,485
Freight Outward	13,289,347	8,123,892
Commission, Discounts & Selling Expenses	8,912,353	8,052,188
Membership & Subscription	99,887	408,303
Loss on Sale of Assets	33,691	13,183
Interest to Micro & Small enterprises	31,085	26,779
Loss of Cash by Theft	232,840	—
Others	1,304,953	1,403,773
	<u>138,444,858</u>	<u>117,808,206</u>

**SCHEDULE - M : FINANCIAL CHARGES**

<b>Interest on:</b>			
— Working Capital Loan	2,935,078	6,043,438	—
Others	1,898,213	4,833,291	8,152,329
	<u>4,833,291</u>	<u>10,876,729</u>	<u>8,152,329</u>
Bank Charges	1,456,438	1,008,194	
	<u>6,289,729</u>	<u>11,884,923</u>	

**SCHEDULE - N : STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS**

**A. SIGNIFICANT ACCOUNTING POLICIES**

**1. RECOGNITION OF INCOME AND EXPENDITURE:**

- i) The accounts are made on historical cost basis on going concern assumption and Revenues/Incomes and Costs/Expenditure are generally accounted on accrual, as they are earned or incurred in accordance with the Accounting Standards specified in Companies (Accounting Standards) Rules, 2006.
- ii) In case of sales & purchase, accrual is deemed to have taken place on actual delivery of goods.
- iii) In case of interest, income is recognized in relation to period to which it pertains.
- iv) In case of uncertainties as to the risks & rewards, the conservative accounting policy is adopted by way of making suitable provisions for expenses and deferring the recognition of revenues
- v) The Preliminary Expenses & Pre-operative Expenses incurred up to 31.03.1995 are amortised over the period of ten years. Such expenses incurred after that date are amortised over the period of five years.

**2. EMPLOYEES BENEFITS:**

- i) Retirement benefits in the form of Provident fund and Family Pension fund is a defined contribution scheme and the contributions are charged to the profit and loss account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- ii) Gratuity is a defined benefit obligation. Gratuity liability is accrued and provided for on the basis of an actuarial valuation on the projected unit credit method made at the end of the financial year.
- iii) Long term compensated balances in the form of leave encashment are provided for based on actuarial valuation at the end of the financial year. The actuarial valuation is done as per projected unit credit method.
- iv) Actuarial gains/losses are debited to profit and loss account and are not deferred.

**3. FIXED ASSETS:**

- i) Fixed Assets are stated at cost, less accumulated depreciation, other than 'Leasehold Land', where no amortization is made. The properties/assets, in respect of which beneficial transfer has been affected, even though pending execution/registration, are capitalised.
- ii) In case of Fixed Assets acquired out of capital grants/subsidy, the cost is reduced to the extent of capital grant/subsidy.
- iii) The Capital work in progress is capitalized as fixed assets on the date of commissioning of the asset.

**4. METHOD OF DEPRECIATION AND AMORTISATION:**

- (i) Depreciation on Fixed Assets is provided at the relevant rates of depreciation in respect of Straight Line Method as specified in Schedule XIV to the Companies Act, 1956.
- (ii) In view of the amendment in Schedule XIV, depreciation on assets costing up to Rs.5000/- are depreciated at the rate of 100% on pro-rata basis except those which constitute more than 10% of the total actual cost of Plant and Machinery on which the applicable rate of depreciation is charged.
- (iii) Depreciation on additions to assets or on sale/adjustment of assets is calculated pro-rata from the date of such addition or up to the date of such sale/ adjustment.
- (iv) No amounts are written off against Leasehold Land by way of amortisation.

**5. VALUATION OF INVENTORIES**

**Particulars/Item Type**

**Method of Valuation**

- |  |  |
|--|--|
| • Raw Material, Packing Material & Consumables (including material in transit) | : At Cost including direct procurement Overhead / Taxes. |
| • Finished Goods (including goods in transit)                                  | : At cost or net realisable value, whichever is lower    |
| • Stock in process   | : At cost  |
| • By Products  | : At net realisable value                                |
| • Loose Tools  | : At cost and charged off when discarded                 |
| • Share / Securities (Quoted)  | : At lower of cost or net realizable value               |

In the above, cost is arrived at by FIFO cost method. In case of Finished Goods and Stock in Process, it also includes excise duty (if applicable), manufacturing & related establishment overheads, depreciation etc.

All the Spares, which are primarily meant to be used for capitalization (except consumables and maintenance stores), are considered as part of the Capital Work in Progress and shown accordingly.

**6. RESEARCH AND DEVELOPMENT:**

Revenue expenditure including overheads on Research and Development is charged out as an expense through the natural heads of account in the year in which incurred. Expenditure, which results in the creation of capital assets, is taken to Fixed Assets and depreciation is provided on such assets, as are depreciable.

**7. EXPENDITURE DURING CONSTRUCTION PERIOD:**

All expenditure, directly related to the fixed asset including interest on borrowings for the project, incurred up to the date of installation, are directly capitalised and added, if required, pro-rata to the cost of factory buildings, wherever applicable, and plant and machinery relating thereto.

**8. INVESTMENTS:**

Long-term investments are stated at cost price. Any diminution of permanent nature in the value of the long-term investments is suitably provided for by charging off to revenue. Current (Short-term and stock in process) investments are stated at lower of cost or net realisable value.

In case of unquoted shares, the diminution in value of shares is arrived on the basis of break up value as per latest available audited balance sheet of the respective company.

**9. FOREIGN CURRENCY TRANSACTIONS:**

Foreign Currency transactions during the year are recorded at rates of exchange prevailing on the date of transaction. Current Assets and Current Liabilities are translated at using the year-end exchange rate. Exchange gains and losses are duly recognised in the Profit and Loss Account. In case of forward contracts, the difference between the forward rate and the exchange rate on the date of the transaction is recognised as income or expense over the life of the contract.

**10. INCOME TAX:**

Provision for current Income Tax is made on the basis of estimated taxable income after taking into consideration, estimates of benefits admissible under the provisions of Income Tax, 1961. The company provides for deferred tax liability (after netting off deferred tax assets), based on the tax effect of timing difference resulting from the recognition of items in the financial statements. Deferred tax assets (after, netting of deferred tax liabilities), are generally not recognized unless there exist strong circumstances for its adjustment/realization in near future.

**11. ACCOUNTING FOR DEPB:**

The DEPB entitlements, against exports, are accounted on accrual basis when export materialises. In case of DEPB acquired from third parties, the same is recognised on historical cost basis.

**12. IMPAIRMENT OF ASSETS:**

Consideration is given by the management of the company consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of assets. If any indication exists, impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and value in use. Reversal of impairment losses recognised in prior years is recorded when there is indication that the impairment losses for the assets are no longer exist.

**13. FINANCE LEASE:**

Assets taken on lease are capitalized at fair value or net present value of the minimum lease payments, which ever is lower.

Depreciation on assets taken on lease is charged at the rate applicable to similar type of fixed assets as per accounting policy of the company for depreciation as above. If the leased assets are returnable to lessor on the expiry of the period, depreciation is charged over its useful life or lease period which ever is shorter.

Lease payments are apportioned between the finance charge and the reduction of the outstanding liability in respect of assets taken on lease. Sub-lease payments received/ recoverable are recognized as other income.

**14. PROVISIONS AND CONTINGENT LIABILITIES:**

A Provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

The disclosure is made for all possible or present obligations that may but probably will not require outflow of resources, as contingent liability in the financial statements



**B. NOTES TO THE ACCOUNTS**

**1. Contingent Liabilities, not provided for:**

a. Bank Guarantees / Letters of credit issued by the company in favour of		(Rs. In lacs)	
		2008-2009	2007-2008
i	Foreign Letters of Credit against import of Raw oil.	1731.21	1720.49
ii	Suit filed by one supplier to the tune of 1.14 Lacs during the year, Which is pending adjudication before Court	1.14	1.14
<b>TOTAL</b>		<b>1732.35</b>	<b>1721.63</b>

Bank Guarantees / Foreign Letters of Credit are secured by way of lien marked Fixed Deposits (inclusive of Interest) of Rs. 265.87 Lacs (Previous year Rs. 299.29 Lacs).

- b. Corporate guarantee given to a bank, in lieu of such bank having extended various secured fund based & non-fund based credit facilities, amounting in aggregate to Rs. 4154 Lacs (Previous year Rs. 4165 Lacs) to a related party.
  - c. Demand of Rs. 3.64 Lacs has been raised by Income tax authorities for A.Y. 2003-2004 which is disputed by the company under appeal and a sum of Rs. 1.00 Lacs has been deposited under protest, which has been classified as recoverable under the head loan and advances in part B of schedule F to the Balance Sheet.
  - d. Demand Raised by Rajasthan State Industrial Development & Investment Corporation Limited (RIICO Ltd.) amounting to Rs. 21.11 Lacs on account of Service charges and Economic Rent out of which company has paid Rs. 2.53 Lacs and the balance amount of Rs 18.58 Lacs pending for final settlement with Bhiwadi Jal Pardusan Niwaran & Anusandhan Samiti by the RIICO Ltd.
2. Estimated amount of contracts remaining to be executed on capital account and not provided for in these accounts (Net of Advances) Rs. 38.95 Lacs (Previous Year Nil)
  3. In the opinion of the Board, the current assets, loans & advances are recoverable at par in the ordinary course of business at a price at which they are stated in the Balance Sheet. Balances of debtors, creditors, loans and advances on the Balance Sheet date are subject to reconciliation and confirmation from some of the parties. However the variation is not expected to substantially vary the results of the company for the year.
  4. Company made an Investment of Rs. 13.57 Lacs in Profit Plus policy of Life Insurance Corporation of India which has been issued in the name of Managing Director of the Company and assigned in favour of the company & therefore the same is shown as investment of the company.
  5. Exchange rate adopted for conversion at the closing of financial year is taken at USD 1 = INR 50.95 (previous year Rs 39.97)
  6. Company had sent communications to all creditors for identification of micro, small and medium enterprises. On the basis of response, to the extent received, to such communication and identification, the disclosures in respect to Micro, Small and Medium Enterprise Development Act, 2006 is as follows:

(Rupees)			
S.No	Particulars	2008-09	2007-08
i)	The Principal amount and the interest due thereon remaining unpaid to any supplier	2,03,060/-	5,43,063/-
ii)	Principal amount	1,45,196/-	5,16,284/-
iii)	Interest there on	26,986/-	1,365/-
iv)	The amount of Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payments made to the supplier beyond the appointed day.	—	—
v)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.)	30,878/-	25,414/-
vi)	The amount of interest accrued and remaining unpaid.	57,864/-	26,779/-
vii)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Not ascertainable*	Not ascertainable*

\* Since the Interest has not yet been paid till the signing of Balance Sheet.



**7. Disclosure for Gratuity and Leave Benefit Plans:**

The company has a defined benefit gratuity plan. The present value of obligation is determined based on actuarial valuation using the projected unit 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 for leave encashment is recognized in the same manner as gratuity.

**i) Changes in the present value of the defined benefit obligation are as follows (Rs):**

Particulars	Gratuity 2008-2009	Gratuity 2007-2008	Leave Encashment 2008-2009	Leave Encashment 2007-2008
Opening defined benefit obligation	22,01,064	18,09,421	5,79,663	5,16,878
Interest cost	1,54,074	1,45,151	40,576	41,463
Current service cost	2,53,519	2,18,123	92,098	87,722
Actual return on plan assets	N.A.	N.A.	N.A.	N.A.
Benefits paid	(1,04,925)	(2,92,952)	(90,489)	(2,30,557)
Actuarial (gain)/loss on obligation	2,62,201	3,21,321	18,519	1,64,157
Closing defined benefit obligation	27,65,933	22,01,064	6,40,367	5,79,663

**(ii) Changes in the fair value of plan assets are as follows (Rs):**

Particulars	Gratuity 2008-2009	Gratuity 2007-2008	Leave Encashment 2008-2009	Leave Encashment 2007-2008
Opening fair value of plan assets	NIL	NIL	NIL	NIL
Expected return	N.A.	N.A.	N.A.	N.A.
Contributions by employer	NIL	NIL	NIL	NIL
Benefits paid	NIL	NIL	NIL	NIL
Actuarial gain/(losses )	NIL	NIL	NIL	NIL
Closing fair value of plan assets	NIL	NIL	NIL	NIL

**(iii) Net employee benefit expense debited to Profit & Loss account (Rs):**

Particulars	Gratuity 2008-2009	Gratuity 2007-2008	Leave Encashment 2008-2009	Leave Encashment 2007-2008
Current service cost	2,53,519	2,18,123	92,098	87,722
Interest cost	154,074	1,45,151	40,576	41,463
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.
Actuarial (gain) / loss	2,62,201	3,21,321	18,519	1,64,157
Net benefit expense	6,69,794	6,84,595	1,51,193	2,93,342
Actual return on plan assets	N.A.	N.A.	N.A.	N.A.

**(iv) Details of provision for Employees Benefits (Rs.)**

Particulars	Gratuity 2008-2009	Gratuity 2007-2008	Leave Encashment 2008-2009	Leave Encashment 2007-2008
Defined benefit obligation	27,65,933	22,01,064	6,40,367	5,79,663
Total value of provident fund contribution on closing liability	—	—	—	—
Fair value of plan assets	—	—	—	—
Less: Unrecognized past service cost	—	—	—	—
Plan (Liability)/ Asset	—	—	—	—

**Actuarial Assumptions**

Particulars	Gratuity 2008-2009	Gratuity 2007-2008	Leave Encashment 2008-2009	Leave Encashment 2007-2008
Mortality table ( LIC)	(1994-96)	(1994-96)	(1994-96)	(1994-96)
Discount rate	7.00%	8.00%	7.00%	8.00%
Expected rate of return on plan assets	—	—	—	—
Rate of escalation in salary per annum	5.00%	5.50%	5.00%	5.50%
Employee turnover up to 30 years	3.00%	3.00%	3.00%	3.00%
Above 30years but up to 44 years	2.00%	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%	1.00%

The estimates of future salary increase considered in actuarial valuation take into account the inflation, seniority, promotion and other relevant factors such as demand in the employment market and supply.

**Note:** The actuarial valuation of gratuity and leave encashment liability in the previous year was done in accordance with the pre-revised Accounting standard, AS-15. Accordingly comparative figures of previous years have not been given.

**Defined Contribution Plan (Rs.)**

	2008-2009	2007-2008
Defined contribution plan and Family & Pension Contribution to Provident Fund	1,22,505	1,12,970
	1,12,505	1,12,970

**8. Remuneration to Managerial Personnel:**

(Rupees)

	2008-2009	2007-2008
i) Remuneration to the Managing Director	1,800,000	1,500,000
ii) Remuneration to Whole Time Directors	1,775,000	1,460,000
iii) Value of perquisites.	Nil	NIL
	3,575,000	2,960,000

**9. Payment to Auditors:**

Rupees

a) Statutory Auditors	2008-2009	2007-2008
Audit Fees	230,000	180,000
Tax Audit Fees	20,000	20,000
Taxation Matters Fee	250,000	175,000
Out of Pocket expenses	12,500	12,500
Certification Fee	—	14,000
Service Tax	25,750	26,189
<b>TOTAL</b>	<b>538,250</b>	<b>427,689</b>
b) Cost Auditors (including Service Tax)	43,449	37,400
c) Internal Auditors (including Service Tax)	79,400	80,900

**10. Particulars in respect of Capacities, Production/Purchase, Stocks and Sales:**
**(A) Manufacturing Operations:**
**i. For Sale:**

Class of Goods	Installed capacity	Opening Stock		Actual Production	Sales		Closing Stock	
	M.T. (P.A.)	Qty. (MT)	Value (Rs. Lacs)	Qty. (MT)	Qty. (MT)	Value (Rs. Lacs)	Qty. (MT)	Value (Rs. Lacs)
Vanaspati/Refined Oil	86000	456.32	269.36	55843.18	55828.52	26005.84	470.98	179.82
Previous. Year's	54000	288.78	137.65	55843.01	55675.48	28073.75	456.32	269.36

- a) The installed capacity for the finished products and date of installation, are as certified by the management and relied upon by the auditors, being a technical matter.
- b) Capacities are expressed on the basis of triple shift working of the factory.

**(ii) For Captive Consumption:**

Class of Goods	Installed capacity*	Opening Stock		Actual Production	Consumed*	Closing Stock	
	Nos. (P.A.)	Qty. (Nos.)	Value (Rs. Lacs)	Qty. (Nos.)	Qty. (Nos.)	Qty. (Nos.)	Value (Rs. Lacs)
P.P. Jars (15kg/Ltr.)	—	6264	2.71	196975	196070	7169	2.95
Previous Year's	—	1982	0.79	172940	168658	6264	2.71
Tin Container (15kg/Ltr.)	—	2395	1.29	683790	686034	151	0.08
Previous Year's	—	205	0.10	734100	731910	2395	1.29

\*Installed capacities are not given, as technical estimates are not ascertainable.

**(B) Trading Operations:**
**(i) Oil, Bakery Shortening & Vanaspati**

Class of Goods	Opening Stock		Purchases	Sales/Processing loss		Closing Stock	
	Qty. (MT)	Value (Rs. Lacs)	Qty. (MT)	Qty. (MT)	Value (Rs. Lacs)	Qty. (MT)	Value (Rs. Lacs)
Raw Oil	—	—	250.00	250.00	131.25	—	—
Previous Year's	—	—	250.00	250.00	74.86	—	—
Bakery Shortening	—	—	—	—	—	—	—
Previous Year's	—	—	36.00	36.00	18.49	—	—
Vanaspati	—	—	—	—	—	—	—
Previous Year's	—	—	30.900	30.900	16.09	—	—

**ii) Shares / Securities (Non-trade)**

Class of Goods	Opening Stock		Purchases	Sales/Written off		Closing Stock	
	Qty.	Value (Rs.)	Qty.	Qty.	Value (Rs.)	Qty.	Value (Rs.)
Balaji Galvanising Ltd.	9800	9,800	—	—	—	9800	9,800
Phytochem India Ltd.	1000	1,000	—	—	—	1000	1,000
Via Media (India) Ltd.	75	75	—	—	—	75	75
Shree Krishna Polyester Ltd. (Warrants)	800	800	—	—	—	800	800
Gupta Carpets Ltd.	400	280	—	—	—	400	280
Krishna Synthetics Ltd.	16000	16,000	—	—	—	16000	16,000
<b>Total</b>		<b>27,955</b>			<b>—</b>		<b>27,955</b>

\*None of the above companies are under the same management.

**11. Analysis of Material Consumed in Manufacturing Operation:**

Class of Goods	Unit	Current Year		Previous Year	
	M.T	Qty.	Value (Rs. Lacs)	Qty.	Value (Rs. Lacs)
Oil		59626.37	23891.49	59073.09	26346.00
Packing			705.81		620.89
Chemicals			140.95		166.08
<b>TOTAL</b>			<b>24738.18</b>		<b>27132.97</b>

12. Value of imported and indigenous raw materials, spare parts and components consumed in manufacturing operation and the percentage of each to the total consumption.

Particulars	Current Year				Previous Year			
	Raw Material		Spare Parts & Components*		Raw Material		Spare Parts & Components*	
	Value (Rs. Lacs)	% to total consumption	Value (Rs. Lacs)	% to total consumption	Value (Rs. Lacs)	% to total consumption	Value (Rs. Lacs)	% to total consumption
Imported	21436.17	86.65	—	—	19775.25	72.88%	—	—
Indigenous	3302.01	13.35	—	—	7438.38	27.12%	—	—

\*Manufacturing process does not require any spare parts and components.

13. The value of Imports (Raw Oil) by the company on C.I.F. basis during the financial year is Rs. 11047.91 Lacs; Previous Year Rs. 5157.58 Lacs.
14. In these accounts, net loss of Rs.485.24 Lacs (previous year, net profit of Rs. 76.40 Lacs), on account of foreign exchange fluctuation arising during the year, has been recognized under the appropriate revenue items to which it relates.
15. **Earnings and Outgo in Foreign Currency:** (Rs. in Lacs)

	2008-2009	2007-2008
<b>Earnings:</b>	—	—
<b>Outgo:</b>		
Travelling Expenses	—	1.63
Purchase of Oil	11047.91	5157.58

16. **The Basic and Diluted Earning per Share has been arrived as follows:** (Amount in Rs.)

	2008-2009	2007-2008
Profit after extra-ordinary items		
Profit for the year	31,63,191	78,16,135
Less : Provision for Taxation(net)	23,78,899	39,88,576
	<u>7,84,292</u>	<u>38,27,559</u>
Profit before extra-ordinary items		
Profit for the year after tax	7,84,292	38,27,559
Adjustment for :		
Provision for tax for earlier years	4,34,069	37,570
	<u>12,18,361</u>	<u>38,65,129</u>
No. of weighted average equity shares (Basic & Diluted)	1,18,96,598	1,18,96,598
<b>BASIC &amp; DILUTED EARNING PER SHARE (Rs.)</b>		
Before extra-ordinary items	0.10	0.32
After extra-ordinary items	0.07	0.32

17. **Related Party Disclosures**

The information given below is only in respect of the transactions entered into by the company during the year with the related parties.

**A) Names of Related Parties and description of Relationship:**

**i) Associates:**

Shree Siddivinayak Tor Pvt. Ltd. (Ceases w.e.f 09/09/2008)  
Shree Siddivinayak Forgings Pvt. Ltd (Ceases w.e.f 09/09/2008)

**ii) Enterprises in which Key managerial Personnel and their Relatives have significant influence**

Pawansut Merchants Limited  
Dhruv Globals Limited  
Phoenix Steel Mills Ltd (Company incorporated in Nigeria)  
Chander Prabhu financial Services Ltd  
G.D. Ferro Alloys (P) LTD  
D.G. Estates Pvt. Ltd (w.e.f 03/07/2008)  
Dhruv Global Infratech Pvt. Ltd. (Formerly Reliance Forms Pvt. Ltd.)

## iii) Key Managerial Personnel:

Sushil Goyal, Managing Director

Bishan Goyal, Whole Time Director

Gagan Goyal, Whole Time Director (Resigned w.e.f 15/12/2008)

Abhey Goyal, Whole Time Director (Appointed w.e.f 15/12/2008)

## B) Transactions during the year and Balances Outstanding as at the year end in respect of transactions entered into with the Related Parties: (Rs. in Lacs)

Particulars	2008-2009				2007-2008	
	Associates	Enterprises in which key managerial personnel & their relatives have significant influence	Key Managerial Personnel	Associates	Enterprises in which key managerial their relatives their relatives have significant influence	Key Managerial Personnel
<b>Unsecured Loans Taken</b>						
a) Balance as at beginning of year	—	—	—	—	50.01	—
b) Taken during the year	1192	912.70	—	—	295.64	20.00
c) Repaid during the year	1192	667.00	—	—	345.65	20.00
d) Balance as at year end	—	245.70	—	—	—	—
<b>Unsecured Loans Granted</b>						
a) Balance as at beginning of year	—	—	—	—	—	—
b) Taken during the year	—	400	—	—	—	—
c) Repaid during the year	—	—	—	—	—	—
d) Balance as at year end	—	—	—	—	—	—
<b>Investments as at 31.03.09</b>	—	194.70	—	104.68	219.69	—
<b>Investment made during the year</b>						
a) Investment in Shares	—	147.00	—	104.68	—	—
<b>Assets/ Liabilities as on Balance Sheet date</b>						
a) Balances Payable	—	0.18	—	—	0.18	—
b) Balances Receivable	—	—	—	—	0.26	—
<b>Contingent Liabilities as on Balance Sheet date</b>						
a) Guarantees issued in favour of bank on behalf of other entities	—	4154.00	—	—	4165.00	—
b) Guarantees issued by other entities in favour of bank on behalf of the company	—	4100.00	—	—	4100.00	—
<b>EXPENDITURE</b>						
a) Rent	—	1.44	—	—	1.44	—
b) Payments to and provisions for employees	—	—	35.75	—	—	29.60
c) Interest on Loan	—	5.50	—	—	0.64	—
d) Purchase of Stores	—	2.11	—	—	—	—
<b>INCOME</b>						
a) Interest Received on loan	—	0.53	—	—	—	—



**18. Segment Reporting:**

The only operating segment identified by the company during the year under report is Vanaspathi and refined oil segment. This business segregation forms the basis for review of operating performance by the management. In line with the practice and considering the nature of the materiality in operations, the dealing in shares/securities has not been reported as a separate segment. Accordingly the segmental information as required in accordance with the AS 17 as specified in the Companies (Accounting Standards) Rules, 2006 is not given as there is only one business segment of the company.

**19. (A) Disclosures Regarding Assets taken on Lease:**

**Finance Lease:**

Company has taken certain vehicle the details of lease are as under:

(Rs. In Lacs)

Particulars	Out standing Minimum Lease Payment	Present Value of Minimum value lease payment
Not Later than one year	7.33	6.80
Later than one year but not later than five years	NIL	NIL
<b>TOTAL</b>	<b>7.33</b>	<b>6.80</b>

**Operating Lease:**

The Company has entered into Lease transaction mainly for leasing of Office/Residential Premises including godown and company leased accommodation for its employees. Terms of lease include terms of renewal, increase in rent in future period and terms of cancellation. The operating lease payment recognized in Profit & Loss A/c Rs.4.23 lacs (P.Y. Rs.4.10 lacs) for the lease which commenced on or after April 01, 2001.

**19. (B) Disclosure Regarding Assets given on Lease:**

**Operating Lease:**

The company has entered into lease agreement for certain vehicle.

(Rs. In Lacs)

The details of lease are as under:

Category	Gross Carrying Amount Included in Schedule 'D' Fixed Assets	Accumulated Depreciation	Depreciation recognize in Profit & Loss A/c
Vehicle (2 Truck)	29.42	8.43	4.77
(Year 2007-2008)	(29.42)	(3.66)	(4.77)

**20. Deferred Tax:**

Major components of Deferred Tax Liabilities (net of deferred tax assets) arising on account of timing differences are as under:

(Rs. In Lacs)

	2008-2009	2007-2008
<b>Deferred Tax Liabilities</b>		
— Fixed Assets	217.22	230.14
<b>Deferred Tax Assets</b>		
— Provision for Gratuity, Bonus, Leave Encashment & Provision for doubtful debts	5.57	15.59
Accumulated Deferred Tax Liability (net)	211.65	214.55
Provision/ (Reversal) required	(2.90)	(9.23)
Provision / (Reversal) recognized for the year	(2.90)	(9.23)

21. The indications listed in paragraph 8 to 10 of Accounting Standard 28 on Impairment of Assets, as specified in the Companies (Accounting Standards) Rules, 2006, have been examined and on such examinations, it has been found that none of the indicators are, prima facie, present in the case of the company. A formal estimate of the recoverable amount has not been made, as there is no indication of a potential impairment loss, as per the management.

22. Previous year's figures have been regrouped/reclassified, wherever considered necessary, to conform to current year's classification.

23. Information pursuant to Part - IV of the Schedule VI to the Companies Act, 1956 is given separately.

Date : 25th August, 2009  
Place : New Delhi

Sushil Goyal  
Managing Director

Bishan Goyal  
Whole time Director

Shalini Agarwal  
Company Secretary

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

<b>I. Registration Details</b>			
Registration No.	L15494RJ1992PLCO16617	State Code	17
Balance Sheet Date	31.03.2009		
<b>II. Capital Raised during the Year (Amount in Rs. Thousand)</b>			
Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL
<b>III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousand)</b>			
Total Liabilities	512960	Total Assets	512960
<b>Sources of Funds</b>			
Paid-up-Capital	118966	Reserves & Surplus	77245
Secured Loans	7910	Unsecured Loans	70902
Deferred Tax Liability (Net)	21165		
<b>Application of Funds</b>			
Net Fixed Assets*	114051	Investments	85934
*(Includes Capital Work in Progress)			
Net Current Assets	96202	Misc. Expenditure	NIL
Accumulated Losses	NIL		
<b>IV. Performance of Company (Amount in Rs. Thousand)</b>			
Turnover	2673901	Total Expenditure	2670737
Profit/Loss before Tax	3164	Profit/Loss after Tax	784
Earning per Share in Rs. *	0.07	Dividend Rate %	NIL
<b>V. Generic Names of Three Principal Products/Services of the Company</b>			
Item Code No.	: 2100		
Product Description	: Vanaspati		
Item Code No.	: 2100		
Product Description	: Refined Oil		
Item Code No.	:		
Product Description	:		

for and on behalf of the Board of Directors

Place : New Delhi  
Dated : 25th August, 2009Sd/-  
(SUSHIL GOYAL)  
Managing DirectorSd/-  
(BISHAN GOYAL)  
Whole Time DirectorSd/-  
(SHALINI AGRAWAL)  
Company Secretary



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009**

	2008 - 2009 Rupees	2007 - 2008 Rupees
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax & Extraordinary items	3,163,191	7,816,135
<b>Add: Non cash and Non operating items</b>		
Provision for Doubtful Debts	—	1,122,349
Depreciation	11,408,497	11,336,526
Miscellaneous Expenditure written off	28,002	54,813
Interest Paid	6,289,729	9,160,523
(Profit)/ Loss on sale of Investments	10,095	(408,512)
Provision for Leave Encashment and Gratuity	820,987	977,937
Loss on Sale of Assets (Net)	33,691	13,183
	<u>18,591,001</u>	<u>22,256,819</u>
<b>Less: Non Operating items</b>		
Dividend income	(249,542)	—
Profit on Commodities Futures	(25,108,630)	—
Interest on FDR	(2,279,531)	(2,302,117)
	<u>(27,637,703)</u>	<u>(2,710,629)</u>
<b>Operating Profit before Working Capital changes</b>	<b>(5,883,511)</b>	<b>27,770,837</b>
<b>Adjustments for:</b>		
Inventories	(8,159,937)	(59,344,551)
Trade & Other Receivables	24,802,485	6,637,361
Trade Payable and Other Liabilities	72,331,458	6,537,998
	<u>88,974,006</u>	<u>(46,169,192)</u>
<b>Cash Generated from operations before extraordinary item and tax</b>	<b>83,090,495</b>	<b>(18,398,355)</b>
<b>Less:</b>		
Taxes Paid	(2,850,475)	(5,473,304)
Leave Encashment and Gratuity Paid	(195,414)	(523,509)
	<u>(3,045,889)</u>	<u>(5,996,813)</u>
<b>Cash Flow before Extraordinary Items</b>	<b>80,044,606</b>	<b>(24,395,168)</b>
Extraordinary Items		
— Prior Period Adjustment	—	—
<b>Net Cash from Operating Activities.....(A)</b>	<b><u>80,044,606</u></b>	<b><u>(24,395,168)</u></b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(4,243,884)	(5,662,878)
Change in Capital Work in Progress	(3,526,654)	2,007,626
Interest received on FDR	2,279,531	2,302,117
Sale of Fixed Assets	233,000	7,400
Investments	(53,496,656)	(10,468,100)
Investments made in FDR (Pledged)	3,342,145	(11,507,383)
Dividend received on investments	249,542	—
Profit/ (Loss) on sale of Investments	(10,095)	408,512
Profit on Commodities Futures	25,108,630	—
	<u>(30,064,441)</u>	<u>(22,912,706)</u>
<b>Net Cash used in Investing Activities.....(B)</b>		
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Movement in Working Capital Loan	(112,447,545)	120,127,374
Movement in Other Loans	68,531,312	(100,078,512)
Interest Paid	(6,289,729)	(9,160,523)
	<u>(50,205,962)</u>	<u>10,888,339</u>
<b>Net Cash received in financing Activities...(C)</b>		
<b>D) NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>(225,797)</b>	<b>(36,419,535)</b>
Cash & Cash Equivalents as at year opening	6,531,275	42,950,810
Cash & Cash Equivalents as at year end	6,305,478	6,531,275

**Notes:**

- (I) Figures in brackets represent deductions and outflows
- (II) Cash & Cash Equivalents do not include Fixed Deposits pledged with Bank and accrued interest thereon as the same are not highly liquid and readily convertible into cash.
- (III) The previous year's figures have been restated, wherever considered necessary.

Place : New Delhi  
Dated : 25th August, 2009

Sd/-  
(SUSHIL GOYAL)  
Managing Director

Sd/-  
(BISHAN GOYAL)  
Whole Time Director

Sd/-  
(SHALINI AGRAWAL)  
Company Secretary





**AJANTA SOYA LIMITED**  
 Regd. Office : SP-916, RIICO Industrial Area Phase - III,  
 Bhiwadi - 301 019, Distt. - Alwar (Rajasthan)

**PROXY FORM**

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member/members of the above named Company hereby appoint \_\_\_\_\_ of \_\_\_\_\_ failing as my/our Proxy to vote for me/us on my/our behalf at the 18th Annual General Meeting of the Company to be held on Wednesday, 30th September, 2009 at 11.30 A.M. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2009.

Signature \_\_\_\_\_

Aff.  
Revenue  
Stamp

Regd. Folio No. \_\_\_\_\_

D.P. Id. No.\* \_\_\_\_\_

Client Id No.\* \_\_\_\_\_

No. of Shares \_\_\_\_\_

Address \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Note : This form in order to be effective should be duly stamped, completed and signed must be deposited with the company's Registered Office not less than 48 hours before the time for holding the aforesaid Meeting.

\* Applicable for investors holding shares in electronic form.



**AJANTA SOYA LIMITED**  
 Regd. Office : SP-916, RIICO Industrial Area Phase - III,  
 Bhiwadi - 301 019, Distt. - Alwar (Rajasthan)

**ATTENDANCE SLIP**

Regd. Folio No. \_\_\_\_\_

DP. Id. No. \_\_\_\_\_

Client Id No. \_\_\_\_\_

Mr./Ms. \_\_\_\_\_

Father's/Husband's Name \_\_\_\_\_

I certify that I am a registered Shareholder / Proxy for the registered Shareholders of the Company.

I hereby record my presence at the 18th Annual General Meeting of the Company at SP-916, RIICO Industrial Area, Phase III, Bhiwadi, Distt. Alwar, Rajasthan on Wednesday, 30th September, 2009 at 11.30 A.M.

Member's / Proxy's Name is BLOCK Letter

Member's / Proxy's Signature

- Notes : 1) Please fill in this attendance slip and hand it over at the entrance of the Meeting Hall.  
 2) Member's Signature should be in accordance with the specimen signature registered with the Company.  
 3) Please bring your copy of the Annual Report for reference at the Meeting.



\*Application for investors holding shares in electronic form.

First Impression 981 102 008 989578245

ALANTA SOYA LIMITED  
40, Brijos Tower, A-8 Netra, Subhash Place,  
Wazirpur District Centre, Delhi - 110 004



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