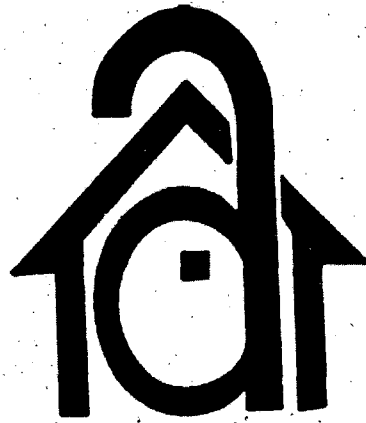


19th
Annual Report
2008-2009



Certified True Copy
for Ashiana Agro Industries Ltd.
[Signature]
Company Secretary

ASHIANA AGRO INDUSTRIES LTD.



BOARD OF DIRECTORS

Shri Radesh Rangarajan

Shri Pavan Kumar Reddy

Shri Nirmal Kumar Dash

COMPANY SECRETARY

Shri E.D.M Menon

REGISTERED OFFICE

F-143, RIICO Industrial Area
Bhiwadi-301019, Distt. Alwar
RAJASTHAN

CORPORATE OFFICE

Old No. 5, New No. 9, II Floor, Chinniah Street
T. Nagar, Chennai - 600 017
Phone No.: 044 - 4350 2623
Fax No.: 044 - 4260 6623

AUDITORS

M/s Vikram Kumar & Co.
Chartered Accountants
Jagdish Bhawan, 1st Floor
Exhibition Road, Patna-800001

REGISTRAR & SHARE TRANSFER AGENTS

M/s Link Intime India Pvt. Ltd.
A-40, 2nd Floor, Naraina Industrial Area
Phase - II, Near Batra Banquet Hall
New Delhi - 110 028
Phone No.: 011 - 4141 0592, 93 & 94
Telefax : 011 - 4141 0591



NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the Members of the Company will be held on Friday, the 25th September 2009 at 11:00 AM at RIICO Rest House, Hill Top, Bhiwadi, 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 the Profit & Loss Account for the year ended on that date together with Reports of Auditors and Directors thereon.
2. To appoint statutory Auditors of the Company and to fix their remuneration. M/s Vikram Kumar & Co. Chartered Accountants, Patna retires at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

SPECIAL BUSINESS

3. To Consider and if thought fit to pass, with or without modifications(s), the following Resolution as Ordinary Resolution:
"RESOLVED THAT Shri Radesh Rangarajan, a Director who was appointed as an Additional Director as per provisions of Section 260 of the Companies, Act, 1956 and Article 77 of the Articles of Association by the Board of Directors in their meeting held on 24/12/2008 and who holds office up to the date of the ensuing Annual General Meeting and in respect of whom notice under Section 257 of the Companies, Act, 1956 have been received from Member Signifying their intention to propose Shri Radesh Rangarajan as a candidate for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation".
4. To Consider and if thought fit to pass, with or without modifications(s), the following Resolution as Ordinary Resolution:
"RESOLVED THAT Shri Pavan Kumar Reddy, a Director who was appointed as an Additional Director as per provisions of Section 260 of the Companies, Act, 1956 and Article 77 of the Articles of Association by the Board of Directors in their meeting held on 24/12/2008 and who holds office up to the date of the ensuing Annual General Meeting and in respect of whom notice under Section 257 of the Companies, Act, 1956 have been received from Member Signifying their intention to propose Shri Pavan Kumar Reddy as a candidate for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation".
5. To Consider and if thought fit to pass, with or without modifications(s), the following Resolution as Ordinary Resolution:
"RESOLVED THAT Shri Nirmal Kumar Dash, a Director who was appointed as an Additional Director as per provisions of Section 260 of the Companies, Act, 1956 and Article 77 of the Articles of Association by the Board of Directors in their meeting held on 24/12/2008 and who holds office up to the date of the ensuing Annual General Meeting and in respect of whom notice under Section 257 of the Companies, Act, 1956 have been received from Member Signifying their intention to propose Shri Nirmal Kumar Dash as a candidate for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation".
6. To Consider and if thought fit to pass, with or without modifications(s), the following Resolution as Special Resolution:
"RESOLVED THAT pursuant to the provisions of section 17 of the Companies Act, 1956 and subject to the confirmation of the Company Law Board, Northern Region Bench (NRB), the Registered Office of the Company be shifted from the State of Rajasthan to the State of Tamil Nadu.



RESOLVED FURTHER THAT subject to the confirmation of the Company Law Board; the Situation of registered Office clause of the Memorandum of Association of the Company be altered by incorporating the words Tamil Nadu in place of the state of Rajasthan Clause – II of the Memorandum of Association.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to file Petition before the Company Law Board and to appoint Authorised Representative to appear for and represent the company before the Board and to do all such Acts and things as may be deemed necessary in the matter.”

7. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT subject to the provisions of the Companies Act, 1956, including any statutory modifications or re-enactment thereof, the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2009 the Securities Contract (Regulations) Act, 1956 and the rules framed thereunder in the listing agreement with the Stock Exchanges and other applicable laws, rules & regulations and guidelines and subject to such other approvals, permissions, sanctions etc. as may be necessary and subject to such conditions as may be prescribed by any authority while granting such approvals, permissions, sanctions etc. which may be agreed to by the Board of Directors (hereinafter referred to as “the Board” which expression shall be deemed to include any committee of the Board for the time being, exercising the powers conferred by the Board), the consent of the Company be and is hereby accorded to the Board to voluntarily delist the equity shares of the Company from The Magadh Stock Exchange Limited, Patna, where the equity shares of the Company are presently listed.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds and things as it may in its absolute discretion deem necessary, desirable and appropriate to give effect to the above resolution.”

8. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT subject to the provisions of the Companies Act, 1956, including any statutory modifications or re-enactment thereof, the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2009 the Securities Contract (Regulations) Act, 1956 and the rules framed thereunder, listing agreement with the Stock Exchanges and other applicable laws, rules & regulations and guidelines and subject to such other approvals, permissions, sanctions etc. as may be necessary and subject to such conditions as may be prescribed by any authority while granting such approvals, permissions, sanctions etc. which may be agreed to by the Board of Directors (hereinafter referred to as “the Board” which expression shall be deemed to include any committee of the Board for the time being, exercising the powers conferred by the Board), the consent of the Company be and is hereby accorded to the Board to voluntarily delist the equity shares of the Company from The Jaipur Stock Exchange Limited, Jaipur, where the equity shares of the Company are presently listed.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds and things as it may in its absolute discretion deem necessary, desirable and appropriate to give effect to the above resolution.”

9. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT subject to the provisions of the Companies Act, 1956, including any statutory modifications or re-enactment thereof, the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2009 the Securities Contract (Regulations) Act, 1956 and the rules framed thereunder, listing agreement with the Stock Exchanges and other applicable laws, rules & regulations and guidelines and subject to such other approvals, permissions, sanctions etc. as may be necessary and subject to such conditions as may be prescribed by any authority while granting such approvals, permissions, sanctions etc. which may be agreed to by the Board of Directors (hereinafter referred to as “the Board” which expression shall be deemed to include any committee of the Board for the time being, exercising the powers conferred by the Board), the consent of the Company be and is hereby accorded to the Board to voluntarily delist the equity shares of the Company from The Delhi Stock Exchange Limited, New Delhi, where the equity shares of the Company are presently listed.



RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds and things as it may in its absolute discretion deem necessary, desirable and appropriate to give effect to the above resolution."

By order of the Board of Directors

Sd/-
(E.D.M. Menon)
Company Secretary

Place: New Delhi
Date: 4th July, 2009

NOTES

1. **Explanatory Statement pursuant to Section 173(2) of the Companies Act 1956, in respect of Special Business is annexed hereto and forms an integral part of the notice.**
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF. PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
3. The Register of Members and Share Transfer Register shall remain closed for a day, i.e., on 23rd September, 2009.
4. The Shareholders are requested to communicate to the Registrar & Share Transfer Agent change in address, if any, at the address given in the Annual Report.
5. Members are requested to preferably send their queries to the Registered Office seven days before the date of AGM.
6. Shareholders are requested to bring their copy of annual Report to the meeting.
7. Members/Proxies should fill in attendance slip for attending the meeting.
8. In case of joint holders attending the meeting only such joint holder who is higher in the order of names will be entitled to vote.
9. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting.
10. **EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**

ITEM No. 3

Shri Radesh Rangarajan is holding PG Diploma in Mangement from India's top most Management Institute viz, IIM, Ahmedabad. He has around 18 years experience in Senior Management positions in various Companies. Needless to mention that your Company will immensely benefit from his rich and varied experience.

The Board recommends passing the Resolution.

None of the Directors of the Company are interested in the Resolution either directly or indirectly.

ITEM No. 4

Mr. Pavan Kumar Reddy is a qualified engineer (B.E. Mechanical Engineering) with a specialization in the



field of automotive engineering, automotive modeling and simulation techniques.

He is also a very practical, and is a quick learner of emerging trends, even besides his field of specialization. He can contribute in increase in better quality of agricultural produce and increase in production by introducing modern technology.

The Board recommends passing the Resolution.

None of the Directors of the Company are interested in the Resolution either directly or indirectly.

ITEM No. 5

Mr. Nirmal Kumar Dash is a finance professional with over 14 years of qualitative experience in the areas of finance & accounts, taxation & auditing, MIS, and system implementation. He has handled during his career a wide spectrum of activities encompassing finalization of accounts, and handling direct taxes local and indirect tax matters etc. He possess extensive experience in reviewing internal systems/ procedures and extending remedial measures/ suggestions for improvements. He is a keen analyst with exceptional negotiation and relationship management skills and abilities in liaising with Banks. He has done his Masters in business administration with a specialization in finance from Annamalai university.

The Board recommends passing the Resolution.

None of the Directors of the Company are interested in the Resolution either directly or indirectly.

ITEM NO.6

The registered office of the Company is situated in the state of Rajasthan at Bhiwadi in the Alwar district. The Company is not carrying on any business activities in Bhiwadi, Distt. Alwar, Rajasthan. The Board of Directors of the Company has Three Directors and all of them are from Chennai. The Board of Directors of the Company will be able to concentrate more in the business activities of the Company if its Regd. office is shifted to Chennai, which will be in the interest of the management and shareholders. The Board of Directors of the Company has, therefore, decided to shift the Registered Office of the Company from the state of Rajasthan to the state of Tamil Nadu at Chennai, subject to approval of members.

The Shifting of the Registered Office will be helpful for the Company to do some business to protect the interest of the stakeholders. The activity of the Company will be best in the interest of the management and Stakeholders.

Such shifting will be effective by alteration of situation Clause II of the Memorandum. The alteration requires approval of the Company Law Board, Northern region Bench (NRB), New Delhi.

Hence the same is being placed before you for kind approval and the same will be helpful in seeking the approval of the NRB.

None of the Directors of the Company are concerned or interested in the said resolution.

The Board recommends passing the Resolution.

ITEM NOS. 7 to 9

Members are aware that the shares of the Company are at present listed on the Bombay Stock Exchange Limited, Mumbai, Delhi Stock Exchange Limited, Delhi Jaipur Stock Exchange, Jaipur and Magadh Stock Exchange Limited, Patna.

Since the shares of your Company are not being traded on the above Exchanges, and that no particular benefit is available to the shareholders of the Company by continuing to have the shares of the Company listed on the above Exchanges, it is hereby proposed to de-list the shares of the Company from the Delhi Stock Exchange Limited, Delhi, Jaipur Stock Exchange, Jaipur and Magadh Stock Exchange Limited, Patna. It is clarified that the shares of the Company shall continue to be listed on the Bombay Stock Exchange, Mumbai which have nation wide trading terminals.



The Directors recommend passing of Resolutions at item No. 7 to 9 as Special Resolutions.

None of the Directors of the Company are concerned or interested in the said resolution.

The Board recommend passing the Resolution.

11. All documents referred to in accompanying notice and explanatory statement are open for inspection at the Regd. Office of the Company on all working days between 11.00 AM and 2.00 PM up to the date of the Annual General meeting.

By order of the Board of Directors

Sd/-
(E.D.M. Menon)
Company Secretary

Place: New Delhi
Date: 4th July, 2009

BRIEF PROFILE OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE 19TH ANNUAL GENERAL MEETING AS REQUIRED IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT.

At the ensuing AGM, notices have been received under section 257 of the Companies Act, 1956 proposing the candidatures of following Directors. Brief profiles of these directors under Corporate Governance code are as under:-

1. Shri Radesh Rangarajan

Radesh Rangarajan holds an MBA from IIM Ahmedabad, (PGP-1988-90) and is a first generation entrepreneur. He has a Bachelor degree in physics from Loyola College, Chennai.

His work experience started with the Eicher Group and Blowplast, where he did the hardcore grind of dealer management and sales across 4 states for consumer and industrial products.

Radesh started off in business with a DSA ship for GE-Countrywide and added ANZ grindlays bank products to his portfolio. The product range included car finance, credit cards and other retail financial products. His firm was rated the top performer in South India and one of the best in the country in the field in the years 1996-1997 at GE Countrywide.

Radesh successfully set up a website dealwala.com in 2000, for a top industrial group, leading a crack team of graduates from IIMA and XLRI. It was one of the very few websites to register sales revenues from scratch. With dotcoms floundering for capital, dealwala.com managed to morph into a non-voice BPO, that now has over 700 employees. Radesh put together the CXO level team before moving on.

In 2002, Radesh and Govind founded Mindspace HR consulting Services, later to become a PVT Ltd Company. This pioneering venture was focussed on 'soft skill' training for non-metro graduates to increase their employability. The company charted out the road map for IT companies and others, to source and develop talent, before there was a crunch. With five centres across the country, Mindspace went on to do contact programs for over 15, 000 students within 3 years. Over time, Mindspace shifted focus to placement, where it



worked with clients such as the ITC group, Xansa and Wipro. Radesh continues on the board of directors of Mindspace, even as the company has diversified beyond HR to finance.

Since 2007, Radesh has been active in the Investment advisory sphere. He and his partners have been involved in successful private equity deals, CXO level appointments and strategic alliances for a string of SMES (between Rs. 20-100 crores). Investments and mentoring in SMES are his areas of business interest.

Radesh is an Executive Committee member in the IIM Ahmedabad Alumni Association, Chennai. He has delivered lectures or addresses at IIT Chennai, ICFAI, NIT - Surathkal and Manipal Institutes of Technology and Management, besides many other colleges, on various topics.

2. Shri Pavan Kumar Reddy

Mr. Pavan Kumar Reddy is a qualified engineer (B.E. Mechanical Engineering) with a specialization in the field of automotive engineering, automotive modeling and simulation techniques. He understands modern vehicle design and can contribute to improve operational efficiency of vehicles.

He is also a very practical, and is a quick learner of emerging trends, even besides his field of specialization. Mr. Pavan hails from an agricultural background. He can contribute in increase in better quality of agricultural produce and increase in production by introducing modern technology.

2. Shri Nirmal Kumar Dash

Mr. Nirmal Kumar Dash is a finance professional with over 14 years of qualitative experience in the areas of finance & accounts, taxation & auditing, MIS, and system implementation. He has handled during his career a wide spectrum of activities encompassing finalization of accounts, and handling direct taxes local and indirect tax matters etc. He possess extensive experience in reviewing internal systems/ procedures and extending remedial measures/ suggestions for improvements. He is a keen analyst with exceptional negotiation and relationship management skills and abilities in liaising with Banks. He has done his Masters in business administration with a specialization in finance from Annamalai university.

During his career he has worked with Technical Stamping Automotive Limited, a unit of TATA group and a major ancillary company of Hyundai Motor India Limited, in various finance functions. He is currently handling the finances of a South India based logistics company.

**DIRECTORS' REPORT**

To the Members

Your Directors take pleasure in presenting their Eighteenth Annual Report and Audited Accounts of the Company for the year ended 31st March 2009.

FINANCIAL HIGHLIGHTS

The summarized financial results for the year ended 31st March 2009 are as follows:-

	(Rupees in Lacs) 2008-2009	(Rupees in Lacs) 2007-2008
Total Income	22.23	32.35
Profit(+)Loss(-)before Interest & Depreciation	8.26	(+)2.80
Interest:	0.10	0.86
Depreciation:	0.10	0.10
Profit (+)Loss(-) for the year	(-)0.20	(-)0.96
Less : Fringe Benefit Tax:	8.06	1.84
Profit (Loss) after Tax	-0.01	0.02
Balance Loss(-) brought Forward from previous year	8.05	1.82
	(-)261.94	(-)263.76
Balance carried to Balance Sheet (Loss)	(-)253.89	(261.94)

The relevant notes on the Account of the Company referred to in the Auditor's Report are self-explanatory.

DIVIDEND

Keeping in view the accumulated losses, the directors are unable to recommend payment of any dividend for the year under review.

OPERATIONS

Commercial operations of the Company remained suspended during the year under review.

TAKEOVER

Your Company has been taken over M/s Serengeti Holdings Pvt. Ltd., 16/3, Vidyodaya First Cross Street, T. Nagar, Chennai - 600 017, a chennai based Company by acquisition of 10,68,780 Equity Shares from the Promoters and 1,06,900 Equity Shares from Public through open offer aggregating to 1175680 Equity Shares.

DIRECTORS

Consequent upon the takeover, M/s Serengeti Holdings Pvt. Ltd., the acquirers have nominated Shri Radesh Rangarajan and Shri Pavan Kumar Reddy as additional Directors w.e.f. 24/12/08, who hold office upto the date of the forthcoming Annual General Meeting. One Independent Director Shri Nirmal Kumar Dash has also been appointed w.e.f. 24/12/08.



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Shri Nand Kishore Agarwal, Shri Pawan Kumar and Smt. Veena Gupta resigned w.e.f. 29/12/08. Shri Prem Prakash Gupta, Managing Director has also resigned w.e.f. 1/6/09. None of the earlier Directors continue on the Board. Company has received notices under section 257 of the Companies' Act 1956 proposing the re-appointment of additional Directors. All are eligible for re-election.

FIXED DEPOSITS

Your Company has not accepted or invited any fixed deposits during the period under review.

AUDITORS

M/s. Vikram Kumar & Co., Chartered Accountants, Patna retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

POSTAL BALLOT

The Company has taken steps to conduct a Postal Ballot to take approval from shareholders for shifting the Regd. Office from the State of Rajasthan to the State of Tamil Nadu and for delisting from Jaipur, Delhi and Magadh Stock Exchanges. A notice dated 24/6/09 has been posted to all the shareholders alongwith Postal Ballot Form. The same resolutions have also been placed for approval by the shareholders in the forthcoming Annual General Meeting.

PARTICULARS OF EMPLOYEES

There are no employees whose particulars are to be furnished pursuant to Section 217(2A) of the Companies' Act (Particulars of Employees) Rules 1975.

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

There are no particulars which are required to be furnished pursuant to 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 as the production activities of the Company remained suspended since April 1997. The Company has neither earned nor utilized any foreign exchange during the year under review.

LISTING OF SHARES

At present the shares of the Company are listed with Bombay Stock Exchange Ltd., Mumbai, Jaipur Stock Exchange Ltd. Jaipur, Delhi Stock Exchange Ltd., New Delhi and Magadh Stock Exchange, Patna. The Company intends to delist the Shares from all exchanges except Bombay Stock Exchange. Stock Exchange Regulations are complied with from time to time.

REGISTRAR & SHARE TRANSFER AGENT

M/s. Link Intime India Pvt. Ltd., A-40, 2nd Floor, Naraina Industrial Area, Phase - II, Near Batra Banquet Hall, New Delhi-110028 continue to be Company's Registrar & Share Transfer Agents. All the Members are requested to contact them for any kind of share related matters.

IMPLEMENTATION OF THE CORPORATE GOVERNANCE:

As per Clause 49 of the Listing Agreement, Company has constituted the following committees:-

Shareholders grievances committee:

Shri Radesh Rangarajan, Director is the Chairman and Shri Pawan Kumar Reddy is member of the committee. Meeting of the Shareholders Grievances Committee are being held at regular intervals to sort out all kinds of grievances of investors.

Remuneration Committee

Shri Pawan Kumar Reddy, Director is the Chairman and Shri Nirmal Kumar Dash, Director is the Member of the Committee. The Committee is holding regular meetings to review the remuneration of Directors and executives.



Audit Committee

Shri Radesh Rangarajan is the Chairman and Shri Nirmal Kumar Dash is the member of the Committee. The duties, responsibilities and powers of the committee has been defined by the board at the time of its constitution in the accordance with listing Guidelines. A separate report on corporate governance forms part of this Annual Report.

Management's Discussion and analysis

Management's discussion and analysis in compliance with Clause 49 of the Listing Agreement is attached and forms part of this report.

DIRECTORS RESPONSIBILITY STATEMENT:

While Preparing the Annual Financial statements the Company has adhered to the following:

1. In the preparation of the said financial statements the Company has followed the applicable accounting standards, referred to in Section 211(3-c) of the Companies' Act 1956.
2. The Company has followed the said Accounting Standards and has been applying them consistently and has made judgement and estimates that are reasonable, prudent and are in the interest of the company's business, so as give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the Profit/Loss of the Company, for the said period.
3. The Directors have taken proper and sufficient care, for the maintenance of adequate accounting records in accordance with the provisions of the Companies' Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the financial statements on a going concern basis.

OBSERVATION OF THE AUDITORS IN THE ANNUAL ACCOUNTS

The Auditors have made no comments in their Report.

By order of the Board of Directors

Place : New Delhi
Date : 4th July, 2009

Sd/-
(RADESH RANGARAJAN)
Director

Sd/-
(SHRI PAVAN KUMAR REDDY)
Director

CORPORATE GOVERNANCE

Corporate Governance emphasizes the principle of Self-governance. We have been following the spirit of corporate governance since the date of incorporation of the Company, but as per the guidelines of SEBI, we have implemented the same as per clause 49 of the listing Agreement.

The theme of Corporate Governance is based on the principle of working in a disciplined manner. At the time of decision, law of natural justice must prevail and to work in the best interest of all constituents, i.e., shareholders, customers, financial institution/banks, employees and all others.



1. The Board of Directors consists of following Directions.

Managing Director	Shri Prem Prakash Gupta	(Resigned w.e.f. 1/6/09)
Non-Executive Directors	Smt. Veena Gupta	(Resigned w.e.f. 29/12/08)
	Shri Nand Kishore Agrawal	(Resigned w.e.f. 29/12/08)
	Shri Pawan Kumar	(Resigned w.e.f. 29/12/08)
	Shri Radesh Rangarajan	(Appointed w.e.f. 24/12/08)
	Shri Pavan Kumar Reddy	(Appointed w.e.f. 24/12/08)
	Shri Nirmal Kumar Dash	(Appointed w.e.f. 24/12/08)

Composition, attendance at the Board Meeting and the last Annual General Meeting, outside directorships and others Board Committees.

Director	No of Board Meetings Attended	Attendance at previous AGM on 29.09.2008	No of outside Directorship held	No of membership/ Chairman-ship in committee	Executive/ Non executive/ Independent
1. Sh P.P. Gupta	7	Present	3	1	Executive
2. Smt. Veena Gupta	4	Present	2	3	Non-Executive
3. Sh. Pawan kumar	3	Present	1	3	Non-Executive & independent
4. Sh. N.K. Agarwal	-	Present	-	3	Non-Executive & independent
5. Sh. R. Rangarajan	4	-	1	2	Non-Executive
6. Sh. P. K. Reddy	4	-	-	2	Non-Executive
7. Sh. N. K. Dash	4	-	-	2	Non-Executive & independent

Board Meeting held during the financial year ended 31st March 2009: 8

During the year Board Meeting held on : 25/4/08, 26/5/08, 25/7/08, 25/10/08, 24/12/08, 29/12/08, 27/1/09 & 11/3/09.

BOARD COMMITTEE

AUDIT COMMITTEE

Shri Radesh Rangarajan is the Chairman and Shri Nirmal Kumar Dash is the member of the Committee. The duties, responsibilities and powers of the committee has been defined by the board at the time of its constitution in the accordance with listing Guidelines. Shri E.D.M Menon, Company Secretary is Secretary to the Committee. The role and duties of the audit Committee have been defined by the board of directors and generally cover the areas mentioned under clauses 49 of the Listing agreement besides other terms as may be referred to the Committee by the Board of Directors form time to time

SHAREHOLDERS GRIEVANCES COMMITTEE

Shri Radesh Rangarajan, Director is the Chairman and Shri Pavan Kumar Reddy is member of the committee. Meeting of the Shareholders Grievances Committee are being held at regular intervals to sort out all kinds of grievances of investors. Shri EDM Menon, CS is the Compliance officer.

The Company has attended to all valid requests for transfer received during the year ended 31st March 2009 and no such transfer is pending.

**REMUNERATION COMMITTEE**

Shri Pavan Kumar Reddy, Director is the Chairman and Shri Nirmal Kumar Dash, Director is the Member of the Committee. The Committee is holding regular meetings to review the remuneration of Directors and executives.

Remuneration of Directors for the financial year ended 31st March 2009

Name of director	Salaries(Gross)	Perquisites	Sitting Fee
Shri P.P. Gupta	Rs.3,60,000.00	34,000.00	1,750.00
Smt. Veena Gupta	-	-	1,000.00
Shri Radesh Rangarajan	-	-	1,000.00
Shri Pavan Kumar Reddy	-	-	1,000.00
Shri Nirmal Kumar Dash	-	-	1,000.00
Shri Pawan Kumar	-	-	750.00

Sitting fees are disbursed @Rs.250/- per Director for each meeting attended by him/her.

GENERAL BODY MEETING

YEAR	KIND OF MEETING	VENUE	DATE	TIME
2006	Annual General Meeting	RIICO, Rest House Hill Top Bhiwadi, Distt. Alwar Rajasthan	27.9.06	11.30AM
2007	Annual General Meeting	RIICO, Rest House Hill Top Bhiwadi, Distt. Alwar Rajasthan	28.9.07	12.30PM
2008	Annual General Meeting	RIICO, Rest House Hill Top Bhiwadi, Distt. Alwar Rajasthan	29.9.08	12.30PM

Disclosures

The related party transactions have been disclosed in Notes on Accounts forming part of the Account for the financial ended 31st March 2009 and since the necessary disclosures were made in respect of said transactions to the Board of Directors, no transaction is considered to be in potential conflict with the interest of the Company at large.

There has not been any non-compliance, penalties or strictures imposed on the company by the stock exchange (s). SEBI or any other statutory authority, on any matters relating to the capital markets during the last three years.

Means of Communication

The Audited/Unaudited Financial Results and other Public Notices are generally published by the Company in Statesman, New Delhi, Free Press Journal, Mumbai and in daily Nafa Nuksan, Jaipur. These Results/Notices are also sent to the exchanges at Jaipur, Mumbai, Delhi and Patna (Magadh) where company's shares are listed.

CEO/CFO Certification

Shri Prem Prakash Gupta, Managing Director, has furnished the requisite certificate to the Board of Directors under Clause 49 of the Listing Agreement.

2. General Shareholder information :**a) Annual General Meeting**

Date and time : 25th Sept. 2009 at 11.00AM
Venue : RIICO Rest House, Hill Top, Bhiwadi, Distt. Alwar, Rajasthan

b) Financial Calendar (tentative)

Annual General Meeting : 25th Sept. 2009
Results for the quarter ending 30.6.09 : Last week of July 2009
Results for the quarter ending 30.9.09 : Last week of Oct. 2009
Results for the quarter ending 31.12.09 : Last week of Jan. 2010

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- Results for the quarter ending 31.3.10 : Last week of Apr. 2010
 c) Book Closure date : 23rd Sept. 2009
 d) Listing of Equity Shares : Jaipur, Bombay, Delhi and Magadh (Patna) Stock Exchanges
 Scrip Code at BSE : 519174

e) **Stock Market Data** : Monthly low and high prices of Company's Equity Shares (Rs. 10/- paid up) at Bombay Stock Exchange during April 2008 to March 2009 are as under:-

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)
April 2008	7.08	7.08	6.10	6.40	3100	12	20,520.00
May 2008	6.70	6.70	6.70	6.70	500	1	3,350.00
June 2008	6.85	6.85	6.85	6.85	100	1	685.00
July 2008	6.75	6.75	5.81	5.81	2100	12	13,509.00
August 2008	5.53	5.53	4.55	5.00	6200	39	31,999.00
September 2008	4.76	4.99	4.00	4.01	5200	23	23,269.00
October 2008	4.21	4.21	3.44	3.44	900	7	3,552.00
November 2008	3.27	3.27	3.27	3.27	100	1	327.00
December 2008	3.11	3.11	2.68	2.68	500	5	1,468.00
January 2009	2.55	2.85	2.55	2.71	1200	8	3,278.00
February 2009	2.73	2.73	2.71	2.71	600	3	1,628.00
March 2009	NIL	NIL	NIL	NIL	NIL	NIL	NIL

- f) Registrar and Share Transfer Agents : M/s. Link Intime India Pvt. Ltd.,
 A-40, 2nd Floor, Naraina Indl. Area,
 Phase-II, Near Batra Banquet Hall,
 New Delhi-110028
- ISIN Number : INE 709D01012 for CDSL and NSDL

g) Shareholding pattern as on 31.03.2009

Sl. No.	Category	No. of Shares	Percentage (%)
1.	Promoters	1175680	25.56
2.	Indian Financial Institution, Banks	700	0.01
3.	Mutual Funds Foreign Institutional Investors	Nil	Nil
4.	Others	3423620	74.43
	Total	4600000	100.00



h) Distribution of shareholdings as on 31.3.2009

No. of Share held	No. of Shareholders	% of Shareholders	No. of Equity Shares	% of Shareholding
Upto 5000	23571	98.417	2822400	61.357
5001-10000	256	1.069	210400	4.385
10001-20000	84	0.351	119800	2.624
20001-30000	11	0.046	37600	0.615
30001-40000	9	0.038	23900	0.687
40001-50000	3	0.013	8800	0.302
50001-100000	8	0.033	70600	1.528
100001- & above	8	0.033	1206280	28.502
	23950	100.000	4600000	100.000

MANAGEMENT'S DISCUSSION & ANALYSIS REPORT

Your Company after paying off the interest Free Sales Tax Loan to RIICO Ltd. has become Zero liability Company. M/s. Serengeti Holdings P. Ltd., 16/3, Vidyodaya First Cross Street, T. Nagar, Chennai have taken over your company in accordance with SEBI (SAST) Regulations 1997. They have acquired 10,68,780 Equity Shares from the Promoters and 106900 Equity Shares from the Public through Open Offer. They hold 1175680 Equity Shares constituting 25.56% of the Equity Capital of the Company.

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To, The Members of

ASHIANA AGRO INDUSTRIES LIMITED

We have examined the compliance of the conditions of Corporate governance by Ashiana Agro Industries Limited., for the year ended on 31st March, 2009 as stipulated in clause 49 of the Listing Agreement of Ashiana Agro Industries Limited with Mumbai, Delhi, Jaipur & Magadh.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by Ashiana Agro Industries Limited 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 Ashiana Agro Industries Limited.

In our opinion and to the best of our information and according to the explanations given to us, we state that Ashiana Agro Industries Limited has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

We have also examined the records relating to the shareholders'/ investors' grievance committee as maintained by the company and observe that company has adequate mechanism to deal with the investors and no investor grievance is pending for the period exceeding one month against the Company as per the records maintained by the shareholders'/ investors' grievance Committee.



ASHIANA AGRO INDUSTRIES LTD.

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

**For VIKRAM KUMAR & CO.
Chartered Accountants**

**Sd/-
(Bireswar Kumar)
Partner**

**Dated : 4th July, 2009
Place : Camp, New Delhi**



AUDITORS' REPORT

To, The Members

ASHIANA AGRO INDUSTRIES LIMITED

We have audited the attached Balance Sheet of **ASHIANA AGRO INDUSTRIES LIMITED**, as at 31st March 2009, 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.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the company as far as appears from our examination of those books.
- (c) The Balance Sheet, Profit and Loss Account and the 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 the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-Section (3C) of Section 211 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 are 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) In our opinion and to the best of our information and according to the explanations given to us, the annexed accounts read with the notes in Schedule –"K" give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the State of affairs of the company as at 31st March, 2009; and
 - (b) In case of Profit and Loss Account, of the Profit for the year ended on that date.
 - (c) In case of Cash Flow Statement, of the cash flow for the year ended on that date.

For VIKRAM KUMAR & CO.
Chartered Accountants

Dated : 4th July, 2009
Place : Camp, New Delhi

Sd/-
(Bireshwar Kumar)
Partner



ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have been physically verified by the management during the year. No discrepancies were noticed on such verification.
- (c) The Company had sold entire plant & machinery, Land and Building during earlier year and the company has so far not made any plans to replace the fixed assets that have been sold. The Company has not made any transaction during the year in respect of export business Started in earlier year. These factors raise doubt about the company's ability to continue as a going concern in the foreseeable future.
- (ii) (a) The company had not taken loan from other company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. Nil lacs and the year-end balance of loans taken from such parties was NIL.
- (b) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (iii) In our opinion and according to the information and explanations given to us there are adequate internal procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- (iv) There are no transactions that need to be entered in the register maintained in pursuance to section 301 of the Act.
- (v) The company has not accepted any deposits from the public to which the provisions of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply.
- (vi) In our opinion the company has an internal audit system commensurate with the size and nature of its business.
- (vii) We were explained that the Central Government U/S 209(1)(d) of the Companies Act, 1956 has not prescribed maintenance of cost records during the year.
- (viii) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, custom duty, excise duty, cess were in arrears, as at 31.03.2009 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of sales tax, income tax, wealth tax, custom duty, excise duty and cess which have not been deposited on account of any dispute.



- (ix) In our opinion, the accumulated losses are more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
- (x) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xi) In our opinion the company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
- (xiii) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.
- (xiv) Other Provision of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

**For VIKRAM KUMAR & CO.
Chartered Accountants**

**Sd/-
(Bireswar Kumar)
Partner**

**Dated : 4th July, 2009
Place : Camp, New Delhi**

**ASHIANA AGRO INDUSTRIES LTD.**

BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule	(Rs.)	As at 31.03.2009 (Rs.)	(Rs.)	As at 31.03.2008 (Rs.)
SOURCES OF FUNDS					
Shareholders' Fund					
Share Capital	A	45,859,500.00		45,859,500	
Reserves & Surplus	B	1,500,000.00	47,359,500.00	1,500,000	47,359,500
TOTAL			47,359,500.00		47,359,500
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	C	517,536.00		509,580	
Less: Depreciation		456,975.00		446,373	
Net Block			60,561.00		63,207
Investments	D				4,249,739
Current Assets, Loans & Advances					
Cash & Bank Balances	E	2,832,345.73		1,395,937	
Loans & Advances	F	19,367,130.00		16,140,666	
			22,199,475.73		17,536,603
Less: Current Liabilities & Provisions	G	289,742.00		684,054	
Net Current Assets			21,909,733.73		16,852,549
Profit & Loss Account			25,389,205.27		26,194,005
TOTAL			47,359,500.00		47,359,500
Notes forming part of the accounts	K				

As per our report of even date attached

For VIKRAM KUMAR & CO.
Chartered AccountantsSd/-
(Bireswar Kumar)
PartnerSd/-
(Radesh Rangarajan)
Additional Director

For and on behalf of the Board

Sd/-
(Pavan Kr. Reddy)
Additional DirectorSd/-
(EDM Menon)
Company Secretary

Place : Camp, New Delhi

Dated : 4th July, 2009

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

INCOME	SCHEDULE	AMOUNT 2008-2009 (Rs.)	AMOUNT 2007-2008 (Rs.)
Other Income	H	2,233,243.38	3,235,361
TOTAL		<u>2,233,243.38</u>	<u>3,235,361</u>
EXPENDITURE			
Decrease in stocks			1,581,831
Administrative & Other Expenses	I	1,407,151.85	1,373,657
Interest & Financial Charges	J	9,641.82	86,307
Depreciation		10,602.00	9,818
TOTAL		<u>1,427,395.67</u>	<u>3,051,613</u>
Profit (Loss) for the Year before tax		805,847.71	183,748
Less: Provision for Tax			
Current Tax		-	-
Fringe Benefit Tax		310.00	1,856
Less: STT paid		401.00	-
Less: Adjustment of FBT		337.00	-
Profit(Loss) after Tax		804,799.71	181,892
Balance Loss brought forward from Previous Year		(26,194,004.98)	(26,375,897)
		<u>(25,389,205.27)</u>	<u>(26,194,005)</u>

Notes forming part of the accounts

K

As per our report of even date attached

For VIKRAM KUMAR & CO.
Chartered AccountantsSd/-
(Bireshwar Kumar)
PartnerSd/-
(Radesh Rangarajan)
Additional Director

For and on behalf of the Board

Sd/-
(Pavan Kr. Reddy)
Additional DirectorSd/-
(EDM Menon)
Company SecretaryPlace : Camp, New Delhi
Dated : 4th July, 2009

ASHIANA AGRO INDUSTRIES LTD.



SCHEDULES 'A' to 'N' ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
<u>SCHEDULE 'A'-SHARE CAPITAL</u>		
Authorised		
49,00,000 Equity Shares of Rs. 10.00 each	49,000,000.00	49,000,000
1,00,000 Preference Shares of Rs. 10.00 each	1,000,000.00	1,000,000
	<u>50,000,000.00</u>	<u>50,000,000</u>
Issued		
46,00,000 Equity Shares of Rs. 10.00 each	46,000,000.00	46,000,000
	<u>46,000,000.00</u>	<u>46,000,000</u>
Subscribed & Paid up		
46,00,000 Equity Shares of Rs. 10.00 each Fully paid up in Cash	46,000,000.00	46,000,000
Less: Allotment Money due	140,500.00	140,500
	<u>45,859,500.00</u>	<u>45,859,500</u>
<u>SCHEDULE 'B'-RESERVES & SURPLUS</u>		
Capital Reserve		
State Capital Investment Subsidy	1,500,000.00	1,500,000
	<u>1,500,000.00</u>	<u>1,500,000</u>

SCHEDULE 'C' - FIXED ASSETS

Particulars	GROSS BLOCK (At cost)				DEPRECIATION				NET BLOCK	
	As At 01.04.08	Additions	Deductions/ Transfers	As At 31.03.09	Upto 31.03.08	For the Year	Deductions/ Transfers	Upto 31.03.09	As At 31.03.09	As At 31.03.08
COMPUTER	496,080	7,956	-	504,036	441,456	9,961	-	451,417	52,619	54,624
FAX MACHINE	13,500	-	-	13,500	4,917	641	-	5,558	7,942	8,583
TOTAL	509,580	7,956	-	517,536	446,373	10,602	-	456,975	60,561	63,207
PREVIOUS YEAR'S TOTAL	2,429,606	-	1,920,026	509,580	1,482,696	9,818	1,046,141	446,373	63,207	-

**ASHIANA AGRO INDUSTRIES LTD.**

	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
<u>SCHEDULE 'D' - INVESTMENTS</u>		
Long Term Investments:		
In Shares, Debentures & Bonds - Other than trade		
Quoted Investments		
Nil (Previous Year 21298.750) Units of HSBC Advantage India Fund-Dividend	-	249,739
Unquoted Investments		
In Fully paid up Equity Shares		
Nil (Previous Year 1,20,000) Equity Shares of Rs. 10.00 each in Gupta Nutritions Pvt.Ltd	-	1,200,000
Nil (Previous Year 80,000) Equity Shares of Rs. 10.00 each in Comtech Exports Ltd.	-	800,000
Nil (Previous Year 2,00,000) Equity Shares of Rs. 10.00 each in Bankey Behari Foods Pvt.Ltd.	-	2,000,000
	-	4,249,739
<u>SCHEDULE 'E'- CASH & BANK BALANCES</u>		
Cash in Hand	301,837.00	245,550
Balance with Scheduled Banks:		
In Current Accounts	228,442.73	1,150,387
In Fixed Deposits	2,302,066.00	
	2,832,345.73	1,395,937
<u>SCHEDULE 'F' LOANS & ADVANCES</u>		
(Unsecured Considered Good, unless otherwise stated)		
Loans	18,593,753.00	15,403,946
Other Advances	-	820
Security Deposits	18,000.00	18,000
Advance Fringe Benefit Tax	11,000.00	33,167
Tax deducted at Source	744,377.00	684,733
	19,367,130.00	16,140,666



	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
<u>SCHEDULE 'G' - CURRENT LIABILITIES & PROVISIONS</u>		
A) CURRENT LIABILITIES		
Advances from Customer	-	260,657
Liabilities for Expenses	16,836.00	36,868
Other Liabilities	270,740.00	29,791
Hire Purchase Finance	-	333,052
	287,576.00	660,368
B) PROVISIONS		
Provision for Fringe Benefit Tax	2,166.00	23,686
	289,742.00	684,054
<u>SCHEDULE 'H' - OTHER INCOME</u>		
Interest (includes TDS Rs 3,89,817/- Previous Year Rs.3,54,560/-)	1,931,732.00	1,746,962
Misc.Receipt	260,833.88	
Sales of Empty Toner Cartridges	-	1,438,660
Dividend Income	40,677.50	29,675
Profit on sales of Investment	-	20,064
	2,233,243.38	3,235,361
<u>SCHEDULE 'I' - ADMINISTRATIVE & OTHER EXPENSES</u>		
Salary	633,000.00	561,031
Miscellaneous Expenses	407,932.41	412,687
Loss on sales of Fixed Assets	326,323.44	261,023
Insurance Charges	-	16,041
Travelling & Conveyance	4,560.00	6,839
Telephone	-	16,200
Vehicle Maintenance	-	7,000
Directors Fee & Expenses	6,500.00	4,000
Rent	12,000.00	72,000
Auditors' Remuneration: Audit Fees (including Service Tax)	16,836.00	16,836
	1,407,151.85	1,373,657
<u>SCHEDULE 'J' INTEREST & FINANCIAL CHARGES</u>		
Interest		
On unsecured loan	-	83,703
Bank charges	9,641.82	2,604
	9,641.82	86,307



SCHEDULE "K"- NOTES FORMING PART OF THE ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES:

The accounts have been prepared to comply in all material aspects with applicable accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

System of Accounting:

- i) Financial statements are based on historical cost.
- ii) The Company generally follows the mercantile system of accounting and recognises income and expenditure on accrual basis except those with significant uncertainties.

Fixed Assets :

Fixed assets are stated at cost. The cost of Fixed Assets includes acquisition and installation expenses incidental to acquisition like freight, erection, installation and commissioning etc. are capitalised to the original cost of Fixed Assets.

Depreciation:

Depreciation on Fixed Assets is provided on "Straight Line Method" in the manner and at the rates specified in Schedule XIV of the Companies Act, 1956. Depreciation on additions to fixed assets is being provided on pro rata basis from the date of acquisition or installation of the fixed assets. No depreciation is being provided on assets sold, discarded, demolished or scrapped during the year.

Investments:

- i) Long term investments are stated at cost after deducting provision, if any, in cases where the fall in market value has been considered of permanent nature.
- ii) Current investments are stated at lower of cost and fair value.

Retirement Benefits:

The provisions of Employees Provident Funds and Miscellaneous Provisions Act, 1952, the provisions of Payment of Gratuity Act, 1972, the Provisions of Employees State Insurance Act, 1948 and other labour laws are not applicable to the Company, since the Company employees less than the minimum number of persons prescribed under the above Acts.

2. Payments to Auditors :

	<u>2008-2009</u>	<u>2007-2008</u>
Audit fees (including service tax)	16,836	16,836

3. Managing Directors Remuneration

Remuneration payable to Managing director employed during the year is as follows:-

	<u>2008-2009</u>	<u>2007-2008</u>
i) Salary	3,60,000	3,60,000
ii) Sitting Fees	1,750	1,000
iii) Perquisites	34,000	33,031



ASHIANA AGRO INDUSTRIES LTD.

- 4. Payments against supplies from small scale and ancillary undertakings have been made in accordance with the agreed credit terms and to the extent ascertainable from available information, there was no amount overdue as on 31st March, 2009 in this regard.
- 5. In the opinion of the Board of Directors all the current assets, loans & advances have value on realization at least of an amount equal to the amount at which they are stated in the Balance Sheet.
- 6. The Company has sold its entire Plant & Machinery and other ancillary equipments. The Company has not undertaken any manufacturing activities during the year. Since no manufacturing activities had been undertaken, additional information's pursuant to the paragraphs 3 and 4 of Part- II of Schedule VI to the Companies Act, 1956 are not applicable to the Company.
- 7. The Accounts have been prepared on the going concern assumption. However, in view of the sale of entire Plant & Machinery, other ancillary equipments pertaining to its edible vegetable oil refinery plant and land & building during earlier year and company has been left with no manufacturing activities. The company has so far not made any plans to replace the fixed assets that have been sold. These factors raise substantial doubt about the company's ability to continue as a going concern in the foreseeable future.

8. Segment Reporting :

- (a) Business Segment: The Company has considered business segment as the primary segment for disclosure. As reported above the Company has sold its entire Plant & Machinery and other ancillary equipments pertaining to its edible vegetable oil refinery plant. The Company has not undertaken any manufacturing activities during the year. The Company is presently primarily engaged in financing activities, i.e. investing its surplus funds pending its final decision of starting any new business venture. Hence there is no distinguishable component of any product or services that can be reported. Interest generated on loans & advances given during the year, which in the context of Accounting Standard 17 issued by the Institute of Chartered Accountants of India can be considered the only business Segment.
- (b) Geographical Segment: The Conditions prevailing in India being uniform, no separate geographical segment disclosure is considered necessary.

9. Earnings per Share :

	Year Ended 31-03-2009	Year Ended 31-03-2008
a. Profit(Loss) after Tax as per Profit and Loss Account	8,04,800	1,81,892
b. Weighted average number of equity shares of Rs. 10/- Each outstanding during the year.	45,85,950	45,85,950
c. Earnings per shares		
- Basic & Diluted	0.18	0.04

10. Deferred Tax :

In compliance with the Accounting Standard-22 " Accounting for taxes on income "issued by the Institute of Chartered Accountants of India, which has become mandatory. The Company has not created deferred tax liabilities /assets since it believes that such liabilities / assets are not likely to be reversed in future years.

**11. Related Part Disclosure :**

Information relating to Related Party Transaction as per Accounting Standard –18 issued by the Institute of Chartered Accountants of India is given below:

<u>A. Name of the Related Party</u>	<u>Relationship</u>
Comtech Exports Limited	Associate Company
Serengeti Holdings Private Limited.	Associate Company
Mrs. Veena Gupta	Key Managerial Personnel
Mr. Prem Prakash Gupta.	Managing Director
Mr. Pawan Kumar	Director
Mr. Radesh Rangarajan	Additional Director
Mr. Pavan Kr. Reddy	Additional Director
Mr. Nirmal Kumar Das	Additional Director

B. Transactions during the year

<u>Name of the Related Party</u>	<u>Nature of Transaction</u>
Mr. Prem Prakash Gupta	The company has paid Rs. 3.60 lacs to Prem Prakash Gupta on account of Managing director's salary, Rs.34000/- towards perquisites and Rs. 1750/- towards sitting fees.
Smt. Veena Gupta	Rs. 1000/- towards sitting fees.
Mr. Pawan Kumar	Rs. 750/- towards sitting fees.
Mr. Radesh Rangarajan	Rs.1000/- towards sitting fees.
Mr. Pavan Kumar Reddy	Rs.1000/- towards sitting fees.
Mr. Nirmal Kumar Das	Rs.1000/- towards sitting fees.

12. Previous year's figures have been re-grouped wherever necessary.

Signatures to Schedules A to K

For VIKRAM KUMAR & CO.
Chartered Accountants

For and on behalf of the Board

Sd/-
(Bireshwar Kumar)
Partner

Sd/-
(Radesh Rangarajan)
Additional Director

Sd/-
(Pavan Kr. Reddy)
Additional Director

Sd/-
(EDM Menon)
Company Secretary

Place : Camp, New Delhi
Dated : 4th July, 2009



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2009

(Pursuant to the Listing Agreements with Stock Exchanges)

	(Rs.)	(Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE EXTRAORDINARY ITEMS		1,091,493.67
ADJUSTMENTS FOR:		
DEPRECIATION	10,602.00	
FOREIGN EXCHANGE	-	
DEFERRED REVENUE EXPENDITURE WRITTEN OFF	-	
INVESTMENTS	-	
INTEREST PAID	-	
INTEREST RECEIVED	(1,931,732.00)	(1,921,130.00)
OPERATING (LOSS) PROFIT BEFORE WORKING CAPITAL		
CHANGES		(829,636.33)
ADJUSTMENTS FOR:		
INVENTORIES	-	
TRADE AND OTHER RECEIVABLES	(3,226,464.00)	
TRADE PAYABLES	(395,360.00)	(3,621,824.00)
CASH GENERATED FROM OPERATIONS		(4,451,460.33)
INTEREST PAID	-	
DIRECT TAXES (PAID)/ REFUNDED	-	
CASH FLOW BEFORE EXTRAORDINARY ITEMS		(4,451,460.33)
EXTRAORDINARY ITEMS		
Profit on sale of fixed assets	(326,323.44)	
Prior years Expenditure	-	(326,323.44)
NET CASH FROM OPERATIONS		(4,777,783.77)
B. CASH FLOW FROM INVESTING ACTIVITIES		
PURCHASE OF FIXED ASSETS	(7,956.00)	
SALE OF FIXED ASSETS	-	
ACQUISITION OF COMPANIES	-	
PURCHASE OF INVESTMENTS	-	
SALE OF INVESTMENTS	4,249,739.00	



INTEREST RECEIVED	1,931,732.00	
DIVIDEND RECEIVED	40,677.50	
NET CASH USED IN INVESTING ACTIVITIES		6,214,192.50

C. CASH FLOW FROM FINANCING ACTIVITIES

PROCEEDS FROM ISSUE OF SHARE CAPITAL		
PROCEEDS FROM BORROWINGS		
PROCEEDS FROM WORKING CAPITAL BORROWINGS		
DIVIDEND PAID		
INVESTMENT SUBSIDY RECEIVED/ (REFUNDED)		
NET CASH USED IN FINANCING ACTIVITIES		-
NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)		1,436,408.73
CASH & CASH EQUIVALENTS AS AT (Opening Balance)		1,395,937.00
CASH & CASH EQUIVALENTS AS AT (Closing Balance)		2,832,345.73

As per our report on even date attached.

For **VIKRAM KUMAR & CO.**
Chartered Accountants

For and on behalf of the Board

Sd/-
(Bireswar Kumar)
Partner

Sd/-
(Radesh Rangarajan)
Additional Director

Sd/-
(Pavan Kr. Reddy)
Additional Director

Sd/-
(EDM Menon)
Company Secretary

Place : Camp, New Delhi
Dated : 4th July, 2009



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details	
Registration No.	5461
State Code No.	17
Balance Sheet Date	31.03.2009
II. Capital Raised During the Year (Amount in Rs. thousand)	
Public Issue	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Placement	NIL
III. Position of Mobilisation and Deployment of Funds	
Total Liabilities	47360
Total Assets	47360
SOURCE OF FUNDS :	
Paid-up Capital	45860
Reserves & Surplus	1500
Secured Loans	NIL
Unsecured Loans	NIL
APPLICATION OF FUNDS :	
Net Fixed Assets	61
Investments	NIL
Net Current Assets	21910
Misc. Expenditure	NIL
Accumulated Losses	25389
IV. Performance of Company	
Total Turnover & Other Income	2233
Total Expenditure	1427
Profit/(Loss) Before Tax	806
Profit/(Loss) After Tax	805
Earning Per Share in Rs.	0.18
Dividend Rate %	NIL
V. Generic Name of Principal Products of Company	
Item Code No.	151410
Product Description	Refined Edible Mustard Oil
Item Code No.	150710
Product Description	Refined Edible Soyabean Oil

Note: Classification of products under ITC code being of a technical nature is not verified by the Auditors.

As per our report on even date attached.

For VIKRAM KUMAR & CO.
Chartered Accountants

For and on behalf of the Board

Sd/-
(Bireshwar Kumar)
Partner

Sd/-
(Radesh Rangarajan)
Additional Director

Sd/-
(Pavan Kr. Reddy)
Additional Director

Sd/-
(EDM Menon)
Company Secretary

Place : Camp, New Delhi
Dated : 4th July, 2009

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If undelivered please return to :
ASHIANA AGRO INDUSTRIES LIMITED
F-143, RIIICO Industrial Area
Bhiwadi-301019, Distt. Alwar
RAJASTHAN