

# **KHANDELWAL EXTRACTIONS LIMITED**



**27th ANNUAL REPORT**

**2008-2009**

# KHANDELWAL EXTRACTIONS LIMITED

## BOARD OF DIRECTORS

K. N. KHANDELWAL  
V. N. KHANDELWAL - Director (Works)  
DINESH KHANDELWAL - Director (Finance)  
ASHOK GUPTA  
ATUL BAGLA  
ANIL KAMTHAN

## REGISTERED OFFICE :

51/47, NAYAGANJ, KANPUR – 208 001

## WORKS :

AKRAMPUR – MAGARWARA  
DISTT. UNNAO (UTTAR PRADESH)

## AUDITORS :

M/S. P. L. TANDON & CO.

## BANKERS :

THE FEDERAL BANK LTD.

### ANNUAL GENERAL MEETING

ON SATURDAY,  
THE 26th, SEPTEMBER, 2009  
AT 4.00 P.M.  
AT THE REGISTERED OFFICE  
OF THE COMPANY

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# KHANDELWAL EXTRACTIONS LIMITED

## NOTICE

NOTICE is hereby given that the 27<sup>th</sup> Annual General Meeting of Khandelwal Extractions Ltd. will be held at the Registered Office of the Company i.e. 51/47, Nayaganj, Kanpur on the 26th September, 2009 at 4:00 p.m. to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2009 and Profit and Loss Account for the year ended on that date and Reports of Board of Directors and Auditors there on.
2. To declare dividend on 10% Preference Shares of (Series I) and (Series II) and 12% (Series I) for Financial Year 2008-09.
3. To appoint a Director in place of Shri V.N. Khandelwal who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Shri Dinesh Khandelwal who retires by rotation and being eligible offers himself for reappointment.
5. To appoint M/s P.L. Tondon & Company Chartered Accountants, Kanpur to hold office of the Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

### As special Business :

6. To consider and if thought fit to pass with or without modification(s) the following resolution as an ordinary Resolution.

"RESOLVED that Mr. Anil Kamthan, who was appointed as an additional Director of the company by the Board of Directors with effect from 31.01.2009 under section 260 of the Companies Act, 1956 and who holds the office upto the date of this Annual General Meeting and in respect of whom the company has received a notice under section 257 of Companies Act, 1956 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the company."

By order of the Board of Directors

(Dinesh Khandelwal)  
Director – Finance

Regd. Office  
51/47, Nayaganj,  
Kanpur- 208 001  
Dt : 15th June, 2009

## Notes :

- (a) The relative explanatory statement pursuant to Section 173 of the Companies Act, 1956 is annexed.
- (b) 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 a proxy need not be a member. Proxy in order to be effective must be received by the Company not less than 48 hours before the meeting.
- (c) The Register of the members and Share Transfer books of the Company will remain closed from 15th September, 2009 to 26<sup>th</sup> September, 2009 (both days inclusive).
- (d) As decided by the Board of Directors, the dividend on preference Shares, if approved, shall be payable to all those shareholders whose name appear in the Register on 15th September, 2009.
- (e) All documents referred to in the accompanying notice/ explanatory statement are open for inspection at the Registered Office of Company between 2:00 P.M. to 4:00 P.M. on all working days upto the date of the Annual General Meeting.

## EXPLANATORY STATEMENT :

### ITEM No. 6

Mr. Anil Kamthan was appointed as Additional Director of the Company by the Board of Directors on 31.01.2009 and he holds office upto the date of this Annual General Meeting. A Notice u/s 257 of the Companies Act, 1956 has been received from a member alongwith the requisite fee, intending to propose the candidature of Mr. Anil Kamtham for the office of Director of the Company. Mr. Anil Kamtham has vast experience in various commercial fields. He is compliance officer of a leading listed company. He will be an independent non – executive Director, liable to retire by rotation. His vast experience in various fields will be in the interest of the Company.

The Resolution at item No. 6 is, therefore, commended for your approval.

None of the directors of the Company except Mr. Anil Kamtham is concerned or interested in the above resolution.

# KHANDELWAL EXTRACTIONS LIMITED

## DIRECTORS' REPORT

TO THE MEMBERS,

Your Directors have pleasure in submitting their Annual Report and Accounts for the year ended 31st March, 2009.

## FINANCIAL RESULTS

	Rs./Lacs
Sales and other Income	1415.55
Profit before Interest and Depreciation	60.27
Less : Interest	22.08
Depreciation	3.47
Profit before Tax	34.72
Provision for Tax	11.74
(Including Deferred Tax & Fringe Benefit Tax)	
Profit after tax	22.98
Balance as per last account	36.52
Amount available for appropriations	59.50
<b>APPROPRIATIONS</b>	
Dividend on Preference Shares	5.38
(including tax)	
Transfer to General Reserve	25.00
Balance carried to Balance Sheet	29.12

## OPERATIONS:

During the year under review profit before tax was at Rs.34.72 Lacs compared to Rs.33.99 Lacs in previous year. The production during the year was at 11743 MT compared to 15549 MT during the previous year. Similarly, sales and other income was also lower at Rs.1415.55 Lacs compared to Rs.1658.27 Lacs in previous year. Low availability of rice bran and substantial decline in sale price in line with global trend has an effect on production and sales. Despite several odds and year of wide fluctuations your company has been able to maintain the profit level on a lower turnover.

## DIVIDEND:

Your Directors recommend a dividend of Rs.5,38,180/- (including Rs.78,180/- Corporate Dividend Tax) on 5000 Preference Shares each of first and second series @ 10% and 30000 preference shares of series I @ 12% for the financial year 2008-09.

With a view to conserve cash and to meet additional requirement of working capital, your Directors do not recommend any dividend on Equity Shares for the year.

## FINANCE:

The company was sanctioned enhanced working capital facilities of Rs.400 Lacs by The Federal Bank Ltd. during the year under review.

## MANAGEMENT'S PERCEPTION:

As reported last year, your company's business being Agro based is basically full of uncertainties. Oil (finished product) market being volatile depending upon international markets created a situation of uncertainties. Management fully aware of these facts is keeping a close watch in its efforts to maximize the gains/profits.

## LISTING OF SHARES

Company's equity shares continued to be listed with Bombay Stock Exchange and U.P. Stock Exchange.

## KHANDELWAL EXTRACTIONS LIMITED

### CONSERVATION OF ENERGY:

Information required in Form "A" is not being given as our unit does not fall under specified industry mentioned in the relevant schedule.

### TECHNOLOGY ABSORPTION:

The Company's plant has been designed on the continuous process technology of M/s. Extraktions Technik, GmbH, Germany. No expenditure has been incurred on in-house research and development.

### FOREIGN EXCHANGE EARNINGS AND OUTGO:

There was no foreign exchange earnings and outgo during the year under review.

### DIRECTORS:

During the year, Mr. Anil Kamthan has been appointed as Additional Director who holds office until the close of ensuing general meeting. A notice under section 257 of Companies Act, 1956 have been received from a member of the Company proposing his candidature for the office of Director. Mr. Kamthan will be independent non-executive Director. Resolution seeking his appointment is included in the Notice convening the ensuing Annual General Meeting of the Company. Mr.V.N.Khandelwal and Mr.Dinesh Khandwelwal retire by rotation and being eligible, offer themselves for re-appointment.

### DIRECTORS' RESPONSIBILITY STATEMENT :

In terms of provisions of Section 217(2AA) of the Companies (Act), 1956, your Directors confirm as under :

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures.
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the 'Act', for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) that the Directors had prepared the annual accounts on a going concern basis.

### PERSONNEL:

Industrial relations remained cordial through out the year.

There was no employee getting monthly remuneration of maximum permissible limit prescribed under Section 217 (2A) of the Companies Act, 1956 during the year which needed disclosure.

### AUDITORS:

The Auditors M/s. P.L. Tandon & Co. retire and being eligible offer themselves for re-appointment.

### SECRETARIAL COMPLIANCE CERTIFICATE :

In terms of Section 383 A of the Act, Secretarial Compliance Certificate issued by a Practicing Company Secretary is annexed hereto.

### ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation for support and co-operation received from The Federal Bank Ltd. and to all employees for their sincere and hard work.

*By Order of the Board of Directors*  
For KHANDELWAL EXTRACTIONS LIMITED

Place : Kanpur  
Date : 15th June, 2009

DINESH KHANDELWAL  
Director (Finance)

V. N. KHANDELWAL  
Director (Works)

# KHANDELWAL EXTRACTIONS LIMITED

## COMPLIANCE CERTIFICATE

To,  
The Members,  
Khandelwal Extractions Ltd.  
51/47, Nayaganj, Kanpur-208 001  
CIN-L24241UP1981PLC005282

I have examined the registers, records, books and papers of M/s. Khandelwal Extractions Ltd. (The Company) as required to be maintained under the Companies Act, 1956 and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March 2009 (financial year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year :

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this Certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this Certificate with the Registrar of Companies, within the time prescribed under the Act and the rules made there under.
3. The Company being a Public Limited Company, comments are not required, it has the minimum prescribed paid up share capital.
4. The Board of Directors duly met four times respectively on 30.06.2008, 31.07.2008, 22.10.2008 and 31.01.2009 in respect of which proper notices were given and the proceedings were properly recorded in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members, Necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for financial year ended 31st March 2008 was held on 27.09.2008 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minute book maintained for the purpose.
7. No Extra Ordinary Meeting(s) was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or companies referred to under section 295 of the Act.
9. The Company has not entered into any contract falling within the purview of section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approval from Central Government. Members approval by special resolutions were obtained at the AGM held on 27.09.08 for appointments of Shri V.N. Khandelwal (Director Works) and Shri Dinesh Khandelwal (Director Finance) during the year.
12. The Company has not issued any duplicate shares Certificate during the financial year.
13. The Company has :
  - (i) delivered all the certificates on lodgment thereof for transfer in accordance with the provisions of the Act;
  - (ii) deposited the amount of dividend declared in a separate bank account on 01.10.08 which is within five days from the date of declaration of dividend.
- (iii) paid dividends to all the share holders within a period of 30 days;
- (iv) Not Applicable;
- (v) The Company has duly complied with the requirement of Section 217 of the Act.;
14. The Board of Directors of the Company is duly constituted.
15. The Company has appointed two whole-the Directors effective from 01.04.09 during the financial year and filed two forms 25 C in said connection with ROC.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any shares, debentures or other securities during the financial year. However Form 2 for allotment of 30,000 cumulative redeemable preference Share on 31.03.2008 was filed on 21.04.08.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has accepted deposits and complied with the provisions of Sections 58 A read with Companies (Acceptance of deposits) Rules, 1975 during the financial year. Unsecured loans from the promoters of the Company accepted in earlier years continues in this year also as infomed to me by the Directors.
24. The amount borrowed by the company during the financial year are within the borrowing limits of the company and that necessary resolution as per Section 293 (1)(d) of the Act have been passed in duly convened annual general meeting of the company held on 29.09.2007.
25. The Company has made/given loans to other bodies corporate under Section 372A during the financial year in accordance with the provisions of Section 372A of the Act as per information provided to me by the Company. Necessary entries have been made in the Registers kept for the purpose.
26. The Company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny and complied with the provisions of the Act.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.

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30. The Company has not altered its articles of association during the financial year.
31. As per the information provided to me by the company it received a letter from Registrar of Companies U.P. for non receipt of Annual Report 2005-06 by a member. The necessary reply was submitted vide Ltr. No. 167 dtd. 21st July 2008. No prosecution initiated against and no fine or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.

32. The Company has not received any money as security from its employees during the financial year.
33. As per information provided to me the provisions of Section 418 of the Act is not applicable to company. However the company has deposited Provident Fund with prescribed authorities under The Employees Provident Fund Act.

Place : Kanpur  
Date : 15.06.2009

For **Banthia & Company**  
**G.K. Banthia**  
(Proprietor)  
C.P. No. 1405

### Annexure-A

#### Registers as maintained by the Company

1. Register of Members U/s 150
2. Board Meeting Minutes Book U/s 193
3. General Meetings Minutes Book U/s 193.
4. Directors Attendance Register as per Table A.
5. Directors Particulars Register U/s 303.
6. Directors Share holding Register U/s 307.

7. Register of Particulars of Contracts U/s 301.
8. Register of Investments / Loans U/s 372A.
9. Share Transfer Book.
10. Register of Charges U/s 143.
11. Register of Dividend.
12. Register of deposits under Rule 7 of the Companies (Acceptance of Deposits) Rules 1978.

### Annexure-B

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended 31st March 2009.

S.No.	Form No./ Return	Filed under section	For	Date of filing	Whether filed within prescribed time Yes/No	If delay in filing whether requisite /additional fee paid Yes/No
1.	20 B	159	Annual Return	21-11-08	Yes	No
2.	23AC/ 23ACA	220	Balance Sheet & P & L Account	11-10-08	Yes	No
3.	66	383-A	Sec. Compliance	07.10.08	Yes	No
4.	23	192, 269 314 etc.	Appointment of Sh. V.N. Khandelwal & Sh. D. Khandelwal as Whole time Directors	10-10-08	Yes	No
5.	8	125	Modification of charge on assets of company	19.02.09	Yes	No
6.	62	58A read with companies acceptance of deposit Rules 1975	Statement in lieu of advertisement	07.08.08	Yes	No
7.	32	260	App. of Additional Director	21.02.09	Yes	No
8.	62	58A read with companies acceptance of deposit Rules, 1975	Return of Deposit	23.06.08	Yes	No
9.	25-C (Two Forms)	269 read with Sch. XIII	For App. of Sh. V.N. Khandelwal & Sh. D. Khandelwal as Whole Time Directors	15.04.09	Yes	No
10.	Form-2	75	Allotment of Cu. Red. Preference Shares made on 31.03.2008	21.04.08	Yes	No
11.	23B (filed by Auditors)	224	Reappointment of Auditors	04.10.08	Yes	No

Place : Kanpur  
Date : 15.06.2009

For **Banthia & Company**  
**G.K. Banthia**  
(Proprietor)  
C.P. No. 1405

# KHANDELWAL EXTRACTIONS LIMITED

## AUDITORS' REPORT

### TO THE MEMBERS OF KHANDELWAL EXTRACTIONS LIMITED

1. We have audited the attached Balance Sheet of **KHANDELWAL EXTRACTIONS LIMITED** as at 31<sup>st</sup> March, 2009, Profit and Loss Account and also the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraph 4 & 5 of the said order.
4. 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 purposes 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, the Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
- d) In our opinion, the Balance Sheet, the Profit & 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. However liability for leave encashment has been provided on the basis of actual liability determined by the management as on 31.03.2009.
- e) On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2009 from being appointed as a director in terms of clauses (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 said accounts read with notes on accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2009.
  - (b) in the case of the Profit & Loss Account of the Profit for the year ended on that date; and
  - (c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For P. L. TANDON & CO.  
Chartered Accountants  
(RAJENDRA GUPTA)  
PARTNER  
Membership No. 73250

Place : Kanpur  
Date: 15th June 2009

## ANNEXURE TO THE AUDITORS' REPORT

### (Referred to in Paragraph (3) of our report of even date)

- I. In respect of its Fixed Assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) In our opinion and according to the information and explanations given to us, the company has not made any substantial disposal during the year.
- II. In respect of its Inventories :
  - (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the company has maintained proper records of its inventories and discrepancies noticed on verification between physical stocks and the book records were not material.
- III. In respect of Loans, Secured or Unsecured, granted or taken by the Company to or from Companies, Firms or other Parties covered in the Register maintained under section 301 of the Companies Act, 1956, according to the information and explanations given to us :-
  - (a) The Company has not granted any loan to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. As the Company has not granted any loans secured or unsecured to parties listed in the register maintained under section 301 of the Companies Act, 1956, the paragraphs 4 (iii) (b), (c) and (d) of the Companies (Auditor's Report) Order, 2003 are therefore, not applicable to the Company.
  - (e) Company had/taken unsecured loans from thirteen parties covered in the Register maintained under section 301 of the Companies Act, 1956.



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The maximum balance involved during the year was Rs. 76.05 Lacs and the year end balance was Rs. 63.30 Lacs.

- (f) The rate of interest and other terms and conditions on which loans have been taken from 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.
- (g) There is no stipulation for the repayment in two cases and in Eleven cases loans are not due for repayment during the year.
- IV. In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- V. In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956:
- (a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, no transaction exceeding the value of Rs Five Lacs has been made in pursuance of contracts or arrangements requires to be entered in register maintained under section 301 of the Companies Act, 1956.
- VI. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of sections 58A and 58AA and other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted other than Public.
- VII. In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business.
- VIII. The Central Government has not prescribed maintenance of cost records under section 209 (i) (d) of the Companies Act, 1956 for the products of the company.
- IX. According to the information and explanations given to us, in respect of statutory and other dues.
- (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears as at 31<sup>st</sup> March, 2009 for a period 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 Income tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise Duty, which have not been deposited on account of any dispute.
- X. The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- XI. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks.
- XII. As explained to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities.
- XIII. The nature of Company's business / activities during the year is such that provision of Clause 4 (xiii) of Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- XIV. In our opinion, the Company is not dealing in or trading in shares, securities and debentures and other investments.
- XV. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from any banks or financial institutions.
- XVI. The Company has not obtained any term loan during the year.
- XVII. 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.
- XVIII. According to the information and explanations given to us, 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 during the year.
- XIX. As the Company has no debenture outstanding at any time during the year, provision of Clause 4 (xix) of the Companies (Auditors Report) Order, 2003 are therefore, not applicable to the Company.
- XX. The Company has not raised any money by Public issue during the year.
- XXI. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For P. L. TANDON & CO.  
Chartered Accountants  
(RAJENDRA GUPTA)  
PARTNER  
Membership No. 73250

Place : Kanpur  
Date : 15th June, 2009

## KHADELWAL EXTRACTIONS LIMITED

### BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS' FUNDS :</b>			
Share Capital	1	1,28,00,500	1,28,00,500
Reserves and Surplus	2	1,50,36,958	1,32,76,651
<b>LOAN FUNDS :</b>			
Secured	3	97,38,048	3,81,11,887
Unsecured		1,01,50,797	79,59,373
<b>DEFERRED TAX LIABILITY (Net)</b>		<b>16,56,221</b>	<b>16,47,737</b>
		<b>4,93,82,524</b>	<b>7,37,96,148</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block	4	2,94,14,938	2,93,82,088
Less : Depreciation		1,96,64,844	1,93,20,294
Net Block		97,50,094	1,00,61,794
<b>INVESTMENT</b>	5	-	16,95,545
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Inventories		4,09,59,440	6,55,42,786
Sundry Debtors		58,14,750	1,32,70,732
Cash & Bank Balances		5,79,105	6,87,043
Other Current Assets		70,069	31,724
Loans & Advances		24,03,502	29,68,605
		4,98,26,866	8,25,00,890
Less : Current Liabilities & Provisions	7		
Current Liabilities		96,56,256	2,03,45,081
Provisions		5,38,180	1,17,000
		1,01,94,436	2,04,62,081
Net Current Assets		3,96,32,430	6,20,38,809
		<b>4,93,82,524</b>	<b>7,37,96,148</b>

#### Contingent Liabilities & Notes On Accounts 12

As per our Report attached

For P. L. TANDON & CO.

Chartered Accountants

RAJENDRA GUPTA

Partner

Place : Kanpur

Dated : 15th June, 2009

V. N. KHADELWAL

Director (Works)

DINESH KHADELWAL

Director (Finance)

K. N. KHADELWAL

ATUL BAGLA

ASHOK GUPTA

ANIL KAMTHAN

Directors

## KHANDELWAL EXTRACTIONS LIMITED

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

	Schedule	2008-2009 Rs.	2007-2008 Rs.
<b>INCOME :</b>			
Sales		13,96,09,591	16,32,94,094
Other Income	8	19,44,924	25,33,375
Increase / (Decrease) in Stocks	9	(83,23,450)	1,76,19,256
		<b>13,32,31,065</b>	<b>18,34,46,725</b>
<b>EXPENDITURE :</b>			
Materials	10	9,42,80,582	14,21,45,838
Expenses	11	3,29,22,937	3,53,30,397
Interest		22,08,313	22,25,630
Depreciation		3,47,400	3,46,138
		<b>12,97,59,232</b>	<b>18,00,48,003</b>
Profit before Tax		<b>34,71,833</b>	33,98,722
Provision for Taxation:			
Current Tax		11,25,000	10,75,000
Deferred Tax		8,484	(96,267)
Fringe Benefit Tax		16,000	17,000
Less: Income Tax For Earlier Year		23,862	-
Profit after Tax		<b>22,98,487</b>	24,02,989
Balance brought forward from previous year.		<b>36,51,651</b>	38,65,662
Amount available for appropriation		<b>59,50,138</b>	<b>62,68,651</b>
<b>APPROPRIATIONS :</b>			
Dividend on Preference Shares		4,60,000	1,00,000
Corporate Dividend Tax		78,180	17,000
Transfer to General Reserve		25,00,000	25,00,000
Balance carried to Balance Sheet		29,11,958	36,51,651
		<b>59,50,138</b>	<b>62,68,651</b>
Notes on Accounts	12		
Basic and diluted Earnings per share		<b>2.07</b>	2.69

As per our Report attached

For P. L. TANDON & CO.

Chartered Accountants

RAJENDRA GUPTA

Partner

Place : Kanpur

Dated : 15th June, 2009

V. N. KHANDELWAL

Director (Works)

DINESH KHANDELWAL

Director (Finance)

K. N. KHANDELWAL

ATUL BAGLA

ASHOK GUPTA

ANIL KAMTHAN

Directors

# KHANDELWAL EXTRACTIONS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2009

	2008-2009 Rs.	2007-2008 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax as per Profit & Loss A/C	3471833	3398722
Add/(Deduct) for:		
Dividend Received	(13025)	(20375)
Interest received	(1633512)	(1042156)
Loss on sale of Assets	150	-
(Profit)/Loss on sale of Investments(Net)	1059831	(1277912)
Interest	2208313	2225630
Depreciation	347400	346138
	<b>1969157</b>	<b>10097430</b>
Operating Profit before Working Capital changes	5440990	6467383
Adjustments for:		
Trade Receivable	7961964	2383210
Inventories	24583346	(17719518)
Trade Payables	(11377288)	5238878
	<b>21168022</b>	<b>10097430</b>
Cash Generated from Operations	26609012	(6467383)
Adjusted for:		
Direct Taxes paid	(859862)	(1003721)
Net Cash from Operating Activities	<b>25749150</b>	<b>(7471104)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(35850)	-
Purchase of Investments	-	(8516561)
Sale of Investments	635714	8098928
Dividend Income	13025	20375
Interest Income	1349288	818628
Net Cash from Investing Activities	<b>1962177</b>	<b>421370</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue/(Redemption) of Preference shares capital	-	3000000
Unsecured Loans	2095000	360000
Movement in Cash Credit	(28373839)	6828141
Interest paid	(1423426)	(2656861)
Dividend Paid	(117000)	(117000)
Cash used in Financing Activities	<b>(27819265)</b>	<b>7414280</b>
Net Increase in Cash & Cash equivalents(A)+(B)+(C)	(107938)	364546
Opening Balance of Cash & Cash Equivalents	687043	322497
Closing Balance of Cash & Cash Equivalents	579105	687043

As per our Report attached

For P. L. TANDON & CO.  
Chartered Accountants  
RAJENDRA GUPTA  
Partner

V. N. KHANDELWAL  
Director (Works)  
DINESH KHANDELWAL  
Director (Finance)

K. N. KHANDELWAL  
ATUL BAGLA  
ASHOK GUPTA  
ANIL KAMTHAN  
Directors

Place : Kanpur

Dated : 15th June, 2009

## KHANDLWAL EXTRACTIONS LIMITED

### SCHEDULE - 1 : SHARE CAPITAL

		As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
<b>AUTHORISED :</b>			
10,00,000	Equity Shares of Rs. 10 each	100,00,000	100,00,000
	Cumulative Redeemable Preference Shares of Rs.100/- each		
40,000	12%	40,00,000	40,00,000
10,000	10%	10,00,000	10,00,000
		<u>1,50,00,000</u>	<u>1,50,00,000</u>
<b>ISSUED , SUBSCRIBED &amp; PAID UP:</b>			
8,50,100	Equity Shares of Rs. 10 each	85,01,000	85,01,000
	Equity Shares Forfeiture A/c.	2,99,500	2,99,500
		<u>88,00,500</u>	<u>88,00,500</u>
	Cumulative Redeemable Preference Shares of Rs.100/- each		
5,000	10% (Series I)	5,00,000	5,00,000
5,000	10% (Series II)	5,00,000	5,00,000
30,000	12% (Series I)	30,00,000	30,00,000
		<u>1,28,00,500</u>	<u>1,28,00,500</u>

**Notes :**

- i. All the Cumulative Redeemable Preference Shares are redeemable at par on the expiry of 10 years from the date of allotment (as detailed below) but the Company has the option to redeem earlier but not before expiry of 3 years :

10% (Series I)	01.03.2004
10% (Series II)	15.10.2004
12% (Series I)	25.03.2008

### SCHEDULE - 2 : RESERVES AND SURPLUS

**CAPITAL RESERVE :**

As per last Balance Sheet	11,25,000	11,25,000
---------------------------	-----------	-----------

**GENERAL RESERVE :**

Balance as per last account	75,00,000	50,00,000
Transferred from Profit and Loss A/c	25,00,000	25,00,000
	<u>1,00,00,000</u>	<u>75,00,000</u>

**CAPITAL REDEMPTION RESERVE**

Balance as per last account	10,00,000	10,00,000
-----------------------------	-----------	-----------

**PROFIT & LOSS ACCOUNT**

	29,11,958	36,51,651
	<u>1,50,36,958</u>	<u>1,32,76,651</u>

### SCHEDULE - 3 : LOANS

**SECURED :**

Cash Credit Account	97,38,048	3,81,11,886
---------------------	-----------	-------------

**UNSECURED :**

From Directors	9,50,000	9,50,000
Fixed Deposits	88,60,000	67,65,000
Interest accrued and due	3,40,797	2,44,373
	<u>1,01,50,797</u>	<u>79,59,373</u>

Cash Credit account is secured

- (a) by equitable mortgage by deposit of title deeds on fixed assets and hypothecation of all movable assets including interalia inventories and book debts of the Company.
- (b) by personal guarantee(s) of three Directors of the Company

## KHADELWAL EXTRACTIONS LIMITED

### SCHEDULE - 4 : FIXED ASSETS

(Rupees)

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 01.04.08	Additions	Deduction	As at 31.03.09	For the year	Deduction	Upto 31.03.09	As at 31.03.09	As at 31.03.08
Free hold Land	546002	-	-	546002	-	-	-	546002	546002
Buildings	10301014	-	-	10301014	202829	-	3076360	7224654	7427483
Plant & Machinery & Equipments	17625513	35850	3000	17658363	63143	2850	16067067	1591296	1618739
Furnitures & Fixtures	157128	-	-	157128	9947	-	135910	21218	31165
Vehicles	752431	-	-	752431	71481	-	385507	366924	438405
	29382088	35850	3000	29414938	347400	2850	19664844	9750094	10061794
Previous Year's figures	29382088	-	-	29382088	346138	-	19320294	10061794	-

### SCHEDULE - 5 : INVESTMENTS

	As at 31.03.2009 Rs.		As at 31.03.2008 Rs.	
	No. of shares	Value Rs.	No. of shares	Value Rs.
<b>A. Equity Shares Fully Paid:</b>				
Dena Bank Ltd.	-	-	1000	50800
Graphite India	-	-	500	25775
Gujarat State Petronet Ltd.	-	-	500	28075
HFCL	-	-	5000	89750
Hindustan Dorroeiver Ltd.	-	-	1000	94250
Hotel Leela	-	-	1000	40150
IDBI Ltd.	-	-	1000	89100
IFCI	-	-	1000	44100
Jai Prakash Hydro Ltd.	-	-	500	27000
Lakshmi Vilas Ltd.	-	-	1000	97950
Llyod Elec En. Ltd.	-	-	1000	95950
LML Limited	-	-	5000	65250
Nelco Ltd.	-	-	500	40275
NTPC Ltd.	-	-	1000	196600
Petronet LNG Limited	-	-	500	35150
Phillips Carbon Black Ltd.	-	-	500	79300
Rasandik Engg. Ltd.	-	-	500	36000
SAIL	-	-	500	92650
Tube Investment Co. Ltd.	-	-	500	28725
UCO Bank	-	-	500	18425
Unitech Ltd.	-	-	200	55240
Varun Shipping Co. Ltd.	-	-	4000	288400
Welspun Gujarat Ltd.	-	-	200	76630
		-		<b>1695545</b>

### SCHEDULE - 6 : CURRENT ASSETS, LOANS AND ADVANCES

#### A. CURRENT ASSETS

##### 1. INVENTORIES :

(Stocks as valued and certified by a Director)

Stores & Spares	14,56,509	9,62,192
Raw Materials	2,08,44,783	3,75,98,996
Finished Goods	1,86,58,148	2,69,81,598
	<b>4,09,59,440</b>	<b>6,55,42,786</b>

#### B. SUNDRY DEBTORS :

Debts Unsecured considered good :

Exceeding six months

Others

58,14,750	1,32,70,732
<b>58,14,750</b>	<b>1,32,70,732</b>

## KHANDELWAL EXTRACTIONS LIMITED

### C. CASH AND BANK BALANCES :

Cash in hand	1,29,105	41,872
Balances with Scheduled Banks in Current Accounts	-	1,95,171
in Fixed Deposit	4,50,000	4,50,000
	5,79,105	6,87,043

### D. OTHER CURRENT ASSETS :

Interest accrued but not due on deposit	70,069	31,724
	70,069	31,724

### E. LOANS AND ADVANCES :

(Unsecured considered good)		
Advances recoverable in cash or in kind or for value to be received	67,472	4,56,232
VAT Recoverable A/c	15,88,810	16,90,233
Income Tax advance and Tax deducted at source (Net of Provision)	2,76,769	2,97,545
Prepaid expenses	26,940	41,421
Claims recoverable	36,700	76,363
Deposits	4,06,811	4,06,811
	24,03,502	29,68,605
	4,98,26,866	8,25,00,890

### SCHEDULE - 7 : CURRENT LIABILITIES AND PROVISIONS

#### CURRENT LIABILITIES :

Sundry Creditors	82,18,512	2,02,47,181
Other Liabilities	41,392	97,900
Temporary Book Overdraft	13,96,352	-

#### PROVISIONS :

Proposed Dividend	4,60,000	1,00,000
Corporate Dividend Tax	78,180	17,000
	1,01,94,436	2,04,62,081

### SCHEDULE - 8 : OTHER INCOME

	2008-2009	2007-2008
	Rs.	Rs.
Dividend Received	13,025	20,375
Interest Received (Tax deducted at source Rs. 363787/- ) (Previous year Rs. 223528/- )	16,33,512	10,42,156
Sundry Balances written back (Net)	2,376	827
Misc. Income	2,96,010	1,92,105
Profit on Sale of Current Investments (Net)	-	12,77,912
	19,44,923	25,33,375

### SCHEDULE - 9 : INCREASE/(DECREASE) IN FINISHED GOODS STOCK :

Stocks at commencement	2,69,81,598	93,62,342
Stocks at close	1,86,58,148	2,69,81,598
	(83,23,450)	1,76,19,256

### SCHEDULE - 10 : MATERIALS

Opening Stock	3,75,98,996	3,70,53,114
Add : Purchases	6,61,57,661	12,50,79,748
	10,37,56,657	16,21,32,862
Less : Closing Stock	2,08,44,783	3,75,98,996
Consumption	8,29,11,874	12,45,33,866
Add : Purchases (Trading)	1,13,68,708	1,76,11,972
	9,42,80,582	14,21,45,838

### SCHEDULE - 11 : EXPENSES

#### 1. Payments to and Provisions for Employees :

Salaries, Wages & Bonus etc.	41,65,248	39,91,915
Contribution to Employees Provident & other Funds	6,20,386	7,21,621
Staff Welfare Expenses	30,944	27,978

## KHANDLWAL EXTRACTIONS LIMITED

	Rs.	Rs.
<b>2. Manufacturing &amp; Other Expenses :</b>		
Stores, Spares etc.	43,97,864	47,92,903
Power & Fuel	67,02,420	71,68,899
Insurance	2,29,291	1,74,201
Repairs to Machinery	8,41,447	7,43,343
Repairs to Buildings	1,48,438	2,02,874
Handling Charges	17,97,935	17,86,357
Rent	40,908	30,000
Rates & Taxes	35,600	36,580
Loss on Sale of Assets	150	-
Loss on Sale of Investment *	1,87,462	-
Provision For Diminution in Value of Current Investment	-	8,72,369
Directors fee	11,000	12,000
Auditors Remuneration :		
- Audit Fee	9,927	10,112
- Tax Audit Fee	2,206	2,247
Misc. Expenses	11,60,232	9,37,699
Freight & Handling Outward	1,23,09,429	1,35,59,914
Commission & Brokerage	2,32,050	2,59,385
	<b>3,29,22,937</b>	<b>3,53,30,397</b>
Loss on sale of investment	10,59,831	
Less: Provision for diminution made in earlier year written back	8,72,369	
Net Loss	1,87,462	

### SCHEDULE - 12 : NOTES ON ACCOUNTS

	As at 31.03.2008 Rs.	As at 31.03.2007 Rs.	
<b>A. Contingent Liabilities :</b>			
Claims against the Company not acknowledged as debts.	2,32,022	2,32,022	
Income Tax under dispute (matter pending in appeal)	1,86,721	1,86,721	
(Amount paid Rs. 186721 and shown under loans and advances)			
<b>B. NOTES:</b>			
1. The computation of Net Profits for the purpose of Directors' remuneration under section 349 of the Companies Act, 1956 has not been enumerated as no commission has been paid/provided. Directors have been paid Fixed monthly remuneration as under :	2008-2009 Rs.	2007-2008 Rs.	
Salaries	7,08,000	6,72,000	
Perquisites (excluding contribution to gratuity fund and leave encashment on retirement)	3,68,160	3,49,440	
2. Disclosure of Sundry Creditors based on the information available with Company regarding Status of the suppliers as defined under 'Micro, Small and Medium Enterprises Development Act, 2006'. Amount outstanding for more than 45 days is NIL.			
3. Related Parties Disclosures:			
(a) Key Management Personnel & Relatives			
V. N. Khandelwal	Director ( Works )	Rohit Khandelwal	Relative
Dinesh Khandelwal	Director ( Finance )	Suraj Devi Khandelwal	Relative
K.N. Khandelwal	Relative	Radha Rani Khandelwal	Relative
Sudhir Kumar Khandelwal	Relative	Kiran Khandelwal	Relative
Anil Khandelwal	Relative	Rajni Khandelwal	Relative
Anjana Khandelwal	Relative		
(b) Details of transactions with persons referred above :	2008-09 Rs.	2007-08 Rs.	
(i.) Remuneration	16,46,400	15,60,000	
(ii.) Interest on Unsecured Loans/Deposits	7,05,240	6,25,491	
(iii.) Directors' Fee	5,000	5,000	
(c) Outstandings as at the year end			
Loans	66,70,797	46,89,373	
(d) The Unsecured Loans includes Rs.1290797/- (including interest Rs. 340797/-) taken from Promoter Directors to comply with stipulations made by working capital bankers.			
(e) Liabilities include Rs. 15,50,443/- (Previous Year Rs. 10,03,095/-) due to directors.			



## KHANDELWAL EXTRACTIONS LIMITED

4. The major components of the net Deferred tax Liability to the extent recognized and outstanding were as under :-
- |  | 31.03.2009 | 31.03.2008 |
|--|------------|------------|
|  | Rs.        | Rs.        |

Deferred Tax Liability

Difference between net book value of depreciable capital assets as per books vis-à-vis written down value as per Income Tax

	17,53,485	17,20,465
--	-----------	-----------

Deferred Tax Asset

Items under the Income Tax Act which will be allowed on actual payment

	97,264	72,728
Net Deferred Tax Liability	16,56,221	16,47,737

5. Earning per share has been computed as under :-
- |  |           |           |
|--|-----------|-----------|
| (a) Profit after Taxation  | 22,98,486 | 24,02,989 |
| (b) Preference dividend and tax thereon                              | 5,38,180  | 1,17,000  |
| (c) Profit available to Equity Shareholders                          | 17,60,306 | 22,85,989 |
| (d) No. of ordinary shares outstanding                               | 8,50,100  | 8,50,100  |
| (e) Earnings Per Share of Face value Rs. 10<br>( Basic and diluted ) | 2.07      | 2.69      |

6. Figures of previous year have been regrouped and recast to conform to the layout of the accounts for the current year.  
7. Schedule 1 to 12 along-with Accounting Policies form an integral part of the accounts and have been duly authenticated.

**C. INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPHS 3 & 4 OF PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956:**

**D.**

1. Licensed/Registered Capacity : Not Applicable  
2. Installed Capacity : 45,000 M.T. Ricebran/Cif Cane  
3. Production/Turnover and Stocks:

Class of Goods	Opening Stock		Production	Purchases		Turnover		Closing Stock	
	MT	Rs/Lacs		MT	MT	Rs/Lacs	MT	Rs/Lacs	MT
<b>OILS</b>	260	96.49	1812	27	11.59	1894	687.92	205	54.85
	79	25.23	2476	217	68.53	2512	987.92	260	96.49
<b>DEOILED MEALS</b>	4707	173.33	9931	2396	102.10	13501	708.18	3529	131.73
	2155	68.39	13073	3127	107.59	13639	645.02	4707	173.33

- |   |                       |                  |
|---|-----------------------|------------------|
|   | <b>2008-2009</b>      | <b>2007-2008</b> |
| 4. Value of imports on CIF basis            | NIL                   | NIL              |
| 5. Earnings in Foreign Exchange (FOB Value) | NIL                   | NIL              |
| 6. Expenditure in Foreign Currency          | NIL                   | NIL              |
| 7. Amount remitted in Foreign Currency      | NIL                   | NIL              |
| 8. Raw Material Consumed:                   |                       |                  |
| Ricebran - Quantity (MT)                    | 11,732                | 15,546           |
| Value (Rs./Lacs)                            | 829.12                | 1245.34          |
| 9. Raw Materials/Stores etc. consumed       | <b>All Indigenous</b> | All Indigenous   |

**D. ACCOUNTING POLICIES:**

1. **BASIS OF ACCOUNTING** : The accounts are prepared under the historical cost convention and mercantile system of accounting is followed for recognition of Income and Expenses
2. **VALUATION**: (i) Fixed Assets are shown at cost.  
(ii) Inventories of stores, spares and raw materials are valued at cost Finished goods are valued at lower of cost and net-realizable value. Cost of Raw material is determined on seasonal average cost and cost of finished goods is determined on yearly average cost.  
(iii) Long term investments are stated at cost less provision for diminution in value other than temporary, if any. Current Investment are stated at lower of cost or fair market value.
3. **DEPRECIATION**: Depreciation on the Fixed Assets has been provided in the books as per straight line method at the rates prescribed in schedule XIV of the Companies Act, 1956.
4. **TURNOVER** : Turnover includes freight and handling outwards but is net of goods returned, rebates and discounts.
5. **EMPLOYEE BENEFITS**: Salaries, wages, house rent allowances and leave encashments are accounted for on accrual basis. Liability for employees' gratuity is accounted for on the basis of contribution determined by L.I.C. under their Group Gratuity Cash Accumulation Scheme.
6. Prepaid expenses are proportionately accounted for on time basis in respect of insurance premium.
7. Insurance claims are accounted for on the basis of claims filed with the Insurance Company and adjustments arising due to short/excess received in such claims are made in the year the claim is finally settled.

As per our Report attached

For P. L. TANDON & CO.

Chartered Accountants

RAJENDRA GUPTA

Partner

Place : Kanpur

Dated : 15th June, 2009

V. N. KHANDELWAL

Director (Works)

DINESH KHANDELWAL

Director (Finance)

K. N. KHANDELWAL

ATUL BAGLA

ASHOK GUPTA

ANIL KAMTHAN

Directors

# KHANDELWAL EXTRACTIONS LIMITED

## Balance Sheet Abstract and Company's General Business Profile Additional information pursuant to Part IV of Schedule VI of the Companies Act, 1956

### 1. Registration Details

Registration No.      

0	5	2	8	2
---	---	---	---	---

 State Code      

2	0
---	---

Balance Sheet Date      

3	1
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0	3
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2	0	0	9
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Date      Month      Year

### 2. Capital raised during the year

(Rs. 000)

Private allotment      

--	--	--	--	--	--	--	--	--	--

 N I L      Rights Issue      

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 N I L

Bonus Issue      

--	--	--	--	--	--	--	--	--	--

 N I L      FCD Conversion      

--	--	--	--	--	--	--	--	--	--

 N I L

### 3. Position of Mobilisation and Deployment of Funds

Total Liabilities      

--	--	--	--	--	--	--	--	--	--

 4 9 3 8 2      Total Assets      

--	--	--	--	--	--	--	--	--	--

 4 9 3 8 2

#### Sources of Funds

Paid-up Capital      

--	--	--	--	--	--	--	--	--	--

 1 2 8 0 0      Reserves & Surplus      

--	--	--	--	--	--	--	--	--	--

 1 5 0 3 7

Secured Loans      

--	--	--	--	--	--	--	--	--	--

 9 7 3 8      Unsecured Loans\*      

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 1 1 8 0 7

#### Application of Funds

Net Fixed Assets      

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 9 7 5 0      Investments      

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 N I L

Net Current Assets      

--	--	--	--	--	--	--	--	--	--

 3 9 6 3 2      Misc. Expenditure      

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 N I L

Accumulated Losses      

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 N I L

### 4. Performance of Company

Turnover      

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 1 3 3 2 3 1      Total Expenditure -      

--	--	--	--	--	--	--	--	--	--

 1 2 9 7 5 9

Profit Before Tax      

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 3 4 7 2      Profit After Tax      

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 2 2 9 8

Earning per Share in Rs.      

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 2      Dividend Rate%      

--	--	--	--	--	--	--	--	--	--

 N I L

### 5. Generic Names of Three Principal Products/Services of the Company (As per monetary Terms)

Item Code No. (ITC Code)      

--	--	--	--	--	--	--	--	--	--

Product Description      

O	I	L	S																
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Item Code No. (ITC Code)      

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Product Description      

D	E	O	I	L	E	D														
---	---	---	---	---	---	---	--	--	--	--	--	--	--	--	--	--	--	--	--	--

 M E A L S

\* Includes deferred tax liability.

**KHANDELWAL EXTRACTIONS LIMITED**

**PROXY FORM**

**KHANDELWAL EXTRACTIONS LIMITED**

Registered Office : 51/47, Nayaganj, Kanpur - 208 001

Reg. Folio No.	
No. of Shares held	

I/We .....  
of .....  
hereby appoint ..... of .....

as my/our proxy to vote for me/us and on my/our behalf at the 27th ANNUAL GENERAL MEETING of the company to be held on Saturday, 26th September, 2009 at 4:00 p.m. at Registered Office.

Signed this ..... day of ..... 2009

Signature .....

Note : This form in order to be effective should be duly stamped, completed, signed and must be deposited with the company's Registered Office at 51/47, Nayaganj, Kanpur-208 001 not less than 48 hours before the meeting.

**KHANDELWAL EXTRACTIONS LIMITED**

Registered Office : 51/47, Nayaganj, Kanpur-208 001

**ATTENDANCE SLIP**

27th Annual General Meeting, Saturday, 26th September, 2009

Reg. Folio No.	
No. of Shares held	

Mr./Ms.

I certify that I am a registered shareholder/proxy for the registered shareholder of the company. I hereby record my presence at the ANNUAL GENERAL MEETING of the company to be held on Saturday, 26th September, 2009 at 4.00 p.m. at Registered Office.

Member's/Proxy Name in Block Letters

Member's/Proxy's Signature

Note : Please fill in the attendance slip and hand it over at the entrance of the meeting room.

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51/47, NAYAGANJ, KANPUR-208 001

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