



SARTHAK INDUSTRIES LIMITED

27th Annual Report
2010-11

BOARD OF DIRECTORS	: Shri Virendra Kumar Gupta Executive Director Shri Udesb Dassani Director Shri Vijay Rathi Director Vishwas Jain Additional Director
COMPANY SECRETARY	: Shri Amit Jain
BANKERS	: State Bank of India IDBI Bank Ltd.
REGISTERED OFFICE	: 302, Devkrupa Building, 28, Raichur Street, MUMBAI-400009
CORPORATE OFFICE	: 10/1, South Tukoganj, Alumina Tower, INDORE-452001
WORKS	: LPG Cylinder Unit Pithampur Industrial Area, Village Akoliya, District Dhar, (M.P.)
AUDITORS	: M/s Ashok Khasgiwala & Co., Chartered Accountants 317, Chetak Centre Annex, INDORE-452001
REGISTRAR & SHARE TRANSFER AGENT	: M/s Sarthak Global Limited 170/10, Film Colony, R.N.T. Marg, INDORE-452001 (M.P.)
STOCK EXCHANGE LISTING	: The Bombay Stock Exchange Ltd The Madhya Pradesh Stock Exchange Ltd

NOTICE

NOTICE is hereby given that the 27th Annual General Meeting of the members of **Sarthak Industries Limited** will be held at 302, Devkrupa Building, 28, Raichur Street, Mumbai - 400009 on Friday the 30th of December, 2011 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the 15 months as at 30th June, 2011 and the Profit & Loss Account for the 15 months ended 30th June, 2011 together with the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vijay Rathi, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **ordinary resolution**:-

“RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any other statutory modification(s) or re-enactment thereof, Mr. Vishwas Jain, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 and Articles of Association of the Company, 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 modification(s), the following resolution as a **special resolution**:-

“RESOLVED THAT pursuant to the provisions of the Section 198, 269, 309, 310 read with Schedule XIII of the Companies Act, 1956 and other applicable provisions, if any of the Companies Act, 1956 (including any Statutory Modification(s) or re-enactments thereof, for the time being in force), the approval of the members of the Company be and is hereby accorded for increase in remuneration of Mr. Virendra Kumar Gupta, Executive Director of the Company w.e.f. 01.10.2010 for remaining period of his tenure on the terms and conditions as set out hereunder.

1. Salary Rs. 40,000/- per month with an annual increment as may be decided by the Board of Directors / Remuneration committee from time to time, subject to maximum annual increment of Rs.10,000/- per month.
2. House Rent allowance: Rs.12,000/- per month.
3. Conveyance allowance: Rs. 8,000/- per month.
4. Other allowance: Rs. 5,000/- per month.
5. Provident Fund: Company's contribution towards provident fund as per the rules of the Company for the time being in force.
6. Medical Reimbursement: Reimbursement of expenses incurred for self and family subject to the ceiling of 6 months' salary in a year.
7. Leave Travel Concession: Reimbursement of expenses incurred for self and family once in a year in accordance with the rules of the Company.
8. Bonus, Gratuity & Leave Encashment: As per rules of the Company and subject to provisions of respective statutory enactment.
9. **SITTING FEES:** Mr. Virendra Kumar Gupta shall not be entitled to any sitting fees.

RESOLVED FURTHER THAT wherein a financial year during the currency of his tenure, the Company has no profits or its profits are inadequate the remuneration payable to him shall not exceed the ceiling limit prescribed in Section II of Part II of Schedule XIII to the Companies Act, 1956 for that year, which will be payable to him as minimum remuneration for that year.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto and the Board shall have absolute powers to decide breakup of the remuneration within the above said maximum permissible limit and in order to give effect to the foregoing resolution or as may be otherwise considered by it to be in the best interest of the Company.”

By order of the Board of Directors

Place: Indore
Dated: 5th December, 2011

(V.K.GUPTA)
Executive Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. Register of Members and Share Transfer Books of the Company will remain closed from 28th December, 2011 to 30th December 2011 (both days inclusive).
3. Members are requested to:
 - a. complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
 - b. bring their copies of the Annual Report at the time of attending the Annual General Meeting.
 - c. send their questions atleast 10 days in advance before the Annual General Meeting about any further information on accounts so as to enable the Company to answer their question satisfactorily.
4. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days except Saturday between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting.

Regd. Office:

Office No. 302,
Devkrupa Building,
28, Raichur Street,
Mumbai-400009

By order of the Board of Directors

Place: Indore
Dated: 5th December, 2011

(V.K.GUPTA)
Executive Director

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.**ITEM NO. 4:**

Mr. Vishwas Jain was appointed as an Additional Director by the Board of the Company with effect from 1st October, 2010. Pursuant to the provisions of Section 260 of the Companies Act, 1956, Mr. Vishwas Jain holds office upto the date of this Annual General Meeting.

The Company has received a notice in writing under Section 257 of the Companies Act, 1956 proposing the candidature of Mr. Vishwas Jain for the office of Director of the Company.

The Board of Directors accordingly recommends the resolution set out in Item No. 4 for your approval.

None of the Directors of the Company other than Mr. Vishwas Jain is concerned or interested in the said resolution.

ITEM NO.5

Mr. Virendra Kumar Gupta was re-appointed as Executive Director with effect from 2nd January, 2008 for a period of 5 years by the members at their Annual General Meeting held on 30th September, 2008. The Board of Directors holds the view that his expert knowledge and vision has helped the Company to flourish its business. He has made great contribution to the success of the Company. The Remuneration Committee of the Board has recommended revising the remuneration payable to Mr. Virendra Kumar Gupta w.e.f. 01st October, 2010. Therefore it is proposed to increase his remuneration w.e.f. 1st October, 2010 for remainder of tenure of his term. This modification or change requires the approval of members in General Meeting and therefore the Board recommends this resolution for the approval of members.

The explanatory statement together with the accompanying Notice should be treated as an abstract of the variation in the terms of remuneration of Mr. Virendra Kumar Gupta in terms of the provisions of sub-section (2) of Section 302 of the Companies Act, 1956. None of the Directors of the Company except Mr. Virendra Kumar Gupta is concerned or interested in the said resolution.

By order of the Board of Directors

Place: Indore
Dated: 5th December, 2011

(V.K.GUPTA)
Executive Director

SARTHAK INDUSTRIES LIMITED**Regd. Office:** 302, Devkrupa Building, 28, Raichur Street, Mumbai, 400009**27th Annual General Meeting****PROXY FORM**

Folio No.....

No. of Shares.....

I/We.....
of.....In the district of.....being a Member/ Members
 hereby appoint of in the district of
 or failing him
 of.....in the district of as my/our proxy to attend and
 vote for me / us on my / our behalf at the 27th Annual General Meeting of the Company to be held on
 Friday, the 30th December, 2011 at 302, Devkrupa Building, 28, Raichur Street, Mumbai-400 009 at 11:00
 a.m., and at any adjournment thereof.

Signed this day of, 2011

For office use:

Proxy No.: Date of Receipt: No. of Shares:

N.B.: The instrument appointing proxy shall be deposited at the Secretarial Department of the Company not
 later than 48 hours before the commencement of the meeting.

SARTHAK INDUSTRIES LIMITED**Regd. Office:** 302, Devkrupa Building, 28, Raichur Street, Mumbai, 400009**27th Annual General Meeting****ATTENDENCE SLIP**

Folio No.....

No. of Shares.....

Name of the Member.....

No. of Shares held.....

Name of the Proxy.....

(to be filled only when a proxy attends the meeting)

I hereby record my presence at the 27th Annual General Meeting of the Company to be held on Friday, the
 30th December, 2011 at 302, Devkrupa Building, 28, Raichur Street, Mumbai-400 009 at 11:00 a.m.

Signature of Member/ Proxy

*This slip may please be handed over at the entrance of the meeting hall.

DIRECTORS REPORT

Dear Shareholders,

Your Directors have pleasure in presenting 27th Annual Report together with the Audited Statement of Accounts of the company for the 15 months ended 30th June, 2011.

FINANCIAL RESULTS

Particulars	30th June 2011 (01.04.10-30.06.11) (Amalgamated)	(Rs.in Lacs) 31 st March 2010 (01.04.09-31.03.10) (Stand alone)
Sales and other Income	8085.42	5882.86
Gross Profit	187.61	111.01
Depreciation	78.83	17.13
Profit before tax	108.78	93.88
Provision for Taxation for the year	44.07	15.76
Profit after Taxation	64.71	78.12
Balance brought forward from previous year	675.86	597.75
Amount available for appropriation	740.58	675.87
APPROPRIATION		
Amount Carried to Balance sheet	740.58	675.87

EXETENSION OF FINANCIAL YEAR

The Board has extend the Financial Year of the Company by three months i.e. from '1st April 2010 – 31st March 2011' to '1st April 2010 – 30th June 2011', so as to facilitate the scheme of Amalgamation of Gloryshine Property Developers Pvt. Ltd. with Sarthak Industries Ltd. Now the current financial year which commenced on 1st April 2010 have duration of 15 months and it ended on 30th June 2011.

DIVIDEND

Your Directors have decided to plough back the profits to the operational fund requirement of the Company. Hence, no Dividend has been recommended for the year under review.

OPERATIONS

Sales and other income of the Company stood at Rs. 8085.42 Lacs showing an increasing trend over the previous year. Profit before tax was Rs. 108.78 Lacs as compared to previous year figure of Rs. 93.88 Lacs. Profit after tax decreased to Rs. 64.71 Lacs from previous year figure of Rs.

78.12 Lacs. Your Directors are hopeful that in the coming years, the profitability of the Company will increase.

PUBLIC DEPOSITS

The company has not accepted any deposits from the public during the year under review.

INSURANCE

All properties and insurable interests of the company including Building and Plant & Machinery have been adequately insured.

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

Information as per section 217(1)(e) read with Companies (Disclosures of Particulars in the report of Board of Directors) Rules, 1988 are given in the annexure forming part of this report.

PARTICULARS OF EMPLOYEES

During the year under review, there was no employee covered under the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

HUMAN RESOURCE & INDUSTRIAL RELATIONS

Industrial relations were harmonious throughout the year. The Board wishes to place on record their sincere appreciation to the co-operation extended by all employees in maintaining cordial relations.

CORPORATE GOVERNANCE

Pursuant to clause 49 of the listing agreements with the stock exchanges, a Management Discussion and Analysis Report, Corporate Governance Report and Auditors' certificate regarding compliance of conditions of corporate governance are made a part of the annual report.

DIRECTOR'S RESPONSIBILITY STATEMENT

The company is in compliance with various accounting and financial reporting requirements in respect of the financial statement for the period under review. Pursuant to section 217(2AA) of the Companies Act, 1956, and in respect of the annual accounts for the period under review, the directors hereby confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed;
- (ii) appropriate accounting policies have been selected and applied 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 or loss of the company for that period;

- (iii) proper and sufficient care for 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 have been taken to the best of their knowledge and ability;
- (iv) the annual accounts have been prepared on a “going concern basis”.

DIRECTORS

Shri Vijay Rathi, Director of the Company retires by rotation in accordance with the provisions of Articles of Association of the Company and being eligible offer himself for re-appointment.

Mr. Vishwas Jain was appointed as additional director of the company w.e.f 01.10.2010 and holds office upto the ensuing Annual General Meeting. The Company has received a Notice u/s 257 of the Companies Act, 1956 together with the requisite deposit from a shareholder and proposes to appoint him as a Director of the Company liable to retire by rotation.

The Board of Directors proposes to seek approval of members to revise the remuneration of Mr. Virendra Kumar Gupta, Executive Director of the Company w.e.f. 01.10.2010.

AUDITORS & AUDITORS REPORT

M/s. Ashok Khasgiwala & Co., Chartered Accountants, Statutory Auditors of the company hold office until the conclusion of the forthcoming annual general meeting and are eligible for re-appointment. The company has received letters from them to the effect that their appointment, if made, would be within the prescribed limits under section 224(1-B) of the Companies Act, 1956 and also that they are not otherwise disqualified within the meaning of sub section (3) of section 226 of the Companies Act, 1956, for such appointment.

Regarding the qualification marked by the auditors in their auditors report, the same are self explanatory and therefore do not call for any further comments.

AMALGAMATION

During the year under review, Gloryshine Property Developers Pvt. Ltd. has been amalgamated with your Company pursuant to the order passed by the Hon'ble High Courts of Bombay sanctioning the Scheme of Amalgamation. The merger will provide a growth of the realty business proposed to be carried on by your Company and also leading to greater economies of scale and operational synergies.

ACKNOWLEDGEMENTS

The directors wish to convey their appreciation to all of the company's employees for their enormous personal efforts as well as their collective contribution during the year. The directors would also like to thank the shareholders, customers, suppliers, bankers, financial institutions and all other business associates for their continuous support given by them to the company and their confidence in the management.

For and on behalf of the Board of Directors

Place: Indore

Dated: 5th December, 2011

V.K. GUPTA
Executive Director

ANNEXURE TO DIRECTORS' REPORT

Information as per section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors') Rules, 1988 and forming part of the Directors' Report for the period ended 30th June, 2011.

Particulars	30 th June 2011 (01.04.10-30.06.11) (Amalgamated)	31 st March 2010 (01.04.09-31.03.10) (Stand alone)
1. CONSERVATION OF ENERGY		
A. Power & Fuel Consumption		
1. Electricity		
(a) Units Purchased	9,41,030	7,07,430
Total Amount (Rs.)	57,38,784	38,89,153
Rate Per Unit(Rs.)	6.10	5.50
(b) Own Generation	N.A.	N.A.
2. Coal	NIL	NIL
3. Furnace Oil		
Quantity in Ltrs	1,33,624	1,06,231
Total Cost (Rs.)	44,39,234	28,45,237
Rate Per Unit (Rs.)	33.22	26.78
4. Diesel		
Quantity in Ltrs	NIL	NIL
Total Cost (Rs.)	NIL	NIL
Rate per unit (Rs.)	NIL	NIL
B. Consumption per unit of production		
Electricity (Unit)	3.68	4.08
Coal (MT)	NIL	NIL
Furnace Oil(Ltrs)	0.52	0.61
Diesel(Ltr)	NIL	NIL

2. TECHNOLOGY ABSORPTION

No research and development work has been carried out by the company therefore, there is no expenditure on this head or another benefit accrued from it. Future plan of action for research and development is being worked out.

3. FOREIGN EXCHANGE EARNING AND OUTGO

During the year under review, the foreign exchange outgo was **Rs. NIL** (Previous Year Rs. 20172880) and the foreign exchange earning was Rs. **NIL** (Previous year Rs. Nil).

For and on behalf of the Board of Directors

Dated : 5th December, 2011
Place : Indore

(V.K. Gupta)
Executive Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industrial Structure and Developments:

Your Company is primarily engaged in manufacturing of LPG Cylinders. The LPG Cylinders are supplied to Oil Companies like Indian Oil Corporation Ltd., Hindustan Petroleum Corporation Ltd., Bharat Petroleum Corporation Ltd. etc. and also to private companies. Apart from this, Company is also engaged in trading of agri-commodities and other businesses on opportunity basis. As a major of diversification, the Company has decided to engage in Mining and Mineral Based Industry in the state of Madhya Pradesh.

During the year 2010-11, the Company performed better than the last year. The Management is hopeful that Company's future is bright in the coming years.

Merchant Trading:

Depending on market opportunities the company is undertaking Merchant Trading activities of various commodities.

Segment-wise or product-wise performance

Your Company has identified two business segments in line with the Accounting Standard on Segment Reporting. These are:

- Cylinders
- Merchant Trading

The segment wise performance in detail is given in Schedule O(B) note 20 to the audited accounts of the Company as available in this Annual Report.

Outlook

During the year 2010-11, the world as well as Indian economy showing the improvement. The Management is hopeful that in future, the Company will grow its manufacturing and trading activities and will get good orders for the manufacturing of cylinders as well as repairing of old cylinders.

Risk and concerns

Profitability may be affected on account of competition from existing and prospective manufacturers of the Company's products. The Company is exposed to risks from Change in policy of similar companies which are major buyers for the company's product, further Increase in input costs, higher levies, and changes in Govt. Policies/laws of land, etc. may affect profitability of the Company.

Internal control system and their adequacy

The Company maintains adequate internal control systems, which provide reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of company assets and compliance with applicable laws and regulations, etc.

The adequacy of the same has been reported by the statutory auditors of your Company in their report.

Financials

Your Company has succeeded in achieving satisfactory results for the financial year 2010-11:

Summarized Profit and Loss Account:

Particulars	(Rs.in Lacs)	
	30 th June 2011 (01.04.10-30.06.11) (Amalgamated)	31 st March 2010 (01.04.09-31.03.10) (Stand alone)
-----	-----	-----
Sales and other Income	8085.42	5882.86
Gross Profit	187.61	111.01
Depreciation	78.83	17.13
Profit before tax	108.78	93.88
Provision for Taxation for the year	44.07	15.76
Profit after Taxation	64.71	78.12
Balance brought forward from previous year	675.86	597.75
Amount available for appropriation	<u>740.58</u>	<u>675.87</u>
APPROPRIATION		
Amount Carried to Balance sheet	740.58	675.87

Revenue:

Sales and other income of the Company stood at Rs. 8085.42 lacs showing an increasing trend over the previous year. Profit before tax was Rs.108.78 Lacs as compared to previous year figure of Rs. 93.88 Lacs. Profit after tax decreased to Rs.64.71 Lacs from previous year figure of Rs. 78.12 Lacs.

Material development in Human Resources / Industrial Relations front

Your Company considers the quality of its human resources to be the most important asset and constantly endeavors to attract and recruit best possible talent. Our training programs emphasize on general management perspective to business. The Company continues to empower its people and provide a stimulating professional environment to its officers to excel in their respective functional disciplines.

The industrial relations of the Company continue to remain harmonious and cordial with focus on improving productivity and quality.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY:

Your Company believes that the main aim of Corporate Governance is to achieve high level of transparency and accountability with all its stakeholders together with meeting their aspirations. Also a Company can not perform efficiently in the long run without respecting interests of stakeholders and society as a whole.

In so far as compliance with the requirements of clause 49 of the listing agreement with the Indian stock exchanges is concerned, the company is in full compliance with the norms and disclosures that have to be made on corporate governance format.

BOARD OF DIRECTORS:

The number of independent directors is more than one-third of the total number of directors. The number of non-executive directors is more than 50% of the total number of directors.

None of the directors is on the board of any public limited companies.

The name and categories of the directors on the board, their attendance at board meetings during the period and at the last annual general meeting are given below:

COMPOSITION AND CATEGORY OF DIRECTORS

Name of the Director	Category	Attendance		No. of Directorship / Committee Position held in other Public Limited Companies.		
		Board	Last AGM	Directorship	Committee Chairmanship	Committee Membership
Mr. V.K. Gupta	Executive Director	10	Yes	1	----	2
Mr. Vijay Rathi	Independent Director	9	Yes	----	----	----
Mr. Udesh Dassani	Independent Director	9	Yes	----	----	----
Mr. Vishwas Jain	Independent Director	4	No	----	----	----

DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT

Mr. Vijay Rathi, Director of the Company retires by rotation in accordance with the provisions of Articles of Association of the Company and being eligible offer himself for re-appointment.

Mr. Vijay Rathi, holding Fellow Membership of The Institute of Chartered Accountants of India, is presently practicing as a Chartered Accountant and having vast experience in conducting stock audits of various banks. He is also a Master of Arts, Master of Commerce and Bachelor of Law. He is not on the Board of any public limited company.

Mr. Vijay Rathi does not hold any shares in the Company as on 30.06.2011.

Mr. Vishwas Jain who was appointed as an additional director on 01.10.2010 is to be confirmed as a regular director in the meeting.

Mr. Vishwas Jain is a commerce graduate and having vast experience in the field of Mines and Minerals. He is on the Board of Pratap Biotech Pvt. Ltd.

Mr. Vishwas Jain does not hold any shares in the Company as on 30.06.2011.

BOARD PROCEDURE:

During the financial year 2010-11, the Board of Directors met on the following dates: 15th April, 2010; 4th May, 2010; 31st May, 2010; 7th August, 2010; 4th September, 2010; 15th October, 2010; , 5th February, 2011; 5th April, 2011; 5th May, 2011 and 10th May, 2011. The gap between two meetings did not exceed four months, as mentioned in clause 49 of the listing agreement. The dates of meetings were generally decided in advance. Key information is placed before the board of directors to appraise corporate governance.

The Board has formulated a Code of Conduct for Directors and Senior Management of Company. It is hereby affirmed that all the Directors and the senior management personnel have complied with the code.

AUDIT COMMITTEE:**Brief description of terms of reference:**

The terms of reference specified by the board to the audit committee are as contained under clause 49 of the listing agreement with the stock exchanges read with section 292A of the Companies (Amendment) Act, 2000.

Composition of Committee and attendance of members:

The Committee comprises of Mr. Vijay Rathi (Chairman of the Committee), Mr. Udesh Dassani and Mr. V.K. Gupta. The Compliance Officer is Secretary of the Committee. The Committee met on the following dates: 04th May, 2010; 7th August, 2010; 04th September, 2010; 15th October,

2010; 05th February 2011 and 05th May, 2011. Shri Udesh Dassani attended 4 committee meetings; Shri V.K. Gupta and Shri Vijay Rathi each have attended 5 committee meetings.

REMUNERAION COMMITTEE:

The Board has set up a Remuneration Committee on 01.10.2010.

The objective of Remuneration Committee is to determine remuneration package for executive directors of the Company and to monitor the due compliance of remuneration policies of the Company in a transparent manner.

Composition of Committee and attendance of members:

The Committee comprises of Mr. Vijay Rathi (Chairman of the Committee), Mr. Udesh Dassani and Mr. Vishwas Jain. All members of Committee are non-executive Independent Directors. During the period, the Committee met on 1st October, 2010 and Mr. Udesh Dassani, Mr. Vishwas Jain and Mr. Vijay Rathi each have attended the meeting.

DETAILS OF REMUNERATION TO DIRECTORS:

The terms of remuneration of executive director has been fixed by board of directors and approved by shareholders.

The particulars of remuneration of executive director during the financial year 2010-11 are as under:

Name	Designation	Salary & Allowances	Provident Fund Other benefit	Total
Shri V.K. Gupta	Executive Director	4,79,988	60,508	5,40,496

As on 30th June 2011, Non executive Directors were holding Nil Shares of the Company.

SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE:

Brief description of terms of reference:

The committee looks into the redressal of shareholders'/investors' complaints like transfer of shares, non receipt of annual report, non receipt of dividend, etc and improve the efficiency in investors service, wherever possible.

Chairman : Shri Vijay Rathi
Members : Shri V.K. Gupta, Shri Udesh Dassani
Compliance Officer : CS Amit Jain

The Board has delegated the powers of approving transfer of shares to the Registrar and Share Transfer Agents M/s Sarthak Global Limited.

No investor complaints were received during the financial year 2010-11. All valid share transfers received during the year 2010-11 have been acted upon by the company and as on 30th June 2011 there were Nil shares pending for transfers.

GENERAL BODY MEETINGS:

Annual General Meetings:

The last three Annual General Meetings of the Company were held as under:

YEAR	VENUE	DATE	TIME
2007-08	205, Tulsiani Chambers, Nariman Point, Mumbai-400021	30/09/2008	3.00 p.m.
2008-09	205, Tulsiani Chambers, Nariman Point, Mumbai-400021	30/09/2009	4.00 p.m.
2009-10	302, Devkrupa Building, 28, Raichur Street, Mumbai-400009	30/09/2010	11.00 a.m.

All the special resolutions if any, passed in the last three annual general meetings were put to vote by show of hands and were passed with the requisite majority. No special resolutions were put through postal ballot last year. None of the business required to be transacted at this annual general meeting is proposed to be passed by postal ballot.

Extra-ordinary General Meeting:

Pursuant to Order of High Court of Bombay, a General Meeting of the Company was held at the registered office of the Company on 6th June, 2011 at 12.30 p.m. Resolution with requisite majority was passed thereat for approval of Scheme of Amalgamation of Gloryshine Property Developers Pvt. Ltd. with Sarthak Industries Ltd. and their respective shareholders under section 391-394 and other applicable provisions of the Companies Act, 1956.

DISCLOSURES:

The company did not have any related party transactions, which may have potential conflict with its interest at large.

The company has complied with the requirements of the regulatory authorities on capital markets and no penalties have been imposed against it in the last three years.

MEANS OF COMMUNICATIONS:

The quarterly and yearly financial results of the Company are published in the newspapers namely Free Press Journal & Navshakti (both Mumbai editions).

GENERAL SHAREHOLDERS INFORMATION:**Date, Time & Venue of the annual general meeting:**

30th December, 2011 at 11:00 a.m.
 302, Devkrupa Building,
 28, Raichur Street, Mumbai-400009

Financial Year: 01st April, 2010 – 30th June, 2011

Financial Calendar:

Adoption of Quarterly Results: Within 45 days from the end of each quarter.

Date of Book closure: 28th December, 2011 to 30th December, 2011(Both days inclusive)

Listing on Stock Exchanges at:

The Bombay Stock Exchange Ltd. (BSE) (Stock Code 531930)
 Madhya Pradesh Stock Exchange Ltd. (MPSE)

Company also has trading platform on National Stock Exchange (NSE) (Stock Code – SARTHAKIND).

Electronic connectivity:

National Security Depository Ltd. & Central Depository Services (India) Ltd.

ISIN No. at NSDL / CDSL

INE 074 H01012

Market Price Data:

The monthly high & low share prices of the company traded at The Stock Exchange, Mumbai from 1st April, 2010 to 30th June, 2011 are given below:

Month	The Bombay Stock Exchange Ltd.	
	Month High Price (Rs.)	Month Low Price (Rs.)
Apr-10	49.00	47.55
May-10	----	---
Jun-10	56.00	51.45
Jul-10	----	---
Aug-10	53.50	53.50

Sep-10	52.50	49.85
Oct-10	47.40	40.70
Nov-10	54.00	42.80
Dec-10	47.55	47
Jan-11	49.30	49.30
Feb-11	----	---
Mar -11	46.85	23.00
Apr - 11	23.00	19.05
May – 11	23.15	20.95
Jun - 11	24.05	21.90

Distribution of Equity Shareholding and its pattern as on 30th June, 2011

Distribution of Equity Shareholding 30.06.2011			
Share Class		No. of Equity Shares	
No. of Shares	No. of Holders	No. of shares held	Shareholding %
Up to 500	393	176075	3.161
501-1000	177	148481	2.666
1001-2000	10	13975	0.25
2001-3000	9	22700	0.407
3001-4000	3	10300	0.184
4001-5000	3	13550	0.243
5001-10000	2	14260	0.256
Above 10001	23	5169509	92.829
Total	620	5568850	100

Shareholding Pattern		
Category	No. Shares	Shareholding %
Promoters	2788300	50.07
Domestic Corporate Bodies	1420665	25.51
Indian Public	380345	6.83
NRIs/OCBs/FIIs	979540	17.59
Total	5568850	100

Registrar and Share Transfer Agents

Sarthak Global Limited
170/10, R.N.T. Marg
Film Colony
Indore

Dematerialization of shares and Liquidity

The company's shares are traded compulsory in demat mode under ISIN code INE 074 H01012. The National Securities Depository Limited (NSDL) and the Central Depository Services Ltd. (CDSL) are the depositories, holding Company's share in demat mode. As on 30th June, 2011 out of 55,68,850 equity shares of Rs. 10/- each, 15,84,200 equity shares which is 28.44% of total equity are now held in electronic form.

Plant Locations

Pitampur Industrial Area,
Village Akoliya, District Dhar, (M.P.)

Address for correspondence

10/1, South Tukoganj,
Alumina Tower,
Indore-452001

To the Members of

SARTHAK INDUSTRIES LIMITED

We have examined the compliance of conditions of corporate governance by Sarthak Industries Limited for the year ended 30th June, 2011 as stipulated in clause 49 of the listing agreement.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the company for ensuring compliance with the conditions of the certificate of corporate governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the management, we certify that the company has complied with the conditions of corporate governance as stipulated in clause 49 of the above mentioned listing agreement.

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

Place: Indore

Date: 5th December, 2011

For **ASHOK KHASGIWALA & CO.,**
Chartered Accountants
AVINASH BAXI
(Partner)

AUDITORS' REPORT

**TO
THE MEMBERS OF
SARTHAK INDUSTRIES LIMITED**

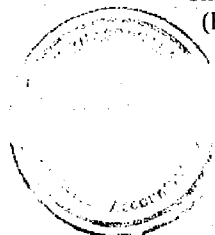
1. We have audited the attached Balance Sheet of **SARTHAK INDUSTRIES LIMITED**, as at 30th June 2011, the Profit & Loss Account and also the cash flow statement for the fifteen months period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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.
3. As required by the Companies (Auditor's Report) Order 2003(as amended), 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 paragraph 4 and 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 purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us ;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in section 211(3C) of the Companies act, 1956.
 - e) On the basis of written representation received from the director's as on 30th June, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 30th June, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) 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, said accounts, read with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India :

- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 30th June, 2011;
- ii) in the case of the Profit and Loss Account, of the Profit for the fifteen months period ended on that date; and
- iii) in the case of the Cash Flow Statement, of the cash flows for the fifteen months period ended on that date.

For ASHOK KHASGIWALA & CO.
Chartered Accountants
(Firm Reg. No. 0743C)



A. Baxi

CA Avinash Baxi
Partner
M.No.79722

Place : Indore

Dated : 05 DEC 2011

ANNEXURE TO 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. The Fixed Assets have been physically verified by the management during the period under audit and there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its fixed assets. As informed, no discrepancies were noticed on such verification.
 - c. During the period, the company has not disposed off a substantial part of fixed assets and we are of the opinion that the going concern status of the company is not affected.
- II) In respect of Inventories:
- a. The management has conducted physical verification of inventory at reasonable intervals during the period under audit.
 - b. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company is maintaining proper records of inventory. As explained to us there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- III) (a) According to information and explanation given to us, the Company has not granted any loans, secured or unsecured, to the companies, firms or other parties covered in the register maintained under section 301 of the Act., hence provisions of the clauses (iii) (b), (c) and (d) of the Order, are not applicable.
- (b) According to information and explanation given to us, the company has taken loan from one company covered in the register maintained under section 301 of the Companies act, 1956. The maximum amount involved during the period under audit and the period end balance of loan taken from such party was Rs. 8,26,44,651.
- (c) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions are not prima facie prejudicial to the interest of the Company.
- (d) In respect of these loans, there is no stipulation as to the payment of principal amount and interest. Hence, we have not commented on whether the payment of principal amount and interest are regular.
- IV) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in internal control system in respect of these areas.
- V) a. According to the information and explanations given to us, we are of the opinion that the company has no contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
- b. In our opinion provisions of clause (V) (b) of paragraph 4 of the Companies (Auditor's Report) Order, 2003, is not applicable to the Company.
- VI) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public to which the provisions of section 58A, 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 apply.
- VII) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.



VIII) We are informed that the Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, for the year under review, accordingly the provisions of clause 4(viii) of the Companies (Auditor's Report) Order, 2003, is not applicable.

IX) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues as applicable to it. There were no arrears as at 30th June, 2011 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, particulars of dues of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited with appropriate authorities on account of any disputes pending, are as under :

Name of the statute	Nature of the disputed dues	Period of which the amount relates	Amount in Rupees	Forum where dispute in pending
Bombay Sales Tax Act, 1959	Sales tax	1998-99	998913	Maharashtra Sales Tax Tribunal Mumbai.
Bombay Sales Tax Act, 1959	Sales tax	2001-02	9231996	Asst. Commissioner of Sales Tax
Bombay Sales Tax Act, 1959	Sales tax	2002-03	18631908	Dy. Commissioner of Sales Tax (Appeal)

X) The company has no accumulated losses as at 30th June, 2011 and it has not incurred any cash losses during the period 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 a bank or financial institution. The company has not issued any debentures.

XII) According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

XIII) 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.

XIV) In our opinion and according to information and explanation given to us, the Company has no dealing in or trading in shares, debentures and other securities investments. Therefore, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

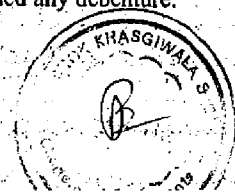
XV) According to the information and explanations given to us, and the representations made by the management, the company has not given any guarantee for loan taken by others from any bank or financial institution.

XVI) The company has not raised any term loans during the year under audit.

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) The company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956 during the period covered by our audit.

XIX) According to the information and explanations given to us, the company has not issued any debenture.



XX) The company has not raised any money by public issues during the year.

XXI) During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India and accordingly to the information and explanations given to us, we have not come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For ASHOK KHASGIWALA & CO.
Chartered Accountants
(Firm Reg. No) 0743C)



CA Avinash Baxi
Partner
M. No.79722

Place : Indore

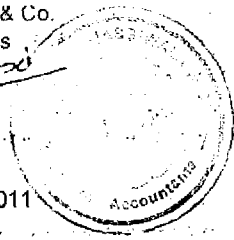
Dated : 05 SEP 2011

SARTHAK INDUSTRIES LIMITED
BALANCE SHEET AS AT 30TH JUNE, 2011

	SCHEDULE	AS AT 30TH JUNE, 2011 RUPEES	AS AT 31ST MARCH, 2010 RUPEES
SOURCES OF FUNDS :			
1. SHARE HOLDERS FUNDS			
a) Equity Share Capital	A	69688500	55688500
b) Reserves & Surplus	B	347867980	78404147
2. LOAN FUNDS			
a) Secured Loans	C	7323124	6316446
b) Unsecured Loans	D	121194049	24990100
3. DEFERRED TAX LIABILITY-NET		216596	437282
TOTAL		546290249	165836475
APPLICATION OF FUNDS :			
1. FIXED ASSETS			
a) Gross Block	E	113476789	63075728
b) Less : Depreciation		42400311	34530243
c) Net Block		71076478	28545485
d) Capital Work in Progress		644201	456276
		71720679	29001761
2. INVESTMENTS		26441838	26195562
3. CURRENT ASSETS, LOANS & ADVANCES			
a) Inventories		370028568	72711502
b) Sundry Debtors		312801964	90532388
c) Cash & Bank Balances		8708992	6634760
d) Loans & Advances		157836559	117450401
		849376083	287329051
Less : Current Liabilities & Provisions	H	401248350	176689899
Net Current Assets		448127732	110639152
TOTAL		546290249	165836475
ACCOUNTING POLICIES & NOTES TO ACCOUNTS		O	

As per our report of even date
For Ashok Khasgiwala & Co.
Chartered Accountants

CA AVINASH BAXI
Partner
Membership No. 79722
Date : 5th December, 2011
Place : Indore.



CS
CS AMIT JAIN
Company Secretary

For and on behalf of the Board of Directors

VK Gupta
VK GUPTA
Executive Director

Udesh Dassani
UDESH DASSANI
Director

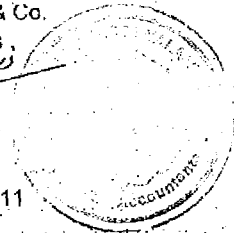
SARTHAK INDUSTRIES LIMITED

PROFIT & LOSS ACCOUNT FOR THE FIFTEEN MONTHS ENDED 30TH JUNE, 2011

	SCHEDULE	2010-11 RUPEES	2009-10 RUPEES
I. INCOME			
Sales and Services	I	792292010	576044478
Other Incomes	J	16250435	12241990
Increase/(Decrease) in stocks	K	-6037494	13258231
	TOTAL "I"	802504951	601544699
II. EXPENDITURE			
Materials	L	718264258	550781556
Expenses	M	57160846	34975706
Interest and Finance Charges	N	8317102	4686019
Depreciation	-	7883240	1713495
	TOTAL "II"	791625446	592156775
Profit for the year (I-II)		10879505	9387924
Provision for taxation :-			
- Current Tax		4650000	1800000
- Deferred Tax		242886	224237
Profit after taxation		6472391	7812161
Balance brought forward from previous year		67586871	59774710
Amount available for appropriation		74059262	67586871
APPROPRIATIONS :			
Balance carried to Balance Sheet		74059262	67586871
		74059262	67586871
Earning per share - (Basic & Diluted)		1.16	1.40
ACCOUNTING POLICIES & NOTES TO ACCOUNTS O			

As per our report of even date
For Ashok Khargiwala & Co.
Chartered Accountants

CA AVINASH BAXI
Partner
Membership No. 79722
Date : 5th December, 2011
Place : Indore



CS. AMIT JAIN
Company Secretary

For and on behalf of the Board of Directors

VK GUPTA
Executive Director
UDESH DASSANI
Director

SARTHAK INDUSTRIES LIMITED

SCHEDULE "A" TO "O" ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT
30TH JUNE, 2011 AND PROFIT & LOSS ACCOUNT FOR THE FIFTEEN MONTHS ENDED 30TH JUNE, 2011

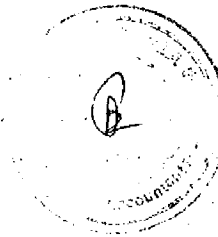
	AS AT 30TH JUNE, 2011 RUPEES	AS AT 31ST MARCH, 2010 RUPEES
SCHEDULE A: SHARE CAPITAL		
AUTHORISED		
1,10,00,000 Equity Share of Rs. 10 each	110000000	110000000
1,00,000 Preference Share of Rs.100 each	10000000	10000000
	120000000	120000000
ISSUED, SUBSCRIBED AND PAID UP		
5578850 Equity Shares of Rs 10 Each fully paid up	55688500	55688500
Equity Share Suspense Account (Refer note no.17 'b' of schedule 'O')	14000000	-
	69688500	55688500
SCHEDULE B: RESERVES & SURPLUS		
A. Capital Reserves :-		
Since last year	4536358	4536358
B. Share Premium :-		
Since last year	4632310	4632310
Share Premium Suspense Account (Refer note no. 17 'b' of Schedule 'O')	262991442	-
C. General Reserve :-		
Since last year	1648608	1648608
D. Profit & Loss Account Balance	74059262	67586871
	347867980	78404147
SCHEDULE C: SECURED LOANS		
FROM OTHERS :-		
Against Shares (Refer note no.11 of schedule 'O')	180232	4592029
Against Vehicle	7142892	1724417
	7323124	6316446
NOTE :-		
1. Other loan against shares are secured by pledge of shares.		
2. Vehicle loan are secured against charge on specific asset/vehicle. (Instalment of vehicle loan due within next twelve month Rs. 2095800 (previous year Rs.478665).		
SCHEDULE D: UNSECURED LOANS		
Indore Development Authority	37891909	24990100
Intercompany Deposits	83302140	-
	121194049	24990100



SARTHAK INDUSTRIES LIMITED

SCHEDULE 'E' FIXED ASSETS

NAME OF THE ASSE	GROSS - BLOCK (AT COST)				DEPRECIATION				NET-BLOCK		
	AS AT 01 ST APRIL 10	ADDITIONS DURING THE YEAR	ADDITIONS ON AMALG AMATION	DEDUCTION	AS AT 31 ST. JUNE 2011	UP TO 31 ST. MAR, 10	FOR THE YEAR 2010-11	DEP. WRITTEN BACK	UP TO 30TH JUNE 11	AS AT 30 TH JUNE 2011	AS AT 31 ST. MAR 2010
Land :											
Free Hold	2868899	-	-	-	2868899	-	-	-	-	2868899	2868899
Lease Hold	10000000	296900	-	10000000	296900	-	6598	-	6598	290302	10000000
Building	7745043	906196	46048500	-	54699739	6132905	3102634	-	9235539	45464200	1612138
Plant & Machinery	33274681	2962662	353355	-	36590698	23435166	1175785	-	24610951	11979747	9839515
Furniture & Fixtures	517293	16555	-	-	533848	241410	63292	-	304702	229146	275883
Office Equipments	989896	250523	-	-	1240419	633996	165402	-	799398	441021	355900
Vehicles	7679316	9579555	-	13185	17246286	4086766	3369529	13172	7443123	9803163	3593150
Current Year	63075728	14012391	46401855	10013185	113476789	34530243	7883240	13172	42400311	71076478	28545485
Previous Year	59005516	4138655	-	68443	63075728	32816748	1713495	-	34530243	28545485	-



SCHEDULE : F : INVESTMENTS (AT COST)

A. LONG TERM INVESTMENT

QUOTED : (OTHER THAN TRADE)

	AS AT 30TH JUNE, 2011 RUPEES	AS AT 31ST MARCH, 2010 RUPEES
1953000 (Previous year 1950000) Equity Shares of Ruchi Infrastructure Ltd of of Rs. 1 each fully paid up	470075	398075
5000 Equity Shares of Ruchi Soya Industries Ltd. of Rs. 2 each fully paid up	36000	36000
1600 Equity Shares of National Steel & Agro Industries Ltd. of Rs. 10 each fully paid up	65272	65272
100 Equity Shares of Ruchi Strips & Alloys Ltd. of Rs. 10 each fully paid up	2400	2400
108800 Equity Shares of Sarthak Global Limited of Rs. 10 each fully paid up	1022000	1022000
600620 Equity Shares of Anik Industries Ltd of Rs. 10 each fully paid up	24781829	24781829
500 Equity shares of Kernex Micro Ltd. of Rs. 10 each fully paid up	122233	122233
Nil (Pre. Yer. 100000) Equity shares of Alka India Ltd of Rs. 10 each fully paid up		124643
Nil (Pre. Yer. 169) Equity shares of Galaxy I-Fab Ltd of Rs. 10 each fully paid up		21801
	26499809	26574253
Less : Provision for diminution in value of investments	117611	402191
	26382198	26172062

{Aggregate Market Value of quoted investments Rs. 67107832 (Pre. Year Rs. 155458000)}

B. UNQUOTED : (AT COST)

1800 Equity shares of Vaishnavi Insurance of Rs. 5 each fully paid up	9000	
National Saving Certificate VIII issue	33500	23500
	42500	23500

C. Investment in Partnership Firms
(Refer note no.19 of schedule 'O')

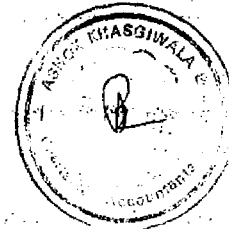
17140

17140

Total (A + C)

26441838

26195562



AS AT 30TH
JUNE, 2011
RUPEES

AS AT 31ST
MARCH, 2010
RUPEES

SCHEDULE : G : CURRENT ASSETS, LOANS & ADVANCES

(a) INVENTORIES :

(As valued and certified by director)

Stores, Spares & Consumable	2564865	1825614
Raw Materials	7993796	13412384
Stock in process	6579740	4885834
Finished Goods	4247971	12026836
Scrap	386760	569398
Stock in Trade (Land)	348255436	39991436
	370028568	72711502

(b) SUNDRY DEBTORS (UNSECURED, CONSIDERED GOOD)

Over six months	27036279	25291039
Others	285765685	65241348
	312801964	90532388

(c) CASH AND BANK BALANCES :

i) Cash On Hand	187999	164268
ii) Balance with Scheduled Banks		
a) In Current Account (s)	1451727	709960
b) In Deposit Account (s)	7069266	5760531
	8708992	6634760

(d) LOANS AND ADVANCES :

1. Advance Recoverable in cash or in kind or for which value to be received.	117703350	83428479
2. Deposits	24799375	23808309
3. Balance with central excise	369133	55753
4. Advance Income Tax	14964701	10157860
	157836559	117450401

SCHEDULE : H : CURRENT LIABILITIES & PROVISIONS

A. CURRENT LIABILITIES :

a) Sundry Creditors (Refer note no.8 of schedule 'O')	388156751	169786421
b) Customers Credit Balances	134292	105964
c) Security Deposit	597000	15000

B. PROVISIONS :

a) Provision for Taxation	10426808	5425592
b) Employees Benefits	1933499	1356922
	401248350	176689899



SARTHAK INDUSTRIES LIMITED

	2010-2011 RUPEES	2009-2010 RUPEES
SCHEDULE : I : SALES AND SERVICES		
Sales/Services	819705044	586603380
Less : Excise duty	29675488	13859065
	790029556	572744315
Job Work (Gross)(IDS Rs. 57908 Pre.Yr.Rs.131090)	2262454	3300163
	792292010	576044478

SCHEDULE : J : OTHER INCOME

Agriculture Income (Net of Exp.Rs. 75315 Pr.Yr.Rs.56750)	316986	235782
Dividend (gross)	527989	480372
Miscellaneous Income	4636800	3464060
Rent Received (TDS Rs.280143 Pre.year Rs. Nil)	3005060	
Vehicle Hire Charges (IDS Rs. 7200 Pre year Rs.7200)	450000	360000
Interest (TDS Rs. 601844 Pre.year Rs.742246)	7014887	6496493
Profit on Sale of Fixed Assets	1987	1151487
Excess Provision of Leave Encashment W/back		53796
Excess Provision of Diminution of Shares W/back	296726	-
	16250435	12241990

SCHEDULE : K : INCREASE/(DECREASE) IN STOCK

Closing Stocks :-

Finished Goods	4247971	12026836
Work in Progress	6579740	4885834
Scrap	386760	569398
Land	348255436	39991436
	359469907	57473504

Less : Opening Stocks

Finished Goods	12026836	879298
Work in Progress	4885834	1680780
Scrap	569398	1155782
Land	39991436	39991436
Add : Acquired on Amalgamation	308264000	348255436
	365737504	43707296
	-6267597	13766208
	230103	-507977

Add/Less : Increase/(Decrease) in Excise Duty on Closing Stock of Finished Goods

Increase/(Decrease) in stock

	-6037494	13258231
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SCHEDULE : L : MATERIALS

A. RAW MATERIAL

Opening Stock	13412384	4657173
Add : Purchases	219536596	139476764
	232948980	144133937
Less : Closing Stock	7993796	13412384
	224955184	130721553
B. Purchases of Trading Goods	801573074	420060003
	1026528258	550781556



2010-2011
RUPEES2009-2010
RUPEESSCHEDULE : M : OTHER EXPENSES :

Power and Fuel	5738784	3889153
Consumable Stores	4038185	1960835
Repairs & Maintenance :-		
- Plant & Machinery	1668881	709815
- Others	311925	538347
Factory Expenses	368775	310501
Employees Remuneration & Benefits	13576509	6731787
Staff Welfare	136886	104728
Contribution to Provident & Other Funds	759461	362992
Postage & Telephone	268183	170705
Stationery & Printing	121774	82618
Legal and Professional Charges	2674756	1089427
Travelling & Conveyance Expenses {Incid. Rs. 204811(Pr.Yr. Rs.101207) for Directors}	3192978	852510
Vehicle Expenses	1513868	1726926
Insurance	264468	315204
Service Charges	8436805	5455581
Rates & Taxes	4884592	4735609
Loss on Sale of Shares	55153	-
Other Expenses	9104393	5938968
Diminution in value of Shares	44470	-
	<u>57160846</u>	<u>34975706</u>

SCHEDULE : N: INTEREST AND FINANCE CHARGES

Interest	5947225	3316111
Bank Commission & Charges	2369877	1369908
	<u>8317102</u>	<u>4686019</u>



SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 30TH JUNE, 2011
AND PROFIT & LOSS ACCOUNT FOR THE FIFTEEN MONTHS ENDED ON THAT DATE.

SCHEDULE : 0 : ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

(A) ACCOUNTING POLICIES

1. STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES

a) ACCOUNTING CONVENTION

The accounts have been prepared in accordance with the historical cost convention.

b) REVENUE RECOGNITION

The company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis in accordance with the applicable accounting standards.

c) SALES

Sales are inclusive of income from services, excise duty and net off trade discount and rebate.

d) FIXED ASSETS

(i) Fixed assets :-

Fixed assets are stated at cost of acquisition or construction net of tax and duty credit availed if any including any cost attributable for bringing the assets to its working condition for its intended use ; less accumulated depreciation (except freehold land).

(ii) Capital Expenditure :-

Assets under erection/installation and advance given for capital expenditure are shown as "capital work in progress". Expenditure during construction period are shown as "pre-operative expenses" to be capitalized on erection/installation of the assets.

e) DEPRECIATION

Depreciation is provided on written down value method at the rates and in the manner prescribed under schedule XIV to the Companies Act, 1956. Depreciation on assets added/disposed of during the year has been provided on pro-rate basis with reference to the month of addition/disposal.

f) BORROWING COST

Borrowing costs attributable to acquisition and construction of assets are capitalised as a part of the cost of such assets upto the date when such assets is ready for its intended use. Other borrowing costs are charged to profit and loss accounts.

g) INVESTMENTS

Investment are classified into current and long term investments. Long term investments are valued at cost. No provision is made for diminution in the value of long term investments where in the opinion of the board of directors such diminution is temporary. Quoted current investments are stated at lower of cost or market price.

h) VALUATION OF INVENTORIES

Inventories, other than scrap, are valued at lower of cost or net realisable value on FIFO basis. The cost of manufactured products is arrived at including therein direct costs, appropriate overheads, cost of trading items is arrived at FIFO basis & includes therein cost of purchases and other cost of acquisition attributable thereto. Scrap are valued at net realisable value.

i) FOREIGN CURRENCY TRANSACTIONS

- Transaction in foreign currency are recorded at the rate of exchange prevailing on the date of transaction. Current assets and current liabilities not covered by forward exchange contract are translated at year end exchange rates and any gain/loss on account of fluctuation in the rate of exchange is recognized in the Profit and Loss account. In case of sale and purchase, the same is included under the respective heads.
- Loans in foreign currency outstanding at the close of the year are expressed in Indian currency at the appropriate rates of exchange prevailing on the date of Balance Sheet.
- Premium/discount in respect of forward foreign exchange contract is recognized over the life of the contract.

j) EMPLOYEE BENEFITS

(a) Post-employment benefit plans.

- Defined Contribution Plan - Contributions to provident fund Family Pension Fund are accrued in accordance with applicable status and deposited with appropriate authorities.
- Defined Benefit Plan - The liability in respect of gratuity is determined using actuarial valuation carried out as at balance sheet date. Actuarial gains and losses are recognised in full in Profit & Loss Account for the year which they occur.



(b) Short term employment benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for service rendered by employees is recognised during the period when the employees renders the service. These benefits include compensated absence also.

k) TAXES ON INCOME

Provision for current tax is the amount of tax payable on taxable income for the year as determined in accordance with the provision of the Income tax Act, 1961.

Deferred tax is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized if there is virtual certainty that there will be sufficient future taxable income available to realise such losses.

l) SEGMENT ACCOUNTING

(1) The company has disclosed business segment as the primary segment. Segments have been identified taking into account the type of products, the differing risk and returns and the internal reporting systems. The various segments identified by the company comprise as under :

<u>Name of Segment</u>	<u>Comprises of</u>
Cylinders	LPG Cylinders manufacturing and repairing
Merchant Trading	Land, Skimmed Milk Powder, Coal and various commodities

By products related each segment have been included in respective segment.

(2) Segment revenue, segment results, segment assets and segment liabilities include respective amounts directly identified with the segment and also an allocation on reasonable basis of amounts not directly identified. The expenses which are not directly relatable to the business segment, are shown the segments. Are shown as corporate cost. Assets and liabilities that can not be allocated between the unallocable corporate assets and liabilities respectively.

m) IMPAIRMENT OF ASSETS

An assets is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

(B) NOTES TO ACCOUNTS

1. CONTINGENT LIABILITIES

2010-2011 2009-2010
(Amount in Lacs)

a) An amount of counter guarantee given by bank to the company.	62.84	44.00
b) Disputed liabilities not acknowledged as debts	602.49	130.09
c) Corporate guarantee given on behalf of others	-	850.00

2. Balance of Creditors, Debtors, Deposits, Advances are partly confirmed.

3. Earlier year accumulated unprovided Depreciation on Fixed Assets Rs. 4044436 (previous year Rs. 4044436).

4. The Company has availed in earlier year the benefit of Sales Tax deferment scheme as per terms & conditions of Notification No. 3-32-94-ST-V-(5) dated 28/2/95 issued by department of Commercial tax, Govt. of M.P. has been deferred and carried forward as unsecured loan from Govt. of Madhya Pradesh. The necessary exemption / deferment certificate is yet to be received from the concerned authorities. The company moved writ petition before the Hon'ble High Court, Indore to get exemption certificate which was allowed against state order of MP High Court bench, Indore, the State Level Committee has moved a writ appeal before the Hon'ble division bench, MP High Court bench at Indore no. 168/2008 which is pending for further order.

5. In the opinion of the Board of Directors the current assets, loans and advances have value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet. The company has made adequate provision for all known liabilities.

6. Sundry creditors includes Bills payable Rs. 71477714 (Previous Year 26645534).

7. Leases : (where Company is lessee)

Operating Lease

The Company has taken various commercial premises under Cancellable operating leases. These lease agreements are normally renewed on expiry.

8. There are no delay in payment to Micro, Small and Medium enterprises as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006. The information given in schedule 'H' current liabilities regarding Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.



9. Disclosure as per AS-15 (Revised) "Employee Benefit"

Defined Benefit Plan

The employees gratuity is defined benefit plan. The present value of obligation is determined based on actuarial valuation using the projected Unit Credit Method, which recognize each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment recognized in the same manner as gratuity.

	2010-11	2008-09
	Gratuity	Gratuity
	Rs. in lacs	Rs. in lacs
I. Change in Benefit Obligation		
Liability at the beginning of the year	1179226.00	1006394.00
Interest Cost	121608.00	83442.00
Current Service Cost	106356.00	73289.00
Past Service Cost (Non Vested Benefit)	0.00	0.00
Past Service Cost (Vested Benefit)	0.00	0.00
Liability Transfer in	0.00	0.00
Liability transfer out	0.00	0.00
Benefit Paid	(91875.00)	(6023.00)
Actuarial (gain)/loss on obligations	227275.00	22123.00
Liability at the end of the year	1542590.00	1179226.00
II. Change in Fair value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	0.00	0.00
Expected Return on Plan Assets	0.00	0.00
Contributions	91875.00	6023.00
Transfer from other company	0.00	0.00
Transfer to other company	0.00	0.00
Benefit Paid	(91875.00)	(6023.00)
Actuarial gain/(loss) on Plan Assets	0.00	0.00
Fair Value of Plan Assets at the end of the year	0.00	0.00
Total Actuarial Gain/(Loss) To Be Recognised	227275.00	(22123.00)
III. Amount Recognised in the Balance Sheet		
Liability at the end of the year	1542590.00	1179226.00
Fair Value of Plan Assets at the end of the year	0.00	0.00
Difference	(1542590.00)	(1179226.00)
Unrecognised Past Service Cost	0.00	0.00
Un recognised Transition Liability	0.00	0.00
Amount Recognised in the Balance Sheet	(1542590.00)	(1179226.00)
IV. Expenses Recognised in Profit and Loss A/c		
Current Service Cost	106356.00	73289.00
Interest Cost	121608.00	83442.00
Expected Return on Plan Assets	0.00	0.00
Past Service Cost (Non Vested Benefit) Recognised	0.00	0.00
Past Service Cost (Vested Benefit) Recognised	0.00	0.00
Recognition of Transition Liability	0.00	0.00
Actuarial Gain or Loss	227275.00	22123.00
Expense Recognised in P & L	455239.00	178855.00
V. Assets Information		
Government of India Assets	0.00	0.00
Corporate Bonds	0.00	0.00
Special Deposits Scheme	0.00	0.00
Equity Shares of Listed Companies	0.00	0.00
Property	0.00	0.00
Other	0.00	0.00
Insurer Managed Funds	0.00	0.00
Total	0.00	0.00
VI. Balance Sheet Reconciliation		
Opening Net Liability	1179226.00	1006394.00
Expense as above	455239.00	178855.00
Employers Contribution	(91875.00)	(6023.00)
Amount Recognised in Balance Sheet	1542590.00	1179226.00
VII. Assumptions :		
Discount Rate Prev.	8.25%	7.75%
Rate of Return on Plan Assets Prev	5.00%	0.00%
Salary Escalation Prev.	2.00%	5.00%
Discount Rate Current	8.50%	8.25%
Rate of Return on Plan Assets Current	5.00%	0.00%
Salary Escalation Current	2.00%	5.00%



10. Working capital loan from bank secured by hypothecation of Raw Materials, Stores and Spares, Work in Progress, Finished Goods and Book Debts and first charge by way of equitable mortgage on all immovable properties of LPG unit situated at Pithampur Industrial Area, Distt. Dhar, MP together with all the buildings, structures and erection thereon and the plant & machinery installed thereon and personal guarantee of Director and other has been repaid by the company but necessary charges satisfaction with Registrar of Companies is yet to be registered.

11. Out of investment in equity shares of Anik Industries Limited, 10000 equity shares are pledged to Motilal Oswal Securities Ltd. against loan.

12. Lease hold land allotted by IDA to the company included in current assets, possession of which have been hand-over but lease deed of the same is yet to be executed pending full payment on allotment.

13. EARNING PER SHARE (EPS):	2010-11 Rupees	2009-10 Rupees
Net Profit after tax	6472391	7812161
Nominal Value of each equity share	10	10
Weighted average no. of shares	5568850	5568850
Basic and diluted earning per share	1.16	1.40

14. DEFERRED TAX LIABILITIES (NET):

Particulars	Deferred Tax As on 30/6/2011	Deferred Tax As on 31/03/2010
<u>Deferred Tax Liabilities:</u>		
Difference between Income tax and Companies Act Depreciation	843919	1478126
	<u>843919</u>	<u>1478126</u>
<u>Deferred Tax Assets:</u>		
Disallowance of Gratuity & Leave Encashment provision	627324	419289
Business Loss		621555
	<u>627324</u>	<u>1040844</u>
Deferred Tax Liabilities (Net)	216595	437282

15. Payment to auditors (including service tax)

	2010-11	2009-10
Audit Fees	66180	38605
Tax Audit Fees	16545	16545
Other Services	12684	16607

16. RELATED PARTY DISCLOSURE

- a. Key management personnel Executive Director
V.K. Gupta
- b. Other Party - Joint Venture
Giriraj Builcon Company is a Partner
Shyam Developers Company is a Partner
- c. Other party where key managerial persons have significant influence
Teej Impex Pvt. Ltd.

Related party relationship as identified by company and relied upon by auditor.

Particulars	16 (a)		16 (b)		16 (c)	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Income:						
Expenditure:						
Remuneration	540496	472781				
Share of loss as partner			30997			
Outstanding:						
Investment in partnership firm:						
Giriraj Builcon			5180			
Shyam Developers			11960			
Intercorporate Deposit:						
Teej Impex Pvt. Ltd.					82644651	

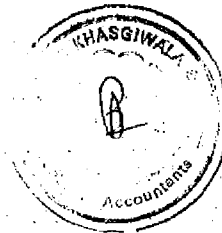


17. In accordance with the terms of the scheme of Amalgamation of Sarthak Industries Limited and Gloryshine Property Developers Private Limited and their respective share holders as sanctioned by High Court of Judicature at Bombay on 20th October, 2011. Gloryshine Property Developers Private Limited (hereinafter referred to as amalgamating company) has been merged with Sarthak Industries Limited (hereinafter referred to as the company)

Merge of Gloryshine Property Developers Private Limited with the Company :-

- a. The assets, liabilities, rights and obligation of amalgamating company have been vested with the company with effect from 1st April, 2010 and have been recorded at their respective fair values under the purchase method of accounting for amalgamation.
- b. 14,00,000 Equity share of Rs. 10 each are to be issued as fully paid-up, at premium to the share holders of the amalgamating company, whose name are registered in the register of member on the record date, without payment being received in cash. Pending allotment, the face value of such share has been shown as "Equity Share Suspense" and premium is shown as "Share Premium Suspense Account".
- c. As per the scheme, the transferee company shall, without any further application or deed, discharge the consideration by issue and allotment of equity shares at a premium, credited as fully paid-up. Corresponding to the fair value of net assets of transferor company vested in the transferee company.
- d. The income and expenditure for the period from 1.4.10 to 30.6.11 of the transferor company has been accounted as the income and expenditure of the company.
- e. The computation of the amount credited to General Reserve Account is as under :-

Particulars	Amount (Rs.)
Fair value of Assets :	
- Fixed Assets including capital work in progress (as per valuation by external valuer)	46401855
- Net Current Assets	300061314
- Investments	56472
Less : Loan Liabilities	69528199
Fair value of net assets taken over	276991442
Less : Consideration - 1400000 Equity share of Rs. 10 each at a premium of Rs. 187.85	276991442
Difference of fair value of net current assets taken over and consideration	Nil



18. REMUNERATION TO DIRECTOR

The remuneration under section 198 of the company Act, 1956, paid or provided to the Executive Director.

	2010-11 Rupees	2009-10 Rupees
Salary and allowances	479988	383990
Provident Fund and other benefit	60508	88791
	<u>540496</u>	<u>472781</u>

19 Particulars in respect of Investment in the Capital of Partnership firms :-

i) M/s Shyam Developers

2010-2011			2009-2010		
Name of the Partners	Balance in Capital A/c Rupees	Percentage of Share in Profit/Loss	Name of the Partners	Balance in Capital A/c Rupees	Percentage of Share in Profit/Loss
Beejay Realtors Pvt. Ltd.	5180	50%	-	-	-
Gloryshine Property Developers P.L.	5180	50%	-	-	-
Smt. Kiran Jain	248640	24.00%	-	-	-
Smt. Mamta Rathi	248640	24.00%	-	-	-
Arpit Realty Holdings Pvt. Ltd.	264180	24.00%	-	-	-
Ultratech Energy Pvt. Ltd.	264180	24.00%	-	-	-

ii) M/s Giriraj Buildcon

2010-2011			2009-2010		
Name of the Partners	Balance in Capital A/c Rupees	Percentage of Share in Profit/Loss	Name of the Partners	Balance in Capital A/c Rupees	Percentage of Share in Profit/Loss
Beejay Realtors Pvt. Ltd.	11960	26.00%	-	-	-
Gloryshine Property Developers P.L.	11960	26.00%	-	-	-
Ajay S Bankda PFC	11040	24.00%	-	-	-
Jyoti Bankda	11040	24.00%	-	-	-

The transferor company i.e. Gloryshine Property Developers Pvt. Ltd. was partner in two partnership firms M.s Shyam Developers and Giriraj Buildcon, Indore. As per the scheme of amalgamation from the effective date of scheme i.e. 28.11.11, transferee company has become partner in place of transferor company. However amendment to partnership deed of both the firms has taken place subsequently.

20. SEGMENT REPORTING

	2010-2011				2009-2010			
	L.P.G. Cylinders	Merchant Trading	Unallow-cable	Total Amount	L.P.G. Cylinders	Merchant Trading	Unallow-cable	Total Amount
(a) Primary Segment - Business								
Segment Revenue	295625904	499675595	13240946	808542445	173011443	405647095	9627930	588286468
Segment Results (PBIT)	13853174	3908146	-934589	16826731	21031499	-11615548	3288083	12704034
Profit before Tax				10879505				9387924
Less : Current Tax				4650000				1800000
Add : Deferred Tax				242888				224237
Profit after Tax				6472391				7812161
Segment Assets	79515061	264918994	581698006	906132061	67287052	170149306	78894454	316330812
Segment Liability	33780723	246114394	110926425	390821542	36819210	118106720	16338377	171264307
Segment fixed assets during the year.	10574858	2873555	46965833	60414246	1528143	-	2510512	4138655
Segment depreciation	3300553	598822	3983865	7883240	1211220	139924	362351	1713495

(b) Secondary Segment - Geographical

The company's all operating facilities are located in India.



21. Additional information pursuant to Paragraph 3, 4C of Part II of Schedule VI of the Companies Act, 1956,
(as certified by the management).

	2010-11	2009-10
(A) CAPACITY & PRODUCTION		
a. Installed Capacity		
LPG Cylinders (p.a.) (per shift) Nos.	* 600000	600000
b. Production		
LPG Cylinders (Nos)	255543	173390

* As registered with Secretariat of Industrial Approvals.

** As certified by technical consultant/management & accepted by auditors being technical matter.

*** Licensed capacity not given since licencing has been abolished.

(B) TURNOVER	<u>Quantity</u>	<u>Amt.(Rs.)</u>	<u>Quantity</u>	<u>Amt. (Rs.)</u>
(i) SALES ***				
LPG Cylinders (Nos)	258291	300967299	168080	168425025
Skimmed Milk Powder (MT)	1538.00	265794000	3000	375823425
Soyabean Seed (MT)	9119.38	228303478		
Butter Oil (MT)			201.06	29823670
Sugar (MT)	240.36	5578117		
Others		22270910		12531260

*** Sales includes shortage/process loss.

(ii) SERVICES

Cylinders Repairing (Nos)	38433	2262454	32097	3300163
		<u>825176258</u>		<u>589903543</u>

C(a) OPENING STOCK

LPG Cylinders (Nos)	6339	6529448	1029	879298
Others (MT)		569398		1155782
Sugar (MT)	240.36	5497388		1155782
Land		39991436		
		<u>52587670</u>		<u>2035080</u>



(b) CLOSING STOCK

LPG Cylinders (Nos)	3550	4247971	6339	6529448
Sugar (MT)	-	-	240.360	5497388
Skimmed Milk Powder (MT)	-	-	-	-
Others (MT)	-	386760	-	569398
Land	-	348255436	-	-
		<u>352890167</u>		<u>12596234</u>

(D) PURCHASES (FOR TRADING)

Skimmed Milk Powder (MT)	1538.00	264960000	3000	386799675
Butter Oil (MT)	-	-	201.06	27762940
Soyabean Seed (MT)	9119.38	228349074	-	-
Sugar (MT)	-	-	240.36	5497388
Land	-	308264000	-	-
		<u>801573074</u>		<u>420060003</u>

(E) RAW MATERIALS CONSUMED
(100% indigenous)

H.R.Coil (MT)	4585.255	169651283	3174.900	99224300
Others	-	55303901	-	31497253
		<u>224955184</u>		<u>130721553</u>

(F) Stores & Spares Consumed
(100% indigenous)

	4038185			1960835
	<u>4038185</u>			<u>1960835</u>

(G) Earnings in foreign currency
FOB value of Export

(H) Expenditures in foreign currency
Purchases of finished goods(CIF-basis)
Other expenses

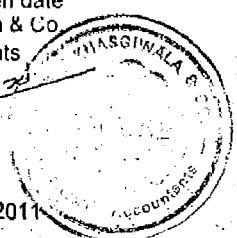
20109633
63247

17. Previous year's figures have been rearranged and regrouped wherever necessary and not comparable as the account are for fifteen months ending 30.6.11, where as previous year's figure are for twelve months ending 31.3.10.

As per our report of even date
For Ashok Khasgiwala & Co
Chartered Accountants

CA AVINASH BAXI
Partner

Membership No. 79722
Date : 5th December, 2011
Place : Indore



CS AMIT JAIN
Company Secretary

For and on behalf of the Board of Directors

VK GUPTA
Executive Director

UDESH DASSANI
Director