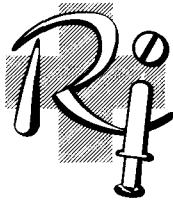


**27<sup>th</sup>**  
**ANNUAL REPORT**  
**2011- 12**



**Roopa Industries Limited**

<b>Board of Directors</b>	:	1. Mr. T.G.Raghavendra Chairman & Managing Director 2. Mr. V.J.Sarma Executive Director 3. Mr. R. Madan Mohan Rao 4. Mr. M.T.Sreenivasa Rao 5. Mr. O.D.Reddy
<b>Auditors</b>	:	M/s. T.Adinarayana & Co., Chartered Accountants Hyderabad – 500 001.
<b>Bankers</b>	:	State Bank of India Saifabad, Hyderabad.
<b>Registered Office</b>	:	17/745, Alur Road Adoni – 518 301. Kurnool District, A.P.
<b>Factory</b>	:	A3/A4, Phase-IV IDA, Patancheru Medak District, A.P.
<b>Share Transfer Agents And Depository Registrars</b>	:	M/s. Aarhi Consultants Pvt. Ltd. Regd. Office : 1-2-285, Domalguda, Hyderabad – 500 029.

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# Roopa Industries Limited

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## NOTICE

NOTICE is hereby given that the Twenty-Seventh Annual General Meeting of the members of Roopa Industries Limited will be held on Friday, the 28<sup>th</sup> day of September, 2012 at 10.00 a.m at the Registered Office of the Company at 17/745, Alur Road, Adoni – 518301, Kurnool District, Andhra Pradesh to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2012 and the statement of Profit and Loss for the year ended as on that date together with the Reports of the Directors and the Auditors attached thereto.
2. To appoint a Director in place of Sri R Madan Mohan Rao, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Sri M.T Sreenivasa Rao, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

### SPECIAL BUSINESS :

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

"RESOLVED THAT in supersession of the resolution passed by the members at their AGM held on 29.09.2010 and subject to the provisions of Sections 198,269,309,310 and 311 Schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of Government of India and other necessary permissions, if any, approval be and is hereby accorded to the re-appointment of Sri TG Raghavendra, Chairman and Managing Director of the Company for a period of 3 years with effect from 01.10.2012 to 30.09.2015 and be paid remuneration by way of salary and perquisites as detailed below :

1. Salary : Rs.2,00,000/- per month
2. Perquisites : In addition to the salary he shall be provided with the perquisites and benefits subject to an amount equivalent to annual salary.

### Category - A

This will comprise the following benefits viz., :

#### i. Housing:

- a. Expenditure incurred by the Company on hiring unfurnished accommodation for the Chairman and Managing Director shall be subject to a ceiling of 60% of the salary over and above 10% payable by him.

#### Explanation:

The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per Income Tax Rules, 1962. This shall however be subject to a ceiling of 10% of salary payable to the Chairman and Managing Director.

- b. In case the accommodation is owned by the Company, 10% of his salary shall be deducted by the Company.
- c. In case no accommodation is provided by the Company, the Chairman and Managing Director shall be entitled to house rent allowance subject to the ceiling laid down in (a) above.

#### ii. Medical Reimbursement:

Expenditure incurred for the Chairman & Managing Director and his family, subject to a ceiling of one month's salary, in a year or three month's salary over a period of three years.

#### iii. Leave Travel Concession:

For the Chairman and Managing Director and his family once in a year to and from any place in India.

#### iv. Club Fees :

Fees of Clubs, subject to a maximum of two clubs provided that no admission and life membership fees shall be payable by the Company.

## Roopa Industries Limited

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v. Personal Accident Insurance :

Personal Accident Insurance of an amount, the annual premium on which shall not exceed Rs. 4,000 per annum.

Explanation:

For the purpose of perquisites under Category-A, 'Family' means the spouse, dependent children and dependent parents of the Chairman and Managing Director.

### Category - B

i. Contribution to Provident Fund and Superannuation Fund :

As per the rules of the Company, subject to the condition that the annual contribution to these funds or any annuity fund shall not exceed 25% of the salary.

ii. Gratuity :

In accordance with the rules of the Company, Gratuity payable not to exceed half a month's salary for each completed year of service.

iii. Encashment of leave at the end of the tenure.

The perquisites mentioned under B (i) to (iii) will not be included for the purpose of computation of ceiling on perquisites.

### Category - C

Provision of the following facilities which are not to be included for the purpose of computation of ceiling on perquisites :

i. Free use of Company's car :

Provision of car for use on Company's business. Use of car for private purpose shall be billed by the Company to the Chairman and Managing Director.

ii. Free Telephone at residence :

Provision to take phone at the residence of the Chairman and Managing Director. Personal long distance calls shall be billed by the Company to the Chairman and Managing Director.

RESOLVED FURTHER THAT, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit, necessary and delegate to any Director(s) or any other Officer(s) of the Company for

obtaining necessary permissions and approvals, if any, in this connection.

FURTHER RESOLVED THAT the same remuneration be treated as minimum remuneration payable in case of absence of profits or inadequacy of profits"

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

"RESOLVED THAT in supersession of the resolution passed by the members at their AGM held on 29.09.2010 and subject to the provisions of Sections 198,269,309,310 and 311 and Schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of Government of India and other necessary permissions, if any, approval be and is hereby accorded to the re-appointment of Sri V.J Sarma, Executive Director of the Company for a period of 3 years with effect from 01.10.2012 to 30.09.2015 and be paid remuneration by way of salary and perquisites as detailed below :

i) Salary :

Rs.2,00,000/- per month

ii) House Rental Allowance :

Not exceeding 30% of salary

iii) Leave Travel Allowance :

Not exceeding one month's salary per annum for self and family in accordance with the rules framed by the Company.

iv) Medical reimbursement :

Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

v) Personal Accident :

An amount the premium of which shall not exceed Rs.2,000/- per annum.

vi) Provident Fund :

As per provisions of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

vii) Telephone :

The Company will provide Telephone at residence. Long distance personal calls will be billed by the Company.

RESOLVED FURTHER THAT, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit, necessary and delegate to any Director(s) or any other Officer(s) of the Company for obtaining necessary permissions and approvals, if any, in this connection.

FURTHER RESOLVED THAT the same remuneration be treated as minimum remuneration payable in case of absence of profits or inadequacy of profits"

By Order of the Board of Directors

**TG RAGHAVENDRA  
CHAIRMAN & MANAGING DIRECTOR**

Place : Hyderabad

Date : 13.08.2012

#### NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on a poll on his behalf and such proxy need not be a member of the company. A Proxy form is enclosed. Proxy Form in order to be effective duly completed, must be received by the company at the Registered Office of the Company not less than 48 hours before the schedule time of the Annual General Meeting.
2. The Register of members and Share Transfer Books of the Company will remain closed from Tuesday the 25<sup>th</sup> September 2012 to Friday, the 28<sup>th</sup> September, 2012 (both days inclusive)
3. Member/proxies are requested to produce the attendance slip at the entrance of the Registered Office duly completed and signed for admission to the meeting hall.
4. All correspondence must be addressed to the Registered Office of the Company.
5. Shareholders seeking any information with regard to accounts are requested to write to the company at least 7 days in advance, so

as to enable the Company to keep the information ready.

6. Shareholders are requested to bring their copy of Annual Report to the meeting.
7. Any change of address of the Members may please be notified to the Company or Share Transfer Agents M/s.Aarthi Consultants Pvt Ltd., Regd. Office: 1-2-285, Domalguda, Hyderabad – 500029. Andhra Pradesh, India. Quoting their Registered Folio Number.
8. Shareholders are requested to furnish their email id's to company or share transfer agents.

#### ANNEXURE TO NOTICE :

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

#### ITEM NO. 5

In terms of the resolution passed in the 24<sup>th</sup> Annual General Meeting held on 30.09.2009, item no. 5 and resolution passed in 24<sup>th</sup> Annual General Meeting, Sri TG Raghavendra, Chairman and Managing Director of the Company and the remuneration was re-fixed are due for reappointment and renewal on 30.09.2012

Under the provisions of Sections 198,269,309,310 and 311 and all other applicable provisions read with Schedule XIII of the Companies Act, 1956 approval of the Members is required for the re-appointment and fixation of remuneration payable to Sri TG Raghavendra as Chairman and Managing Director.

The Company is engaged in manufacture of Bulk Drugs and Bulk Drug intermediates since 1996. The Company due to the efforts of Sri TG Raghavedra as Chairman and Managing Director of the company is now put on growth path and increase in turn-over (Gross) from Rs. 2912.97 Lacs in 2009-10 to Rs.3457.73 Lacs in 2011-12 and the Net Profit after Tax Rs. 29.07 Lacs in 2009-10 to Rs.62.47 Lacs in 2011-12, also increased.

The Export Turn-over also increased from Rs 297.27 lacs in 2009-10 to Rs 709.04 Lacs in 2011-12.

## Roopa Industries Limited

The Board considers that appointment of Sri TG Raghavendra, Chairman and Managing Director is in the interest of the Company and the remuneration package is commensurate with the operations of the Company.

The back ground about Sri TG Raghavendra, Chairman and Managing Director of the Company, past remuneration, job profile and suitability to the post, Directorship in other companies as stipulated under Clause 49 of the Listing Agreement with Stock Exchanges, are provided in Corporate Governance forming part of Annual Report.

In view of the above and on the recommendation of Remuneration Committee on 01.08.2012, the Board of Directors at their meeting held on 13.08.2012 approved an increase in the ceiling limits of remuneration from Rs. 1,25,000/- to Rs.2,00,000/- per annum for a period of three years from 01.10.2012 to 30.09.2015, subject to the approval of the members.

None of the Directors except Sri TG Raghavendra are concerned or interested in the resolution.

Your Directors recommend the resolution for your approval.

### ITEM NO. 6

In terms of the resolution passed in the 24<sup>th</sup> Annual General Meeting held on 30.09.2009, item no. 6 and resolution passed in 24<sup>th</sup> Annual General Meeting, Sri V.J Sarma, Executive Director of the Company and the remuneration was re-fixed are due for reappointment and renewal on 30.09.2012

Under the provisions of Sections 198,269, 309,310 and 311 and all other applicable provisions read with Schedule XIII of the Companies Act, 1956 approval of the Members is required for the re-appointment and fixation of remuneration payable to Sri VJ Sarma, Executive Director.

The Company is engaged in manufacture of Bulk Drugs and Bulk Drug intermediates since 1996. The Company due to the efforts of Sri VJ Sarma as Executive Director of the company is now put on growth path and increase in turn-over (Gross) from Rs. 2912.97

Lacs in 2009-10 to Rs.3457.73 Lacs in 2011-12 and the Net Profit after Tax Rs. 29.07 Lacs in 2009-10 to Rs.62.47 Lacs in 2011-12, also increased.

The Export Turn-over also increased from Rs 297.27 lacs in 2009-10 to Rs 709.04 Lacs in 2011-12.

The Board considers that appointment of Sri VJ Sarma, Executive Director is in the interest of the Company and the remuneration package is commensurate with the operations of the Company.

The back ground about Sri VJ Sarma, Executive Director of the Company, past remuneration, job profile and suitability to the post, Directorship in other companies as stipulated under Clause 49 of the Listing Agreement with Stock Exchanges, are provided in Corporate Governance forming part of Annual Report.

In view of the above and on the recommendation of Remuneration Committee on 01.08.2012, the Board of Directors at their meeting held on 13.08.2012 approved an increase in the ceiling limits of remuneration from Rs. 1,00,000/- to Rs.2,00,000/- per annum for a period of three years from 01.10.2012 to 30.09.2015, subject to the approval of the members.

None of the Directors except Sri VJ Sarma are concerned or interested in the resolution.

Your Directors recommend the resolution for your approval.

By Order of the Board of Directors

**TG RAGHAVENDRA  
CHAIRMAN & MANAGING DIRECTOR**

Place : Hyderabad

Date : 13.08.2012

## Roopa Industries Limited

### Details of Directors seeking appointment/reappointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Sri R.Madan Mohan Rao	Sri M.T Sreenivasa Rao
Date of Birth	12.06.1951	15.08.1946
Date of Appointment	01.10.2002	01.12.2006
Qualifications	M.Tech (Che. Engg)	B.Com, FCA
Experience in specific areas	36 years experience in Project, Finance & Admn	A Chartered Accountant with 39 years experience in Finance and Commerce Areas
Shareholding in the Company	NIL	10535 Shares
Directorship in other Companies	1. Kurnool Power Projects Ltd 2. Vashista Power Ltd 3. Brilliant Industries Ltd 4. Brilliant Biopharma Ltd 5. Nectar Laboratories Ltd 6. SK Salts Pvt Ltd., 7. MV Salt Pvt Ltd., 8. AXZ Soft Solutions Pvt Ltd., 9. Enviro Logistics Minerals Pvt Ltd.,	NIL
Membership in other Company Committees	NIL	NIL

## DIRECTORS' REPORT

To

The Members of the Company,

Your Directors have pleased in presenting the Twenty-seventh Annual Report of the Company with Audited Accounts of the Company for the year ended 31<sup>st</sup> March 2012.

### FINANCIAL RESULTS:

	Rupees in lacs Year ended	
	31.03.12	31.03.11
Revenue from Operations (Net)	3263.70	3211.03
Profit before Interest, Depreciation and Tax	177.18	137.42
Interest	39.18	30.63
Depreciation	49.72	42.24
Profit before Tax	88.28	64.55
Provision for Taxation		
Current Tax	17.45	13.24
Deferred Tax	8.36	2.83
Profit after Tax	62.47	48.48
Add: Balance brought forward from last year	139.12	90.64
Balance carried forward to Balance Sheet	201.59	139.12

Your Company had achieved a revenue from operations (Net) of Rs. 3263.70 lacs during 2011-12 as against revenue from operations (Net) of Rs. 3211.03 lacs during 2010-11. The Profit before Interest, Depreciation and Tax during the year under review is Rs.177.18 lacs as against Rs.137.42 lacs during 2010 - 11. However, during the year the Company has concentrated on development of new products and the company is poised for new opportunities for accelerated growth. Hence there is need for ploughing back internal accruals for augmenting the working capital requirement and defer dividend.

### DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Sri R Madan Mohan Rao and Sri M.T Sreenivasa Rao, Directors of the Company retire by rotation at this Annual General Meeting and being eligible offer themselves for reappointment.

### FIXED DEPOSITS:

During the year under review the Company has neither invited nor accepted any fixed deposits from the public within the meaning of Section 58A of the Companies Act, 1956.

### DISCLOSURES:

#### ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:

Additional information on conservation of energy, technology absorption, foreign exchange earning and outgo as required to be disclosed in terms of Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, is annexed hereto and forms part of this report (Annexure-1).

#### PARTICULARS OF EMPLOYEES:

No statement giving particulars as required by the provisions of section 217 (2A) of the Companies Act 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, annexed hereto since none of the employees of the Company are in receipt of remuneration in excess of Rs. 60,00,000/- p.a. or Rs. 5,00,000/- p.m. during the year under review.

#### CORPORATE GOVERNANCE:

A detailed report on the Corporate Governance for the year 2011-12 as required under the Listing Agreement with the Stock Exchanges is annexed to this Report as Annexure - 2.

The Certificate on Compliance of Corporate Governance requirements, issued by the Statutory Auditors of the Company is annexed to the Report on Corporate Governance.



## MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report as required under the Listing Agreement with Bombay Stock Exchange Limited, Mumbai is annexed hereto. (Annexure-3)

## AUDIT COMMITTEE:

The Audit Committee continues to function to comply with the requirements of Sec. 292 (A) of the Companies Act 1956 and also Clause 49 of the Listing Agreement. The Audit Committee comprises of Sri M.T.Sreenivasa Rao Independent Director as Chairman of the Audit Committee. Sri R Madan Mohan Rao and Sri O.D.Reddy, Independent Directors of the Company as its members.

## DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' responsibility statement, it is hereby confirmed:

- (i) That in the preparation of the Accounts for the financial year ended 31<sup>st</sup> March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures:
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 years and of the profit of the Company for the year under review:
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities:
- (iv) That the Directors have prepared the Accounts for the financial year ended 31<sup>st</sup> March, 2012 on a 'going concern' basis

## AUDITORS AND THEIR REPORT:

T. Adinarayana & Co., Chartered Accountants, Hyderabad, the Statutory Auditors of the Company hold office till the conclusion of the ensuing Annual General Meeting of the Company and have confirmed their eligibility and willingness to accept the office of the Statutory Auditors, if re-appointed.

## LISTING AT STOCK EXCHANGES:

The Equity Shares of the Company continue to be listed on Mumbai Stock Exchange Limited, Mumbai. The annual listing fee for the year 2012-13 has been paid.

## ACKNOWLEDGEMENTS:

Your Directors thank State Bank of India for their continued unstinted support for the growth of the Company.

Your Directors thank the various departments of the Central and State Governments and Bankers of the Company for their co-operation and assistance. Your Directors also thank the shareholders of the Company for their continued interest and support and finally all the employees for their services during the year.

For and on behalf of the Board of Directors

**TG RAGHAVENDRA**  
**CHAIRMAN & MANAGING DIRECTOR**

Place : Hyderabad

Date : 13.08.2012

**REPORT ON ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND  
FOREIGN EXCHANGE EARNINGS AND OUTGO :**

Disclosure of particulars with respect to conservation of energy, technology absorption and foreign exchange earning and outgo as required under Companies (Disclosure of Particulars in the Board of Directors' Report) Rules, 1988.

**Form – A**

Form for Disclosure of particulars with respect to conservation of Energy.

**A) POWER AND FUEL CONSUMPTION:**

	2011-12	2010-11
a) Electricity:		
Purchased Units	24,91,845	24,83,321
Total Amount (Rs)	1,07,33,475	97,93,863
Rate Per Unit (Rs)	4.31	3.94
b) Own Generation:		
Through Diesel Generator	71550 KW Hr	43329KW Hr
Units per Ltr of Diesel	3.25	3.25
Cost per Unit ( Rs)	13.67	12.44

**B) CONSUMPTION PER UNIT OF PRODUCTION:**

Production (kgs)	684842	730723
Power Consumption Per Kg. (Rs)	21.86	16.60

**FORM – B**

**A) TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION:**

The Company has adopted indigeneous Technology for manufacture of Bulk Drugs, Intermediates and Fine Chemicals and no imported Technology is involved.

**B) RESEARCH AND DEVELOPMENT (R & D):**

The Company has inhouse R & D division to develop new products, improving the efficiencies of the existing yields of existing products and the Company is fully utilizing the facilities.

**C) FOREIGN EXCHANGE EARNING AND OUTGO:**

**i) Activities relating to export, initiatives to increase exports, Developments of New Export markets for Products and Services and Export Plan.**

The Company is making continuous efforts for exploring export market for Tri Phenyl Phosphine and Glucosamine Hydrochloride. Due to these efforts the Company was successful in identifying potential foreign buyers and Company's exports have increased during the year.

**ii) Total foreign exchange used and earned: (Rupees in lacs)**

	2011-12	2010-11
Used	423.78	420.31
Earned	709.04	630.75

For and on behalf of the Board of Directors

Place : Hyderabad  
Date : 13.08.2012

**(TG RAGHAVENDRA)**  
**CHAIRMAN & MANAGING DIRECTOR**

**REPORT ON CORPORATE GOVERNANCE****1. Company's Philosophy on Code of Governance:**

The Company's Philosophy of Corporate Governance is in assisting the management for operating the industry in efficient way and meeting the obligations to the share holders and stake holders. The Company believes in hard and sincere work for achieving goals and enhancing the long term values of the Company.

Roopa Industries Ltd., (RIL) believes strongly that Corporate Governance is a comprehensive code of best practices being designed to achieve the high standards of the corporate behaviour and the Company is committed for the policy. The Company has practiced for good Corporate Governance. RIL has created an environment for upholding the values like transparency, Integrity, accountability, and responsibility while trying to enhance the long term values of the Company for its share holders and stake holders.

**2. Board of Directors:****i) Pecuniary Relationship:**

Non Executive Directors do not have any pecuniary relationship with the Company except as stated of this report.

**ii) Composition:**

The present strength of the Board of Directors is five, out of which three are non-executive independent Directors, two Executive Directors, (including Chairman and Managing Director (CMD) and one (Executive Director). The details of the composition of the existing Board of Directors, attendance at the Board Meetings (BM) held during the financial year under review and at the last Annual General Meeting (AGM) and the number of Directorships and memberships/ chairmanships in public limited companies are given below:

Sl. No.	Name of Director	Category	FY 2011-12 Attendance at		As on 13 <sup>th</sup> August, 2012		
			BM	Last AGM	No. of Directorship	Committee Positions	
						Member	Chairman
1.	Sri T.G. Raghavendra	Executive, CMD	9	Yes	1	1	NIL
2.	Sri V.J Sarma	Executive, Executive Director	9	Yes	1	1	NIL
3.	Sri M.T.Sreenivasa Rao	Non-Executive, IND	9	Yes	1	1	2
4.	Sri R Madanmohan Rao	Non-Executive, IND	9	Yes	10	1	1
5	Sri O.D Reddy	Non-Executive, IND	9	Yes	2	2	NIL

CMD = Chairman and Managing Director, ED = Executive Director, IND = Independent Director.

# Roopa Industries Limited

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The back ground of the Directors is given below :

## **MR. TG RAGHAVENDRA**

Hailing from a business family, was in charge of commercial and administrative activities of edible oils, vanaspati and allied industries soon after studies and was acclaimed for his acumen and shrewdness coupled with dynamic approach and profit-oriented-vision. With the back ground of this rich experience for about 30 years, he promoted Roopa Industries Limited, which is being run successfully under his stewardship as Chairman and Managing Director. His appetite for social service in the field of providing education, resulted in establishing institutions from nursery to polytechnic, which he runs as secretary and correspondent

## **MR. V.J SARMA**

Started managerial career immediately after studies, because of work experience while studying. Served in senior positions in cotton, refined oils & vanaspati, and cement industries in administration, finance, marketing & commerce and factory management for over 22 years and has been on the Board of Roopa Industries Limited there after.

## **R.MADAN MOHAN RAO**

Being qualified M.Tech with chemical Engineering specialization, he has more than 36 years of experience in different capacities in varied industries i.e., paper, chemicals & industrial finance. His brief stint at Andhra Pradesh State Financial Corporation had been hailed by many for his skills of project evaluation and appraisal in providing industrial finance to diverse industrial entities in Andhra Pradesh. Presently he is serving as Vice President (projects) in Brilliant Biopharma Ltd.

## **M.T.SREENIVASA RAO**

A Chartered Accountant with 39 years experience in Finance and commercial areas

## **O D REDDY**

O D Reddy is a BSc (Ag) graduate. He has put in more than 32 years service in senior management positions in Food Corporation of India (FCI). During his tenure with FCI he has implemented various quality improvement, cost cutting measures which has resulted in savings and preserving agricultural commodities for long time. Further, his rich experience and expertise in human relations, object oriented achievements resulting in timely suggestions and advices for solving practical problems encountered by the company in which he is a Director.

None of the Directors on the Company's Board is a member on more than ten Committees and Chairman of more than five Committees across all the Companies, in which he is a Director.

**iii) Number of Board Meetings held:**

During the year under review, Nine meetings of the Board of Directors of the Company were held on 30<sup>th</sup> May, 2011, 4<sup>th</sup> July, 2011, 12<sup>th</sup> August, 2011, 10<sup>th</sup> October, 2011, 14<sup>th</sup> November, 2011, 30<sup>th</sup> November, 2011, 29<sup>th</sup> December, 2011 13<sup>th</sup> February, 2012 and 30<sup>th</sup> March, 2012.

The required information as enumerated in Annexure I to Clause 49 of the Listing Agreement was made available to the Board of Directors for discussion and consideration at the Board meetings.

**3. Committees of the Board:**

The Board of Directors have constituted the following Committees with adequate delegation of powers as required. The Committees constituted by the Board as on date are as follows.

**i) Audit Committee:**

The Audit Committee has been constituted as per the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchange.

**a) Terms of Reference:**

The terms of reference to Audit Committee covers all the matters as specified for Audit Committee under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 and inter-alia include the following:

1. Oversight of the Company's financial reporting process to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board appointment, reappointment, fixation of fees etc., of statutory auditors, etc.,
3. Reviewing with management the annual Financial Statement before submitting to the Board with particular reference to Directors Responsibility statement, changes in Accounting Policies, major accounting entries involving estimates, compliance with other Listing Agreement, disclosure of other related party transactions.
4. Qualifications in draft Audit Report.
5. Reviewing with management quarterly financial statements
6. The adequacy of internal audit functions.
7. Discussions with statutory auditors before the audit commences.
8. Reviewing the findings of any investigations by the internal auditors etc.,

**b) Composition:**

The Audit Committee of the Board for the financial year ended 31.03.2012 comprises three independent Directors, who have the relevant financial and accounting knowledge. The composition and their attendance at its meetings are given hereunder:

S. No.	Name of the Director	Category	No. of Meetings Held	Meetings Attended
1.	Sri M.T. Sreenivasa Rao Chairman	Non-Executive Independent	4	4
2.	Sri R. Madan Mohan Rao Member	Non-Executive- Independent	4	4
3.	Sri O.D. Reddy Member	Non-Executive Independent	4	4

**c) Number of Meetings held:**

During the year under review, four meetings of the Audit Committee of the Board were held on 30<sup>th</sup> May, 2011, 12<sup>th</sup> August, 2011, 14<sup>th</sup> November, 2011 and 13<sup>th</sup> February, 2012.

The Executive Director was present as invitee at all the meetings of the Audit Committee and Statutory Auditors were invited as and when required.

**ii) Shareholders/Investors' Grievance Committee:**

The Investors Grievance Committee of the Board is empowered to oversee the redressal of investor complaints pertaining to share transfers, issue of duplicate share certificates, non-receipt of annual reports, dematerialization of shares and other miscellaneous complaints.

**a) Composition:**

The composition of the Investors' Grievance Committee for the financial year ended 31.03.2012 and attendance at its meetings are given hereunder:

S. No.	Name of the Director	Designation	Category	No. of Meetings Attended
1.	Sri. M.T. Sreenivasa Rao	Chairman	Non-Executive Independent	10
2.	Sri TG Raghavendra	Member	Executive	10
3.	Sri V.J. Sarma	Member	Executive	10

**b) Number of meetings held:**

During the year under review, Ten meetings of the Investor Grievance Committee were held on 10<sup>th</sup> June, 2011, 05<sup>th</sup> August, 2011, 12<sup>th</sup> August, 2011, 19<sup>th</sup> September, 2011, 30<sup>th</sup> September, 2011, 13<sup>th</sup> November, 2011, 24<sup>th</sup> January, 2012, 3<sup>rd</sup> February, 2012, 24<sup>th</sup> February, 2012 and 26<sup>th</sup> March, 2012

**c) Analysis of Complaints:**

The Company addresses all complaints, suggestions and grievances expeditiously and replies have been sent/ issues resolved usually within 15 days unless there is a dispute over facts or any other legal constraint. However, during the year the company has not received any complaints / grievance / letters from the shareholders.

**iii) Remuneration Committee:**

The Remuneration Committee of the Board of Directors of the Company is empowered to review the remuneration of Executive Directors of the Company.

**a) Composition:**

The composition of Remuneration Committee of the Board and the attendance at its meetings for the financial year ended 31.03.2012 are given hereunder.

S. No.	Name of the Director	Designation	Category	No. of Meetings Attended
1.	Sri R. Madanmohan Rao	Chairman	Non-Executive-Independent	NIL
2.	Sri M.T Sreenivasa Rao	Member	Non-Executive-Independent	NIL
3.	Sri O D Reddy	Member	Non-Executive-Independent	NIL

All the members of the committee should be present to form the quorum.

## Roopa Industries Limited

### b) Number of Meetings:

During the year under review, no meetings of the Remuneration Committee was held.

### c) Remuneration Policy:

The remuneration of the Executive Directors is decided by the Remuneration Committee based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record of the whole-time Directors and is reported to the Board of Directors. The Committee periodically reviews and recommends suitable revision in the remuneration package of Executive Directors to the Board. The Company pays remuneration by way of salary, perquisites and allowances to its whole-time Directors.

### d) Remuneration to Directors:

The Company does not pay any sitting fees or other remuneration to the Non-Executive Directors. The details of the remuneration paid to the Executive Directors during the period under review are as follows :

(Rupees)

S. No.	Name of the Director	Salary perquisites	Sitting Fees	Total
1.	Sri. T.G.Raghavendra	15,00,000	NIL	15,00,000
2.	Sri. V.J. Sarma	12,00,000	NIL	12,00,000

## 4. GENERAL BODY MEETINGS:

The last three Annual General Meetings were held as follows.

Financial Year	Day & Date	Time	Venue
2010-11	Monday & 26.09.2011	10.00 A.M.	17745, Alur Road, Adoni
2009-10	Wednesday & 29.09.2010	10.00 A.M.	17745, Alur Road, Adoni
2008-09	Wednesday & 30.09.2009	10.00 A.M.	17745, Alur Road, Adoni

All resolutions moved at the last Annual General Meeting were passed unanimously by a show hands by the members attending the meeting.

The last Annual General Meeting of the Company was held on 26<sup>th</sup> September, 2011 and it was attended by the all the Directors including Sri M.T Sreenivasa Rao, Chairman of Audit Committee.

The following special resolutions were passed at the previous three Annual General Meetings:

#### a) 2008-2009 :

1. Re-appointment and revising the remuneration of Sri T.G. Raghavendra, Chairman and Managing Director and Sri V.J. Sarma, Executive Director with effect from 01.10.2009 for period of 3 years from 01-10-2009 to 30-09-2012 subject to same terms and conditions as approved in the Annual General Meeting.

#### b) 2009-2010 :

1. Increase in remuneration of Sri TG Raghavendra, Chairman and Managing Director of the Company from existing Rs. 1,00,000/- per month to Rs.1,25,000/- per month effective from 1<sup>st</sup> April, 2010 for the remaining period of his appointment ie., upto 30<sup>th</sup> September, 2012.
2. Increase in remuneration of Sri VJ Sarma, Executive Director of the Company from existing Rs. 50,000/- per month to Rs.1,00,000/- per month effective from 1<sup>st</sup> April, 2010 for the remaining period of his appointment ie., upto 30<sup>th</sup> September, 2012.

3. Allotment of preferential shares issue and allot 11,21,820 convertible share warrants of a face value of Rs.10/- each for cash at an issue price of Rs.11.48 per warrant as computed in accordance with SEBI (ICDR) Regulations 2009.
- c) **2010-2011 :**  
Nil
- d) There were no occasions to pass Special Resolutions through postal ballot on any of the matters specified under clause 49 of the Listing Agreement and Section 192A of the Companies Act, 1956. Further, no such resolution is proposed to be placed for the approval of the shareholders at the forthcoming Annual General Meeting.
- 5. DISCLOSURES :**
- a. **Related Party Transactions:**  
None of the transactions with related parties were in conflict with the interests of the Company at large. The details of related party transactions are furnished under Note 33 of Notes forming part of financial statements to comply with the Accounting Standard – 18.
- b. **Compliances by the Company:**  
The Company has complied with the statutory provisions, rules and regulations relating to the capital markets during the last three years and no penalties or strictures have been imposed on the Company by Stock Exchanges, SEBI or any other statutory authorities on matters related to capital markets for the said period. The Company is complying with all mandatory requirements stipulated in Clause 49 of the Listing Agreement and non mandatory requirements are not yet adopted by the company.
- c. **Risk Management:**  
An analysis of Company's covering; strategic (Business), Financial, Legal and Compliance risks as perceived by the management are being made and reviewed. Appropriate measures for mitigating these risks are being initiated.
- 6. MEANS OF COMMUNICATION :**  
The company published its quarterly, half yearly and annual results in the Business Standard (English) and Andhra Prabha (Telugu) news papers generally.  
In addition to this the company is communicating its results to all the Stock Exchanges where the shares are listed. Further quarterly results, shareholding pattern and other related information is placed on the company's website. The company is also making presentations to the Financial institutions with all the details relating its quarterly results. Further to confirm that the management discussion and analysis report communicated to shareholders and all the concerned has been made part and parcel of Annual Report. Further the Quarterly/Half yearly Results are generally posted in Company's website.
- 7. NON-MANDATORY REQUIREMENTS:**
- i) **Chairman of the Board:**  
Since the Chairman being an Executive, compliance with the requirement specified therein does not arise.
- ii) **Remuneration Committee:**  
The Board constituted a Remuneration Committee of the Board to discharge the matters specified therein.
- iii) **Shareholders Rights / Audit Qualifications :**  
The quarterly financial results are published in the newspapers and hosted in Company's website. The results are not separately circulated to the shareholders. The Statutory Auditors have given their Audit Report without any qualifications.



## Roopa Industries Limited

- iv) The company has not adopted other non-mandatory requirements like peer review of Non-Executive Directors, Whistle Blower Policy etc.,

### 8. GENERAL SHARE HOLDER'S INFORMATION :

- a. 27<sup>th</sup> Annual General Meeting:

Day, Date and Time : Friday, the 28<sup>th</sup> September, 2012 at 10 A.M

Venue : 17745, Alur Road, Adoni, Kurnool Dist., Andhra Pradesh, India.

As required under clause 49 VI (A) of the listing agreement, particulars of Directors seeking reappointment are given in the notes and explanatory statement to the notice of the Annual General Meeting to be held on 28-09-2012.

- b. Financial Calendar (Tentative) : 1<sup>st</sup> April 2012 to 31<sup>st</sup> March, 2013

Financial Reporting :

For the Quarter ended : July/August, 2012  
30th June, 2012

For the Quarter ended : October/November, 2012  
30th September, 2012

For the Quarter ended : January/February, 2013  
31st December, 2012

For the Quarter ended : April/May, 2013  
31st March, 2013

Year ending 31st March, 2013 : April/May, 2013

- c. Dates of Book Closure : 25<sup>th</sup> September, 2012 to 28<sup>th</sup> September, 2012

- d. Dividend payment date : Not Applicable

- e. Listing on Stock Exchange : The Equity Shares of the Company as on date are listed on "Bombay Stock Exchange Limited", Mumbai. The Company confirms that it has paid the annual listing fees for the year 2012-13 to "Bombay Stock Exchange Limited", Mumbai.

- f. Stock Code : Bombay Stock Exchange Limited, Mumbai -530991

- g. Stock Market Data : High/Low price quotations in each Month of the last financial year 2011-12 on the Bombay Stock Exchange Limited, Mumbai.

MONTH	HIGH	LOW	VOLUME
April, 2011	11.49	9.03	35576
May, 2011	11.35	9.13	57983
June, 2011	11.39	9.45	16633
July, 2011	11.89	9.74	39314
August, 2011	12.30	9.15	20611
September, 2011	11.93	9.71	9790
October, 2011	11.09	9.53	10519
November, 2011	11.00	9.13	11156
December, 2011	11.00	9.23	13403
January, 2012	10.49	8.42	21386
February, 2012	9.39	8.43	17746
March, 2012	9.69	8.16	5357

## h) Registrars and Transfer Agents:

The Members are requested to correspond with the Company's Registrar & Transfer Agent, M/s.Aarhi Consultants Private Limited, at the following address for both physical transfers and Demat shares:

M/s.Aarhi Consultants Pvt Ltd.,  
Regd. Office: 1-2-285, Domalguda,  
Hyderabad – 500029.

Phone No's : 040-27638111, 27634445, 27642217, 66611921

Fax: 040-27632184,

Email: info@aarhiconsultants.com, Website: www.aarhiconsultants.com

## i) Share Transfer System:

The Shares lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgement, if the documents are clear in all respects. All requests for dematerialization of shares are processed and the confirmation is given to the depositories within 15 days. With a view to expedite the process of share transfers, the Board has appropriately delegated the powers of approval of share transfers. The work of Registrars and Share Transfer Agents is being monitored and reviewed. The dematerializations of shares are directly transferred to the beneficiaries by the Depositories.

## j) Distribution of Shareholding as on 31<sup>st</sup> March, 2012

No. of Shares	No. of Shareholders	No. of Shares	% To the Total Shares
Up to 5000	1987	511876	6.85
5001 to 10000	450	398511	5.33
10001 to 20000	161	255039	3.41
20001 to 30000	205	526497	7.05
30001 to 40000	15	53728	0.72
40001 to 50000	70	346330	4.64
50001 to 100000	53	436278	5.84
100001 and above	47	4943985	66.16
<b>Total</b>	<b>2,988</b>	<b>74,72,244</b>	<b>100.00</b>

## k) Shareholding Pattern as on 31<sup>st</sup> March, 2012

S. No.	Category	No. of Share Held	Percentage
1.	Promoters	33,58,693	44.95
2.	Banks & Financial Institutions	0	0.00
3	Corporate Bodies	2,66,926	3.57
4.	Indian Public	30,26,316	40.50
5	NRIs / OCBS	8,20,309	10.98
	<b>TOTAL</b>	<b>74,72,244</b>	<b>100.00</b>

## Roopa Industries Limited

### l) Dematerialization of Shares:

The shares of the Company are in the category of compulsory delivery in dematerialized mode by all categories of investors and are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).

The Company has signed agreements with both the depositories i.e., National Securities Depository Ltd., and Central Depository Services (India) Ltd. As on 31st March, 2012, 53,54,637 Equity Shares of the Company constituting over 71.66% of the Share Capital of the Company, stand dematerialized.

- m) Outstanding ADRs / GDRs / Warrants or any convertible Instruments, conversion date and likely impact on equity : 3,93,276 warrants are outstanding as on 31.03.2012 which are convertible into equal number of equity shares
- n) A code of conduct is duly approved by the Board on 29.04.2009 and communicated to all Directors and Senior Management of the company and affirmed by them as to its compliance on an annual base. Code conduct is posted on website of the Company.

### **DECLARATION BY CEO**

As provided in Clause 49 of the Listing Agreement with Stock Exchanges, the Directors and Senior Management Personnel have confirmed compliance with code of conduct for the year ended 31.03.2012.

Place: Hyderabad  
Date : 13.08.2012

Sd/-  
**(T.G.RAGHAVENDRA)**  
**CHAIRMAN AND MANAGING DIRECTOR**

- o) **Plant Location** : The Company's Plant is Located at :  
Roopa Industries Limited  
A3, A4, Phase-IV, IDA  
Patancheru-502 319, Medak Dist, A.P., India.
- p) **Address for Correspondence** : 1. Roopa Industries Limited  
Regd.Office: 17/745, Alur Road  
Adoni – 518 301, Kurnool Dist.  
Andhra Pradesh, India.
2. Roopa Industries Limited  
A3 A4, Phase-IV, IDA  
Patancheru-502 319,  
Medak Dist, A.P. India.

For and on behalf of the Board of Directors

**(TG RAGHAVENDRA)**  
**CHAIRMAN & MANAGING DIRECTOR**

PLACE : Hyderabad  
DATE : 13.08.2012

**Auditors Report on Corporate Governance**

To  
The Members of M/s. Roopa Industries Limited

We have examined the compliance of conditions of Corporate Governance by Roopa Industries Limited for the year ended 31<sup>st</sup> March 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

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

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

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

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

For **T.ADINARAYANA & CO.,**  
**CHARTERED ACCOUNTANTS**  
(Regn. No. 000041S)

Place : Hyderabad  
Date : 13.08.2012

**(PULLA RAO. Y)**  
**PARTNER**  
M.No. 25266

**MANAGEMENT'S DISCUSSION & ANALYSIS****Industry Structure and Developments:**

The Global Generics Pharmaceutical Industry is at the threshold of a new era-one that poses obstacles and opportunities alike for Western multinationals and generics manufacturers based in emerging markets such as India. As Indian companies rapidly penetrate Western markets – a move welcomed by many public and private healthcare players – the country has taken an integral role in shaping the future of the global generics industry. At the same time, Indian companies are increasing their focus on research and development of innovative drugs and delivery systems.

**Outlook on opportunities:**

The Global health care industry is the second largest industry in the World, after the agro industry with a turnover of US \$ 4.5 trillion. The Indian Pharma Industry is globally now the 4th largest in terms of volume and 13th largest in terms of value. India is producing most of its bulk drug requirements. As a matter of fact, Indian Companies are aggressively exporting Bulk Drugs and Formulations to nearly 200 Countries. The Indian companies are poised to play an increasingly active role globally, thanks to their core strengths, competitive advantages and desire to grow operations in new markets. India has many advantages in the Pharma Industry, including a competent workforce, capacity for innovation, cost-effective chemical synthesis and Quality and low-cost manufacturing capabilities. Indian companies are aggressive to industry developments, yet their ability to compete globally is limited by the size of their balance sheets. As they acquire, merge and collaborate with pharmaceutical and biotech companies in foreign markets, they are also tasked with globalizing their operations to focus on the varying characteristics of each new market they enter. Hyderabad is a hub for pharma industry in India with reputed world renowned players operating from Hyderabad besides a cluster of large number of medium size pharma units. This localized advantage provides great opportunity to Roopa Industries Limited with growing demand for its products and sustain even with increased activity. Roopa Industries Ltd., is gearing up to exploit the emerging opportunities.

**Outlook on Threats, Risks and Concerns:**

Challenges facing Indian Companies that are expanding their operations globally include (a) Focusing on differentiators that go beyond cost, (b) exploring new and more viable ways of operating and innovating, (c) Increasing integration with the global markets, (d) professionalizing the management structure and (e) managing crosscountry cultural barriers. The pharma industry is likely to see greater thrust on original IP-generating R & D activities. Roopa Industries Ltd., should be always in innovative and should be creating cost-effective technologies through continuous process improvement while maintaining strict quality control for not only in existing products, but also in evolving new technologies that produce newer and better products.

**Segment-wise performance:**

Roopa Industries Ltd., operates on single segment and the recorded Revenue from Operations Rs.3263.70 Lakhs

**Internal control systems and their Adequacy:**

Roopa Industries Ltd., is having adequate internal control systems commensurate with size and activities of the company. Proper internal controls ensure that all the assets of the company are safeguarded against loss from unauthorized disposal or use and ensure that all the transactions are recorded properly. The audit committees of the Board review periodically the financial statements before they are submitted to Board and further ensure compliance of internal controls.

## Roopa Industries Limited

### Financial Performance:

### Financial Highlights :

Rs. in lakhs

Particulars	During Year 2011-12	During Year 2010-11
Revenue from Operations (Net)	3263.70	3211.03
PBIDT	177.18	137.42
Profit before tax	88.28	64.55
Profit after tax	62.47	48.48

The revenue from operations (Net) during the year are Rs. 3263.70 Lakhs as against Rs.3211.03 Lakhs during the year 2010-11. The profit before interest, depreciation and tax was Rs177.18 Lakhs as against Rs.137.42 Lakhs in the previous year. The profit before taxation the year is Rs 88.28 Lakhs as against Rs.64.55 Lakhs during the year 2010-11.

### Human Resources:

The Company has a team of able and experienced staff and executives and the relation with the employees remained cordial throughout the year. Its management training schemes strive to develop business managers of tomorrow. In house training is given to the employees to induce contribution for enhanced productivity and development programmes for all levels of employees are being given as the company considers human resources are invaluable asset.

### Cautionary statement:

The statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates or expectations may be "forward-looking" statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied and the achievement of results is subject to risks, uncertainties, and even inaccurate assumptions. Important factors that could make a difference to the company's operations include economic conditions affecting demand/supply and price conditions in the domestic and global markets in which the Company operates, changes in the Government regulations, policies, tax laws and other statutes and other incidental factors.

For and on behalf of the Board of Directors

(TG RAGHAVENDRA)  
CHAIRMAN & MANAGING DIRECTOR

Place : Hyderabad

Date : 13.08.2012

# Roopa Industries Limited

T. ADINARAYANA & CO  
CHARTERED ACCOUNTANTS

## AUDITORS' REPORT

To  
The Members of Roopa Industries Ltd.,

1. We have audited the attached Balance Sheet of Roopa Industries Ltd., as at 31st March 2012, the Statement of Profit and Loss and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (the Order) issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in Annexure referred above, we report that:
  - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - ii) In our opinion, proper books of account as required by Law have been kept by the Company so far as appears from our examination.
  - iii) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt

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

- iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standard referred in Section 211 (3C) of the Companies Act, 1956 to the extent applicable.
- v) On the basis of the written representations received from the Directors, as on 31.03.2012, and taken on record by the Board of Directors, we report that none of the director is disqualified as on 31st March, 2012 from being appointed as Director in terms of Clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the Schedules read in conjunction with the notes and accounting policies thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a) in the case of Balance Sheet of the State of affairs of the Company as at 31st March, 2012;
  - b) in the case of Statement of Profit and Loss of the Profit for the year ended on that date ; and
  - c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

for T.ADINARAYANA & CO.,  
CHARTERED ACCOUNTANTS  
(Regn. No. 000041S)

(PULLA RAO. Y)  
PARTNER  
M.No. 25266

Place: Hyderabad  
Date : 30.05.2012

## ANNEXURE REFERRED TO IN PARAGRAPH 3 OF AUDITORS' REPORT OF EVEN DATE ON THE ACCOUNTS OF ROOPA INDUSTRIES LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012.

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.  
b) As explained to us, the fixed assets have been physically verified by the management according to the phased programme designed to cover all the fixed assets on rotation basis. In respect of fixed assets verified according to this programme, which is considered reasonable, no material discrepancies were noticed on such verification. As regards capital works in progress, the same will be verified by the management on completion of assets.  
c) The Company has not disposed off the substantial part of Fixed Asset which affects the going concern concept of the Company.
2. a) The inventories of the Company have been physically verified by the Management during the year at reasonable intervals.  
b) 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) The Company has maintained proper records of inventories and the discrepancies noticed on physical verification of stocks as compared to book records, which in our opinion were not material, have been properly dealt with in the books of account
3. a) The Company has neither granted nor taken any loans, secured or unsecured, to/ from Companies, firms or other parties covered in the register maintained under Sec. 301 of the Companies Act, 1956.  

Accordingly, the provisions of Clause 4 (iii) (b), (c), (d), (e), (f) and (g) of the companies (Auditors' Report) Order, 2003 are not applicable to the Company,
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuous failure to correct major weaknesses in internal controls.
5. a) In our opinion, the particulars of contracts or arrangements referred to in Sec. 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that Section.  
b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under Section 301 of the Companies Act 1956 have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. According to the information and explanation given to us, the Company has not accepted any deposits from the public covered by the directions issued by the Reserve Bank of India and Section 58A and 58AA of the Companies Act, 1956 or any other provisions of the Act and the rules framed there under where applicable and issuance of Order by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal in this regard does not arise.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business and it was informed that no material irregularities were noticed by the internal auditors during the period of audit.
8. We have broadly reviewed without making a detailed examination of the records maintained by the Company pursuant to the order made by the Central Government for the



- maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed records have been made and maintained.
9. a) According to the records of the Company and as per the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs duty, Excise duty, Cess and other statutory dues.
  - b) According to the information and explanations given to us no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs duty, Excise duty, Cess and other undisputed statutory were outstanding at the year for the year period more than 6 months from the date they became payable.
  - c) According to the information and explanation given to us, there are no amounts in respect of Excise Duty, Customs duty, Sales Tax, Wealth Tax, Service Tax, Income-tax and Cess which have not been deposited with the appropriate authorities on account of any dispute.
10. As per the information and explanations given to us and on an overall examination of the financial statements of the Company for the current and immediately preceding financial year, we report that the Company does not have any accumulated losses at the end of the current financial year nor incurred cash losses in the current and immediately preceding financial year.
  11. As per the records of the Company, the Company has not defaulted during the year in repayment of dues to financial institution or banks or debenture holders.
  12. As per the information and explanation 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 to any body during the year.
  13. The Company is not a chitfund or a nidhi/ mutual benefit fund/ society. Therefore the provisions of Clause 4 (xiii) of the order are not applicable to the Company.
  14. As per the records of the Company, the investments made in the nature of shares in other companies are held in the name of the Company and necessary records recording the transactions and relevant entries have been maintained.
  15. As per the information and explanations given to us, the Company has not given any guarantees for the Loans taken by others from Banks or financial institutions.
  16. According to the records of the Company, the Company has raised term loans during the year and were applied for the purpose for which the loan was obtained.
  17. As per the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the Company, we are of the opinion that no funds raised on short-term basis have been used for long-term investment
  18. As per the information and explanations given to us, during the year the Company has made a preferential allotment of shares but not to company covered in the Register maintained under section 301 of the Companies Act, 1956. The said preferential allotment is in compliance with SEBI (ICDR) regulations.
  19. The Company has not issued any debentures during the year, which requires the creation of security or charge.
  20. During the period covered by our Audit Report, the Company has not raised any money by way of Public Issue.
  21. As per the representation given by the Company and relied on by us, no fraud on or by the Company has been noticed or reported during the year.

for **T.ADINARAYANA & CO.,**  
**CHARTERED ACCOUNTANTS**  
(Regn. No. 000041S)

**(PULLA RAO. Y)**  
**PARTNER**  
M.No. 25266

Place: Hyderabad  
Date : 30.05.2012

# Roopa Industries Limited

## BALANCE SHEET AS AT 31st MARCH, 2012

	Note No.	As At 31-03-2012 in Rs.	As At 31-03-2011 in Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's funds</b>			
(a) Share Capital	5	7,47,22,440	7,09,86,320
(b) Reserves and surplus	6	2,39,82,639	1,71,82,287
(c) Money received against warrants		11,28,702	22,00,969
<b>(2) Share application money pending allotment</b>			
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	7	2,80,95,336	2,50,72,911
(b) Deferred tax liabilities (Net)	8	58,46,218	50,10,680
(c) Other long term liabilities		-	-
(d) Long-term provisions	9	16,94,465	16,05,293
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	10	2,38,45,672	2,93,17,305
(b) Trade payables	11	4,56,98,174	5,11,11,847
(c) Other current liabilities	12	11,91,135	13,41,276
(d) Short-term provisions	13	19,44,625	17,83,219
<b>TOTAL</b>		<b>20,81,49,406</b>	<b>20,56,12,107</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible assets	14	7,01,41,923	6,50,48,899
(ii) Intangible assets		-	-
(iii) Capital work-in-progress	14	1,28,31,338	95,88,651
(iv) Intangible assets under development		-	-
(b) Non-current investments	15	4,36,902	4,36,902
(c) Deferred tax assets (Net)		-	-
(d) Long-term loans and advances	16	1,26,32,844	1,22,28,643
(e) Other non-current assets		-	-
<b>(2) Current assets</b>			
(a) Current investments		-	-
(b) Inventories	17	2,39,67,120	3,18,64,615
(c) Trade receivables	18	6,68,77,967	6,27,66,663
(d) Cash and Bank balances	19	1,20,12,526	1,39,42,233
(e) Short-term loans and advances	20	48,68,433	53,28,768
(f) Other current assets	21	43,80,353	44,06,733
<b>TOTAL</b>		<b>20,81,49,406</b>	<b>20,56,12,107</b>

Significant Accounting Policies

Notes on Financial Statements

The accompanying notes are an integral part of the financial statements

As per our Report of even date annexed

for and on behalf of the Board

for **T.ADINARAYANA & CO.,**

Chartered Accountants (Regn. No. 000041S)

**(PULLA RAO. Y)**

PARTNER

M.No. 25266

Place : Hyderabad

Date : 30.05.2012

**(T.G. RAGHAVENDRA)**

CHAIRMAN & MANAGING DIRECTOR

Place : Hyderabad

Date : 30.05.2012

**(V.J.SARMA)**

EXECUTIVE DIRECTOR

# Roopa Industries Limited

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012

	Note No.	Year Ended 31.03.2012 Rs.	Year Ended 31.03.2011 Rs.
I. Revenue from Operations (Gross)	22	34,85,68,184	34,14,30,299
Less: Excise duty		2,21,98,374	2,03,27,495
Revenue from Operations (Net)		<u>32,63,69,810</u>	<u>32,11,02,804</u>
II. Other income	23	9,15,407	6,14,815
III. Total revenue		<u>32,72,85,217</u>	<u>32,17,17,619</u>
IV. Expenses			
Cost of materials consumed	24	21,79,18,450	24,02,76,516
Purchase of stock-in-trade		-	-
Changes in inventories of Finished goods, Work-in-Progress and Stock-in-trade	25	39,98,054	(1,28,25,563)
Employee benefits expenses	26	2,00,87,376	1,48,93,841
Finance costs	27	1,24,48,098	58,25,038
Depreciation and amortization expenses	28	49,72,476	53,39,580
Other expenses	29	5,95,41,658	6,17,53,527
Total Expenses		<u>31,89,66,112</u>	<u>31,52,62,939</u>
V. Profit Before exceptional and extraordinary items and tax (III - IV)		83,19,105	64,54,680
VI. Exceptional Items (Excess provision written back)		(5,08,991)	-
VII. Profit before extraordinary items and tax (V - VI)		88,28,096	64,54,680
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		<u>88,28,096</u>	<u>64,54,680</u>
X. Tax expense:			
(1) Current Tax		17,45,152	13,23,786
(2) Deferred Tax Liability		8,35,538	2,83,308
XI. Profit(Loss) for the period from continuing operations (IX - X)		62,47,406	48,47,586
XII. Profit(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		<u>62,47,406</u>	<u>48,47,586</u>
XVI. Earnings per equity share:			
(1) Basic		0.88	0.72
(2) Diluted		0.88	0.65
(3) Face value per share		10.00	10.00

Significant Accounting Policies

Notes on Financial Statements

The accompanying notes are an integral part of the financial statements

As per our Report of even date annexed

for and on behalf of the Board

for T.ADINARAYANA & CO.,

Chartered Accountants (Regn. No. 000041S)

(PULLA RAO. Y)

PARTNER

M.No. 25266

Place : Hyderabad

Date : 30.05.2012

(T.G. RAGHAVENDRA)

CHAIRMAN & MANAGING DIRECTOR

Place : Hyderabad

Date : 30.05.2012

(V.J.SARMA)

EXECUTIVE DIRECTOR

# Roopa Industries Limited

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012 (AS PER CLAUSE 32 OF THE LISTING AGREEMENT)

	Rs. in Lacs 2011-12	Rs. in Lacs 2010-11
<b>A. CASH FLOW FROM OPERATIONS</b>		
Net profit Before Tax and Extra-Ordinary items	88.28	64.55
Adjustment for		
Depreciation	49.73	42.24
Interest paid	39.18	30.63
Interest received	(8.95)	(0.80)
Dividend received	(0.19)	-
Preliminary Expenses	-	11.15
Operating Profit before Working Capital Changes	<u>168.05</u>	<u>147.77</u>
Adjustment for		
Trade and Other Receivables	(40.85)	103.61
Inventories	78.98	(184.40)
Trade Payables and Others	(57.66)	159.20
Cash Generated from Operations	<u>148.52</u>	<u>226.18</u>
Direct Taxes	(12.93)	(13.07)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<u>135.59</u>	<u>213.11</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(116.00)	(162.41)
Sale/Adjustment of Fixed Assets	(17.08)	1.48
Interest Received	8.95	-
Dividend Received	0.19	0.80
<b>NET CASH FLOW USED IN INVESTING ACTIVITIES</b>	<u>(123.94)</u>	<u>(160.13)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Share Capital and Warrants	26.64	57.50
Proceeds from Share Premium	5.53	5.25
Proceeds from Working Capital	-	(7.84)
Proceeds from Borrowings	(24.49)	(0.62)
Proceeds from loans and advances	0.56	0.00
Interest paid	(39.18)	(30.63)
<b>NET CASH FLOW USED/FROM IN FINANCING ACTIVITIES</b>	<u>(30.94)</u>	<u>23.66</u>
<b>D. NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENT(A+B+C)</b>	<u>(19.29)</u>	<u>76.64</u>
Cash and Cash Equivalents as at the commencement of the year	139.42	62.78
Cash and Cash Equivalents as at the close of the year	120.13	139.42

Notes: 1 Cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 Cash Flow Statement.

2 Previous year figures have been re-grouped/ re-arranged/ re-classified wherever necessary to make them comparable to the current year figures.

As per our Report of even date annexed **for and on behalf of the Board**

for **T.ADINARAYANA & CO.,**

Chartered Accountants (Regn. No. 000041S)

**(PULLA RAO. Y)**

PARTNER

M.No. 25266

Place : Hyderabad

Date : 30.05.2012

**(T.G. RAGHAVENDRA)**

CHAIRMAN & MANAGING DIRECTOR

Place : Hyderabad

Date : 30.05.2012

**(V.J.SARMA)**

EXECUTIVE DIRECTOR

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 1. Basis of Preparation:

The Company follows mercantile system of accounting and recognises Income and Expenditure on accrual basis. The Accounts are prepared on historical cost basis as a going concern and are consistent with generally accepted accounting principles and applicable accounting standards unless otherwise stated.

### 2. Change in Accounting policy:

During the year ended March 31, 2012 the revised Schedule VI notified under the Companies Act, 1956 has become applicable to the Company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However it has significant impact on presentation and disclosure made in the financial statements.

### 3. Use of Estimates:

The preparation of financial statements is in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of such assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from the estimates.

### 4. Significant Accounting Policies

#### a. Fixed Assets:

Fixed Assets are stated at their original cost comprising of the purchase price and any attributable cost of bringing the asset to working condition for its intended use.

#### b. Depreciation :

Depreciation has been provided on straight- line method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

The Assets whose values were fully depreciated have been removed from the Gross Block and Depreciation Reserve.

#### c. Inventories:

- i. Raw Materials, Stores and Spares are valued at lower of cost and net realizable value and costs are determined on Weighted Average Cost.
- ii. Work in progress and finished goods are valued at cost of purchase of raw materials, cost of conversion and other cost incurred in bringing the inventories to their present location and condition or net realisable value whichever is lower.

#### d. Revenue Recognition:

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have been passed to the customer, which generally coincides with their delivery to customers.

Interest is recognized on a time proportionate basis taking into account the amount outstanding at the rate applicable.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Dividend is recognized as and when the Company's right to receive payment is established by the reporting date.

**e. Sales:**

Sales are stated including excise duty deducting sales return. The cost of free samples including duties and taxes to customers for sales promotion are recognized as a sales expenses credited to the sales account.

**f. Cenvat:**

Cenvat benefit is accounted by reducing from the purchase cost of raw materials and adjusted against excise duty levied by the Excise Department.

**g. Excise duty:**

Liability of Excise Duty on Finished goods lying in factory is included in the cost of Finished goods by making provision for the Excise duty payable.

**h. Investments:**

All the Investments in the Company are long term. Long term investments are carried at cost. However provision for diminution in the value is made to recognise a decline other than temporary in the value of investments.

**i. Preliminary Expenses:**

Preliminary Expenses (Miscellaneous Expenditure) including Public issue Expenses and Research and Development Expenses incurred by the Company are being amortised over a period of 10 years.

**j. Foreign Currency Transactions:**

- i. Initial Recognition: Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.
- ii. Conversion: At the year end, monetary items denominated in foreign currencies other than those covered by forward contracts are converted into rupee equivalents at the year-end exchange rates.
- iii. Forward Exchange Contracts: In respect of transactions covered by forward exchange contracts, the difference between the forward rate and the exchange rate at the date of the transaction is recognized as income or expense over the period of the contract.
- iv. Exchange Differences: All exchange differences arising on settlement / conversion of foreign currency transactions are recognized in the Statement of Profit and Loss.

**k. Employee Benefits**

**i. Short Term Employee Benefits:**

All employees benefits due wholly within a year of rendering services are classified as short term benefits. These benefits like Salaries, Wages, Short term compensation absences, expected cost of bonus, exgratia are recognized as expenses on accrual basis at undiscounted amount in the Statement of Profit and Loss.

**ii. Retirement Benefits:**

**a. Defined Contribution Plan:**

Employer's contribution to Provident Fund are recognized as expenditure in the Statement of Profit and Loss, as they are incurred. There are no other obligations other than the contribution payable.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

**b. Defined Benefit Plan:**

The Company provide Gratuity as defined benefit retirement plan and there are no other Post- Retirement benefits. The defined benefit Gratuity obligation on annual basis is determined by the actuarial valuation at the end of the year using project unit credit method and the liability is provided for. Necessary disclosures as required under AS-15 are submitted in Notes forming part of financial statements.

**l. Impairment of Assets:**

The Company has taken into consideration the provisions of Accounting Standard-28-Impairment of Assets. The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication is there, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs if recoverable amount is less than its carrying amount, the carrying amount is reduced to its recoverable amount.

**m. Borrowing costs:**

Borrowing costs are charged to the Statement of Profit and Loss except in cases where the borrowings are directly attributable to the acquisition, construction or production of qualifying asset.

**n. Accounting for taxes on Income:**

Tax expense comprise of Current and Deferred Tax. Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income tax Act, 1961. Deferred tax is accounted for in accordance with Accounting Standard 22 -Accounting for taxes on Income. Accordingly, timing difference resulting in deferred tax liabilities are recognized.

**o. Provisions and Contingent liabilities:**

The Company recognises a provision when there is a present obligation as a result of a post event that probably requires an outflow of resources and a reliable estimate can be made when of the amount of the obligation. A disclosure for a contingent liability is made there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources or there is present obligation, reliable estimate of the amount of which cannot be made. Where there is a possible obligations or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

**p. Earnings per share:**

Basic Earnings per share is calculated by dividing the Net Profit or Loss for the year attributable to Equity Share Holders by the Weighted Average Number of Equity Shares outstanding during the year.

For the purpose of calculating Diluted Earnings per share net profit or loss for the year attributable to Equity Share Holders and the Weighted Average Number of Equity Shares outstanding during the year are adjusted for the effects of all dilutive potential equity share.

**q. Events occurring after Balance sheet date:**

Material events occuring after the Balancesheet date are taken into recognizance.

# Roopa Industries Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31.03.2012 in Rs.	As at 31.03.2011 in Rs.
<b>5. SHARE CAPITAL :</b>		
<b>Authorised Share Capital</b>		
90,00,000 (90,00,000) Equity Shares of Rs. 10/- each	<b>9,00,00,000</b>	9,00,00,000
<b>Total</b>	<b><u>9,00,00,000</u></b>	<u>9,00,00,000</u>
<b>Issued, Subscribed and Paid up Share Capital</b>		
74,72,244 (70,98,632) Equity Shares of Rs. 10/- each	<b>7,47,22,440</b>	7,09,86,320
<b>Total</b>	<b><u>7,47,22,440</u></b>	<u>7,09,86,320</u>

### a. Reconciliation of the shares at the beginning and at the end of the reporting period.

Particulars	Year ended 31 <sup>st</sup> March, 2012		Year ended 31 <sup>st</sup> March, 2011	
	Number	Rs.	Number	Rs.
Equity shares at the beginning of the year	<b>70,98,632</b>	<b>7,09,86,320</b>	67,43,700	6,74,37,000
<b>Add:</b> Shares issued during the year on conversion of warrants	<b>3,73,612</b>	<b>37,36,120</b>	3,54,932	35,49,320
Equity shares at the end of the year	<b><u>74,72,244</u></b>	<b><u>7,47,22,440</u></b>	<u>70,98,632</u>	<u>7,09,86,320</u>

### b. Terms / rights attached to equity shares

The Company has only one class of equity shares having a face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of Liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders

### c. Details of shareholders holding more than 5% of the total shares

Sl. No.	Name of Shareholder	Year ended 31 <sup>st</sup> March, 2012		Year ended 31 <sup>st</sup> March, 2011	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	SRHHL Industries Ltd	<b>13,72,455</b>	<b>18.37</b>	13,72,455	19.33
2	Star Niochem Private Limited	<b>10,94,395</b>	<b>14.65</b>	7,20,783	10.15
3	T.G.Raghavendra	<b>6,30,045</b>	<b>8.43</b>	6,19,045	8.72
		<b><u>30,96,895</u></b>	<b><u>41.45</u></b>	<u>27,12,283</u>	<u>38.20</u>

Particulars	As at 31.03.2012 in Rs.	As at 31.03.2011 in Rs.
<b>Gross Proceeds of the Issue</b>	<b>94,92,388</b>	62,75,589
Utilisation of funds	<b><u>30,55,965</u></b>	-
Unutilised amount represented by Fixed Deposit with Bank (See note 19)	<b><u>64,36,423</u></b>	<u>62,75,589</u>



## NOTES FORMING PART OF FINANCIAL STATEMENTS

### d. Terms of Warrants:

The holders of 11,21,820 warrants are entitled to apply for one equity share of Rs.10 each per warrant at a premium of Rs.1.48 at any time within 18 months in 3 tranches the warrant exercise period that is between 12<sup>th</sup> October, 2010 to 9<sup>th</sup> April, 2012. The Company will also have one time call option of compulsory conversion of warrants at any time within the warrant exercise period.

From the commencement of warrant exercise period (i.e. 12<sup>th</sup> October, 2010) till 31<sup>st</sup> March, 2012, the Company has received applications from warrant holders for conversion of 7,28,544 warrants into equity shares for an amount aggregating to Rs. 83,63,686 (inclusive of securities premium) and have been converted into Equity Shares (Equity Share Capital Rs. 72,85,440 and Securities Premium Rs. 10,78,246) till 31<sup>st</sup> March, 2012.

### e. Reconciliation of the warrants outstanding at the beginning and at the end of the reporting period

Particulars	Number of Warrants	
	As at 31.03.2012	As at 31.03.2011
Warrants originally issued	<b>11,21,820</b>	11,21,820
Warrants outstanding at the beginning of the year	<b>7,66,888</b>	11,21,820
Less: Warrants converted into equity shares during the year	<b>3,73,612</b>	3,54,932
Warrants outstanding at the end of the year	<b>3,93,276</b>	7,66,888

Assuming that all warrants are converted into equity shares, the paid up equity share capital of the Company will enhance from Rs. 7,47,22,440 (74,72,244 equity shares of Rs.10 each) to Rs. 7,86,55,200 (78,65,520 equity shares of Rs.10 each). Also the securities premium will enhance by Rs. 5,82,050.

6. RESERVES AND SURPLUS	As at 31.03.2012 (in Rs.)	As at 31.03.2011 (in Rs.)
<b>a. Securities Premium Reserve</b>		
Opening Balance	<b>5,25,300</b>	-
Add: Premium on conversion of warrants into Equity shares	<b>5,52,946</b>	5,25,300
Closing Balance	<b>10,78,246</b>	5,25,300
<b>b. Capital Reserves</b>		
Opening Balance	<b>27,45,075</b>	27,45,075
Add: Movement during the year	-	-
Closing Balance	<b>27,45,075</b>	27,45,075
<b>c. Surplus</b>		
Opening Balance	<b>1,39,11,912</b>	90,64,326
Add: Profit for the year	<b>62,47,406</b>	48,47,586
Closing Balance	<b>2,01,59,318</b>	1,39,11,912
<b>Total (a+b+c)</b>	<b>2,39,82,639</b>	1,71,82,287

# Roopa Industries Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31.03.2012 (in Rs.)	As at 31.03.2011 (in Rs.)
<b>7. LONGTERM BORROWINGS</b>		
a. Term Loans from Banks-Secured	45,41,160	25,92,068
b. Loans from Others-Unsecured	2,35,54,176	2,24,80,843
<b>Total (a + b)</b>	<b>2,80,95,336</b>	<b>2,50,72,911</b>
<p>Term Loan is secured by hypothecation of equipment purchased out of Bank finance and Plant and Machinery and other Fixed assets of the Company. Term loan on Vehicle is secured by hypothecation of Vehicle purchased out of Bank finance. The housing loan is secured by hypothecation of concerned House property purchased out of Bank finance. Further all the Term loans are secured by the guarantee of the Chairman &amp; Managing Director in his individual capacity.</p> <p>Deferred Sales tax loan is interest free repayable in various instalments as per Sales tax deferment scheme. The last instalment is payable in 2020-2021.</p> <p>Vehicle loan repayment in 36 monthly installments commencing from July 2009 to June 2012. Term loan repayment in 12 quarterly installments commencing from March, 2012. Housing loan repayment in 78 monthly installments commencing from February, 2008 to July, 2014.</p>		
<b>8. DEFERRED TAX LIABILITIES (NET)</b>		
a. Deferred Tax Liability		
Depreciation	72,16,378	63,53,286
	<u>72,16,378</u>	<u>63,53,286</u>
b. Deferred Tax Assets		
Preliminary Expenses	41,445	41,445
Impairment Loss	10,00,424	10,00,424
Employee Benefits	3,28,291	3,00,737
	<u>13,70,160</u>	<u>13,42,606</u>
<b>Total (a-b)</b>	<b>58,46,218</b>	<b>50,10,680</b>
<b>9. LONG TERM PROVISIONS</b>		
Provision for Gratuity (Refer Note No.31)	16,94,465	16,05,293
<b>Total</b>	<b>16,94,465</b>	<b>16,05,293</b>
<b>10. SHORT TERM BORROWINGS</b>		
a. Current maturities of Term loans- Secured	28,84,851	5,79,618
<b>Total (a)</b>	<b>28,84,851</b>	<b>5,79,618</b>
b. Working Capital-Secured		
From Banks	1,93,95,335	2,40,07,113
From Others	-	-
<b>Total (b)</b>	<b>1,93,95,335</b>	<b>2,40,07,113</b>
c. Liability For Bills Discounted		
From Banks	-	47,16,719
From Others	-	-
<b>Total (c)</b>	<b>-</b>	<b>47,16,719</b>
d. Other unsecured loans & advances		
From Banks	-	-
From Others	15,65,486	13,855
<b>Total (d)</b>	<b>15,65,486</b>	<b>13,855</b>
<b>Total (a+b+c+d)</b>	<b>2,38,45,672</b>	<b>2,93,17,305</b>

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### Security for Secured Loans

The working capital loan from Bank and liability for bills discounted are secured by Equitable Mortgage of Land, Buildings and charge on Plant & Machinery, Stock-in-Trade, Book debts and are further guaranteed by Chairman & Managing Director in his individual capacity.

	As at 31.03.2012 (in Rs.)	As at 31.03.2011 (in Rs.)
<b>11. TRADE PAYABLES</b>		
a. Dues to Micro, Small and Medium Enterprises (see note below)	-	-
b. Others	4,56,98,174	5,11,11,847
<b>Total (a+b)</b>	<u>4,56,98,174</u>	<u>5,11,11,847</u>

### 12. OTHER CURRENT LIABILITIES

a. Dues to Micro, Small and Medium Enterprises (see note below)	-	-
b. Other payables	11,91,135	13,41,276
<b>Total (a+b)</b>	<u>11,91,135</u>	<u>13,41,276</u>

Disclosure in respect of Principal and interest pertaining to the "Micro, Small and Medium Enterprises Development Act 2006". The information has been given in respect of such vendors on the basis of information available with the Company

Particulars	As at 31.03.2012 (in Rs.)	As at 31.03.2011 (in Rs.)
a. Principal amount remaining unpaid		
Trade payables	NIL	NIL
Creditors for capital goods	NIL	NIL
b. Interest on above and unpaid interest	NIL	NIL
c. Interest paid	NIL	NIL
d. Payment made beyond the appointed day	NIL	NIL
e. Interest due and payable for the period of delay	NIL	NIL
f. Interest accrued and remaining unpaid at the end of the year	NIL	NIL
g. Amount of further interest remaining due and payable in succeeding year.	NIL	NIL

### 13. SHORT TERM PROVISIONS

a. Provision for employee benefits	3,62,028	6,53,147
b. Provision for Income Tax	15,82,597	11,30,072
<b>Total (a+b)</b>	<u>19,44,625</u>	<u>17,83,219</u>

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**14. FIXED ASSETS**

Sl. No.		GROSS VALUE				DEPRECIATION				Closing Balance	
		Opening Balance	Additions	Deletions / Adjustments		Opening Balance	Additions	Deletions / Adjustments			Previous reporting period
1	Land	687300	-	-	<b>687300</b>	-	-	-	-	<b>687300</b>	687300
2	Building	27216548	51119	-	<b>27267667</b>	7735453	909896	-	<b>8645349</b>	<b>18622318</b>	19481095
3	Plant & Equipments	64130361	9787388	1531151	<b>72386598</b>	24162992	3411061	1531151	<b>26042902</b>	<b>46343696</b>	39967371
4	Furniture & Fixtures	472500	67539	165232	<b>374807</b>	251736	15710	165232	<b>102214</b>	<b>272593</b>	220764
5	Vehicles	4160656	-	-	<b>4160656</b>	753576	395262	-	<b>1148838</b>	<b>3011818</b>	3407080
6	Office Equipments	1457798	159455	11200	<b>1606053</b>	172507	240547	11200	<b>401854</b>	<b>1204199</b>	1285291
	<b>Total-A</b>	<b>98125163</b>	<b>10065501</b>	<b>1707583</b>	<b>106483081</b>	<b>33076264</b>	<b>4972476</b>	<b>1707583</b>	<b>36341157</b>	<b>70141924</b>	<b>65048899</b>
	<b>Capital work in progress</b>										
1	Building under Construction	6436002	51119	51119	<b>6436002</b>	-	-	-	-	<b>6436002</b>	6436002
2	Plant & Machinery under Construction	3152649	12344103	9101416	<b>6395336</b>	-	-	-	-	<b>6395336</b>	3152649
	<b>Total-B</b>	<b>9,588,651</b>	<b>12,395,222</b>	<b>9,152,535</b>	<b>12,831,338</b>	-	-	-	-	<b>12831338</b>	<b>9588651</b>
	<b>Grand Total</b>	<b>107713814</b>	<b>22460723</b>	<b>10860118</b>	<b>119314419</b>	<b>33076264</b>	<b>4972476</b>	<b>1707583</b>	<b>36341157</b>	<b>82973262</b>	<b>74637550</b>
	<b>Figures for the previous year</b>	<b>91620979</b>	<b>29680436</b>	<b>13587601</b>	<b>107713814</b>	<b>28851984</b>	<b>4224280</b>	-	<b>33076264</b>	<b>74637550</b>	

# Roopa Industries Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31.03.2012 (in Rs.)	As at 31.03.2011 (in Rs.)
<b>15. NON CURRENT INVESTMENTS (Non Trade)</b>		
<b>Investments in Govt. Securities : Un-quoted)</b>		
National Saving Certificate (Deposited with Sales Tax Department)	2,000	2,000
<b>Investments in Equity Shares :</b>		
<b>Fully paid Quoted :</b>		
Hindustan Construction Company Ltd 2000 (Previous Year : 2000) Equity Shares of Rs.1 each	1,28,000	1,28,000
Sree Rayalaseema Alkalies & Allied Chemicals Ltd 220 (Previous year : 220) Equity Shares of Rs.10 each	2,048	2,048
Sree Rayalaseema Hi-Strenth Hypo Ltd 11812 (Previous Year : 11812) Equity Shares of Rs.10 each	2,14,204	2,14,204
<b>Unquoted :</b>		
Patancheru Enviro-tech Ltd 9065 (Previous year : 9065) Equity Shares of Rs.10/- each.	90,650	90,650
<b>Total</b>	<u>4,36,902</u>	<u>4,36,902</u>
Aggregate Book Value of Unquoted Investment	92,650	92,650
Aggregate Book Value of Quoted Investment	3,44,252	3,44,252
Aggregate Market Value of Quoted Investment	6,90,607	6,32,942
<b>16. LONG TERM LOANS AND ADVANCES</b>		
a. Capital advances and Claims receivable		
i. Secured, considered good	-	-
ii. Unsecured, considered good	1,05,32,232	1,05,32,232
b. Sundry deposits		
i. Secured, considered good	-	-
ii. Unsecured, considered good	21,00,612	16,96,411
<b>Total (a+b)</b>	<u>1,26,32,844</u>	<u>1,22,28,643</u>
<b>17. INVENTORIES</b>		
(As taken, valued and Certified by the Management)		
a. Raw Materials (Including packing materials)	1,00,15,575	1,36,86,873
b. Stores and Spare Parts	7,95,199	10,23,342
c. Work-in-Process	1,06,94,502	91,49,335
d. Finished Goods	24,61,844	80,05,065
<b>Total (a+b+c+d)</b>	<u>2,39,67,120</u>	<u>3,18,64,615</u>
<b>Details of Work-in-progress</b>		
Bulkdrugs and other intermediates	1,06,94,502	91,49,335
<b>Total</b>	<u>1,06,94,502</u>	<u>91,49,335</u>
<b>Details of Finished Goods</b>		
Bulkdrugs and other intermediates	24,61,844	80,05,065
<b>Total</b>	<u>24,61,844</u>	<u>80,05,065</u>

# Roopa Industries Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31.03.2012 (in Rs.)	As at 31.03.2011 (in Rs.)
<b>18. TRADE RECEIVABLES</b>		
a. Trade receivables outstanding for a period less than six months from the date they are due for payment		
i. Secured, considered good	-	-
ii. Unsecured, considered good	6,67,69,329	6,27,32,934
iii. Unsecured considered doubtful	-	-
<b>Total (a)</b>	<b>6,67,69,329</b>	<b>6,27,32,934</b>
b. Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
i. Secured, considered good	-	-
ii. Unsecured, considered good	1,08,638	33,729
iii. Unsecured considered doubtful	-	-
<b>Total (b)</b>	<b>1,08,638</b>	<b>33,729</b>
<b>Total (a + b)</b>	<b>6,68,77,967</b>	<b>6,27,66,663</b>
<b>19. CASH AND BANK BALANCES</b>		
a. Cash and Cash Equivalents		
I. Cash on hand	2,69,857	94,318
II. Balances with banks		
i. In Current Accounts	74,047	52,802
ii. In Fixed Deposits	66,50,277	67,25,098
(Rs.64,36,423/- unutilised balance out of proceeds of issue of Warrants)		
b. Other Bank balances		
Margin Money Deposits	50,18,345	70,70,015
(given against LC's, FLC's, BG's)		
<b>Total (a+b)</b>	<b>1,20,12,526</b>	<b>1,39,42,233</b>
<b>20. SHORT TERM LOANS AND ADVANCES</b>		
a. Deposit with Government and others	81,200	5,000
b. Advance to creditors	44,14,390	50,64,742
c. Advance to employees	3,72,843	2,59,026
<b>Total (a+b+c)</b>	<b>48,68,433</b>	<b>53,28,768</b>
<b>21. OTHER CURRENT ASSETS</b>		
a. Prepaid expenses	2,77,726	17,789
b. Service Tax Credit	2,26,056	2,27,509
c. Central Excise	37,06,303	40,97,653
d. Income Tax Refund receivable	83,104	-
e. Interest accrued on deposits	87,164	63,782
<b>Total (a+b+c+d+e)</b>	<b>43,80,353</b>	<b>44,06,733</b>

# Roopa Industries Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS

	Year ended 31.3.2012 (in Rs.)	Year ended 31.3.2011 (in Rs.)
<b>22. REVENUE FROM OPERATIONS</b>		
<b>a. Sales</b>		
Sale of products	34,57,73,146	33,90,73,180
Other Operating Income	27,95,038	23,57,119
	<u>34,85,68,184</u>	<u>34,14,30,299</u>
Less: Excise Duty	2,21,98,374	2,03,27,495
<b>Total</b>	<u><b>32,63,69,810</b></u>	<u><b>32,11,02,804</b></u>

### 23. OTHER INCOME

a. Interest - Gross (TDS of Rs.1,07,246/-)	8,94,629	5,60,918
b. Dividend	18,518	800
c. Miscellaneous income	2,260	53,097
<b>Total (a+b+c)</b>	<u><b>9,15,407</b></u>	<u><b>6,14,815</b></u>

### 24. COST OF MATERIALS CONSUMED (INCLUDING PACKING MATERIALS)

Stock at the beginning of the year	1,36,86,873	86,18,559
Add : Purchases	21,42,47,152	24,53,44,830
	<u>22,79,34,025</u>	<u>25,39,63,389</u>
Less : Stock at the end of the year	1,00,15,575	1,36,86,873
<b>Total</b>	<u><b>21,79,18,450</b></u>	<u><b>24,02,76,516</b></u>

#### Details of cost of materials consumed

(Rs. in lacs)

a. Sodium Metal	499.82	434.00
b. Phosphorous Trichloride	262.99	256.39
c. Monochloro Benzene	505.39	463.36
d. Cheitin	470.12	746.73
e. Others	440.87	502.29
<b>Total</b>	<u><b>2,179.19</b></u>	<u><b>2,402.77</b></u>

# Roopa Industries Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS

	Year ended 31.03.2012 (in Rs.)	Year ended 31.03.2011 (in Rs.)
<b>25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
a. Inventory at the end of the year		
i. Work-in-progress	1,06,94,502	91,49,335
ii. Finished goods	24,61,844	80,05,065
	<u>1,31,56,346</u>	<u>1,71,54,400</u>
b. Inventory at the beginning of the year		
i. Work-in-progress	91,49,335	32,16,765
ii. Finished goods	80,05,065	1,12,072
	<u>1,71,54,400</u>	<u>43,28,837</u>
<b>(Increase)/Decrease (b-a)</b>	<u>39,98,054</u>	<u>(1,28,25,563)</u>
<b>26. EMPLOYEE BENEFITS EXPENSES</b>		
a. Salaries, Wages and Bonus	1,82,75,155	1,26,71,557
b. Employer's contribution and provision for		
i. Provident fund	6,76,476	4,77,743
ii. Employees State Insurance	5,24,954	5,04,793
iii. Gratuity	89,172	484,306
c. Staff welfare expenses	5,21,619	7,55,442
<b>Total (a+b+c)</b>	<u>2,00,87,376</u>	<u>1,48,93,841</u>
<b>27. FINANCE COSTS</b>		
a. Interest paid to Banks	37,79,393	30,02,526
b. Interest paid to others	1,38,710	60,000
c. Bank Charges	11,85,596	9,27,671
d. Bank processing charges	6,69,273	-
e. Other Finance Charges	20,17,373	17,83,760
f. Foreign Exchange Fluctuations	46,57,753	51,081
<b>Total (a+b+c+d+e+f)</b>	<u>1,24,48,098</u>	<u>58,25,038</u>
<b>28. DEPRECIATION AND AMORTIZATION EXPENSES</b>		
a. Tangible assets (depreciation as per Note.14)	49,72,476	42,24,280
b. Intangible assets (preliminary expenses written off)	-	11,15,300
<b>Total (a+b)</b>	<u>49,72,476</u>	<u>53,39,580</u>



# Roopa Industries Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS

	Year ended 31.03.2012 (in Rs.)	Year ended 31.03.2011 (In Rs.)
<b>29. OTHER EXPENSES</b>		
Consumption of stores and spare parts	66,92,902	76,46,372
Power and fuel	2,60,46,598	2,30,03,630
Repairs to Buildings	16,27,671	18,94,086
Repairs to Machinery	29,00,473	22,14,578
Repairs others	19,250	2,75,448
Processing Charges	53,03,400	49,08,904
Other Factory expenses	39,13,921	70,56,696
Excise duty (see note below)	(4,82,475)	6,43,679
Rent	4,62,520	6,64,790
Repairs to Vehicles	2,36,238	2,38,254
Insurance	7,43,488	10,22,195
Rates and taxes, excluding, taxes on income	1,81,879	1,89,392
Audit Fees (see note below)	40,000	40,000
Communication expenses	2,70,563	2,75,885
Postage, Printing & Stationery	3,33,476	3,79,920
Legal & professional charges	12,91,724	21,95,842
Travelling & conveyance expenses	7,75,323	9,12,200
Office Maintenance	3,21,774	2,99,219
Managerial Remuneration	27,00,000	27,00,000
After sales service expenses	51,44,666	39,80,492
Commission & discount	6,02,500	7,31,125
Bad debts writtenoff	32,292	-
Miscellaneous Expenses	3,83,475	4,80,820
<b>Total</b>	<b>5,95,41,658</b>	<b>6,17,53,527</b>

Note: Excise Duty is difference of the duty liability on opening and closing stock of finished goods.

### Details of payments to auditors

a. As Auditor		
i. Audit fee	30,000	30,000
ii. Tax audit fee	10,000	10,000
<b>Total</b>	<b>40,000</b>	<b>40,000</b>

### 30. Earnings per equity share as calculated in accordance with Accounting Standard (AS 20)

a. Earnings per share (EPS) (Rs.)		
Basic	0.88	0.72
Diluted	0.88	0.65
b. Net profit after tax considered for the calculations of EPS (Rs.)	62,47,406	48,47,586
c. Weighted average number of equity shares used in computing Basic Earnings per Equity share (No's)	71,00,674	67,46,617
d. Weighted average number of equity shares used in computing Diluted Earnings per Equity share (No's)	71,00,674	75,13,505
e. Face value of each equity share (Rs.)	10.00	10.00

# Roopa Industries Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 31. Employee Benefits:

The disclosure for defined benefit plan (Gratuity) as per AS-15 (Revised 2005) are given here under.

Particulars	Un Funded							
	Year ended 31.03.2012 (In Rs.)	Year ended 31.03.2011 (In Rs.)						
<b>a. Charges and reconciliation of obligation for the year ended</b>								
Present Value and Defined benefit obligation at beginning of year.	16,05,293	11,20,987						
Current Service cost	1,20,724	1,48,758						
Interest Cost	96,353	97,776						
Past Service cost	-	-						
Net Actuarial (gain) / loss on obligation	(1,27,905)	2,37,772						
Present Value and Defined benefit obligation at the end of the year.	16,94,465	16,05,293						
<b>b. Charge and reconciliation in Fair value of plan assets for the year ended</b>								
Fair Value of Plan Assets at beginning of period	-	-						
Adjustments/Reconciliations	-	-						
Fair Value of Plan Assets at the end of period	-	-						
<b>c. Amount recognized in Balancesheet for the year ended</b>								
Present Value of Liability	16,94,465	16,05,293						
Fair Value of Plan Assets	-	-						
Net Liability	16,94,465	16,05,293						
<b>d. Expenses recognized in the Statement of Profit and Loss for the year ended</b>								
Current Service Cost	1,20,724	1,48,758						
Interest as defined benefit obligations	96,353	97,776						
Expected Return on Plan Assets	-	-						
Post Service Cost-Recognized	-	-						
Net Actuarial (Gain) / Loss recognized for the period	(1,27,905)	2,37,772						
<b>Total</b>	<b>89,172</b>	<b>4,84,306</b>						
<b>e. Principal actuarial assumptions</b>								
<b>Demographic Assumptions:</b>								
(i) Retirement age of employees of the Company assumed at 58 years								
(ii) Mortality Rates as per Published rates under LIC(1994-96) Mortality table(ultimate)								
(iii) Leaving Service: Rate of leaving service at specimen ages are as shown below:								
<table border="1"> <thead> <tr> <th>Age</th> <th>Rates</th> </tr> </thead> <tbody> <tr> <td>21-44</td> <td>2%</td> </tr> <tr> <td>45-57</td> <td>1%</td> </tr> </tbody> </table>	Age	Rates	21-44	2%	45-57	1%		
Age	Rates							
21-44	2%							
45-57	1%							
<b>Financial Assumptions:</b>								
(i) Discount Rate(p.a.)	8.60%	8.10%						
(ii) Expected Rate of Return(p.a.)	Nil	Nil						
(iii) Salary Escalation Rate(p.a.)	5%	5%						

# Roopa Industries Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS

- 32. Segment Information:** The Company operates in one primary Business Segment as per AS-17. Segment information for the year ended 31st March, 2012 about Secondary Business Segments Revenue by Geographical Market:

(Rs. in Lacs)

Particulars	Year ended	Year ended
	31.03.2012	31.03.2011
In India	2,748.69	2,759.98
Outside India	709.04	630.75
<b>Total</b>	<b>3,457.73</b>	<b>3,390.73</b>

**33. Related Party Disclosures:**

The Company has the following related parties:

Name	Relation
a. Key Management Personnel :	1.T.G.Raghavendra, Chairman & Managing Director 2.VJ.Sarma, Executive Director
b. Relatives to Key Management Personnel	Smt.Jayanthi Raghu T.G (W/o Sri T.G.Raghavendra)
c. Transactions with related parties :	

Particulars	Year ended	Year ended
	31.03.2012 (In Rs.)	31.03.2011 (In Rs.)
a. Remuneration	27,00,000	27,00,000
b. Outstanding payables as on 31st March	2,02,110	1,89,290

**34. C.I.F. value of imports and expenditure in foreign currencies:**

(Rs. in Lacs)

Particulars	Year ended	Year ended
	31.03.2012	31.03.2011
a. C.I.F. value of imports - Raw materials	423.78	420.31
b. Expenditure in foreign currencies	-	0.15

**35. Earnings in foreign exchange**

(Rs. in Lacs)

Particulars	Year ended	Year ended
	31.03.2012	31.03.2011
FOB value of exports	709.04	630.75

**36. a. Imported and indigenous raw material consumption:**

Particulars	Year ended 31.03.2012		Year ended 31.03.2011	
	Rs.	%	Rs.	%
i. Imported	4,22,65,655	19.40	4,06,19,771	16.91
ii. Indigenous	17,56,52,795	80.60	19,96,56,745	83.09
<b>Total</b>	<b>21,79,18,450</b>	<b>100.00</b>	<b>24,02,76,516</b>	<b>100.00</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS****b. Imported and indigenous stores and spares consumption:**

Particulars	Year ended 31.03.2012		Year ended 31.03.2011	
	Rs.	%	Rs.	%
i. Imported	-	-	-	-
ii. Indigenous	<b>66,92,902</b>	<b>100.00</b>	76,46,372	100.00
<b>Total</b>	<b>66,92,902</b>	<b>100.00</b>	76,46,372	100.00

**37. Contingent liabilities:**

The disclosure required by Accounting Standard (AS-29) 'Provisions and Contingent liabilities, prescribed by the Companies (Accounting Standards) Amendment Rules, 2006 are as follows:

- a. Unexpired Letters of Credit : Rs. 236.71Lacs (previous year Rs.177.69 Lacs)
  - b. Unexpired Bank Guarantee : Rs.10 Lacs (previous year Rs.10 Lacs)
38. The Sales Tax liability is being accumulated in view of sanction of deferment by the Government of Andhra Pradesh and the same is shown under Long term Borrowings and also current maturity amount under Short term Borrowings.
39. The Government has acquired land under Land Acquisition Act, and paid a compensation of Rs.5,84,574/-.The Company has accepted the compensation under protest as the negotiation as finalised by Price Negotiation Committee under the Chairmanship of Joint Collector, Anantapur for purchase of same land for Rs.30,02,000/- was unfair and inadequate. Hence the Company has filed a suit in against Government for payment of higher compensation. Pending disposal of the case, the Company accounted compensation as claimed by the Company in the suit and additional compensation of Rs.4,21,176/- is included as claims receivable under Long Term Loans and Advances.
40. **Cash and Cash Equivalents**  
Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of twelve months or less.
41. Confirmation of balances of certain parties for amounts due to them / due from them as per the accounts of the company have not been received. However the value in the books of accounts are final, since it is indicated that balances as per company are deemed to be correct, if confirmation or discrepancy intimation is not received before prescribed period.
42. Previous year figures have been re-classified, re-grouped and re-arranged to make them comparable with the current year's disclosures.
43. Figures shown in the accounts have been rounded off to the nearest rupee.

As per our Report of even date annexed  
for **T.ADINARAYANA & CO.,**  
Chartered Accountants (Regn. No. 000041S)

**for and on behalf of the Board**

**(PULLA RAO. Y)**  
PARTNER  
M.No. 25266  
Place : Hyderabad  
Date : 30.05.2012

**(T.G. RAGHAVENDRA)**  
CHAIRMAN & MANAGING DIRECTOR  
Place : Hyderabad  
Date : 30.05.2012

**(V.J.SARMA)**  
EXECUTIVE DIRECTOR

**ROOPA INDUSTRIES LIMITED**

17/745, ALUR ROAD, ADONI - 518 301, KURNOOL DIST. A.P.

**TWENTY SEVENTH ANNUAL GENERAL MEETING**

**ATTENDANCE SLIP**

DP ID
CLIENT ID

REGD. FOLIO NO.
NO. OF SHARES HELD

Full Name of the Member \_\_\_\_\_

Full Name of the Proxy \_\_\_\_\_

(In Block letters, to be filled in if the proxy attends instead of the Member)

I hereby record my presence at the TWENTY SEVENTH ANNUAL GENERAL MEETING of the Company held at 17/745, Alur Road, Adoni-518 301, Kurnool District, A.P. at 10.00 a.m. on Friday the 28<sup>th</sup> September, 2012.

Member's / Proxy's Signature

~~OUT HERE~~

**ROOPA INDUSTRIES LIMITED**

17/745, ALUR ROAD, ADONI - 518 301, KURNOOL DIST. A.P.

**TWENTY SEVENTH ANNUAL GENERAL MEETING**

**PROXY**

DP ID
CLIENT ID

REGD. FOLIO NO.
NO. OF SHARES HELD

I/We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being a Member / Members of Roopa Industries Limited hereby appoint Shri/Smt. \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our proxy to vote for me/us and on my/our behalf, at the 27<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, the 28<sup>th</sup> September, 2012 at 10.00 A.M.

Affix 15  
paise  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012

Signature : \_\_\_\_\_

Note :

1. A member entitled to attend & vote is entitled to appoint a proxy to attend & vote instead of himself.
2. A Proxy need not be a Member of the Company.
3. The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company at 17/745, Alur Road, Adoni-518 301, Kurnool District, A.P not less than 48 hours before the time for holding the meeting.

PRINTED MATTER  
BOOK - POST

*If undelivered please return to :*

**ROOPA INDUSTRIES LIMITED**

A3/A4, Phase - IV, IDA,

Patancheru - 502 319.

Medak Dist. A.P.