

Annual Report
2012 - 13

ANKA INDIA LIMITED

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BOARD OF DIRECTORS

HARPREET SINGH SETHI (CHAIRMAN)

Arshdeep Singh Sethi
Paramjeet Kaur Sethi Kamal
Singh Mehra Jai Prakash
Singh

AUDITORS

H. KUMAR & CO, DELHI

Statutory Auditors

BANKERS

CORPORATION BANK

REGISTERED OFFICE

Village & P.O. Kherki Daula,
Distt. Gurgaon, Haryana - 122001

SHARE DEPARTMENT

4A/35, Basement, Old Rajinder Nagar, New Delhi-
110060
Phone No 47525580
Email: response@ankaindia.com

WORKS

Village & P.O. Kherki Daula, Distt. Gurgaon, Haryana-122001

NOTICE

Notice is hereby given that the 19th Annual General Meeting of the members of Anka India Limited will be held on Monday, the 30th day of September, 2013 at 9.30 A.M. at the Registered Office of the Company at Village & P.O. Kherki Daula Distt. Gurgaon Haryana-122001 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2013 and the Statement of Profit & Loss for the year ended on that date together with the Reports of Auditors and Directors thereon.
2. To appoint a Director in place of Mr, Harpreet Singh Sethi who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr, Arshdeep Singh Sethi who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors. M/s H. Kumar & Associates, Chartered Accountant, New Delhi retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

SPECIAL BUSINESS

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

Appointment of Mr. Kamal Singh Mehra as Additional Director

"RESOLVED THAT Mr. Kamal Singh Mehra , who was appointed as an Additional Director of the company under Section 260 of the Companies Act, 1956 read with Article No.81 of the Articles of Association of the company and who holds office till commencement of this Annual General Meeting and in respect of whom the company has received a notice from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

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

Appointment of Mr. JAI Prakash Singh as Additional Director

"RESOLVED THAT Mr. Jai Prakash Singh , who was appointed as an Additional Director of the company under Section 260 of the Companies Act, 1956 read with Article No. 81 of the Articles of Association of the company and who holds office till commencement of this Annual General Meeting and in respect of whom the company has received a notice from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

7. **To Consider and if thought fit to pass with or without modification the following resolution as a Special Resolution:**

Appointment and Remuneration payable to MR. H. S. SETHI (WHOLE TIME DIRECTOR)

RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals/consents as may be required, the approval and consent of the Company be and is hereby accorded to the appointment of Mr. H. S. Sethi as Whole Time Director, for a period of three years with effect from 01.10.2013 on the remuneration and other allowances as mentioned below:

Salary: Salary is Rs. 50,000/- per month plus Conveyance of Rs. 15,000/- per month with effect from 1st October, 2013, subject to such annual increments as may be decided by Board from time to time over a period of three years, during the existence of this period of contract."

"RESOLVED FURTHER THAT the remuneration aforesaid including other allowances shall be allowed and paid to Mr. H.S Sethi, Whole Time Director, as minimum remuneration during the currency of his tenure, in the event of loss or inadequacy of profits in any financial year for a period not exceeding three years."

**8. Appointment and remuneration payable to MR. A.S.Sethi, Joint Managing Director**

To Consider and if thought fit to pass with or without modification the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals/consents as may be required, the approval and consent of the Company be and is hereby accorded to the appointment of MR. A.S. Sethi, Joint Managing Director, for a period of three years with effect from 01.10.2013 on the remuneration and other allowances as mentioned below:

By Order of the Board

Sd/-

Harpreet Singh Sethi
(Chairman & Whole Time Director)

Place : Gurgaon
Dated : 27.08.2013

Regd. Office:

Village & P.O. Kherki Daula,
Distt. Gurgaon, Haryana-122001

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS HIS PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED AND IF INTENDED TO BE USED, IT SHOULD BE RETURNED, DULY COMPLETED, TO THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 28.09.2013 to 01.10.2013 (both days inclusive).
3. The Members holding shares in physical form are requested to notify change in address, if any, to the Company's Registrar & Share Transfer Agent (RTA), Alankit Assignments Ltd 1E, Jhandewalan Ext, New Delhi, quoting correct Folio Number (s) and in case of shares held in dematerialized form to the concerned Depository Participant.
4. The Company has paid the Annual Listing fees for the year 2013-2014 to the BSE Limited at which the Company's Securities are presently listed.
5. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrars and Transfer Agents, Alankit Assignments Ltd.
7. Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, Annexed and forming part of the Notice, Convening the Sixteenth Annual General Meeting.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT
AT THE FORTHCOMING ANNUAL GENERAL MEETING
In Pursuant to Clause 49 of the Listing Agreement)**

Name of the Director	MR. H. S. Sethi	Mr. A. S. Sethi
Date of Birth	15.06.1965	04.01.1971
Date of Appointment	13.09.1996	13.09.1996
Experience in specific functional area	Mr. Sethi is the founder promoter of the Company and is having a experience of more than 25 years.	Mr Sethi is the founder promoter of the Company and had set up the business of the company himself and have more than 20years of experience.
Qualification	B. A.	B. A.
Directorship in other Public Limited Companies	NIL	NIL
Members/Chairman of Committee of the Board of the Public Limited Companies on which he is Director	Audit Committee (Anka India Ltd) Shareholders'/Investors' Grievances Committee (Anka India Ltd)	Audit Committee Anka India Limited (Member) Shareholders'/Investors' Grievances Committee Anka India Limited (Member)

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT
AT THE FORTHCOMING ANNUAL GENERAL MEETING
In Pursuant to Clause 49 of the Listing Agreement)**

Name of the Director	MR. J.P. Singh	Mr. Kamal Singh Mehra
Date of Birth	16.04.1972	01.10.1971
Date of Appointment	28.12.2012	28.12.2012
Experience in specific functional area	Mr. Singh has vast and varied experience and has held several important positions during his illustrious carrier in Personnel & Administration.	Mr Mehra has a vast experience in Personnel & Administration
Qualification	B. A.	B. A.
Directorship in other Public Limited Companies	NIL	NIL
Members/Chairman of Committee of the Board of the Public Limited Companies on which he is Director	Chairman Audit Committee (Anka India Ltd) Chairman of Shareholders'/Investors' Grievances Committee (Anka India Ltd)	Audit Committee Anka India Limited (Member) Shareholders'/Investors' Grievances Committee Anka India Limited (Member)

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

ITEM NO 4

On 28th December, 2012 the Board of Directors of the Appointed Mr. Kamal Singh Mehra as Additional Director of the Company under Section 260 of the Companies Act 1956 to hold office until the next Annual General Meeting of the Company.

The Company received a notice in writing from a member proposing the candidature of Mr. Mehra as Director of the Company liable to retire by rotation in terms of Section 257 of the Companies Act, 1956. Brief profile Mr. Kamal Singh Mehra is enclosed at the end of this notice.

None of the Directors except Mr. Kamal Singh Mehra, are interested in this resolution .

ITEM NO 5

On 28th December, 2012 the Board of Directors of the Appointed Mr. J. P. Singh as Additional Director of the Company under Section 260 of the Companies Act 1956 to hold office until the next Annual General Meeting of the Company.

The Company received a notice in writing from a member proposing the candidature of Mr. J. P. Singh as Director of the Company liable to retire by rotation in terms of Section 257 of the Companies Act, 1956. Brief profile Mr. J. P. Singh is enclosed at the end of this notice.

None of the Directors except Mr. J.P. Singh , are interested in this resolution.

ITEM NO 6

At a meeting of the remuneration committee held on 2nd September, 2013 the committee recommended that Mr. Harpreet Singh Sethi the founder promoter & Whole Time Director of the Company has not drawn any remuneration from the Company since 2009-2010 and it is now necessary to compensate him by paying Rs. 50,000 per Month plus Rs 15,000 Conveyance Allowance. While considering the remuneration of Mr. Harpreet Singh Sethi, the Committee considered his initiatives to restructure and re-engineered the operations of the company to compete in the profoundly competitive market. The Committee also noted that Mr. H. S. SETHI is a veteran with more than 25 years of experience and is running the company since its inception committee also took into consideration the future challenges he is likely to face and his abilities, background ,experience, past performance, past remuneration and the trend in the polymer industry as a whole. The Committee tried its level best to bring objectivity in determining the revised remuneration package of Mr. Harpreet Singh Sethi and at the same time strike a balance between the Company, the shareholders and immediate need to bring in financial operating discipline in the Company at all levels.

The Committee recommended the following remuneration package for Mr. Harpreet Singh Sethi.

Emoluments for : W.E.F 01.10.2013

Subject to the overall limits as prescribed in the Schedule XIIIth of the Companies Act ,1956.

1. Fixed Salary

A Rs. 50,000 P. M. with a provision for increase in salary of not more than 20% per annum over the previous year. (The Remuneration Committee may review and determine from time to time and recommend to the Board necessary changes in salary during the tenure of appointment. Plus Conveyance Allowance of Rs. 15,000 per Month.

Mr. Harpreet Singh Sethi may be deemed to be concerned or interested in this resolution. No other Director is interested in this resolution.

The Board recommends passing of this resolution.

The above should also be considered as an abstract of the terms of appointment of Mr. Harpreet Singh Sethi and a Memorandum as to the nature of concern or interest of the Director in the said appointment, as required under Section 302 of the Companies Act 1956.

ITEM NO 7

At a meeting of the remuneration committee held on 31st July, 2013 the committee recommended that Mr. Arshdeep Singh Sethi the founder promoter & Joint Managing Director of the Company has not drawn any remuneration from the Company since 2009-2010 and it is now necessary to compensate him by paying Rs. 50,000 per Month plus Rs 15,000 Conveyance Allowance. While considering the remuneration of Mr. Arshdeep Singh Sethi , the Committee considered his initiatives to restructure and re-engineered the operations of the company to compete in the profoundly competitive market. The Committee also noted that Mr. A. S. Sethi is a veteran with more than 20 years of experience and is running the company since its inception committee also took into consideration the future challenges he is likely to face and his abilities, background, experience, past performance, past remuneration and the trend in the polymer industry as a whole. The Committee tried its level best to bring objectivity in determining the revised remuneration package of Mr. Arshdeep Singh Sethi and at the same time strike a balance between the Company, the shareholders and immediate need to bring in financial operating discipline in the Company at all levels.

The Committee recommended the following remuneration package for Mr. Arshdeep Singh Sethi.

Emoluments for : W.E.F 01.10.2013

Subject to the overall limits as prescribed in the Schedule XIIIth of the Companies Act,1956.

1. Fixed Salary

A Rs. 50,000 P. M. with a provision for increase in salary of not more than 20% per annum over the previous year. The Remuneration Committee may review and determine from time to time and recommend to the Board necessary changes in salary during the tenure of appointment. Plus Conveyance Allowance of Rs. 15,000 per Month.

Mr. Arshdeep Singh Sethi may be deemed to be concerned or interested in this resolution. No other Director is interested in this resolution.

The Board recommends passing of this resolution.

The above should also be considered as an abstract of the terms of appointment of Mr. Arshdeep Singh Sethi and a Memorandum as to the nature of concern or interest of the Director in the said appointment, as required under Section 302 of the Companies Act 1956.

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 19th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2013

FINANCIAL RESULTS

The financial results for the year ended 31st March, 2013 and for the previous year ended 31st March, 2012 are as follows:

	Year Ended 31.03.2013	Year Ended 31.03.2012
Income from Operation	NIL	NIL
Other Income	34,504,757	2,798,481
Profit before Finance Cost, Depreciation and Taxes	22,233,812	604,446
Finance Cost	12,439	168,887
Depreciation	20,60,447	22,97,828
Profit before Tax	1,25,96,404	(18,82,267)
Provision for Taxation	25,20,250	NIL
Deferred Tax (Assets)/Liability	NIL	NIL
Extraordinary Items	(75,64,521)	NIL
Profit for the Year	1,00,76,144	(18,62,287)
Earning per Share	4.81	(0.89)

During the year under review no manufacturing activity was done further efforts are being made to restart the operations of the Company. Your Company ended the year with a net profit of Rs. 1 Crore compared to Loss of Rs. 18.62 lacs for the previous year ended 31st March, 2012. The profit came from the sale of the land of the Company situated at Gurgaon, Haryana.

The operational aspects of the Company's working have been covered in detail in the Management Discussion and Analysis Report and the same is deemed to be part of this Directors' Report.

Dividend

Your Directors does not see any possibility of declaration of dividend for the year under review.

Directors

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr H. S. Sethi & MR. A. S. Sethi Directors of the Company retire by rotation and being eligible offers themselves for re-appointment.

Brief resume of the Directors seeking re-appointment, nature of their expertise in specific functional areas and the name of the Public Companies in which they hold Directorship and Chairman/Membership of the Committees of the Board, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, are given as Annexure to the Notice convening the Annual General Meeting.

None of the Directors of the Company is disqualified as per provisions of Section 274 (1) (g) of the Companies Act, 1956. The Directors have made necessary disclosures as required under various provisions of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

Fixed Deposits

During the year under review, your Company did not accept any Fixed Deposits from the Public.

Auditors

The Auditors of the Company, H. KUMAR & Associates, Chartered Accountants, New Delhi retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limit under Section 224 (1B) of the Companies Act, 1956.

The observations of the Auditors have been duly explained in this report.

Corporate Governance

The Securities and Exchange Board of India (SEBI) stipulates Corporate Governance standards for listed companies through Clause 49 of the Listing Agreement of the Stock Exchanges. Accordingly, a separate report on Corporate Governance along with the Auditors' Certificate on its compliance by the Company is included as a part of the Annual Report.

Directors' Responsibility Statement

On the basis of compliance certificates received from the Internal Auditors and Executives of the Company, subject to the disclosures in the Annual Accounts and also on the basis of the discussion with the Statutory Auditors of the Company from time to time, we state as under:

1. That in the preparation of the Annual Account for the financial year ended 31st March, 2013, the applicable accounting standards have been followed and there has been no material departure.
2. That the Directors have selected such Accounting Policies and applied them consistently and made judgment 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 year and of the profits of the Company for the year under review.
3. 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.
4. That the Directors have prepared the Annual Accounts on a going concern basis.

The Company's Internal Auditors have conducted periodic audit to provide reasonable assurance that the Company's established policies and procedures have been followed. The Audit Committee constituted by the Board reviews the internal control and financial reporting issues with the Internal Auditors.

Replies of the Auditors OBSERVATIONS

1. **Reply to point no 4f (1)**

The obtains the confirmation from the debtors & creditors in ordinary course of time and no variations are found.

2. **Reply to point no 4 f (iii) Efforts are being made to obtain the certificate from the qualified Actuarial.**

There has been no employee during the year whose particulars are required to be given under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975.

Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo

Information under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of the particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure 'A' forming part of this Report.

Personnel

Relations with the Employees remained cordial and harmonious throughout the year, thereby strengthening the commitment of the Employees at all level to the growth of the Company.

Acknowledgement

The Directors acknowledge with gratitude the co-operation extended by various agencies of the Central Government, Banks and all Business Associates during the year under review. The Board also takes this opportunity to express its deep gratitude for the continuous support received from the Shareholders and wholehearted cooperation given by the employees of the Company working at various levels.

By Order of the Board

Place : Gurgaon
Dated : 27.08.2013

Sd/-
Harpreet Singh Sethi
(Chairman & Whole Time Director)

ANNEXURE 'A' TO DIRECTORS REPORT

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange earnings & Outgo pursuant to Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988, forming part of Directors Report.

A) Energy Conservation Measures Taken

Since no manufacturing activity was conducted during the year under review, there is nothing to disclose under this head.

B) Additional investments and proposals being implemented for reduction of energy consumption**C) Impact of the above measures TECHNOLOGY ABSORPTION Research & Development (R&D)**

Since no manufacturing activity was conducted during the year under review, there is nothing to disclose under this head.

FOREIGN EXCHANGE EARNING AND OUTGO

- a. Activities related to Exports: During the year under review no exports were made by the company.
- b. The expenditure incurred in Foreign Exchange (including value of imports) during the year amounted to Rs. nil.

By Order of the Board

Place : Gurgaon
Dated : 27.08.2013

Sd/-
Harpreet Singh Sethi
(Chairman & Whole Time Director)

MANAGEMENT DISCUSSION AND ANALYSIS**Forward Looking Statements**

The forward looking statements of the Company reflect the current expectations regarding future results of operation. Forward-looking statements reflect a number of known and unknown risks, uncertainties and other factors that could impact industry's results, levels of activity, performance or achievements could be materially different from projected future results, levels of activity, performance or achievements expressed or implied.

Industry Structure and Developments

The liberalization of the Indian economy and world trade as well as rising consumer prosperity has thrown up new opportunities for diversification in the food processing sector. Indian food processing industry is widely recognized as a 'sunrise industry' having huge potential for uplifting agricultural economy, creation of large scale processed food manufacturing and food chain facilities, and the resultant generation of employment and export earnings.

Indian Footwear Industry, one of the largest industry in India. It has high potential to grow exponentially. Therefore, it offers tremendous opportunities for all stakeholders in the area of production, processing, marketing and supply chain, infrastructure development, technology up-gradation and education.

Demand for high end footwear is increasing constantly because of urbanization, changing life-style and habits of the people. Accordingly, the Indian consumers are being offered newer high quality footwear products made by using the latest state-of-the-art technology.

Today, Multinational Companies are betting on India as a major sourcing hub to feed the world. Large investors and Corporations, both Indian and International, are considering India as an emerging market with twin opportunities, to cater to the growing Indian middle-class and to export of the processed food.

Business Overview

India has been in the export market relating to footwear items for almost 50 years. The popular items of export are leather goods and P.U. Products.

The Indian footwear industry is one of the largest in the world in terms of production, consumption, export and growth prospects.

Future Outlook

Indian food processing industry is poised for explosive growth driven by changing demographics, growing population and rapid urbanization. These factors will increase the demand for value added products and thus improve the prospects of food processing industry in India.

The Government of India is already in the midst of a vision, strategy and action plan for the food processing sector. This strategy addresses issues of taxation, organized retail, infrastructure development, marketing interventions and regulations, strengthening of institutions and issues of food safety and regulations.

The fruits and vegetables segment is still localized in its operations, and largely unbranded. However, several companies have already made foray into this segment, and are backward integrating their operations. The products that would see remarkable growth include pickles, fruit pulps, canned and frozen fruits and vegetables.

The food processing industry in India has taken off substantially well and will continue to grow rapidly considering the untapped potential in the sector. The growth in this segment not only indicates the changing development patterns of the country, similar to the developed nations, but also the promise it holds in driving growth of a certain section of society that has remained marginalized for a long time. More than just demand and supply dynamics, stakeholders in the food processing sector of India have a social responsibility to fulfil.

India has tremendous potential for Footwear production. There is increasing demand for quality products at competitive rates both in domestic and export markets. Though growth of mushroom will depend on increasing and widening domestic market in coming years, export market will be equally attractive. To be successful in both domestic and export market, your company is producing quality fresh mushrooms and processed products at competitive rates. The company is exploring new markets including domestic market. Further negotiations are in progress with new customers in Europe/US which will improve the company's sales volume in the coming years.

The company is continuously looking for new innovative ways to increase its sales and market share and for the same purpose, it is adding new products in markets. It is achieving this by innovating more professional promotional campaigns. New techniques and methods are introduced to increase the quality of products. The response from new markets is encouraging.

Risks & Concerns

Every business faces risks involved in its operations, which could be internal and external. The external factors affecting any company's business are market competition, availability of cheaper substitute products, Government policies regarding power tariffs and on-going political and economic changes in the importing country. The Company may not have much control over such factors; however it is important to address these risks & concerns to mitigate their overall impact on the business. Realistic risk assessment and Management approach along with the regular monitoring mechanism in the Company ensures that these risks are duly addressed and well managed. High focus on safety of plant, its premises and people continuity and proactive Management of related business environment are essential for the risk management in the overall supply chain and business in general.

Internal Control System & Their Adequacy

The Company has adequate system of internal controls to ensure that all activities are monitored and controlled as well as transactions are authorized, recorded and reported correctly. The Company has effective budgetary control system and the actual performance is reviewed with reference to the budget periodically by the management. The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines, which are



supplemented by internal audit regularly.

The Audit Committee of the Board meets on quarterly basis and reviews the internal control systems as well as financial statements.

Human Resources/Industrial Relations

The company lays due emphasis on sound Human Resource Management practices and appraisal systems with focus on cordial employer-employee relations to ensure higher level of productivity and operational efficiency. Adequate efforts have been made to strengthen and develop its human resources as a key strength through continuous training inputs and focused development plan. As on 31st March 2013, the total number of permanent employee in the Company were 510.

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

In compliance with Clause 49 of the Listing Agreement with the Stock Exchanges the Company submits the Report on the matters mentioned in the said clause and practice followed by the Company.

1. Company's Philosophy on Code of Governance

The Company's philosophy on Corporate Governance is to ensure the best possible management team with considerable professional experienced people. The Company firmly believes that sound practices adopted in the governance of its affairs based on openness, transparency, capability and accountability is sine-que-non for long term success, building the confidence of its stakeholders, its functioning and conduct of business.

2. Board of Directors

(a) Composition of the Board (As on March 31, 2013)

The Board of Directors of the Company comprises of five Directors. Apart From the Chairman & the Joint Managing Directors of the Company all others are Non-executive Directors with two Directors being independent Directors. None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all the Companies in which they are Directors. All the Directors have made disclosures regarding their directorship and memberships on various Committees across all Companies in which they are Directors and/or Members.

The composition and category of Directors as on 31.03.2013 is as follows:

Name of Director	Designation	Category
Mr. Harpreet Singh Sethi	Chairman	Executive
Mr. Arshdeep Singh Sethi	Joint Managing Director	Executive
Mrs. P. K. Sethi	Director	Non-executive
Mr. Kamal Singh Mehra	Director	Independent, Non-executive
Mr. J. P. Singh	Director	Independent, Non-executive

None of the Director of the Company has any pecuniary relationship with the Company.

Mr. Harpreet Singh Sethi & Mr. A. S. Sethi are real Brothers and Mrs P. K. Sethi is the mother of both in term of definition of 'relative' given under Companies Act, 1956

As mandated by the Clause No. 49, all the Independent Directors on the Company's Board are Non-Executive and:

- Do not have any material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management and Associates, which may affect independence of the Directors.
- Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.
- Have not been an executive of the Company in the immediately preceding three financial years of the Company.
- Are not partner or executive or were not partner or executive of the Statutory Audit Firm or the Internal Audit Firm and Legal Firms, Consulting Firms, which have material association with the Company.
- Are not material suppliers, service providers or customers or lessors or lessees of the Company, which may affect independence of the Directors.
- Are not substantial shareholders of the Company i.e. do not own two percent or more of the block of voting shares.
- Have furnished declaration at the time of their appointment and also annually and satisfy the conditions of their being independent as laid down under Clause No. 49 of the Listing Agreement. All such declarations are placed before the Board.

Thus the requirements prescribed by clause 49 are fully complied with. Information supplied to the Board

The Board has complete access to all information with the Company, inter-alia, the information as required under the Clause 49 of the Listing Agreement is regularly provided to the Board as a part of the agenda.

Compliance reports of all applicable laws to the Company.

The periodical reports submitted by the Internal Auditors and by the concerned executives of the Company with regard to compliance of all laws applicable to the Company including steps taken by the Company to rectify instances of non-compliances, if any, are being reviewed by the Board.

(b) Board Meetings and attendance record of each Director

Eleven Board Meetings were held during the financial year 2012-2013. The dates on which the meetings were held are, 30th April 2012, 7th August, 2012, 03rd September 2012, 5th October, 2012, 9th October, 2012 15th November, 2012, 27th November 2012, 28th December, 2012, 31st January 2013, 26th February, 2013 and 25th March 2013. The gap between two meetings was not more than four months.

Attendance of each Director at the Board Meetings, last Annual General Meeting and number of other Directorship and Chairmanship/Membership of Committees of each Director in various Companies is as follows:

Name of the Directors	Attendance Particulars	No. of other Directorship and Committee Member/ Chairmanship		
		Last AGM	Other Directorships (in Public Co.) #	No. of Membership(s)/ Chairmanship of Board Committee in other companies @
Mr. H. S. SETHI	11	Yes	Nil	Nil
Mr. A. S. SETHI	11	Yes	Nil	Nil
Mrs. P. K. SETHI	11	No	Nil	Nil
Mr. K. S. MEHRA	2	No	Nil	Nil
Mr. J. P. SINGH	2	No	Nil	Nil

@ In accordance with Clause 49 of the Listing agreement, Membership / Chairmanship of only the Audit Committee and Shareholders'/ Investors' Grievance Committee in all public companies (excluding Anka India Limited) have been considered.

3. Audit Committee

Presently, the Audit Committee comprises of Three Member Directors viz. Mr. J.P.Singh, Mr. K.S. Mehra, Mrs. P. K. Sethi. Mr. J.P. Singh is the Chairman of the Audit Committee All the members of the Audit Committee are Non-executive Directors out of which two are independent. All the members of the Audit Committee have accounting and financial management expertise.

The terms of reference and role of the Audit Committee as revised and stipulated by the Board of Directors from time to time are in conformity with and in line with the statutory and regulatory requirements as prescribed under Section 292 A of the Companies Act, 1956 and Clause 49 of the Listing Agreement, which include the following:

1. Overseeing of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause No. (2AA) of Section 217 of the Companies Act, 1956.
 - b. Changes, if any, in Accounting Policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by Management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing with the Management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control systems.
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. Discussion with Internal Auditors any significant findings and follow up thereon.
10. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in

case of non payment of declared dividends) and creditors.

13. To review the functioning of the Whistle Blower Mechanism, in case the same is existing.
14. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
15. To review the following information.
 - The Management Discussion and Analysis of financial condition and results of operation;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management.
 - Management letters/letters of internal control weaknesses issued by the Statutory Auditors.
 - Internal Audit Reports relating to internal control weaknesses and
 - The appointment, removal and terms of remuneration of Internal Auditors.
16. Approval of appointment of CFO after assessing the qualifications, experience and background etc. of the candidate.

Power of the Audit Committee

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Details of Meetings and Attendance :-

During the year, the Audit Committee had met five times on 30.04.2012, 07.08.2012, 03.09.2012, 15.11.2012 & 31.01.2013. The attendance of each Committee members is as under:

Name of Members	No. of Meeting held	Meeting attended
Mr. J. P. SINGH	5	1
Mr. K. S. MEHRA	5	1
Mrs. P. K. SETHI	5	5

4. Remuneration Committee

The Remuneration Committee constituted by the Board of Directors presently consists of Three members. All the members of the Remuneration Committee are Non-Executive Directors out of which two are Independent. Mr. K. S. Mehra is the Chairman and Mr. J. P. Singh, Mr. H.S..Sethi are the other Members.

The Remuneration Committee has been constituted to recommend/review the remuneration package of the Manager based on performance and defined criteria.

Further, the remuneration policy of the Company is to bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.

During the year under review no Remuneration was paid to any of the Directors of the Company.

5. Shareholders'/Investors' Grievance Committee

The Board of Directors of the Company has constituted a Shareholders'/Investors' Grievance Committee comprising of Mr. J. P. Singh (Chairman), Mr. K. S. Mehra and Mrs. P. K. Sethi. The Committee, inter-alia, approves issue of duplicate certificates and oversees & reviews all matters connected with the securities transfers. The Committee also looks into redressal of Shareholders'/Investors' Grievances. The Committee oversees the performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of investor services.

In order to expedite the process of share transfers, the Board of Directors have nominated a Committee of two officers, who normally attend to the transfer and other related matters within a period of 10 – 12 days. The Committee of Officers operates subject to overall supervisions and directions of Shareholders'/Investors' Grievance Committee of Directors.

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (duly amended), the Board has approved the "Code of Conduct for Prevention of Insider Trading" and authorized the Committee to implement and monitor the various requirements as set out in the Code.

The total numbers of complaints received and resolved during the year under review were 3, outstanding complaints as on 31.03.2013 were nil. There was no valid share transfer pending for registration for more than 30 days as on the said date.

6 Subsidiary Companies

The Company does not have any Subsidiary Company.

7. Board Procedure

Board meetings of the Company are convened by the Joint Managing Director on the direction of the Chairman. Sufficient notice in writing is given to all Directors for the Board Meeting (s) and/or other Committee Meeting (s). All-important matters concerning the working of the Company along with requisite details are placed before the Board.

8. Compliance Certificate

Compliance Certificates for Corporate Governance from Auditors of the Company is annexed herewith.

9. General Body Meetings

(a) The details of Annual General Meetings held in the last 3 years are as under:

AGM	Day, Date & time	Venue	Special Resolution Passed
18th	Saturday, 29.09.2012, 9.30 A.M	Village & P.O. Kherki Daula Distt. Gurgaon Haryana-122	NIL
17th	Saturday, 30.09.2011, 9.30 A.M	Do	NIL
16th	Monday, 27.12.2010, 9.30 A.M	Do	NIL

(b) Whether Special Resolutions were put through Postal Ballot last year Yes

(c) Are Special Resolutions proposed to be put through Postal Ballot this year?

At present, no Special Resolution is proposed to be passed through Postal Ballot. However, the Company will consider as and when it is required.

10. Disclosures

a. Related Party Transactions

Related party transactions in terms of Accounting Standard -18 are set out in the notes to accounts. These transactions are not likely to have a conflict with the interest of the Company. The details of all significant transactions with related parties are periodically placed before the Audit Committee and the Board. All the related party transactions are negotiated on arms' length basis and are intended to further the interest of the Company.

b. Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards as notified by the Companies Accounting Standards (Rules) 2006 to the extent applicable.

c. Disclosures of Risk Management

The Company has laid down procedures to inform the members of the Board about the risk assessment and minimization procedures. A Risk Management Committee consisting of Senior Executives of the Company periodically reviews these procedures to ensure that executive management controls risk through properly defined framework. The Company has framed the risk assessment and minimization procedure, which is periodically reviewed by the Audit Committee and the Board.

d. Proceeds from the Public issue, Right issue, Preferential Issue FCCB issue etc.

During the year the Company has not raised any funds from Public issue, Right issue, Preferential Issue and FCCB issue.

e. Particulars of Directors to be appointed/re-appointed

Information pertaining to particulars of Directors to be appointed and reappointed at the forth coming Annual General Meeting is being included in the Notice convening the Annual General Meeting.

f. Management Discussion and Analysis

A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under Clause 49 (IV) (F) of the Listing Agreement.

g. Penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority

No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to Capital Markets during the last three years.

h. Code of Conduct

The Company has adopted the Code of Conduct and Ethics for Directors and Senior Management and this is strictly adhered to. The code has been circulated to all the Members of the Board and Senior Management and the same has been put on the Company's website www.ankaIndia.com. The Board Members and Senior Management have affirmed their compliance with the code and a declaration signed by the CEO is annexed to this report.

i. Review of Directors' Responsibility Statement

The Board in its Report to the Members of the Company have confirmed that the Annual Accounts for the year ended March 31, 2013 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

11. CEO/CFO Certifications

Mr. H.S. Sethi, who is carrying on the responsibility of CEO have given CEO/CFO certificate as per format prescribed under Clause No. 49(V) of the Listing Agreement to the Board at its meeting held on 27th August, 2013.

12. Non-Mandatory Requirements under Clause 49 of the Listing Agreement

The status of compliance with the non-mandatory requirements of Clause 49 of the Listing Agreement is provided below:

(i) The Board

The Chairman of the Company is the Non Executive Chairman. and no expenses are incurred by the Company for the maintenance of the Chairman's office.

All the Directors including Independent Directors are appointed/ re-appointed by the Board from time to time. No maximum tenure for the Independent Directors has been specifically determined by the Board.

(ii) Remuneration Committee

The Company has set up a Remuneration Committee. The composition, terms of reference and other details of the same are provided in this report under the section "Remuneration Committee".

(iii) Shareholders Rights

The quarterly, half-yearly and annual financial results of the Company are published in the newspapers. The complete Annual Report is sent to each and every Shareholder of the Company.

(iv) Audit Qualifications

There are no Audit Qualifications in the Company's financial statements for the year under reference.

(v) Training of Board Members

There is no formal training programme for the Board Members. However, the Board Members keep themselves updated on the business model, company profile, entry into new products and markets, global business environment, business strategy and risk involved.

(vi) Mechanism for evaluation of Non-executive Directors

The role of the Board of Directors is to provide direction and exercise control to ensure that the Company is managed in a manner that fulfils stakeholders' aspirations and societal expectations. The Board has so far evaluated Non-Executive Directors collectively to reinforce the principle of collective responsibility.

(vii) Whistle Blower Policy

The Company does not have Whistle Blower Policy for the time being.

13. Means of Communication

The quarterly un-audited financial results duly approved by the Board of Directors are sent to the Stock Exchange where the Company's shares are listed immediately after the Board Meeting. The same are also published in 'English' and 'Hindi' newspapers in terms of the Listing Agreement within the stipulated period and in the format as prescribed by the Stock Exchanges and the Company posts its financial results for all quarters on its own website i.e.

14. SEBI Complaints Redress System (SCORES)

The Company processes the investors' complaints received by it through a computerized complaints redress system. The salient features of this system are computerized database of all the inward receipts and action taken on them, online submission of Action Taken Reports (ATRs) along with supporting documents electronically in SCORES. The investors' can view online the current status of their complaints submitted through SEBI Complaints Redress System (SCORES).

15. General Shareholders Information

(a) Annual General Meeting to be held

Date : 30th September, 2013

Day : Monday

Time : 9.30 A.M.

Venue : Village & P.O. Kherki Daula, Distt Gurgaon, Haryana-122001

(b) Financial Calendar

- Results for quarter ending 30.06.2013 : Second week of August, 2013
- Results for quarter ending 30.09.2013 : Second week of November, 2013
- Results for quarter ending 31.12.2013 : Second week of February, 2014
- Results for quarter ending 31.03.2014 : Last week of May, 2014

(c) Book Closure Date

28.09.2013 to 01.10.2013 (both days inclusive)

(d) Dividend

Dividend for the financial year 2012-2013, if declared will be paid/credited to the account of the shareholders on or after 30th September, 2013.

(e) Listing of Equity Shares on Stock Exchanges

The equity shares are listed with the BSE Limited

Note : Annual Listing fee for the year 2013-2014 have been duly paid to BSE Limited.

(f) Stock Code - Trading symbol BSE Limited : ANKAIN-CODE - 531673 (Equity shares)

(g) Demat ISIN Number : INE 067C01025 in NSDL & CDSL

(h) Stock Market Price for the year 2012-2013:- During the Period under review the shares of the company were not traded on the stock exchange

(i) Performance in comparison to broad base in indices such as BSE Sensex, Crisil Index etc.

The shares of the Company are not considered by the Stock Exchanges in their index fluctuations.

(j) Address for correspondence for Shares transfer and related matters:

For shares held in physical form:

The Company's Registrar & Share Transfer Agent (RTA),

address at: Alankit Assignments Ltd

(Unit : Anka India Ltd.)

205-208, Anarkali Complex, Jhandewalan Extension, New Delhi-110055

Tel. No. 011-42541234/23541234 Fax No. 011 - 23552001

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

For shares held in Demat form:

To the Depository Participants (DP)

(k) Share Transfer System

Presently the shares, which are received in physical form, are transferred within a period of 10-12 days from the date of receipt, subject to the documents being valid and complete in all respects.

(l) Distribution of Share holding as on 31.03.2013

Shares holding of nominal value of	Share holders			Share Amount	
			Physical		CDSL Demat
Rs.	Rs.	Number	%Total		(In Rs)
Upto	2,500	813	86.032		
2,501	5,000	69	7.302		
5,001	10,000	29	3.069		
10,001	20,000	22	2.328		
20,001	30,000	1	0.106		
30,001	40,000	2	0.212		
40,001	50,000	0	0		
50,001	1,00,000	4	0.423		
1,00,001 & above		5	0.529		
Shares in transit/Demat					18984
Total		945	100.00		18984
					0.91

(m) Categories of Shareholders as on 31.03.2013

Category	No. of Shares Held	% of Shareholding
Promoters & Associates	1872200	89.39
Financial Institutions & Mutual Funds	--	--
Foreign Institutional Investors	--	--
NRIs	13800	.66
Banks	--	--
GDRs	--	--

Anka India Limited

Category	No. of Shares Held	% of Shareholding
Other Corporate Bodies	26060	1.24
Others (General Public)	163276	7.80
Shares in transit (Demat) *	18984	.91
Total	2094320	100%

(n) Dematerialization of Shares and liquidity

Nearly 1 % of total equity share capital is held in dematerialized form upto 31.03.2013 with CDSL. The shares of the Company are listed on BSE Limited, which provide sufficient liquidity to the investors.

(o) Plant Locations

(i) Village & P.O. Kherki Daula Distt Gurgaon, Haryana-122001

(p) Address for Correspondence

The shareholders may address their communication/grievances/queries / suggestions to:

Alankit Assignments Ltd.

(Unit Anka India Ltd.)

Anka India Limited

205-208, Anarkali Complex,

Jhandewalan Extension, New Delhi-110055

The above report has been placed before the Board at its meeting held on 27.08.2013 and the same was approved.

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**To the Members of Anka India Ltd**

We have examined the Compliance of conditions of Corporate Governance by Anka India Ltd for the year ended on 31.03.2013 as stipulated by the Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 information given to us, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement.

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 Lekhraj Bajaj Associates
Practising Company Secretaries

Sd/-
Lekhraj
(Proprietor)
CP NO 3716
Date 27.08.2013
Place New Delhi

DECLARATION**To the Members of Anka India Ltd**

I Harpreet Singh Sethi, Whole Time Director of the Company do hereby certify that Board members & senior management personnel have affirmed compliance with rules of code of conduct for the Financial year ended 31st March 2013 pursuant to the Clause 49 of the Listing Agreement.

For Anka India Ltd

Sd/-
H. S. Sethi
(Whole Time Director)
Date 27.08.2013
Place : Gurgaon.

AUDITORS' REPORT**TO THE MEMBERS**

1. We have audited the attached Balance Sheet of **ANKA INDIA LIMITED**, as at 31st March, 2013 and statement of Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as we considered appropriate and the information and explanations given to us during the course of audit, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - a) *subject to our comments in paragraphs 4(f)(i) to 4(f)(iii) below*, we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, the statement of Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the applicable Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 except for non-compliance of Accounting Standard 15 on "Employee's Benefits" with respect to actuarial valuation of gratuity liability and hence disclosures required there under (refer Note No. 18.1.c)
 - e) on the basis of written representations received from the directors of the Company as on 31st March, 2013 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2013 from being appointed as director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f) in our opinion and to the best of our information and according to the explanations given to us and subject to:
 - i) *Note No. '28' regarding non-confirmation / reconciliation of balances of debtors, creditors and other parties, the effect of which on accounts upon confirmation and reconciliation not ascertainable;*
 - ii) *Note No. '34' regarding the accounts of the Company prepared on going concern basis;*
 - iii) *Note No. '18.1' regarding non-provision of gratuity liability on the basis of actuarial valuation, effect of which on accounts has not been ascertained and*read with other notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
 - ii) in the case of the statement of Profit & Loss Account, of the loss for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement of the cash flows for the year ended on that date.

For. H. KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 021518N

Sd/-
(H. Kumar)
M. NO. :010431

PLACE : NEW DELHI
DATED : 12th JUNE 2013

ANNEXURE TO THE AUDITORS REPORT**REFERRED TO IN PARAGRAPH (3) OF OUR REPORT OF EVEN DATE ON THE ACCOUNTS OF ANKA INDIA LIMITED FOR THE YEAR ENDED ON 31st MARCH, 2013**

1.
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) As explained to us, physical verification of fixed assets was conducted by the management at the end of the year which in our opinion is reasonable having regard to the size of the Company and nature of its business. No discrepancies were noticed on the aforesaid verification.
 - c) The Company has disposed of all the fixed assets during the year.
2.
 - a) As per the information and explanation given to us, the inventories have been physically verified by the management during the year. In our opinion, the frequency of physical verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are, reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) On the basis of our examination of the records of inventory and according to the information and explanations given to us, we are of the opinion that the Company has maintained proper records of inventory. As per information and explanation given to us no discrepancy was observed on physical verification.
3.
 - (a) As per information and explanation given to us the company has not granted any loan to the companies, firms of other parties covered in the register maintained under section 301 of the Companies Act, 1956.
 - (b) The company has taken interest free secured loan aggregating to Rs. 90,78,175/- in the earlier years from one party covered in the register maintained u/s 301 of the Companies Act, 1956. A balance of Rs. 2,80,24,575/- was outstanding as on 31st March 2013 out of that loan.
 - (c) In our opinion and according to the information and explanations given to us the terms and conditions of interest free secured loan taken are not prima facie prejudicial to the interest of the company;
 - (d) In our opinion and according to the information and explanations given to us the payment of principal amount was regular as stipulated.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control systems.
5.
 - a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the contracts and arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
 - b) No transactions were made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year to Rs.5,00,000/- or more in respect of each party except for issue of Redeemable Preference Shares as stated in (18) below.
6. The Company has not accepted any deposit from public during the year within the meaning of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed thereunder.
7. The Company has an internal audit system which commensurate with the size of the Company and the nature of its business.
8. We have been informed that the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for the product of the Company.
9.
 - a) *According to the records of the Company and the information and explanations given to us, the Company has made delays on various occasions in depositing, with appropriate authorities, undisputed statutory dues including Investor Education & Protection Fund, Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Custom Duty, Cess and other statutory dues*

- b) According to the information and explanations given to us, the details of dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty, Service Tax and Cess which have not been deposited on account of any dispute are given below:-

Name of Statute	Nature of Dues	Financial year to which the matter pertains	Amount (Rs.)	Forum where dispute is pending
Central Excise Act	Penalty	1997 - 98	188319/-	Customs Excise & Service Tax Appellate Tribunal
HVAT	Sales Tax	2006 - 07	182760/-	Excise & Taxation Commissioner (Appeals)

10. The Company has accumulated losses exceeding fifty percent of the net worth of the Company. The Company has incurred cash profit during the year covered by our audit by way of sale of fixed assets.
11. **According to the information and explanation given to us, the Company has not defaulted in repayment of dues to financial institution and banks during the year. The company has not issued any debentures.**
12. According to information and explanations given to us and based on the records produced to us, the Company has not granted loans and advances on the basis of securities by way of pledge of shares, securities, debentures and other investments.
13. In our opinion the Company is not a chit fund or Nidhi/mutual benefit fund/society.
14. In our opinion and according to the information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanation given to us, the Company has not guaranteed any loan taken by others from banks and financial institutions.
16. No term loan has been taken during the year.
17. In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis were used for long term investment.
18. In our opinion and according to the information and explanations give to us, the price at which the Company has made the preferential allotment of redeemable preference shares to parties covered in the register maintained under section 301 of the Companies Act, 1956, during the year, was not prima facie prejudicial to the interest of the company.
19. The Company did not have any outstanding debentures during the year.
20. The Company has not raised any money by a public issue during the year.
21. Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud on/or by the Company has been noticed or reported during the course of our audit for the year ended 31st March, 2013.

For. H. KUMAR & ASSOCIATES
 CHARTERED ACCOUNTANTS
 Firm Regn. No. 021518N

PLACE : NEW DELHI
 DATED : 12th JUNE 2013

Sd/-
 (H. Kumar)
 M. NO. :010431

BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Notes	Figures	
		as at 31.03.2013 ₹	as at 31.03.2012 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	2,09,43,200	5,90,37,800
(b) Reserves and Surplus	4	<u>(4,66,18,041)</u>	<u>(5,66,94,185)</u>
			23,43,615
(2) Share Application Money pending allotment			
		-	-
(3) Non-Current Liabilities			
(a) Long Term Borrowings	5	2,80,24,575	90,78,175
(b) Long Term Provisions	6	<u>55,385</u>	<u>4,55,123</u>
(4) Current Liabilities			
(a) Short-Term Borrowings	7	-	15,000
(b) Trade Payables	8	51,03,548	99,52,692
(c) Other Current Liabilities	9	40,26,576	40,71,227
(d) Short Term Provisions	10	<u>25,20,260</u>	<u>-</u>
Total Equity & Liabilities		<u>1,40,55,504</u>	<u>2,59,15,832</u>
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	-	1,62,33,395
(ii) Intangible Assets		-	-
(iii) Capital Work in progress		-	-
(iv) Intangible Assets under development		-	-
		-	1,62,33,395
(b) Long term loans and advances	12	80,000	5,54,606
(c) Other Non Current Assets	13	-	29,83,927
(2) Current Assets			
(a) Inventories		-	-
(b) Trade Receivables	14	-	43,36,256
(c) Cash and Bank Balances	15	10,94,004	18,07,648
(d) Other current assets	16	<u>1,28,81,500</u>	<u>-</u>
Total Assets		<u>1,40,55,504</u>	<u>2,59,15,832</u>
Summary of significant accounting policies	2.1		
Notes 1 to 36 form an integral part of the financial accounts.			
"In terms of our report of even date attached"			
For H. KUMAR & ASSOCIATES		For and on behalf of the Board	
Chartered Accountants			
[FRN-021518N]			
Sd/-		Sd/-	Sd/-
(FCA H. KUMAR)		(Harpreet Singh Sethi)	(Arshdeep Singh Sethi)
Proprietor		Wholetime Director	Joint Managing Director
M.NO. 010431			
PLACE: NEW DELHI			
DATED: 12TH JUNE 2013			

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2013

Sr. No.	Particulars	Notes	Figures as at	Figures as at
			31.03.2013	31.03.2012
			₹	₹
A. CONTINUING OPERATIONS				
1	Revenue From Operations		-	-
2	Other Income	17	3,45,04,757	27,96,481
3	Total Revenue (1 + 2)		<u>3,45,04,757</u>	<u>27,96,481</u>
4	Expenses:			
	Purchase of Traded Goods		-	-
	(Increase)/Decrease In Inventories		-	-
	Employee Benefit Expense	18	2,53,264	2,56,052
	Other Expenses	19	1,20,17,681	19,35,983
	Total Expenses		<u>1,22,70,945</u>	<u>21,92,035</u>
5	Earnings Before Exceptional Items, Extraordinary Items, Interest, Tax, Depreciation And Amortisation (EBITDA) (1 - 4)		2,22,33,812	6,04,446
6	Depreciation And Amortization Expense	20	20,60,447	22,97,826
7	Financial Costs	21	12,439	1,68,887
8	Profit Before Exceptional And Extraordinary Items And Tax (5-6-7)		2,01,60,926	(18,62,267)
9	Exceptional Items		-	-
10	Profit Before Extraordinary Items And Tax (8 - 9)		2,01,60,926	(18,62,267)
11	Extraordinary Items	22	(75,64,521)	-
12	Profit Before Tax (10 - 11)		1,25,96,404	(18,62,267)
13	Tax Expense:			
	(a) Current Tax	25,20,260	-	-
	(b) Deferred Tax	-	25,20,260	-
14	Profit(Loss) From The Period From Continuing Operations (12 - 13)		1,00,76,144	(18,62,267)
B. DISCONTINUING OPERATIONS				
15	Profit/(Loss) From Discontinuing Operations		-	-
15(i)	Tax Expense Of Discounting Operations		-	-
16	Profit/(Loss) From Discontinuing Operations (15 + 15(i))		-	-
17	Profit/(Loss) For The Year (14 + 16)		1,00,76,144	(18,62,267)
18	Earning Per Equity Share of Face Value of ₹ 10/- Each Basic & Diluted (In ₹)		4.81	(0.89)
	Summary of significant accounting policies	2.1		
	Notes 1 to 36 form an integral part of the financial accounts.			
	"In terms of our report of even date attached"			
	For H. KUMAR & ASSOCIATES		For and on behalf of the Board	
	Chartered Accountants			
	[FRN-021518N]			
	Sd/-		Sd/-	Sd/-
	(FCA H. KUMAR)		(Harpreet Singh Sethi)	(Arshdeep Singh Sethi)
	Proprietor		Wholetime Director	Joint Managing Director
	M.NO. 010431			
	PLACE: NEW DELHI			
	DATED: 12TH JUNE 2013			

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31.03.2013

Sr. No.	Particulars	Notes	Figures as at 31.03.2013 ₹	Figures as at 31.03.2012 ₹
1	Revenue From Operations		-	-
A.	Cash Flow From Operations Before Extra Ordinary Items			
	Net Profit / (Loss)		1,25,96,404	(18,62,268)
	Add:			
i	Depreciation		20,60,447	22,97,826
ii	Financial Charges		12,439	1,67,487
iii	Loss On Sale Of Assets		56,81,824	
			2,03,51,114	6,03,046
	Less :			
i	Profit On Sale Of Land		(2,97,38,120)	-
ii	Profit On Sale Of Building		(7,24,756)	-
	Cash From Operations Before Working Capital Changes		(1,01,11,761)	6,03,046
i	Trade & Other Receivables		(50,86,711)	18,61,144
ii	Trade Payable & Other Liabilities		(52,93,532)	(19,47,940)
	Cash Generated From Operations		(2,04,92,005)	5,16,250
	Less: Direct Taxes Paid / Refunded (Net)		-	-
	Net Cash From / (Used In) Operating Activities		(2,04,92,005)	5,16,250
B.	Cash Flow From Investing Activities			
i	Sale Of Land		3,18,50,000	-
	Sale Of Building		63,00,000	-
	Sale Of Vehicle		2,04,000	-
	Sale Of Misc. Assets		6,00,000	-
	Net Cash From / (Used In) Investing Activities		3,89,54,000	-
C.	Cash Flow From Financing Activities			
i	Secured Loan Taken/ Repaid (Net)		1,89,46,400	(1,80,000)
ii	Redemption Of Preference Share		(3,80,94,600)	-
iii	Unsecured Loans Taken/ Repaid (Net)		(15,000)	(29,00,000)
iv	Issues Of Preference Share Capital		-	35,00,000
v	Interest Paid		(12,439)	(1,67,487)
	Net Cash From / (Used In) Financing Activities		(1,91,75,639)	2,52,513
	Net Increase / (Decrease) In Cash & Cash Equivalents (A+B+C)		(7,13,644)	7,68,763
	Opening Cash & Cash Equivalents		18,07,648	10,38,885
	Closing Cash & Cash Equivalents		10,94,004	18,07,648

Note : i) Figures In Bracket Represents Cash Outflows
ii) Previous Years Figures Have Been Recast/ Restated Wherever Necessary

"In terms of our report of even date attached"

For H. KUMAR & ASSOCIATES

Chartered Accountants

[FRN-021518N]

For and on behalf of the Board

Sd/-

(FCA H. KUMAR)

Proprietor

M.NO. 010431

PLACE: NEW DELHI

DATED: 12TH JUNE 2013

Sd/-

(Harpreet Singh Sethi)

Wholetime Director

Sd/-

(Arshdeep Singh Sethi)

Joint Managing Director

Notes to Financial Statements for the year ended 31st March, 2013

1. **CORPORATE INFORMATION -**

Anka India Limited is a public company, incorporated in India under the provisions of Companies Act, 1956. The Company is having its Regd. Office at Gurgaon, Haryana and Corporate office at New Delhi.

2. **BASIS OF PREPARATION -**

The accompanying financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standard issued by the Institute of Chartered Accountants of India (ICAI) and the provisions of Companies Act, 1956. These accounting policies have been consistently applied, except where newly issued accounting standard is initially adopted by the Company. Management evaluates the effect of accounting standards issued on an on-going basis and ensures they are adopted as mandatory by the ICAI.

2.1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -**

a. **USE OF ESTIMATES**

The preparation of the financial statements in conformity with Accounting Standards & GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent assets and liabilities as at the date of the financial statements and reported amount of Income and expenses during the period. Examples of such estimates include useful life of fixed assets, provisions for doubtful debts, income taxes, write-off of deferred revenue expenditure and intangible assets. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Actual results could differ from those estimates. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

b. **REVENUE RECOGNITION**

Income and Expenditure are accounted for on accrual basis.

c. **TANGIBLE FIXED ASSETS AND DEPRECIATION**

- i) Fixed Assets are stated at their original cost of acquisition inclusive of inward freight, duties and expenditure incurred in the acquisition, construction/ installation.
- ii) Depreciation on Fixed Assets is provided on Written Down Value method and in accordance with the rates provided under the Schedule-XIV of the Companies Act, 1956.

d. **IMPAIRMENT OF ASSETS**

The Company identifies impairable assets at the year end in accordance with the guiding principles of Accounting Standard 28, issued by the Institute of Chartered Accountants of India, for the purpose of arriving at impairment loss thereon being the difference between the book value and recoverable value of relevant assets. Impairment loss, when crystallizes, are charged against revenues for the year.

e. **INVENTORIES**

The Inventories are valued at lower of cost /net realizable value, Cost includes cost of material and other direct overheads such as inward freight, brokerage on procurement of material etc. Under this broad principle, Inventory is valued at FIFO basis.

f. **FOREIGN CURRENCY TRANSACTIONS**

i) Initial recognition -

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion -

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

iii) Exchange differences -

Exchange differences arising on the settlement of monetary, items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

iv) Forward exchange contracts not intended for trading or speculation purposes -

The premium or discount arising at the inception of forward exchange contracts is claimed as expenses or income. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

g. **RETIREMENT BENEFITS**

a) **Defined Contribution Plan**

- (i) The Company makes defined contributions to Provident Fund which are recognized in the Profit and Loss Account on accrual basis.
- (ii) The Company's contribution to State Plan, viz. Employees' State Insurance Scheme are recognized in the Profit & Loss Account on accrual basis.

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31.03.2013

Sr. No.	Particulars	Notes	Figures as at	Figures as at
			31.03.2013	31.03.2012
			₹	₹
1	Revenue From Operations		-	-
A.	Cash Flow From Operations Before Extra Ordinary Items			
	Net Profit / (Loss)		1,25,96,404	(18,62,268)
	Add:			
i	Depreciation		20,60,447	22,97,826
ii	Financial Charges		12,439	1,67,487
iii	Loss On Sale Of Assets		56,81,824	
			2,03,51,114	6,03,046
	Less :			
i	Profit On Sale Of Land		(2,97,38,120)	-
ii	Profit On Sale Of Building		(7,24,756)	-
	Cash From Operations Before Working Capital Changes		(1,01,11,761)	6,03,046
i	Trade & Other Receivables		(50,86,711)	18,61,144
ii	Trade Payable & Other Liabilities		(52,93,532)	(19,47,940)
	Cash Generated From Operations		(2,04,92,005)	5,16,250
	Less: Direct Taxes Paid / Refunded (Net)		-	-
	Net Cash From / (Used In) Operating Activities		(2,04,92,005)	5,16,250
B.	Cash Flow From Investing Activities			
i	Sale Of Land		3,18,50,000	-
	Sale Of Building		63,00,000	-
	Sale Of Vehicle		2,04,000	-
	Sale Of Misc. Assets		6,00,000	-
	Net Cash From / (Used In) Investing Activities		3,89,54,000	-
C.	Cash Flow From Financing Activities			
i	Secured Loan Taken/ Repaid (Net)		1,89,46,400	(1,80,000)
ii	Redemption Of Preference Share		(3,80,94,600)	-
iii	Unsecured Loans Taken/ Repaid (Net)		(15,000)	(29,00,000)
iv	Issues Of Preference Share Capital		-	35,00,000
v	Interest Paid		(12,439)	(1,67,487)
	Net Cash From / (Used In) Financing Activities		(1,91,75,639)	2,52,513
	Net Increase / (Decrease) In Cash & Cash Equivalents (A+B+C)		(7,13,644)	7,68,763
	Opening Cash & Cash Equivalents		18,07,648	10,38,885
	Closing Cash & Cash Equivalents		10,94,004	18,07,648

Note : i) Figures In Bracket Represents Cash Outflows
ii) Previous Years Figures Have Been Recast/ Restated Wherever Necessary

"In terms of our report of even date attached"

For H. KUMAR & ASSOCIATES

For and on behalf of the Board

Chartered Accountants

[FRN-021518N]

Sd/-

(FCA H. KUMAR)

Proprietor

M.NO. 010431

PLACE: NEW DELHI

DATED: 12TH JUNE 2013

Sd/-

(Harpreet Singh Sethi)

Wholetime Director

Sd/-

(Arshdeep Singh Sethi)

Joint Managing Director

b) Defined Benefit Plan

- (i) Accruing liability for gratuity is accounted for on the basis of present salaries and length of service of each employee.
- (ii) Accruing liability for leave encashment is accounted for on the basis of present salaries and unclaimed leaves.

h. INCOME-TAX/DEFERRED TAX

Income taxes are computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the difference that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period, based on prevailing enacted or substantially enacted regulations. Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

i. PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

j. MISCELLANEOUS EXPENDITURE

Preliminary Expenditure, Pre-Operative Expenditure & Capital Enhancement Fee is amortized over a period of five years from the year in which such expenses are incurred.

k. CLAIMS AGAINST/BY THE COMPANY

Claims against/by the Company are accounted for on acceptance of the same.

l. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

Events occurring after the date of Balance Sheet are considered up to the date of approval of accounts by the Board of Directors.

m. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n. MEASUREMENT OF EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs and tax expense.

o. OTHER ACCOUNTING POLICIES

These are consistent with the generally accepted accounting principles and practices.

3. SHARE CAPITAL

	Figures as at 31.03.2013	Figures as at 31.03.2012
<u>AUTHORIZED CAPITAL</u>		
Equity Shares of 10.00 each (P. Y. 10.00 each)	8,00,00,000	8,00,00,000
Redeemable Preference Shares of 100 Each	4,00,00,000	4,00,00,000
<u>ISSUED, SUBSCRIBED & PAID UP CAPITAL</u>		
Equity Shares of 10.00 each (P. Y. 10.00 each)	2,09,43,200	2,09,43,200
5 % Redeemable Preference Shares of 100 Each	-	3,80,94,600
<u>Total</u>	<u>2,06,43,200</u>	<u>5,90,37,800</u>

3.1 Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

3.2 Shareholders holding more than 5% of Equity Share

Name of the Shareholders	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares	% held	No. of Shares	% held
Harpreet Singh Sethi	1,37,950	6.59	1,37,950	6.59
Arshdeep Singh Sethi	2,78,920	13.32	2,78,920	13.32
Dildeep Singh Sethi	1,17,200	5.60	1,17,200	5.60
Paramjeet Kaur Sethi	13,32,950	63.65	13,32,950	63.65

3.3 The Company has redeemed all of its preference share during the year.

3.4 Reconciliation of Preference share capital

Name of the Shareholders	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares	Amount	No. of Shares	Amount
Preference Shares				
Shares outstanding at the beginning of the year	3,80,946	38,09,460	3,45,946	34,59,460
Shares Issued during the year	-	-	35,000	3,50,000
Shares redeemed during the year	3,80,946	38,09,460	-	-
Shares outstanding at the end of the year	-	-	3,80,946	38,09,460

3.5 Shareholders holding more than 5% of Preference Share

Name of the Shareholders	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares	% held	No. of Shares	% held
Harpreet Singh Sethi	-	-	1,28,420	33.71
Arshdeep Singh Sethi	-	-	68,506	17.98
Dildeep Singh Sethi	-	-	52,000	13.65
Shelly Sethi	-	-	32,400	8.51
Auram Polymers Pvt Ltd	-	-	54,020	14.18
ABR Holdings Pvt Ltd	-	-	35,000	9.19

4. RESERVES & SURPLUS
SURPLUS (PROFIT & LOSS ACCOUNT) -

Balance as per last Balance Sheet	-5,66,94,185		-5,48,31,917
Add/Less: Net Profit/(Net Loss) For the C. Y.	1,00,76,144	(4,66,18,041)	-18,62,267
Total		(4,66,18,041)	(5,66,94,185)

5. LONG TERM BORROWINGS

Secured Loan from Darsh Polymers Pvt. Ltd.		2,80,24,575	90,78,175
Total		2,80,24,575	90,78,175

5.1 Secured Loan from Darsh Polymers Pvt. Ltd is secured by a first charge and mortgage of all immovable properties both present and future and first charge by way of hypothecation of movable assets (except book debts), and guaranteed by a Non executive Director, a Whole time Director and Joint Managing Director of the Company and further secured by way of pledge of 341800 Equity Shares of Rs.10 each of promoter group. Darsh Polymers Pvt. Ltd. has an option to convert 50% of the amount of loan into equity, subject to the approval of the shareholders of Anka India Ltd. and the Board for Industrial and Financial Reconstruction and also in accordance with prevalent norms, policies and statutory provisions.

6. LONG TERM PROVISIONS

Provison For Employee Benefits			
Gratuity		55,385	4,55,123
Total		55,385	4,55,123

7. SHORT TERM BORROWINGS

Unsecured Loans			
Loan Repayable on Demand From Other Parties		-	15,000
Total		-	15,000

8. TRADES PAYABLES

Trade Payables		51,03,548	99,52,692
Total		51,03,548	99,52,692

9.	OTHER CURRENT LIABILITIES		
	Statutory Dues Payable	1,44,714	6,03,069
	Advances from Customers	-	3,67,611
	Due to Directors	5,84,253	11,82,253
	Other Liabilities	32,97,609	19,18,294
	Total	40,26,576	40,71,227
10.	SHORT TERM PROVISIONS		
	Provision for Income Tax (MAT)	25,20,260	-
	Total	25,20,260	-
10.1	Provision for Income Tax has been made as per Section 115 JB of The Income Tax Act 1961.		
11.	FIXED ASSETS		
	<u>Tangible Assets</u>		
	Gross Block	-	6,53,76,538
	Less : Depreciation W/off	-	4,91,43,142
	Total [As per Annexure attached]	-	1,62,33,395
11.1	Sale of fixed assets include the sale of land and building as per agreement to sale executed on 05 october 2012 and possession handed over.		
12.	LONG TERM LOANS & ADVANCES		
	<u>SECURITY DEPOSITS -</u>		
	Unsecured, Considered Good :	80,000	5,54,606
	Total	80,000	5,54,606
13.	OTHER NON-CURRENT ASSETS		
	Receivables from Revenue Authorities	-	23,68,310
	Advances Recoverable in cash or Kind	-	6,15,617
	Total	-	29,83,927
14.	TRADE RECEIVABLES		
	<u>Outstanding for more than six months</u>		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	43,36,256
	c) Doubtful	-	-
	<u>Others</u>		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
	Total	-	43,36,256
15.	CASH & BANK BALANCES		
	<u>CASH AND CASH EQUIVALENTS</u>		
	A) <u>Cash-in-Hand</u>		
	Cash Balance (as certified by the directors)	53,218	13,815
	B) <u>Bank Balances</u>		
	In Current Accounts with Scheduled Banks	10,40,786	17,93,833
	Total	10,94,004	18,07,648
16.	OTHER CURRENT ASSETS		
	Amount Due From Sale Of Fixed Assets	1,28,81,500	-
	Total	1,28,81,500	-
17.	OTHER INCOME		
	Unclaimed Liab/Balance Written Off	40,41,881	27,96,481
	Profit On Sale Of Land	2,97,38,120	-
	Profit On Sale Of Building	7,24,756	-
	Total	3,45,04,757	27,96,481
18.	EMPLOYEE BENEFIT EXPENSES		
	Salaries and Wages	2,35,852	2,35,673
	Provision For Gratuity	4,615	4,268
	Employer's Contribution to Provident Fund	12,797	14,919
	Employer's Contribution to Employees State Insurance Scheme	-	1,192
	Total	2,53,264	2,56,052

NOTE 11 : FIXED ASSETS

Fixed Assets	Gross Block		Accumulated Depreciation			Revaluations/(Impairments)			Net Block	
	Balance as at 1 April 2012	Additions/(Disposals)	Balance as at 31 Mar 2013	Balance as at 1 April 2012	Depreciation charge for the year	Deductions/ Adjustments during the year	Balance as at 31 Mar 2013	Deductions/ Adjustments during the year	Balance as at 31 Mar 2013	Balance as at 31 March 2012
Tangible Assets										
Land	21,11,880	(21,11,880)	-	-	-	-	-	-	-	21,11,880
Building	1,14,97,292	(1,14,97,292)	-	55,38,039	3,84,010	(59,22,048)	-	-	-	59,59,254
Plant & Machinery	4,70,75,218	(4,70,75,218)	-	3,98,15,366	14,73,515	(4,12,88,881)	-	28,81,305	-	72,59,852
Electrical Equipment	9,01,705	(9,01,705)	-	5,88,071	42,019	(6,30,090)	-	-	-	3,13,634
Furniture & Fixture	12,62,893	(12,62,893)	-	12,07,638	39,509	(12,47,147)	-	-	-	55,255
Office Equipments	14,07,138	(14,07,138)	-	13,02,827	17,889	(13,20,717)	-	-	-	1,04,311
Vehicles	11,20,410	(11,20,410)	-	6,91,200	1,03,506	(7,94,706)	-	-	-	4,29,210
Total (A)	6,53,76,538	(6,53,76,538)	-	4,91,43,142	20,60,447	(5,12,03,590)	-	28,81,305	-	1,62,33,395
Intangible Assets										
Total (B)	-	-	-	-	-	-	-	-	-	-
Capital Work In Progress										
Total (C)	-	-	-	-	-	-	-	-	-	-
Intangible Assets Under Development										
Total (D)	-	-	-	-	-	-	-	-	-	-
PREVIOUS YEAR	6,53,76,538	-	6,53,76,538	4,68,45,316.07	22,97,826.34	-	4,91,43,142.40	-28,81,305	1,62,33,395.37	1,85,31,221.70

18.1 (a) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

Particulars	31.03.2013	31.03.2012
	₹	₹
Employer's Contribution to Provident Fund	12,797	14,919
Employer's Contribution to Employees State Insurance Scheme	-	1,192

(b) Leave Encashment

There were no accumulated unavailed leaves in respect of any of the employees as on 31. 03. 2013, hence no actuarial valuation was required in this regard as on that date.

(c) Gratuity

The company had not made the provision for gratuity on the basis of actuarial valuation. Considering the fact that only one employee is working in the company and high cost involved in the getting the actuarial valuation done, the provision for gratuity for the period has been made on estimated basis. In the absence of actuarial valuation as on 31st March 2013 the impact, of such deviation from the accounting standard – 15 as prescribed under the Companies Act, 1956, on the accounts is not ascertainable and also the required disclosures cannot be made.

19. OTHER EXPENSES

Interest On TDS (Late Payment)	3,120	7,920
Sales Tax Demand	9,73,662	6,03,069
EPF Demand Paid	35,174	-
Lease Rental Charges	10,48,000	9,60,000
Depository, Listing and Roc Fees	52,161	55,693
Advertisement & Publicity, Postage & Courier	1,16,019	55,065
Bad Debts	32,43,612	-
Audit Fees	27,500	27,500
Loss on sale of Fixed Assets	56,81,824	-
Internal Audit Fees	12,000	16,000
Legal & Professional Charges	2,38,219	1,16,404
Printing & Stationary (Office)	13,800	20,175
Commission on Sale of Land	5,70,000	-
Prior Period Expenses	2,500	16,064
Repair & Maintenance	-	17,912
Travelling Expenses	-	40,200
Short & Excess	90	-19
Total	1,20,17,681	19,35,983

19.1 Disclosure pursuant to Note no. 16 of Part II of Schedule VI to the Companies Act, 1956

a) As Auditor -

- Audit Fee

27,500	27,500
27,500	27,500

20. DEPRECIATION & AMORTISATION EXPENSE

Depreciation	20,60,447	22,97,826
Total	20,60,447	22,97,826

21. FINANCIAL COSTS

Bank Charges & Commission	12,439	1,68,887
Total	12,439	1,68,887

22. EXTRAORDINARY ITEMS

Receivables with Revenue Authorities Written Off	(23,68,310)	-
Other Advances and Deposits Written off	(10,90,223)	-
Settlement of Old Creditors	(41,05,988)	-
Total	(75,64,521)	-

23. The Company has reclassified previous year figures to conform to this year's classification.

24. In the opinion of the Management, the value on realization of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and provision for all known liabilities has been made.

25. Figures are rounded-off to the nearest rupee.

26. CAPITAL COMMITMENTS (net of advances) not provided for -		
Particulars	31.03.2013	31.03.2012
	₹	₹
Capital Contract remaining to be executed	-NIL-	-NIL-

27. Contingent Liabilities -		
Particulars	31.03.2013	31.03.2012
	₹	₹
Claims against the company not acknowledged as debt or Guarantees	-NIL-	-NIL-
<u>Other money for which the company is contingently liable</u>		
<u>Disputed Demand from Central Excise Deptt.</u>	1,88,319	1,88,319
<u>Disputed Demand under Land Reform Act.</u>	1,90,000	1,90,000
<u>Disputed Demand under Sales Tax</u>	1,82,760	1,82,760
<u>Unsecured Loan Written Back</u>	-	14,00,000
<u>Custom Duty Written Back</u>	3,15,664	3,15,664
Total	8,76,743	22,76,743

28. Balances outstanding under the captioned heads Sundry Debtors, Sundry Creditors, Loans & Advances, Bank Balances as on the date of Balance Sheet - are subject to reconciliation and confirmation.

29. Detail of transactions with related parties :-

S.	Particulars	Relationship	Nature of Business/ Transaction	Amount
a)	Mr. Harpreet Singh Sethi	Wholetime Director	Redemption of Preference Shares	1,29,42,000
			Amounts Received/(-) Repaid (Net) in Current Accounts	(5,98,000)
b)	Mr. Arshdeep.Singh Sethi	Joint Managing Director	Redemption of Preference Shares	68,50,600
			Sale Of Vehicle	2,14,710
c)	M/s Auram Polymers Pvt. Limited	Significant control of brother of Wholetime and Joint Managing Director	Redemption of Preference Shares	54,02,000
d)	Mr. Dildeep Singh Sethi	Brother of Wholetime and Joint Managing Director	Redemption of Preference Shares	53,00,000
e)	Mrs. Gurpreet Kaur Sethi	Wife of Wholetime Director	Redemption of Preference Shares	1,90,000
f)	Mrs. Pooja Sethi	Wife of Joint Managing Director	Redemption of Preference Shares	1,70,000
g)	Mrs. Shelly Sethi	Wife of brother of Wholetime Director & Joint Managing Director	Redemption of Preference Shares	3240000
h)	M/s Darsh Polymers Pvt. Ltd.	Significant control of brother of Wholetime and Joint Managing Director	Loans Taken / (-)Repaid (Net)	1,89,46,400

30. Deferred Tax -

The company has unabsorbed depreciation and carry forward losses under tax laws. In the absence of virtual certainty of sufficient future taxable income, net deferred tax asset has not been recognised on prudent basis in accordance with the Accounting Standard – 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.

31. The Company being engaged only in the business of manufacture of Shoe -Soles, separate segment reporting, in terms of Accounting Standard AS - 17 on "Segment Reporting" issued by the Institute of Chartered Accountant of India, is not required.

32. EARNING / (LOSS) PER SHARE:

In accordance with Accounting Standard – 20 on 'Earning Per Share' issued by the Institute of Chartered Accountant of India, the earning per share has been computed as under

Particulars	31.03.2013	31.03.2012
	₹	₹
a) Net Profit / (Loss) for the period.	1,00,76,144	(18,62,267)
b) Weighted Average Number of Equity Shares*	20,94,320	20,94,320
c) Nominal value per Equity Shares	10	10
d) Earning / (Loss) Per Share (Basic & Diluted)	4.81	(0.89)
* There were no potential equity shares and there was no change in share capital during the year .		
33. Additional information pursuant to the provisions of Paragraph 3 and 4 of part-II of Schedule VI to the Companies Act, 1956.		
In accordance with Accounting Standard – 20 on 'Earning Per Share' issued by the Institute of Chartered Accountant of India, the earning per share has been computed as under		

Particulars	31.03.2013	31.03.2012
	₹	₹
CIF value of Imports		
- Capital Goods	-NIL-	-NIL-
- Raw Material	-NIL-	-NIL-
FOB Value of Export	-NIL-	-NIL-
Expenditure in Foreign Currency	-NIL-	-NIL-
34. <i>Without considering the impact, if any, of the qualifications in the auditor's report, the Company has no intention to discontinue its operations even though the net worth is negative. Therefore, these accounts have been prepared on 'Going Concern Basis', and is looking for a new profitable venture.</i>		
35. The company has requested its suppliers to intimate whether they are registered under "The Micro, Small and Medium Enterprises Development Act 2006", No supplier has intimated to the company that they are registered under the said Act.		
36. Directors have waived off their right to sitting fee in respect of meetings of Board of Directors and committees thereof attended by them.		

"In terms of our report of even date attached"

For H. KUMAR & ASSOCIATES
Chartered Accountants
[FRN-021518N]

For and on behalf of the Board

Sd/-
(FCA H. KUMAR)
Proprietor
M.NO. 010431
PLACE: NEW DELHI
DATED: 12TH JUNE 2013

Sd/-
(Harpreet Singh Sethi)
Wholtime Director

Sd/-
(Arshdeep Singh Sethi)
Joint Managing Director

ANKA INDIA LIMITED
 Regd. Office : Village & P.O. Kherki Daula, Distt. Gurgaon, Haryana-122001

PROXY FORM

DPID*	
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ClientID*	
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Proxy No. :

Regd. Folio No. No. of shares held

I/We
 of in the district of
 being a Member/Members of the
 above named Company hereby appoint of
 in the district of or failing
 him/her of in the district of as
 my/our proxy to vote for me/us on my/our behalf at the 19th Annual General Meeting of the Company to be held
 on **Monday, 30th September, 2013 at 9.30 A.M.** at the Registered Office of the Company at Village & P.O.
 Kherki Daula, Distt Gurgaon, Haryana-122001 and at any adjournment thereof.

Signed this day of 2013.

Signature



*** Applicable for investors holding shares in electronic form.**

Note : This form in order to be effective should be duly completed, stamped & signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the scheduled time of the Meeting. The Proxy need not be a Member of the Company.

ANKA INDIA LIMITED
 Regd. Office : Village & P.O. Kherki Daula, Distt. Gurgaon, Haryana-122001

ATTENDANCE SLIP
 To be handed over at the entrance of the Meeting Hall

DP ID*	
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Client ID*	
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Name of attending Member (In Block Letters)	
Name of Proxy (in Block Letters) (To be filled in if the Proxy attends instead of the Member)	Number of Shares held

I hereby record my presence at the 19th Annual General Meeting of the Company being held at the Registered Office of the Company at Village & P.O. Kherki Daula, Distt Gurgaon, Haryana-122001 on **Monday, 30th September, 2013 at 9.30 A.M.**

.....
 Member's/Proxy's Signature
 (To be signed at the time of handing over this slip)

Notes : i) Members/Proxy holders are requested to bring the Attendance Slip with them duly filled in when they come to the Meeting and hand over at the entrance. No attendance slip will be issued at the time of the Meeting.
 ii) Members/Proxy holders desiring to attend the Meeting should bring their copy of the Annual Report for reference at the Meeting.

***Applicable for investors holding shares in electronic form**