

**INDEPENDENT AUDITOR'S REPORT**

To  
The Members of  
**UTKAL SOAP PRODUCTS LIMITED.**

1. **Report on the Financial Statements-**

We have audited the accompanying financial statements of UTKAL SOAP PRODUCTS LIMITED, which comprise the Balance Sheet as at 31 March, 2013, the Statement of Profit and Loss and the Cash Flow attached for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. **Management's Responsibility for the Financial Statements-**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. **Auditor's Responsibility -**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) in the case of Cash Flow Statement of the cash flow for the year ended on that date.



5. Report on Other legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 2) As required by section 227(3) of the Companies Act, 1956, we report that:
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - (e) On the basis of written representations received from the directors, as on 31 March, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For S.K. Soni & Co.  
Chartered Accountants  
(Firm's Registration No.: 307168E)



(S.K. Soni)  
Proprietor  
Membership No.: 012800.



Place : Kolkata.  
Dated : 26th July, 2013.

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 1 under the heading "report on other and regularly requirements" of our report of even date)

- (i) The Company has no Fixed Assets, hence clause (i) of Paragraph 4 of CARO is not applicable.
- (ii) There is no inventory, hence clause (ii) of Paragraph 4 CARO is not applicable.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured to/from Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and sale of goods and services.
- (v) As explained to us and according to the information and explanations given to us, there are no transactions made in pursuance of Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakh in respect of each party during the year.
- (vi) The Company has not accepted any deposits from the public under the provisions of section 58A and 58AA or any other relevant provisions of the Act and the rules framed there under.
- (vii) In our opinion, the Internal Audit system is not applicable to the Company.
- (viii) We are informed that the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
- (ix) (a) According to the information and explanations given to us and according to the books and records as produced and examined by us in accordance with the generally accepted auditing practices in India, the Company is regular in depositing undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, sales tax, Income tax, Wealth tax, custom duty, excise duty, Cess and material statutory dues as applicable with the appropriate authorities.  
(b) According to the information and explanations given to us, no disputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty, and cess were in arrears, as at 31<sup>st</sup> March, 2013 for a period of more than six months from the date they became payable.  
(c) According to the information and explanations given to us, there are no dues of Sales-tax, Income-tax, Custom duty, Wealth-tax, Excise duty and Cess which have not been deposited on account of any dispute.
- (x) There is no accumulated losses at 31<sup>st</sup> March, 2013. Company has neither incurred cash loss during the financial year covered by our audit nor in the immediately preceding financial year.
- (xi) The Company has not defaulted in repayment of dues to financial institutions or banks.
- (xii) The Company has not granted loan and advances on the basis of security by way of pledge of shares, debentures and others securities.



- (xiii) The Company is not a nidhi/mutual benefit fund/ society to which the provisions of special statute relating to chit fund are applicable.
- (xiv) In our opinion and according to the informations and explanations given to us, the company is not dealing in or trading in shares and other investments.
- (xv) The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company has not taken any term loans.
- (xvii) On the basis of overall examination of the Balance Sheet and the Cash Flow statement and other records, we report that no funds raised on short term basis have prima facie been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any Debentures.
- (xx) Company has not raised any money by way of public issue during the year.
- (xxi) To the best of our knowledge and belief and according to information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For S.K. Soni & Co.  
Chartered Accountants  
(Firm's Registration No.: 307168E)



(S.K. Soni)  
Proprietor  
Membership No.: 012800.



Place : Kolkata.  
Dated : 26th July, 2013.

**UTKAL SOAP PRODUCTS LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2013**

(Amount in Rs.)

PARTICULARS	Note No.	As at March 31, 2013	As at March 31, 2012
<b>EQUITY AND LIABILITIES -</b>			
<u>Shareholders' Funds -</u>			
Share Capital	1	3,998,750	3,998,750
Reserves & Surplus	2	2,111,715	1,917,766
<u>Current Liabilities -</u>			
Other Current Liabilities	3	4,500	4,500
<b>Total</b>		<b>6,114,965</b>	<b>5,921,016</b>
<b>ASSETS -</b>			
<u>Current Assets -</u>			
Inventories	4	-	3,100,000
Cash and Bank Balances	5	1,557,619	27,403
Short Term Loans & Advances	6	4,557,346	2,793,613
<b>Total</b>		<b>6,114,965</b>	<b>5,921,016</b>
Notes to the Financial statement	9		

As per our report of even date annexed  
 FOR S. K. Soni & Co.  
 Chartered Accountants  
 (Firm Regn. No.- 307168E)

*S.K. Soni*

(S.K. Soni)  
 Proprietor  
 M. No.: 12800



Place: Kolkata.  
 Date: 26-July-2013.

*Shashantia*

*Purelca*  
 DIRECTORS

**UTKAL SOAP PRODUCTS LIMITED**

**STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2013**

(Amount in Rs.)

PARTICULARS	Note No.	For the year ended March 31, 2013	For the year ended March 31, 2012
<u>Revenue -</u>			
Other Income	7	414,007	240,636
<b>Total Revenue</b>		<b>414,007</b>	<b>240,636</b>
<u>Expenses -</u>			
Finance Cost			13,287
Other Expenses	8	116,058	156,427
<b>Total Expenses</b>		<b>116,058</b>	<b>169,714</b>
<b>Profit before Tax</b>		<b>297,949</b>	<b>70,922</b>
<u>Tax Expenses -</u>			
Current Tax		104,000	22,000
<b>Profit for the year</b>		<b>193,949</b>	<b>48,922</b>
<b>Earnings per Equity Share - Basic &amp; Diluted</b>		<b>0.48</b>	<b>0.12</b>
Notes to the Financial statement	9		

As per our report of even date annexed  
 FOR S. K. Soni & Co.  
 Chartered Accountants  
 (Firm Regn. No.- 307168E)

*S.K. Soni*

(S.K. Soni)  
 Proprietor  
 M. No.: 12800



Place: Kolkata  
 Date: 26-July-2013.

*Aushanti*

*Surekha*  
**DIRECTORS**

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

PARTICULARS	As at March 31, 2013	As at March 31, 2012		
<b>NOTE - 1</b>				
<b>SHARE CAPITAL -</b>				
a) <b>AUTHORISED -</b> 10,00,000 Equity Shares of Rs.10/- each	10,00,000	10,00,000		
b) <b>ISSUED, SUBSCRIBED &amp; PAID-UP -</b> 4,00,000 Equity Shares of Rs.10/- each fully paid-up Less: Call Unpaid	4,00,000 1,250	4,00,000 1,250		
	3,998,750	3,998,750		
c) Equity shareholder holding more than 5% of equity shares along with the number of equity shares held is as given below :				
<b>Name of the Shareholder</b>	<b>Number of Shares</b>	<b>%</b>	<b>Number of Shares</b>	<b>%</b>
i) Sri. Akash Tantia	107,000	26.75	107,000	26.75
ii) Smt. Kailash Tantia	54,800	13.70	54,800	13.70
iii) Kailash Soap Pvt. Ltd.	59,751	14.94	59,751	14.94
iv) J. P. Tantia HUF	20,000	5.00	20,000	5.00
v) South India Project Ltd.	37,600	9.40	37,600	9.40

<b>NOTE - 2 -</b>		
<b>RESERVES &amp; SURPLUS -</b>		
<b>Surplus -</b>		
Opening Balance	1,917,766	1,868,844
Add : Profit for the Year	193,949	48,922
Closing Balance	2,111,715	1,917,766

<b>NOTE - 3 -</b>		
<b>Other Current Liabilities -</b>		
Expenses Payable	4,500	4,500
	4,500	4,500

<b>NOTE - 4 -</b>		
<b>Inventories -</b>		
<b>Mutual Fund (Unquoted) -</b>		
Reliance Money Manager Fund (Units - NIL; P.Y. - 2260.385)	-	3,100,000
	-	3,100,000



<b>NOTE - 5 -</b>		
<b>Cash &amp; Cash Equivalents -</b>		
Balance with Bank - Current Account	1,556,932	26,076
Cash-in-hand (As certified)	688	1,328
	1,557,619	27,403
<b>NOTE - 6 -</b>		
<b>Short Term Loans &amp; Advances -</b>		
<b>(Unsecured considered Good)</b>		
Loans	4,365,960	2,500,000
Income-Tax Advance & TDS (Net of Provision)	191,386	293,613
	4,557,346	2,793,613

(Amount in Rs.)

PARTICULARS	For the year ended March 31, 2013	For the year ended March 31, 2012
<b>NOTE - 7 -</b>		
<b>Other Income -</b>		
Profit on sale of Mutual Fund	396,274	-
Interest Received (TDS -Rs.1,773/-)	17,733	240,636
	414,007	240,636

<b>NOTE - 8 -</b>		
<b>Other Expenses -</b>		
Advertisement	4,720	2,515
E - Filing Fees	4,424	-
Filing Fees	1,000	1,500
Listing Fees	11,798	-
Licence and Fees	1,900	8,880
Rates and Taxes	-	2,500
Professional Charges	44,674	53,149
Printing & Stationery	11,281	9,787
Rent	-	18,000
Bank Charges	120	-
Custodial Fees	15,224	13,236
Legal Charges	5,000	4,000
Travelling & Conveyance	436	1,840
Miscellaneous Expenses	2,376	1,823
Postage and Telegram	6,675	1,990
Late Interest paid on TDS	1,930	-
Investments Written-off	-	32,707
<b>Payment to Auditors -</b>		
Audit Fees	4,500	4,500
	116,058	156,427





UTKAL SOAP PRODUCTS LIMITED

NOTE - 9-

Notes to the Financial Statement -

1. Significant Accounting Policies :

1.1. Basis of Accounting : The financial statement has been prepared on accrual basis in accordance with accepted accounting principles, Accounting Standard notified by the Central Government and relevant provision of Companies Act based on historical cost convention.

1.2. Revenue Recognition :

Other Income and expenses have been considered in the accounts on accrual basis.

1.3. Taxes on Income :

Current Tax is amount of tax payable on taxable income in accordance with the Provision of Income-Tax Act, 1961.

1.4. Contingent Liabilities/Assets :

Contingent liabilities, if any, are not recognized in the accounts but are disclosed by way of notes. Contingent assets are neither recognized nor disclosed in the accounts.

2. Other Notes to Accounts :

2.1. There is no contingent liabilities as on 31<sup>st</sup> March, 2013.

2.2. There is no related Party.

2.3. Segment Reporting is not applicable.

2.4. Previous year's figures have been regrouped or rearranged and presented to confirm to the current year's classification.

For S.K. Soni & Co.  
Chartered Accountants  
(Firm's Registration No.: 307168E)

*S.K. Soni*

(S.K. Soni)  
Proprietor  
Membership No.: 012800.



*Prashantia*  
DIRECTORS  
*Purelga*

Place : Kolkata.  
Dated : 26th July, 2013.

**UTKAL SOAP PRODUCTS LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013.**

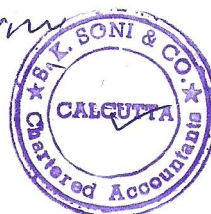
	FOR THE YEAR ENDED 31.03.2013	FOR THE YEAR ENDED 31.03.2012
<b>A) Cash Flow from Operating Activities -</b>		
Net Profit before Tax and Extra Ordinary items	297,949	70,922
Add : Interest paid	-	13,287
	<u>297,949</u>	<u>84,209</u>
<b>Adjustment for -</b>		
Profit on sale of MF	(396,274)	-
Interest Received	(17,733)	(240,636)
Operating Profit before working Capital Changes	<u>(116,058)</u>	<u>(156,427)</u>
<b>Adjustment for -</b>		
1. (Decrease) / Increase in Liabilities	-	20,995
2. Increase / (Decrease) in Assets Written-off	-	32,707
Cash Generated from operations	<u>(116,058)</u>	<u>(102,725)</u>
Income Taxes Paid / Refund	(1,773)	(67,296)
Cash Flow before Extraordinary items	<u>(117,831)</u>	<u>(170,021)</u>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u><u>(117,831)</u></u>	<u><u>(170,021)</u></u>
<b>B) Cash Flow from Investing Activities -</b>		
Interest Received	17,733	240,636
Purchase of Mutual Fund	-	(3,500,000)
Recovery of Loan	(1,865,960)	4,055,326
Sale of Investments	3,496,274	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u><u>1,648,047</u></u>	<u><u>795,962</u></u>
<b>C) Cash Flow from Financing Activities -</b>		
Increase/(Decrease) in Unsecured Loan	-	(580,000)
Interest paid	-	(13,287)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u><u>-</u></u>	<u><u>(593,287)</u></u>
Net Increase / (-) Decrease in Cash and Cash Equivalent (A+B+C)	1,530,216	32,654
Cash & Cash Equivalents as at 01.04.2012 (Opening Balance)	27,403	(5,251)
Cash & Cash Equivalents as at 31.03.2013 (Closing Balance)	1,557,619	27,403

Place : Kolkata.

Dated : 26-July-2013.

As per our report of  
even date annexed  
For S.K. SONI & CO.  
Chartered Accountants

Proprietor



*Quashantia*  
DIRECTORS.

*Burda*