

23rd ANNUAL REPORT

OF

ASHOKA REFINERIES LTD.

**FOR THE YEAR
2013-14**

STATUTORY AUDITORS

**SUNIL JOHRI AND ASSOCIATES
CHARTERED ACCOUNTANTS
110 WALLFORT OZONE, FAFADIH CHOWK
RAIPUR, (CG)
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CERTIFIED TO BE TRUE COPY



ASHOKA REFINERIES LIMITED

REG. OFF: SHYAM COMPLEX, RAMSAGAR PARA, RAIPUR (C.G.)

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DIRECTORS' REPORT

Dear Members

Your Directors have pleasure in presenting the **23rd Annual Report** on the business and operation of the Company together with audited statement of accounts for the period ending 31st Mar' 14.

1. FINANCIAL RESULTS:

<u>Particulars</u>	<u>Financial year ended 31st March</u>	
	<u>2014</u>	<u>2013</u>
Operating Income	2,17,313	4,42,460
Other Income	5,206	15,00,000
Total Receipts:	2,22,519	19,42,460
Employee Benefit Expenses	16,200	16,200
Finance Cost	257	0
Other Expenses	2,22,044	18,52,401
Total Expenses	2,38,501	18,68,601
Profit Before Tax:	21,740	73,859
Tax Expenses	5,228	29,250
Profit for the period :	<u>16,512</u>	<u>44,609</u>
Earning Per Share (in Rs.)	0.0	0.01

2. APPROPRIATION:

No amount is proposed to be transferred to Reserves. The Profit has been carried over to Balance Sheet under Surplus in statement of Profit & Loss.

3. DIVIDEND

Due to inadequacy of profits, the Board of Directors regrets that no dividend is being recommended for the year under review.

4. PERFORMANCE REVIEW

The most significant event has been that the BSE has revoked suspension of trading in securities of the Company during the year. The equity shares are tradable on BSE.

Due to non-renewal of C & H activities, the revenue has further declined. The total income for the financial year 2013-14 is Rs.2.17 lacs as against Rs. 4.42 lacs for the year 2012-13. The profit before tax is Rs.0.21 lacs and profit after tax is Rs.0.16 lacs for the year under review against the profit before tax of Rs.0.73 lacs and profit after tax of Rs.0.40 lacs for the year 2012-13 respectively.

Your Directors feel that, barring any unforeseen circumstances, the prospects for the current year are much favorable as compared to the year under review. The Company is making all efforts cope up with the market situations and increase the operations.

5. No material changes and commitment occurred since the conclusion of the financial year.

6. PERSONNEL:

Since there was no employee who was drawing more than Rs.60.00 Lacs per annum, if employed through out the year, or Rs.500000/- per month if employed for the part of the year, the required information under sub-section (2A) of section 217 of the companies Act, 1956 read with companies (particulars of the employees) rules 1974 as amended is not given.

7. CONSERVATION OF ENERGY & TECHNICAL ABSORPTION:

The Company have not been engaged in manufacturing activities and as such the provisions of section 217 (i) (e) of the companies Act, 1956 read with the companies (disclosure of particulars in report of Board of Directors) rules 1988, regarding conservation of energy are not applicable.

R&D efforts were not made towards technology absorption and no foreign exchange outgo and inflow included during the year.

8. MANAGEMENT DISCUSSION AND ANALYSIS:

A report on Management Discussion and Analysis (MDA), which is forming part of this Report, inter-alia, adequately deal with the operations as also current and future outlook of the Company.

9. DEPOSITS:

Company has not accepted any deposits from public which is covered within the meaning of section 58-A & 58-AA of companies Act.

10. DIRECTORS

Shri Shabir Menon & Shri Sudhir Dixit Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Your directors recommend his appointment.

Directors declared that no directors are disqualified from being appointed as Director of the Company under Section 184 of The Companies Act, 2013.

Women Director:

Smt. Satyawati Parashar has informed of her consent to get appointed as a women director in accordance with the provisions of the listing agreement as well the provisions of the Companies Act, 2013 at the ensuing annual general meeting.

11. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement Under Section 217(2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby confirmed:-

- i. That in the preparation of the account for the financial year ended on 31st March' 2014, the applicable accounting standards have been followed and there were no material departures.
- ii. 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 profit or loss of the company for the year under review;
- iii. That the Directors have taken proper a sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. That the Directors have prepared the accounts for the financial year ended 31st March' 2014 on a going concern basis.

12. AUDITORS

M/s Sunil Johri & Associates, Chartered Accountants, who are the Statutory Auditors of the Company will retire at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment, subject to the approval of shareholders. The Company has received letter from them to the effect that their reappointment, if made, would be within the prescribed limits of section 139 (2) of the Companies Act, 2013 and that they are not disqualified for reappointment within the meaning of Section 141 of the said Act.

Directors recommend their reappointment on a remuneration to be decided by the Board and the Auditor mutually for the ensuing Financial Year i.e. 2014-15.

13. AUDITORS OBSERVATION:

Remarks made by the auditors in their report on the accounts stand explained in the notes to accounts which are self-explanatory.

14. VIGIL MECHANISM:

As per Section 177 (9) & (10) of the Companies Act, 2013 and Clause 49 of the Listing agreements with the Stock Exchanges has to establish a Vigil Mechanism for Directors and employees to report genuine concerns.

15. ACKNOWLEDGEMENT

Your directors wish to place on record their sincere appreciation for contributions made by employees of the company and cooperation extended by the bankers and all persons who have directly and indirectly contributed to the success of the company.

Your directors also acknowledge the trust and confidence you have reposed in the company.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT:

This is to confirm that the Company has adopted Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors. I confirm that the Company has in respect of the financial year ended March 31, 2014, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

BY AND ON BEHALF OF THE BOARD.

SD/-

(Ravi Kamra)
Director
DIN 00745058

SD/-

(Sudhir Dixit)
Director
DIN 02023125

DATED: 02.09.2014

PLACE: RAIPUR (C.G.)

CORPORATE GOVERNANCE REPORT
(Pursuant to clause 49 of the Listing Agreement)

Company Philosophy on code of governance:

The essence of Corporate Governance lies in its transparency, its efficiency lies in its ability to protect the stakeholders interest. Sound ethical practices, transparency in operations and timely disclosures go a long way to enhancing long-term shareholder value while safeguarding the interest of all the stakeholders.

Clause 49 of the listing agreement with stock exchanges in India has set the benchmark compliance rules for a listed company and the baseline for governance standards.

Corporate governance is an integral part of the way your Company does business. Gangotri Cement Ltd. continues to believe that a good Corporate Governance is essential to achieve long-term corporate goals and to enhance stockholders' value.

Your Company is a listed company on the Mumbai & M. P. Stock Exchange and have a governance process and practices venture to achieve transparency and professionalism in action as well as the implementation of policies and procedures to ensure high ethical standards as well as responsible management.

We also believe that Corporate Governance is a continuously improving process and are always striving towards achieving the highest standards possible.

1. Board of Directors :

a. Composition of Board of Directors.

As on March 31st 2014, your Company's Board of the Directors of the Company consisted of four Directors with varied experience in different areas. The composition of the Board is in conformity with the clause 49 of the provisions of Listing agreement, with 50% of the Board consisting of Independent Directors. The details of composition and categories of Directors are as follows.

- | | |
|-----------------------|------------------------|
| a. Shri Sudhir Dixit | (Executive Director) |
| b. Shri Shabbir Menon | (Managing Director) |
| c. Shri Ravi Kamra | (Independent Director) |
| d. Shri Deepak Tyagi | (Independent Director) |

b. Policy

All statutory & other significant and material information are placed before the Board to enable it to discharge its responsibilities of strategic supervision of the company and as trustees of stakeholders, as per policy the Board meets at least once every quarter. During the year the Board met 5 times on 18th Apr'13, 8th Jul'13, 13th Aug'13, 28th Oct'13, and 12th Feb'14.

- c. Meeting attendance of each directors at the BOD meeting and last AGM is as under:-

Name of Directors	No. of Board Meetings Attended	Attendance at Last AGM
Shri Sudhir Dixit	5	Yes
Shri Ravi Kamra	4	Yes
Shri Shabbir Menon	5	Yes
Shri Deepak Tyagi	4	Yes

- d. Directors seeking reappointment

Name of the Director	Shri Sudhir Dixit	Shri Shabbir Menon
Designation	Director	M. D.

2. Code of Business Conducts and Ethics

The Board of Directors has laid down a Code of Conduct for all Board Members and senior employees of the Company. The annual accounts contain the Code of Conduct and a declaration by the **Managing Director**.

Your company has adopted a code of conduct for all the Board members and members of senior management, between whom it has been circulated and compliance thereto affirmed. A declaration signed by the Managing Director is given below.

I hereby confirm that:

“The company has obtained from all the members of the Board and senior management, affirmation that they have complied with the code of conduct for directors and senior management in respect of the financial year 2013-14”

Sd/-
Shabir Menon,
Managing Director

3. Committees of the Board

a) **Audit Committee**

The Audit Committee continued working under Chairmanship of Shri Ravi Kamra with Shri Shabir Menon and **Shri Sudhir Dixit** as co-members.

The sub-committee met on four occasions with full attendance of all the members.

The committee met on the following dates with attendance as shown below:

Date of Meeting	Committee strength	No. of members present
8 th Jul'13	3	3
13 th Aug'13	3	2
28 th Oct'13	3	2
12 th Feb'14	3	2

b) **Executive Committee**

The Executive Committee continued working under Chairmanship of Shri Sudhir Dixit with Shri Ravi Kamra and Shri Shabbir Memon as co-member, during the year, the sub-committee met on four occasions with full attendance of all the members.

The committee met on the following dates with attendance as shown below:

Date of Meeting	Committee strength	No. of members present
18 th Apr'14	3	2
8 th Jul'13	3	3
28 th Oct'13	3	2
12 th Feb'14	3	2

c) **Nomination & Remuneration Committee**

The Nomination & Remuneration Committee has been constituted under the Chairmanship of Shri Sudhir Dixit with Shri Shabbir Memon and Shri Ravi Kamra as co-members. The Committee has been formed to review and recommend the remuneration policy of the Company and to recommend the revision in salary structure of Directors. During the year, the sub-committee met once on 18th Apr'13 with full attendance of all the members and decided that due to slow growth in Industries and low profits directors should not draw any remuneration.

d) **Shareholders Committee**

The committee has been renamed as **Stakeholders Relationship Committee** Shri Ravi Karma with Shri Sudhir Dixit and Shri Shabbir Memon are the members. In the Financial year under review, one meeting of the Committee was held 13th Aug'13. As on March 31, 2014 there were no requests pending for transfer of shares.

4. General Body Meeting

Particulars of last three Annual General Meetings

AGM	Year ended 31 st March	Venue	Date	Time
20 th	2011	Registered office of the Company	30-09-2011	03:00 PM
21 th	2012		29-09-2012	03:00 PM
22 nd	2013		27-09-2013	03:00 PM

5. Disclosures

- i. There was no transaction of material nature with any of the related party, which is in conflict with the interest of the company.
- ii. Details of non compliance by the company, penalties, and strictures imposed on the company by the Stock Exchange or SEBI or any authority on any matter related to capital markets during last 3 years. However, due to some non-compliance in the earlier years, the trading of the listed securities has remained suspended.
- iii. The company has put in place a mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons. The reports received from any employee will be reviewed by the audit committee. It is affirmed that no person has been denied access to the audit committee in this respect. The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice.

6. Means of Communication

Information like financial results (quarterly, half-yearly or annual) and press releases on significant developments in the Company that has been updated on the company's website www.ashokarefineries.com and have also submitted to the stock exchanges to enable them to put them on their websites and communicate to their members.

Details of management discussion are a part of the annual report.

No presentation made to institutional investors or to the analysts. Management Discussion & Analysis are not a part of Annual Report.

7. General Shareholder Information for the year

AGM- Date, Time and venue	30-09-2014, 3.00pm at Registered Office
Financial Year	31-03-2014
Book Closure Date	28 TH Sept'14 to 30 th Sept'13
Dividend Payment Date	No dividend declared
Listing of Equity Shares on Stock Exchange	Mumbai, M. P. Stock Exchange,
Market price data and other related information	None as the trading remained suspended during the year as explained above during the year 2013-14
Registrar & Transfer Agent.	Beetal Financial & Computer Services (P) Ltd

8. Auditors' Certificate on Corporate Governance

As required under clause 49 of the listing Agreement, the Auditors Certificate is given as an Annexure to the Directors Report.

MANAGEMENT DISCUSSION AND ANALYSIS

FORWARD- LOOKING STATEMENT

India's economy expanded at 4.7 per cent in the entire 2013-14 financial year, marking a second straight year of below 5 per cent growth in the last 25 years. The expansion was slower than an official estimate of 4.9 per cent and higher than 4.5 per cent growth a year earlier. The year 2013 witnessed changing global dynamics with a renewed focus on the developed nations. The developed economies gathered momentum even as consumer demand recovered modestly in the US and Japan. However, emerging economies experienced external and localised vulnerabilities and market turmoil.

This report contains forward-looking statements based on certain assumptions and expectations of future events. The Company, therefore, cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements can thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

SERVICES

Company is engaged in Cargo handling services. Due to removal of restriction on import, this is excellent field to provide services to the importers. The size of the Company needs to be expanded to enter this industry on a large scale for which Directors are concentrating their attention.

BUSINESS OVERVIEW

The Turnover during the year 2013-14 is to the tune of Rs.2.17 Lacs. Previous year it was Rs.4.42 Lacs. The decline in turnover continues due to non-renewed C & H control. Company is trying to improve its performance in the future.

MARKETING

The Company is making all efforts to revamp its marketing in new areas and hopes for good results in the current year.

SWOT

Our strength is our determination, weakness is the low equity base suspension by BSE of, opportunities are multiples and threats are practically none. Suspension of trading is under revocation by BSE.

The financial highlights are as under:-

	Fig. in lacs
Turnover for the year 2012-2013	2.17
Provision for taxation	0.05
Profit after tax	0.17
Paid-up Equity Share Capital as on 31 st March'2013	340.19

INTERNAL CONTROL

The Company has an internal control system, commensurate with the size of its operations, adequate records and documents were maintained as required by laws. The

Company's audit Committee reviewed the internal control system. All efforts are being made to make the internal control system more effective.

SEGMENT WISE REPORTING

During the year under review, Company has through Cargo Services segment only.

RISK AND CONCERNS

In any business, risks and prospects are inseparable. As a responsible management, the Company's principal endeavor is to maximize returns. The Company continues to take all steps necessary to minimize losses through detailed studies and interaction with experts.



Sunil Johri & Associates

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Ashoka Refineries Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of ASHOKA REFINERIES LTD. ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

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 notified under 'the Companies Act, 1956' of India (the "Act") read with the General Circular 15/ 2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. 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.

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.



Sunil Johri & Associates

Chartered Accountants

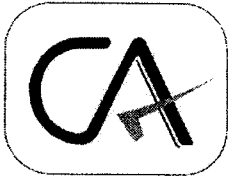
Opinion

In our opinion, subject to note given below, 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 March 31, 2014;
- b) in the case of the Profit and Loss Account, of the Loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) order, 2003 including companies (Auditors Report) (Amendment) order 2004 issued by the Central Government of India in terms of Sub-section (4A) of section 227 of the companies Act, 1956, we enclose in the Annexure a Statement on the matters specified in paragraphs 4 & 5 of the said order.
2. As required by section 227(3) of the Act, 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 and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, **subject to point no. 3** given below the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the companies Act, 1956 read with general circular 15/2013 dated 13 September 2013 of Ministry of Corporate Affairs in respect of section 133 of the Companies Act 2013 and
 - e. On the basis of written representations received from all the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.



Sunil Johri & Associates

Chartered Accountants

3. Attention of the members is drawn to the following Notes:-
- a. Note No.12 of Notes on financial statements regarding certain disclosure relating to Micro / Small / Medium Enterprises.
 - b. Note No. 14 of Notes on financial statements regarding non provision of listing fees for the FY 2013-14

For, SUNIL JOHRI & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO. 005960C

(SUNIL JOHRI)
PARTNER
Membership No: 074654

PLACE: RAIPUR
DATED: 02/09/2014

ASHOKA REFINERIES LIMITED

ANNEXURE TO THE AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

- I. The Company has no fixed assets hence Clause 4(i) (a) to (c) of CARO 2003 is not applicable to the Company.
- II. The Company is not engaged in Trading or manufacturing activities hence does not have to maintain inventory, therefore Clause 4(ii) (a) to (c) of CARO 2003 is not applicable to the Company.
- III. a) As informed by us, the Company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Since the Company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, clauses 4(iii) (a) to (g) of CARO 2003 are not applicable to the Company.
- IV. In our opinion and according to the information and explanations there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to supply of services. Further, on the basis of our examination, and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control procedures.
- V. a) According to the information and explanations given to us, Company has not entered into any contract or arrangement referred to in section 301 of the act.
b) As the Company has not entered into any transaction, no comments have been given in respect of Clause 4(v) of the CARO, 2003.
- VI. In our opinion according to the information and explanations provided by the management, in our opinion, the company has not accepted any public deposits. Hence no comments have been given in respect of Clause 4(vi) of the CARO, 2003.
- VII. The Company does not have a formal internal audit system. However, in our opinion, there are adequate internal control procedures commensurate with the size and nature of the business.
- VIII. The maintenance of the cost records under section 209(1)(d) of the Companies Act, 1956, is not applicable to the Company.

- 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 our opinion, undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess were in arrears, as at 31st March 2014 for a period of more than six months from the date they became payable.
- b) As on 31st March 2014, according to the records of the Company, there are no dues of sales tax, income-tax, customs tax / wealth tax, excise duty, Service Tax / cess on account of any dispute.
- X. The Company has not accumulated losses of more than 50% of its net worth as on 31st March, 2014 and company has not incurred cash losses during the financial year ended on the date and immediately previous year.
- XI. Since there is no borrowing from Bank / Financial Institution, Hence no comments have been given in respect of Clause 4(XI) of the CARO, 2003.
- XII. According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted any loans and advances on the basis of pledge of shares, debentures and other securities.
- XIII. In our opinion and to the best of our knowledge and according to the explanations provided by the management, that the company is neither a Chit Fund nor a Nidhi/mutual benefit society. Hence, the requirements of Clause 4(xiii) of CARO, 2003 do not apply to the Company.
- XIV. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provision of clause 4 (xiv) of CARO 2003 is not applicable to the company.
- XV. The Company has not given guarantees for loans taken by others from bank or financial institutions. Accordingly, the provision of clause 4 (XV) of CARO 2003 is not applicable to the company.
- XVI. The Company has neither raised any term loans during the year nor was any unutilized amount left on this account, as at the beginning of the year. Therefore, the provision of clause 4 (XVI) of CARO 2003 is not applicable to the company.

- XVII. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
- XVIII. The Company has not made any fresh allotment of shares during the year.
- XIX. The Company did not issued debentures during the year.
- XX. The Company has not raised any money by public issue during the period covered by our audit report.
- XXI. To the best of our knowledge and belief, and according to the information and explanations given to us, and the records of the Company examined by us, no fraud on or by the Company was noticed or reported during the year.

**FOR, SUNIL JOHRI & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN. NO.005960C**

**(SUNIL JOHRI)
PARTNER
M.NO.074654**

**PLACE: RAIPUR
DATE: 02.09.2014**

ASHOKA REFINERIES LIMITED
REGISTERED OFFICE: SHYAM COMPLEX, RAMSAGAR PARA, RAIPUR CG
BALANCE SHEET AS ON 31-03-2014

Particulars	NOTE NO.	AS AT 31.03.2014	AS AT 31.03.2013
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	34,019,000.00	34,019,000.00
(b) Reserves and Surplus	2	(16,653,407.84)	(16,669,919.44)
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	3	1,500,000.00	1,500,000.00
(3) Current Liabilities			
(a) Trade Payables	4	4,275,479.00	1,081,497.00
(b) Other Current Liabilities	5	703,087.00	699,940.00
TOTAL- EQUITY AND LIABILITIES		23844158.16	20630517.56
II. ASSETS			
(1) Non-Current Assets			
(a) Non-current investments	6	12,400,000.00	12,400,000.00
(b) Long term loans and advances	7	9,819,548.00	6,745,598.00
(c) Other Non-Current Assets	8	263,679.00	263,679.00
(2) Current Assets			
(a) Trade Receivables	9	1,121,105.00	925,524.00
(b) Cash and Bank Balances	10	168,874.16	242,602.56
(c) Other current assets	11	70952.00	53114.00
TOTAL- ASSETS		23844158.16	20630517.56

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS

1 TO 19

THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

AS PER OUR REPORT OF EVEN DATE.
FOR, SUNIL JOHRI AND ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO. 005960C

FOR, 'ASHOKA REFINERIES LIMITED
CIN : L15143CT1991PLC006678

SUNIL JOHRI
PARTNER
M.NO. 074654

RAVI KAMRA SUDHIR DIXIT
DIRECTOR DIRECTOR
DIN 00745058 DIN 02023125

PLACE: RAIPUR
DATE: 02.09.2014

PLACE: RAIPUR
DATE: 02.09.2014

ASHOKA REFINERIES LIMITED
REGISTERED OFFICE: SHYAM COMPLEX, RAMSAGAR PARA, RAIPUR CG
Statement of Profit and Loss for the year ended 31st March' 2014

Particulars	NOTE NO.	AS AT	AS AT 31.03.2013
I. Revenue from operations (Gross)	12	217313.00	442460.00
II. Other Income	13	5206.00	1500000.00
III. Total Revenue (I + II)		222519.00	1942460.00
IV. Expenses:			
Employee benefit expenses	14	16200.00	16200.00
Financial Cost	15	257.40	0.00
Other Expenses	16	222044.00	1852401.00
Total Expenses		238501.40	1868601.00
V. Profit before extraordinary and exceptional items and tax (III - IV)		(15982.40)	73859.00
VI. Extraordinary item		0.00	0.00
VII. Prior Period Items		37722.00	0.00
VIII. Profit before tax (V - VI)		21739.60	73859.00
IX. Tax expense:			
(1) Current tax		3147.00	29250.00
Less :- MAT Credit Entitlement		3147.00	0.00
(2) Earlier Year Tax Expenses		5228.00	
Net Tax Expenses		5228.00	29250.00
(2) Deferred Tax (Asset)/Liabilities		0.00	0.00
		0.00	0.00
		5228.00	29250.00
X. Profit(Loss) for the year	(VIII-IX)	16511.60	44609.00
XI. Transfer to Profit & Loss A/c.		16511.60	44609.00
XII. Earning per equity share of Rs.10 Each			
Basic & Diluted	17	0.00	0.01
Weighted average no. of equity share outstanding		3401900.00	3401900.00

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS
 THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

1 TO 19

AS PER OUR REPORT OF EVEN DATE.
 FOR, SUNIL JOHRI AND ASSOCIATES
 CHARTERED ACCOUNTANTS
 FIRM REG. NO. 005960C

FOR, 'ASHOKA REFINERIES LIMITED
 CIN :L15143CT1991PLC006678

SUNIL JOHRI
 PARTNER
 M.NO. 074654

RAVI KAMRA SUDHIR DIXIT
 DIRECTOR DIRECTOR
 DIN 00745058 DIN 02023125

PLACE: RAIPUR
 DATE: 02.09.2014

PLACE: RAIPUR
 DATE: 02.09.2014

NOTE ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE 1 : SHARE CAPITAL	As at 31-Mar-14 Number	As at 31-Mar-14 (In INR)	As at 31-Mar-13 Number	As at 31-Mar-13 (In INR)
AUTHORISED Equity Shares of Rs. 10/- each.	3,750,000	37,500,000	3,750,000	37,500,000
TOTAL	3,750,000	37,500,000	3,750,000	37,500,000
ISSUED SUBSCRIBED & PAID UP Equity Shares of Rs. 10/- each.	3,401,900.00	34,019,000.00	34,019,000.00	34,019,000.00
TOTAL	3,401,900.00	34,019,000.00	34,019,000.00	34,019,000.00

The Company has only one class of equity shares having a face value of Rs.10 Each.Each shareholder is eligible for 1 vote per share.

Details of Shares held by shareholders holding more than 5% of the aggregate shares in the company:-

NAME OF SHAREHOLDER	As at 31st March' 2014		As at 31st March' 2013	
	No. of Shares	%	No. of Shares	%
NIL				

*information provided by company and relied by auditor

The Reconciliation of the no. of shares outstanding is said below:-

Particulars	As at 31st March' 2014	As at 31st March' 2013
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	3,401,900.00	3,401,900.00
Add:- Shares Issued during the year as Public Issue	-	-
Equity Shares at the end of the year	3401900.00	3401900.00

NOTE-2	As at 31st March' 2014	As at 31st March' 2013
PROFIT AND LOSS A/C		
Opening Balance	(16,669,919.44)	(16,714,528.44)
Add:- Transfer from P& L Account	16,511.60	44,609.00
TOTAL	(16653407.84)	(16669919.44)

NOTE ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	As at 31st March' 2014	As at 31st March' 2013
NOTE-3		
LONG TERM BORROWINGS :-		
UNSECURED		
PRESSWELL INDUSTRIES (I) LTD.	1,500,000.00	1,500,000.00
TOTAL	1,500,000.00	1,500,000.00
(NO SECURITY OR GUARANTEE GIVEN BY THE COMPANY IN RESPECT OF LOAN) (FROM PRESSWELL INDUSTRIES)		
NOTE-4		
TRADE PAYABLES		
CREDITOR FOR EXPENSES	4,275,479.00	1,081,497.00
(None of the enterprises rendering services to the company who are engaged in providing services have given any information as required under "The Micro, Small and Medium Enterprises Development Act 2006" Hence the company is not in a position to disclose the required information nor provided any liabilities as required under the said Act.)		
TOTAL	4,275,479.00	1,081,497.00
NOTE-5		
OTHER CURRENT LIABILITIES AND PROVISIONS		
AUDIT FEES PAYABLE	16,854.00	16,854.00
LEGAL FEES PAYABLE	4,000.00	4,000.00
INCOME TAX PAYABLE	3,147.00	-
ADVANCE FROM CUSTOMERS	679,086.00	679,086.00
TOTAL	703,087.00	699,940.00
NOTE -6		
NON CURRENT INVESTMENT		
UNQUOTED NON TRADE		
AMIN EXPLOSIVES PVT. LTD., NAGPUR 22000 (PY 22000) EQUITY SHARE OF FACE VALUE RS 10/- EACH FULLY PAID UP	2,200,000.00	2,200,000.00
CHHATTISGARH STEEL & POWER LTD., RAIPUR 52000 (PY 52000) EQUITY SHARE OF FACE VALUE RS. 10 EACH FULLY PAID UP	5,200,000.00	5,200,000.00
MAHANADI MDELTALS & CHEMICALS LTD., ORISSA, 2000 (PY 2000) EQUITY SHARE OF FACE VALUE RS. 10 EACH FULLY PAID UP	1,000,000.00	1,000,000.00
RAIPUR FORGINGS & CASTING PVT. LTD., RAIPUR , 40000 (PY 40000) EQUITY SHARE OF FACE VALUE RS. 10 EACH FULLY PAID UP	2,000,000.00	2,000,000.00
SRI BALMUKUND POLYPACK PVT. LTD., RAIPUR, 50000 (PY 50000) EQUITY SHARE OF RS. 10 EACH FULLY PAID UP	2,000,000.00	2,000,000.00
Aggregate Amount of Unquoted Investments	12400000.00	12400000.00
NOTE-7		
LONG TERM LOANS & ADVANCES		
(UNSECURED CONSIDERED GOOD)		
CAPITAL ADVANCES	9,517,548.00	6,143,598.00
DEPOSITS (TELEPHONE AND OTHERS) (BOARD IS OF THE OPINION, IT WILL BE REALIZED IN DUE COURSE)	302,000.00	602,000.00
NOTE-8		
OTHER NON-CURRENT ASSETS		
LONG TERM TRADE RECEIVABLES (UNSECURED CONSIDERED GOOD) (Receivables are in receipt of goods sold in ordinary course of business)	263,679.00	263,679.00
TOTAL	263,679.00	263,679.00
NOTE-9		
TRADE RECEIVABLES		
OVER SIX MONTHS		
UNSECURED, CONSIDERED GOOD	795,701.00	600,120.00
LESS THAN SIX MONTHS		
UNSECURED, CONSIDERED GOOD	325,404.00	325,404.00
TOTAL	1121105.00	925,524.00
NOTE-10		
A. CASH AND CASH EQUIVALENTS		
CASH IN HAND	149,835.00	205,780.00
BALANCES WITH BANKS IN CURRENT ACCOUNT	19,039.16	36,822.56
TOTAL	168,874.16	242,602.56

	As at 31st March 2014	As at 31st March 2013
NOTE-11		
OTHER CURRENT ASSETS		
TDS RECEIVABLE AY 12-13	-	3,392.00
TDS RECEIVABLE AY 13-14	13,640.00	44,246.00
INCOME TAX REFUNDABLE	32,533.00	5,476.00
MAT CREDIT ENTITLEMENT	3,147.00	-
TDS RECEIVABLE AY 14-15	21,732.00	0.00
	70,952.00	53,114.00
NOTE-12		
REVENUE FROM OPERATIONS		
COMMISSION RECEIVED	217,313.00	442,460.00
TOTAL	217,313.00	442,460.00
NOTE-13		
OTHER INCOME		
INTEREST RECEIVED FROM PARTIES	4,821.00	0.00
CREDITORS WRITTEN OFF	-	1,500,000.00
INTEREST ON INCOME TAX REFUND	385.00	-
	5,206.00	1,500,000.00
NOTE - 14		
EMPLOYEE BENEFITS EXPENSES		
SALARY	16,200.00	16,200.00
	16,200.00	16,200.00
NOTE -15		
FINANCIAL COSTS		
BANK CHARGES	257.40	-
	257.40	-
NOTE -16		
OTHER EXPENSES		
ADMINISTRATIVE EXPENSES		
AUDIT FEES	16,854.00	16,854.00
PROFESSIONAL CHARGES	26,134.00	8,505.00
LISTING FEES	33,475.00	31,349.00
OFFICE & GENERAL EXPENSES	6,226.00	4,315.00
POSTAGE & TELEGRAM	14,236.00	5,371.00
PRINTING & STATIONERY	21,056.00	28,325.00
ROC FEES	2,500.00	-
SHARE TRANSFER CHARGES	49,462.00	-
ANNUAL MAINTAINENCE CHARGES	6,741.00	6,741.00
ANNUAL FEES TO REGISTRAR	-	20,163.00
REVOCATION FEES	-	842,700.00
BAD DEBTS WRITTEN OFF	-	888,078.00
TRAVELLING EXPENSES	45,360.00	-
OTHER EXPENSES TOTAL	222,044.00	1,852,401.00

ASHOKA REFINERIES LIMITED
REGISTERED OFFICE: SHYAM COMPLEX, RAMSAGAR PARA, RAIPUR CG
CASH FLOW STATEMENT FOR THE PERIOD FROM 01.04.13 TO 31.03.2014

	(Amount in Rs.) Year 2013-14		(Amount in Rs.) Year 2012-13
A) Cash Flow From Operating Activities :-			
1. Net Profit/(Loss) before Taxes and Exceptional Items	16511.60		44609.00
Adjustments for:-			
Depreciation	0.00		0.00
Interest Charged to P & L A/c	257.40		0.00
Interest received from parties	(4821.00)		0.00
2. Operating Profit before Working Capital Changes	11948.00		44609.00
Adjustments for:-			
Trade & other Receivable	(3287369.00)		1324868.00
Inventories	0.00		0.00
Trade Payables & other Liabilities	3197129.00		(1473404.00)
Cash generated from Operations	(78292.00)		(103927.00)
Direct Taxes Paid			
Net Cash from Operating Activity (A)		(78292.00)	(103927.00)
B) Cash Flow From Investing Activities :-			
Purchase of Fixed Assets	0.00		0.00
Sale of Fixed Assets	0.00		0.00
Decrease / (increase) in Capital Work in Progress	0.00		0.00
Payment for Misc. Assets	0.00		0.00
Misc. Expenses Capitalised (IPO Exp.)			0.00
Purchase of Investment	0.00		0.00
Dividend Received	0.00		0.00
Sale of Investment	0.00		0.00
Net Cash from Investing Activity (B)		0.00	0.00
C) Cash Flow From Financing Activities :-			
Proceeds from Unsecured Loans (Net)	0.00		0.00
Proceed from Bank Borrowing (Net)	0.00		0.00
Monies received towards Share Capital & application	0.00		0.00
Monies received towards Share Premium	0.00		0.00
Interest Paid	(257.40)		0.00
Interst received from parties	4821.00		0.00
Corporate Dividend Tax Paid on Equity dividend	0.00		0.00
Net Cash From Financing Activities (C)		4563.60	0.00
D) Net Increase / (Decrease) in Cash & Cash Equivalents			
((A)+(B)+(C))		(73728.40)	(103927.00)
E) Cash and Cash Equivalent at beginning of the Year	242602.56		346529.56
F) Cash and Cash Equivalent at end of the Year (D+E)	168874.16		242602.56

NOTE:-

- The above cash flow Statement has been prepared under the "Indirect Method" as set out in accounting Standard (AS)-3 on
- Previous Year figures have been regrouped / recast wherever necessary.

AS PER OUR REPORT OF EVEN DATE
FOR, SUNIL JOHRI AND ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO. 005960C

FOR, ASHOKA REFINERIES LIMITED
CIN :L15143CT1991PLC006678

SUNIL JOHRI
PARTNER
M.NO.074654

DIRECTOR DIRECTOR
RAVI KAMRA SUDHIR DIXIT
DIN 00745058 DIN 02023125

RAIPUR

02.09.2014

RAIPUR

02.09.2014

ASHOKA REFINERIES LIMITED

NOTES ON FINANCIAL STATEMENT

1. Earning per share:

Particulars	Current 2013-14	Year	Previous Year 2012-13
Net Profit after tax	16511.60		44609.00
Weighted average number of Equity Share	3401900.00		3401900.00
Nominal Value per share	10.00		10.00
Basic and Diluted Earnings Per share	0.005		0.01

2. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.
3. There is no claim against the company not acknowledged as debts.
4. Balance shown under the headings sundry creditors for Goods, expenses & others, sundry debtors, other current assets, banks and advances to suppliers are subject to confirmations. Necessary adjustment, if any will be made when the accounts are reconciled and settled.
5. In the opinion of the management there is no such events occurred after the date of Balance sheet that needs discloser in these accounts.
6. In the Opinion of the board of directors, the loans, advances and current assets have a value on realization in the ordinary course of business, at least equal to the amounts of which these are stated and that the provisions for the known liabilities are adequate and not in excess of the amount reasonably necessary.
7. Valuation & consumption of inventories has been taken as valued and certified by the management.
8. There were no employee at any time during the year drawing Rs.500000/- or more per month.
9. SEGMENT REPORTING
 - (a) Business Segment: - The Company has considered business segment as the primary segment to disclose. The company is engaged in rendering services which is the context of AS-17 issued by the Institute of Chartered Accountant of India, is considered the only business segment..
 - (b) Geographical Segment: - The Company sells its products within India. The condition prevailing in India being Uniform, no Separate geographical segment disclosure is considered necessary.

10. Related party disclosures under accounting standard 18

- i. Other related parties with whom transactions have taken place during the year

Subsidiaries - NIL

- ii. Key management personnel
Board of Directors

- a. Shri Sudhir Dixit
b. Shri Shabir Memon
c. Shri Ravi Kamra
d. Shri Deepak Tyagi

- iii. Relative of Key management personnel where transaction have been taken place- NIL

- iv. Transaction with related parties referred to above in ordinary course of business.

Rs in Lacs

Nature of Transaction	Referred in 10 (ii) above	Referred in 10 (iii) above
Remuneration paid / salary	NIL	NIL
Loan received	NIL	NIL
Loan Repaid	NIL	NIL
Outstanding	NIL	NIL

11. Details of Employee benefits as required by the Accounting Standard 15 "Employee Benefits" are given below:-

(a) Defined Contribution Plans:-

During the year the company has not employed more than 10 employees and therefore no Statutory Act Related employee are applicable. However company has not recognized any amount for Defined Contribution in the profit & loss Accounts as the employee's are not permanent.

(b) Defined benefit plan:-

No Provision of Gratuity and encashment of leave has been made for the employees up to 31.03.2014.

12. In respect of Micro / Small / Medium Enterprises Development Act, 2006, certain disclosure is required to be made relating to Micro / Small / Medium Enterprises. The company could not get relevant information from its supplier about their coverage under the Act since the relevant information is not readily available, no disclosure has been made in the account. Hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said act have not been made.
13. During the year Company has credited income amounting to Rs. 37722.00 pertaining to the FY 2012-13 not taken in earlier year.
14. No provision has been made for listing fees to be paid to Bombay Stock Exchange and Madhya Pradesh Stock Exchange for the FY 2013-14. Consequently the loss has been understated by Rs. 136517.00 for the FY 2013-14.
15. Significant accounting policies adopted by the Company are disclosed in the statement annexed to these financial statements as Annexure I.

FOR & ON BEHALF OF THE BOARD

**FOR, SUNIL JOHRI & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN NO.05960C**

**SUDHIR DIXIT
DIRECTOR
DIN 02023125**

**RAVI KAMRA
DIRECTOR
DIN 00745058**

**(SUNIL JOHRI)
PARTNER
M.NO.074654**

**PLACE: RAIPUR
DATED: 02/09/2014**

Annexure -1

ACCOUNTING POLICIES:-

A. Basis of Preparation:-

The financial statement have been prepared under the historical cost conventional accrual basis of accounting, in conformity with accounting principles generally accepted in India requires management to make estimates and assumptions that affect the reported amounts of asset and liabilities and disclosures relating to contingent liabilities as at the date of financial statements and reported amounts of revenues and expenses during the reporting period actual results could differ from these estimates. Differences between actual result and estimates are recognized in periods in which the results are known /materialized. Or comply with the accounting standard referred to in Sec. 211 (3c) of the Companies Act, 1956.

Some of the more important Accounting policies which have been applied are summarized below:-

1. FIXED ASSETS:-

- A. Fixed Assets are stated at cost of acquisition and valued at Historical cost. Related pre operational expenses form part of the value of assets capitalized less Depreciation.
- B. Directly identified expenses are being capitalized. All other allocable expenses during the period of construction for the project are being capitalized proportionately on the basis of the value of assets on date of production.

2. DEPRECIATION:-

- i. Depreciation on depreciable assets has been provided in the books of accounts, as per the rates prescribed in schedule XIV of the companies Act, 1956 as per Straight Line Method.
- ii Depreciation on additions to and deductions from fixed assets is being provided on pro-rata basis from /to the date of acquisition/disposal.

3. RECOGNITION OF INCOME AND EXPENDITURE:-

- i. Mercantile method of accounting is employed. However where the amount is immaterial / negligible and / or establishment of accrual / Determination of amount is not possible, no entries are made for the accruals.
- ii. Interest on allotment/call/refund money is accounted for on cash basis

4. CONTINGENT LIABILITIES:-

Contingent liability is generally not accounted for in the accounts. Liabilities in respect of show cause notices received are considered as contingent liabilities only when they are converted into demand and contested by the company.

5. INVENTORIES:

Stock of raw material, stores, finished goods, spares are valued at cost or net realizable value, and whichever is less. Net realizable value is calculated on the basis of average price of April i.e. to the year-end. The cost of inventories of Raw Material is computed on average cost basis. Finished goods stocks are valued at the cost of raw material consumed and direct cost related to production excluding depreciation.

6. RESEARCH AND DEVELOPMENT EXPENDITURE:

Revenue expenditure is charged to the Profit & Loss A/c and capital expenditure is added to the costs of Fixed Assets in the year in which it is incurred and depreciation thereon is provided as per the rates prescribed in Schedule XIV of the Companies Act, 1956.

7. BORROWING COST:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

8. IMPAIRMENT OF ASSETS:

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

9. TAXES ON INCOME: -

Current Tax is determined as the amount of tax payable in respect of taxable income for the period. Differed tax is recognized subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent period.

10. INVESTMENT:-

Long term investments are carried out at cost less any other temporary diminution in value, determined on the specific identification basis.

Current investments are carried at the lower of cost and fair value.

Profit & Loss on sale of investment is determined on specific identification basis.

11. FOREIGN CURRENCY TRANSACTION:-

Transactions in foreign currency are recorded in Rupees by applying the exchange rate prevailing on the date of transaction. Transactions remaining unsettled are translated at the rate of exchange ruling at the end of the year. Exchange gain or loss arising on settlement, translation is recognized in the profit & loss a/c.

12. EMPLOYEE BENEFITS:-

a. Provident Fund is a defined contribution scheme and the contribution is charged to the Profit & Loss A/c of the year when the contributions to the Government Funds is due.

b. Gratuity Liability is defined benefit obligations and are provided for on the basis of following formula:-

Last drawn Salary * 15/26 * No. of Completed year of Services

The above calculation is done only for those employees who have completed continuous five year of services. However, the above calculation of Gratuity is not as per Actuary Valuation

c. Short Term Compensated absences are provided for based on estimates. Long Term compensated absences are provided for based on actuarial valuation.

a. Actuarial gains / losses are immediate taken to the profit & loss account and are not deferred.

13. ACCOUNTING FOR TAXES ON INCOME:-

(a) Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

(b) Deferred tax assets and liabilities are recognized for future tax consequences attributable to the timing differences that result between taxable profit and the profit as per the financial statement. Deferred tax assets & liabilities are measured using the tax rates and the tax laws enacted or substantially enacted as on the Balance Sheet

date. Deferred tax assets are recognized only to the extent there is reasonable certainty for its realization.

- (c) The taxable income of the company being lower than the book profits under the provision of the income tax act 1961. The company is liable to pay Minimum Alternate tax (MAT) on its income.
- (d) Considering the future profitability & taxable position in the subsequent years the company has recognized MAT Credit as an asset by crediting the provision for income tax.

14. CASH FLOW STATEMENT:-

The cash flow statement is prepared as per the Indirect method prescribed under "Accounting Standard – 3" Cash Flow Statement issued by the Institute of Chartered Accountants of India.

15. INTANGIBLE ASSETS:-

Cost incurred on intangible assets, resulting in future economic benefits are capitalized as intangible assets and amortized on equated basis over the estimated useful life of such assets.