

ANNUAL ACCOUNTS

**YASHO INDUSTRIES
PRIVATE LIMITED**

FOR THE YEAR 2012 - 2013

AUDITORS

M/S JAGDISH B. SHAH & ASSOCIATS

MUMBAI

YASHO INDUSTRIES PVT.LTD.

DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present to you the Annual Report about the working of your Company along with Statement of Accounts of the Company for the Financial year ended 31st March, 2013.

(1) FINANCIAL HIGHLIGHTS :

The financial results of the Company for the year ended 31st March, 2013 as compared to the previous year are summarised below:-

	2012/2013 Rs in lakhs	2011/2012 Rs in Lakhs
Gross Sales	12062.30	13403.15
Net Profit (before Tax & Depreciation)	(295.33)	333.42
Less: Depreciation	263.31	223.71
Profit before Taxes	(558.65)	109.71
Less: Provision for Taxes		
Current Tax	Nil	24.31
Deferred Tax	(180.99)	159.03
Profit/(Loss) after Taxes	(377.66)	(73.63)

(2) OPERATIONS :

INDUSTRY/ BUSINESS ENVIRONMENT/ RISKS AND CONCERNS:

Your Company is engaged in manufacturing of specialty & Fine Chemicals for Food, Fragrance, Flavors, Pharmaceuticals, Plastic & Lubricants.

FINANCIAL PERFORMANCE / INTERNAL CONTROL SYSTEM / HUMAN RESOURCES

The company achieved a Sales turnover for year ended 31st March, 2013 of Rs.120.62 Crores compared to Rs. 134.03 Crores of the last year coupled with loss of the year of Rs. 377.66 lakhs as against Rs. 109.71 lakhs in the last year.

The decline in turnover was on account of the major fire in one of our factories in the preceding year which made it difficult for us to achieve higher sales coupled with a substantial increase in fixed as well as variable operating costs. We are however positive about the future as we have restored the damaged factory and commenced commercial production towards the end of the financial year.

Systems for internal control engaged by your company are commensurate with the level of its activities and are periodically evaluated to suitably modify or alter them to suit with changes taking place in business practices. Industrial Relations, through out the financial year ended 31st March, 2013, generally remained cordial. Your company has adopted policies whereby its employees are regularly exposed to new production techniques and or methods, thereby enabling to enhance their skills further.

FUTURE OUTLOOK -

Specialty & fine chemicals being ancillary to core Food and Pharmaceuticals Industries is bound to perform in time to come with signs of increase in global & local sales. Your company is fully geared to take full advantage of benefits arising from the above. Also the Rubber product's performance should enhance the company's overall performance.

(3) DIVIDEND:

In view of the heavy losses, the company does not recommend any dividend.

(4) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION FOREIGN EXCHANGE EARNINGS & OUT GO :

The requirement of disclosure of particulars with respect to conservation of Energy is not applicable to the company.

(5) FOREIGN EXCHANGE EARNINGS AND OUTGO :

(a) EXPORT:

There has been substantial decline in total exports during the year ending March, 2013 of Rs 71.69 Crores as against Rs. 81.24 Crores in the previous year ending March, 2012.

(b) TOTAL FOREIGN EXCHANGE USED AND EARNED:

	2012/2013	2011/2012
	Rs	Rs
	-----	-----
Foreign Exchange Used	71,99,09,345	77,90,31,266
Foreign Exchange Earned (FOB)	67,63,63,160	78,08,64,700

(7) RESEARCH AND DEVELOPMENT:

Your Company has incurred Rs.15,70,385/- towards Research and Development Expenditure. Your Directors are very optimistic about the fruits of this research. As a result of constant R & D expenses your company has developed wide range of Specialty Chemicals and Rubber Chemicals.

(8) PARTICULARS OF EMPLOYEES :

There was no employee employed throughout the financial year who was in receipt of remuneration in excess of that specified in the Companies Act and therefore no particulars are given under Section 217 (2A) of the Companies Act, 1956.

(9) AUDITORS :

M/s Jagdish B. Shah & Associates, Chartered Accountants, Mumbai, retire as Auditors of the Company at the conclusion of the ensuing Annual General Meeting of the Company and have given their consent for re-appointment.

(10) DEPOSIT :

The Company has not accepted any deposits from public U/S. 58A of the Companies Act 1956.

(11) DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to sub-section (2AA) of section 217 of the Companies Act, 1956 and on the basis of explanation and compliance certificate given by executive of the Company and subject to disclosures in the Annual Accounts and also on the basis of discussions with the Statutory Auditors of the Company from time to time, we state as under:

- (i) that in the preparation of the Annual Accounts, the applicable accounting standards had been followed;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for that period;
- (iii) that the Directors had 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; and
- (iv) that the Directors had prepared the annual accounts on a going concern basis.

(12) INTERNAL AUDITORS:

With a view to strengthen the Internal Control System and subject to Statutory Provisions, the management has appointed Internal Auditors who carry out their audit on a quarterly basis.


(13) SECRETARIAL COMPLIANCE CERTIFICATE:

The Compliance certificate received in accordance with the provisions of Section 383A(1)(a) read with the Companies (Compliance Certificate) Rules, 2001 being annexed to the Directors Report. The said compliance certificate is self explanatory and needs no comments.

(14) ACKNOWLEDGMENT:

The Directors would like to place on record their appreciation for co-operation and support of Members, Customers, Suppliers, Bankers and for Staff Members, Officers and Consultants.

FOR AND ON BEHALF OF BOARD OF DIRECTORS



**SRI PARAG V. JHAVERI
(DIRECTOR)**

PLACE : MUMBAI
DATE : 26/08/2013

STATUTORY AUDITOR'S REPORT TO THE MEMBERS OF

YASHO INDUSTRIES PVT. LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of **Yasho Industries Pvt. Ltd.**, which comprise the Balance Sheet as at March 31, 2013, Profit & Loss Account for the year ended on that date and a summary of significant accounting policies and other explanatory information.

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 and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section(3C) of section 211 of the Companies Act, 1956 ('the Act').

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 misstatements, 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.

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 March 31, 2013;
- (b) in the case of the Profit & Loss Account, of the loss 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 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'order') 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 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 and Profit & Loss Account dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet and Profit & Loss Account 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 March 31, 2013, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2013, 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.

For and on behalf of
JAGDISH B SHAH & ASSOCIATES
Chartered Accountant
Firm Registration No. 128216W


Jagdish B Shah
Partner
Membership No. 6415
Place: Mumbai
Date: 26/08/2013



Annexure to the Auditor's Report of even date

To the Members,

YASHO INDUSTRIES PRIVATE LIMITED

- 1 (a) The Company has maintained proper records showing full particulars, including quantitative details and the situation of its fixed assets.
 - (b) A major portion of fixed assets have been physically verified by the management during the year. In our opinion, the frequency of verification of the fixed assets by the management is reasonable having regard to the size of the Company and the nature of its assets & no serious discrepancies have been noticed on such verification.
 - (c) During the year the company has not disposed off any major fixed assets. In fact, the company has repaired, replaced and reinstated the assets damaged and destroyed in the fire which occurred on 13.12.2011 as referred to in our preceding year's report.
- 2 (a) The inventory have been physically verified by the management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion, the Company has maintained proper records of inventory. The discrepancies between the physical stocks and the book stocks were not material.
- 3 (a) During the year, the Company has not granted any loans to parties listed in the register maintained under Section 301 of the Companies Act, 1956;
 - (b) i) It has taken loans from 39 parties listed in the register maintained u/s 301. The outstanding balance as at the year-end of such loans was **Rs.263,395,641/-**.
 - ii) In our opinion, the loans are taken interest free and other terms on which the said loan have been taken are not, prima facie, prejudicial to the interest of the Company;
 - (c) The Company was regular in payment of principal amount as per the terms of the said loan.
 - (d) None of the above loans were overdue.
4. In our opinion and according to the information and explanations provided to us, there are adequate Internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.



- 5.(a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the Company has entered into the register the particulars of contracts/arrangements Maintained under Section 301.
- (b) On the basis of the information made available to us, the transactions made in pursuance of such arrangements have been at prices which are reasonable having regard to the prevailing market prices at the relevant time
6. The Company has not accepted any deposits from the public.
7. The requirement of an internal audit system is not applicable to the Company.
8. As per the information given to us, cost records have been prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 are being maintained by the Company.
9. (a) According to the records, information and explanations provided to us, the Company is generally regular in depositing with appropriate authorities undisputed amount of income-tax, sales tax, customs duty, service tax, cess and other statutory dues applicable to it and no undisputed amounts payable were outstanding as at 31st March, 2013 for a period of more than six months from the date they become payable except for an Appeal against penalty proceedings under the Income Tax Act for Asst. Yr. 2010-2011.
- (b) There are no disputed dues of Sales Tax, Income Tax, Customs, Excise duty, Service tax and Cess as on the last date of the Balance Sheet.
10. The Company has neither any accumulated losses but has incurred a cash loss in the current financial year.
11. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions and banks.
12. Based on our audit procedures and on the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. On the basis of the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
14. In our opinion and on the basis of the explanations made available to us, the company has used the funds of the term loan for the purpose for which it was raised.
15. On the basis of our examination of the books of accounts and the information and explanation given to us, in our opinion, the funds raised on short term basis have not been used for long-term investment and vice-versa.



16. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties covered in the Register maintained under Section 301 of the Act.
17. The Company did not have outstanding debentures during the year.
18. The Company did not raise any money by public issues during the year.
19. Based on our audit procedures performed and information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the course of audit.
20. Clause No. 4(xiii) and 4(xiv) are not applicable to the company.

PLACE: MUMBAI
DATE : 26/08/2013



For Jagdish B. Shah & Associates
Chartered Accountants

Jagdish B Shah
Partner

Membership No: 6415
Firm Registration No.: 109648S

**PART I - BALANCE SHEET
YASHO INDUSTRIES PVT. LTD.**

BALANCE SHEET AS AT 31 MARCH, 2013

(Rupees in Lacs)

PARTICULARS	NOTE NO.	Figures for the current reporting period		Figures for the previous reporting period	
I. EQUITY AND LIABILITIES					
1 SHAREHOLDERS FUNDS					
(a) SHARE CAPITAL	1	500.00		500.00	
(b) RESERVES & SURPLUS	2	224.08	724.08	601.74	1,101.74
2 NON CURRENT LIABILITIES					
(a) LONG TERM BORROWINGS	3	9,060.79		7,565.55	
(b) DEFERRED TAX LIABILITIES (NET)		410.30	9,471.09	591.29	8,156.84
3 CURRENT LIABILITIES					
(a) SHORT TERM BORROWINGS	4	611.17		607.68	
(b) TRADE PAYABLES	5	3,503.68		1,736.98	
(c) OTHER CURRENT LIABILITIES	6	0.00		15.00	
(d) SHORT TERM PROVISIONS	7	139.32	4,254.17	128.47	2,488.12
TOTAL			14,449.34		11,746.70
II. ASSETS					
1 NON CURRENT ASSETS					
(a) FIXED ASSETS					
i TANGIBLE ASSETS	8	5,821.25		5,244.21	
ii CAPITAL WORK IN PROGRESS	9	0.00	5,821.25	126.77	5,370.97
(b) NON CURRENT INVESTMENTS	10		13.67		13.67
(c) LONG TERM LOANS AND ADVANCES	11		87.24		76.05
2 CURRENT ASSETS					
(a) INVENTORIES	12	3,782.35		2,625.07	
(b) TRADE RECEIVABLES	13	1,368.57		1,874.01	
(c) CASH AND CASH EQUIVALENTS	14	366.59		266.30	
(d) SHORT TERM LOANS AND ADVANCES	15	3,009.67	8,527.18	1,520.62	6,286.01
TOTAL			14,449.34		11,746.70

NOTES TO THE FINANCIAL STATEMENTS

22

THE NOTES REFERRED TO ABOVE FORM AN INTEGRAL PART OF THE BALANCE SHEET
THIS IS THE BALANCE SHEET REFERRED TO IN OUR REPORT OF EVEN DATE

For JAGDISH B SHAH & ASSOCIATES.

FOR AND ON BEHALF OF THE BOARD

J.B.SHAH
(PARTNER)

MEMBERSHIP NO. : 6415
FIRM REGISTRATION NO. : 109648S



[Signature]
(DIRECTOR)

[Signature]
(DIRECTOR)

PLACE : MUMBAI
DATE : 26/08/2013

PART II - STATEMENT OF PROFIT AND LOSS

YASHO INDUSTRIES PVT. LTD.

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31.03.2013

(Rupees in Lacs)

PARTICULARS	NOTE NO.		Figures for the current reporting period		Figures for the previous reporting period
I. REVENUE FROM OPERATIONS		12,062.30		13,403.15	
II. OTHER INCOME	16	727.55		(17.29)	
III. TOTAL REVENUE (I+II)			12,789.85		13,385.87
IV. EXPENDITURE					
COST OF MATERIALS CONSUMED	17	9,522.20		9,426.02	
CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN TRADE	18	(850.31)		(90.49)	
EMPLOYEE BENEFIT EXPENSE	19	527.78		426.82	
FINANCE COSTS	20	1,140.84		902.45	
DEPRECIATION	7	263.31		223.71	
OTHER EXPENSES	21	2,744.68		2,387.65	
TOTAL EXPENDITURE			13,348.49		13,276.16
V. PROFIT BEFORE TAX			(558.65)		109.71
VII LESS PROVISION FOR TAX					
1. CURRENT TAX		0.00		24.31	
2. DEFERRED TAX		(180.99)	(180.99)	159.03	183.34
NET PROFIT/(LOSS) AFTER TAX			(377.66)		(73.63)

BASIC EARNINGS PER SHARE

N.A.

N.A.

NOTES TO THE FINANCIAL STATEMENTS

22

THE NOTES REFERRED TO ABOVE FORM AN INTEGRAL PART OF THE PROFIT & LOSS ACCOUNT
THIS IS THE PROFIT & LOSS ACCOUNT REFERRED TO IN OUR REPORT OF EVEN DATE

For JAGDISH B. SHAH & ASSOCIATES.

FOR AND ON BEHALF OF THE BOARD

J.B. SHAH
(PARTNER)

MEMBERSHIP NO. : 6415

FIRM REGISTRATION NO. : 109648S



[Signature]
(DIRECTOR)

[Signature]
(DIRECTOR)

PLACE : MUMBAI
DATE : 26/08/2013

YASHO INDUSTRIES PVT. LTD

CASH FLOW STATEMENT FOR THE PERIOD 01.04.2012 TO 31.03.2013

(Rs in lakhs)

<u>PARTICULARS</u>	<u>31.03.2013</u> <u>AMOUNT</u>	<u>31.03.2013</u> <u>AMOUNT</u>	<u>31.03.2012</u> <u>AMOUNT</u>	<u>31.03.2012</u> <u>AMOUNT</u>
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax as per Profit & Loss Account	(557.52)		109.71	
ADJUSTMENTS FOR :				
Add : Depreciation and Amortisation	263.31		223.71	
Add : Interest on Loans	1,062.14		801.63	
Add: Loss on Sale of Asset	0.81		3.59	
Less : Interest Income	(5.92)		(2.99)	
Less : Dividend Income	(0.05)		(0.05)	
OPERATING PROFIT BEFORE WORKING CAPITAL CHAN	<u>762.77</u>		<u>1,135.60</u>	
Increase/(Decrease) in Trade Payables	1,765.57		1.69	
Increase/(Decrease) in Short Term Provision	40.98		16.53	
Increase/(Decrease) in Other Current Liabilities	(15.00)		-	
(Increase)/Decrease in Inventories	(1,157.28)		(155.68)	
(Increase)/Decrease in Trade Receivables	505.44		(404.32)	
(Increase)/Decrease in Short term Loans & Advances	(1,489.05)		(1,387.26)	
CASH GENERATED FROM OPERATIONS	<u>413.43</u>		<u>(793.44)</u>	
Less : Taxes Paid	(24.31)		(92.09)	
Less : Taxes Paid Earlier years	-		-	
Add : Income Tax Refund Received	-		-	
NET CASH FROM OPERATING ACTIVITIES		<u>389.12</u>		<u>(885.53)</u>
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(3,547.93)		(634.90)	
Capital Work in Progress	-		(126.77)	
Dividend Received	0.05		0.05	
Proceeds from Sale of Fixed Assets	2,833.53		9.18	
Interest Income	5.92		2.99	
NET CASH FROM INVESTING ACTIVITIES		<u>(708.44)</u>		<u>(749.44)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Short Term Borrowings Taken During the Year	3.49		607.68	
Secured Loans Taken	956.45		-	
Unsecured Loans taken during the year	538.79		1,924.20	
Loans given during the year	(11.19)		(13.36)	
Interest paid	(1,062.14)		(801.63)	
Dividend & Dividend Distribution Tax paid	(5.81)		(5.83)	
NET CASH FROM FINANCING ACTIVITIES		<u>419.60</u>		<u>1,711.06</u>
NET INCREASE IN CASH & CASH EQUIVALENTS		<u>100.28</u>		<u>76.09</u>
ADD : CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		<u>266.30</u>		<u>190.21</u>
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR		<u><u>366.59</u></u>		<u><u>266.30</u></u>

For JAGDISH B. SHAH & ASSOCIATES.

FOR AND ON BEHALF OF THE BOARD

J.B. SHAH
(PARTNER)



(DIRECTOR)

(DIRECTOR)

MEMBERSHIP NO. : 6415
FIRM REGISTRATION NO. : 109648S

PLACE : MUMBAI
DATE : 26/08/2013

NOTES TO FINANCIAL STATEMENTS

(Rupees in Lacs)

NOTE NO - 1

SHARE CAPITAL

AUTHORISED :	31.03.2013	31.03.2012
	-----	-----
10,00,00,000 EQUITY SHARES OF RS. 1/- EACH	1,000.00	500.00
	-----	-----
	1,000.00	500.00
	=====	=====
ISSUED, SUBSCRIBED & PAID UP		
5,00,00,000 EQUITY SHARES OF RS. 1/- EACH FULLY PAID UP	500.00	500.00
	-----	-----
TOTAL	500.00	500.00
	=====	=====

Details of Shareholders holding more than 5% in the Company	31.03.2013		31.03.2012	
	No. of Shares	% Holding	No. of Shares	% Holding
VINOD JHAVERI	17,491,210.00	34.98	17,491,310.00	34.98
PARAG JHAVERI	3,700,000.00	7.40	3,700,000.00	7.40
JIGNA JHAVERI	3,350,000.00	6.70	3,350,000.00	6.70
NIRANJANA JHAVERI	2,800,000.00	5.60	2,800,000.00	5.60
YAYESH JHAVERI	4,300,000.00	8.60	4,300,000.00	8.60
NILESH JHAVERI	3,350,000.00	6.70	3,350,000.00	6.70
NEHA JHAVERI	3,150,000.00	6.30	3,150,000.00	6.30

For YASHO INDUSTRIES PVT. LTD.

[Handwritten Signature]

DIRECTOR



NOTE NO - 2

(Rupees in Lacs)

RESERVE & SURPLUS

CAPITAL RESERVE	A	8.88	8.88
GENERAL RESERVE			
Opening Bal		114.70	80.86
Additions: Transfers made during the year		-	33.84
	B	114.70	114.70
SURPLUS			
Opening Bal		478.16	591.44
Additions: Profits made during the year		(377.66)	(73.63)
LESS : DIVIDEND		-	(5.00)
DIVIDEND DISTRIBUTION TAX		-	(0.81)
TRANSFER TO GENERAL RESERVE		-	(33.84)
	C	100.50	478.16
TOTAL (A+B+C)		224.08	601.74

NOTE: THE CAPITAL RESERVE RELATES TO THE SUBSIDY RECEIVED BY THE COMPANY FROM THE OFFICE OF THE DISTRICT INDUSTRIES CENTRE UNDER THE STATE GOVERNMENT SCHEME FOR SELECTED BACKWARD AREA AND GROWTH CENTRES IN THE DISTRICT OF GUJARAT

NOTE NO - 3

LONG TERM BORROWINGS

SECURED LOANS

MOTOR CAR LOANS		50.29	75.07
TERM LOANS		1,415.43	1,755.17
CORPORATE LOANS		1,676.73	1,373.02
FOREIGN CURRENCY LOANS		1,311.38	1,178.20
BANK OVERDRAFT		1,948.01	1,063.92
	A	6,401.83	5,445.38

NOTES

1. CASH CREDIT ACCOUNT, TERM LOANS AND FBP A/C. FACILITY AVAIL FROM THE SARASWAT CO-OPERATIVE BANK LTD ARE SECURED BY COMPOSITE HYPOTHECATION OF STOCK BOOK DEBTS, MOVABLE MACHINERY AND OTHER MOVABLES ALONG WITH PERSONAL GURANTEE OF THE DIRECTORS AND AN EQUITABLE MORTGAGE ON SPECIFIED IMMOVABLE PROPERTIES

2. MOTOR CAR LOANS SECURED AGAINST THE RESPECTIVE MOTOR CAR PURCHASED

3. THE SARASWAT CO-OP BANK LTD F.B.P. REPRESENTS EXPORT BILLS DISCOUNTED WITH THE RESPECTIVE BANK

UNSECURED LOANS

FROM DIRECTORS		2,139.41	1,550.63
FROM N. B. F.C		25.00	49.99
FROM SHARE HOLDERS		494.55	519.54
	B	2,658.96	2,120.16
TOTAL (A + B)		9,060.79	7,565.55



For YASHO INDUSTRIES PVT. LTD.

[Handwritten Signature]

DIRECTOR

NOTES TO FINANCIAL STATEMENTS

(Rupees in Lacs)

NOTE NO - 4

31.03.2013

31.03.2012

SHORT TERM BORROWINGS

BUYERS CREDIT

611.17

607.68

TOTAL

611.17

607.68

1. CASH CREDIT ACCOUNT, TERM LOANS AND FBP A/C. FACILITY AVAIL FROM THE SARASWAT CO-OPERATIVE BANK LTD ARE SECURED BY COMPOSITE HYPOTHECATION OF STOCK BOOK DEBTS, MOVABLE MACHINERY AND OTHER MOVABLES ALONG WITH PERSONAL GURANTEE OF THE DIRECTORS AND AN EQUITABLE MORTGAGE ON SPECIFIED IMMOVABLE PROPERTIES

NOTE NO - 5

TRADE PAYABLES

FOR GOODS

SMALL SCALE INDUSTRIAL

0.00

UNDERTAKINGS

OTHERS

1983.61

1,983.61

1,443.08

FOR EXPENSES

SMALL SCALE INDUSTRIAL

0.00

UNDERTAKINGS

OTHERS

1520.07

1,520.07

293.90

TOTAL

3,503.68

1,736.98

NOTE NO - 6

OTHER CURRENT LIABILITIES

SECURITY DEPOSIT FROM DEBTORS

-

15.00

TOTAL

-

15.00

NOTE NO - 7

SHORT TERM PROVISIONS

FOR GOVERNMENT DUES

63.82

40.79

FOR STAFF DUES

75.50

57.56

CURRENT TAXES

-

24.31

DIVIDEND PAYABLE

-

5.00

DIVIDEND DISTRIBUTION TAX PAYABLE

-

0.81

TOTAL

139.32

128.47



For YASHO INDUSTRIES PVT. LTD.

[Signature]

DIRECTOR

YASHO INDUSTRIES PRIVATE LIMITED UNIT I & II

NOTE NO 8 (I)

CONSOLIDATED FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			(Rs. In Lakhs)
	AS AT 01-04-2012	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	AS AT 31-03-2013	ACCUMULATED DURING THE YEAR	DEDUCTIONS UP TO 31/3/12	UP TO 31-03-2013	AS ON 31-03-2012	AS ON 31-03-2013	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
FACTORY PLOT	143.19	0.00	0.00	143.19	0.00	0.00	0.00	143.19	143.19	
FACTORY BUILDING	1629.14	718.12	509.48	1837.79	234.14	56.09	290.23	1395.00	1547.56	
PLANT & MACHINERY	4473.66	2789.29	2322.58	4940.37	748.41	192.79	919.15	3725.25	4021.22	
FURNITURE & FIXT.	50.66	22.26	20.46	52.47	18.85	2.62	21.46	31.81	31.00	
VECHILES	90.29	0.00	8.63	81.66	26.95	7.34	34.29	63.33	47.36	
COMPUTER	26.26	17.87	0.00	44.13	15.22	3.75	14.21	11.04	29.92	
CC TV & CAMARA	1.95	0.38	0.00	2.34	0.61	0.73	1.34	1.35	1.00	
TOTAL	6415.15	3547.93	2861.15	7101.94	1044.18	263.31	1280.69	5370.97	5821.25	
PREVIOUS YEAR	5691.58	750.03	26.46	6415.15	834.15	223.71	1044.18	4857.43	5370.97	

For YASHO INDUSTRIES PVT. LTD.



(Signature)

DIRECTOR

YASHO INDUSTRIES PRIVATE LIMITED UNIT - I

NOTE NO 8 (II)

CONSOLIDATED FIXED ASSETS

(Rs. In Lakhs)

	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	YEAR	YEAR	YEAR	31/3/12	(6)	(7)	(8)	(9)	(10)
	(1)	(2)	(3)	(5)	(4)	(3)	(2)	(1)	(0)
FACTORY PLOT	12.08	0.00	0.00	0.00	12.08	0.00	0.00	12.08	12.08
FACTORY BUILDING	694.42	679.27	509.48	170.40	864.21	23.95	194.35	524.02	669.87
PLANT & MACHINERY	2635.41	2678.48	2322.58	558.66	2991.31	112.32	648.94	2076.75	2342.38
FURNITURE & FIXT.	49.20	22.26	20.46	18.63	51.00	2.52	21.15	30.57	29.85
VECHILES	90.23	0.00	8.63	26.94	81.60	7.33	34.28	63.29	47.32
COMPUTER	22.97	17.61	0.00	14.06	40.58	3.19	12.48	8.91	28.10
CC TV & CAMARA	1.95	0.38	0.00	0.61	2.34	0.73	1.34	1.35	1.00
TOTAL	3506.27	3398.01	2861.15	789.30	4043.13	150.04	912.53	2716.97	3130.60

For YASHO INDUSTRIES PVT. LTD.

(Signature)

DIRECTOR



YASHO INDUSTRIES PRIVATE LIMITED (UNIT I)

NOTE NO 8 (III)

FIXED ASSETS (AS PER WDV METHOD)

(Rs. In Lakhs)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS AT 01-04-2012 (1)	ADDITIONS DURING THE YEAR (2)	DEDUCTIONS DURING THE YEAR (3)	AS AT 31-03-2013 (4)	ACCUMULATED DURING THE UP TO 31/3/12 YEAR (5)	DEDUCTIONS DURING THE YEAR (6)	UP TO 31-03-2013 (8)	AS ON 31-03-2012 (9)	AS ON 31-03-2013 (10)
FACTORY PLOT	12.08	0.00	0.00	12.08	0.00	0.00	0.00	12.08	12.08
FACTORY BUILDING	101.26	0.00	0.00	101.26	74.57	2.66	77.23	26.69	24.03
PLANT & MACHINERY	206.33	0.00	7.45	198.88	170.84	4.26	169.50	35.49	29.38
FURNITURE & FIXT.	9.60	0.00	0.00	9.60	8.49	0.20	8.69	1.11	0.91
VECHILES	13.42	0.00	0.00	13.42	12.77	0.17	12.94	0.65	0.48
COMPUTER	4.50	0.00	0.00	4.50	4.48	0.01	4.49	0.02	0.01
CC TV & CAM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	347.19	0.00	7.45	339.74	271.14	7.30	272.84	76.04	66.90

For YASHO INDUSTRIES PVT. LTD.



(Signature)

DIRECTOR

YASHO INDUSTRIES PRIVATE LIMITED UNIT I

NOTE NO 8 (IV)

(Rs. In Lakhs)

FIXED ASSETS (AS PER SLM METHOD)

PARTICULARS	RATE	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS AT 01-04-2012 (1)	ADDITIONS DURING THE YEAR (2)	DEDUCTIONS DURING THE YEAR (3)	AS AT 31-03-2013 (4)	ACCUMULATED DURING THE UP TO 31/3/12 YEAR (5)	DEDUCTIONS DURING THE YEAR (6)	UP TO 31-03-2013 (8)	AS ON 31-03-2012 (9)	AS ON 31-03-2013 (10)	
FACTORY PLOT		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
FACTORY BUILDING	3.34	593.17	679.27	509.48	762.96	95.83	21.29	117.12	497.33	645.84	
PLANT & MACHINERY	4.75	2429.08	2678.48	2315.13	2792.43	387.82	108.06	479.44	2041.26	2313.00	
FURNITURE & FIXT.	6.33	39.60	22.26	20.46	41.40	10.14	2.32	12.46	29.46	28.94	
VECHILES	9.50	76.81	0.00	8.63	68.18	14.17	7.17	21.34	62.64	46.84	
COMPUTER	16.21	18.47	17.61	0.00	36.08	9.58	3.18	8.00	8.89	28.09	
CC TV & CAMARA	33.00	1.95	0.38	0.00	2.34	0.61	0.73	1.34	1.35	1.00	
TOTAL		3159.08	3398.01	2853.70	3703.39	518.15	142.74	639.69	2640.93	3063.70	

For YASHO INDUSTRIES PVT. LTD.

(Signature)

DIRECTOR



YASHO INDUSTRIES PRIVATE LIMITED UNIT - II

NOTE NO 8 (V)

(Rs. In Lakhs)

FIXED ASSETS (AS PER SLM METHOD)

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	AS AT 01-04-2012 (1)	ADDITIONS DURING THE YEAR (2)	DEDUCTIONS DURING THE YEAR (3)	AS AT 31-03-2013 (4)	ACCUMULATED UP TO 31/3/12 (5)	DEDUCTIONS DURING THE YEAR (6)	DEDUCTIONS UP TO 31-03-2013 (7)	UP TO 31-03-2013 (8)	AS ON 31-03-2012 (9)	AS ON 31-03-2013 (10)
FACTORY PLOT	131.11	0.00	0.00	131.11	0.00	0.00	0.00	0.00	131.11	131.11
FACTORY BUILDING	934.72	38.86	0.00	973.57	63.74	32.14	0.00	95.88	870.97	877.69
PLANT & MACHINERY	1838.25	110.81	0.00	1949.06	189.74	80.48	0.00	270.22	1648.50	1678.84
FURNITURE & FIXT.	1.47	0.00	0.00	1.47	0.22	0.09	0.00	0.31	1.25	1.15
VECHILES	0.06	0.00	0.00	0.06	0.01	0.01	0.00	0.02	0.04	0.04
COMPUTER	3.29	0.26	0.00	3.55	1.17	0.56	0.00	1.73	2.13	1.82
CC TV & CAMARA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	2908.89	149.92	0.00	3058.81	254.89	113.27	0.00	368.16	2654.00	2690.65

For YASHO INDUSTRIES PVT. LTD.



(Signature)

DIRECTOR

NOTES TO FINANCIAL STATEMENTS

NOTE NO - 10

NON CURRENT INVESTMENTS	31.03.2013	31.03.2012
	-----	-----
(AT COST)		
(LONG TERM, UNLESS OTHERWISE STATED)		
IN GOVERNMENT SECURITIES		
UNQUOTED		
NATIONAL SAVINGS CERTIFICATE	0.06	0.06
MERACOL CORPORATION LTD	13.36	13.36
THE SARASWAT CO-OP BANK LTD	0.25	0.25
	-----	-----
TOTAL	13.67	13.67
	=====	=====

NOTE NO - 11

LONG TERM LOANS AND ADVANCES	31.03.2013	31.03.2012
	-----	-----
SECURITY DEPOSITS	72.74	64.52
ADVANCES TO EMPLOYEES	14.50	11.53
	-----	-----
TOTAL	87.24	76.05
	=====	=====

NOTE NO - 12

INVENTORIES	31.03.2013	31.03.2012
	-----	-----
INVENTORIES		
(AS VALUED AND CERTIFIED		
BY THE MANAGEMENT)		
STORES & SPARES	30.92	12.55
RAW MATERIAL (INCLUDES IN TRANSIT RS.	1,739.03	1,432.06
SEMI-FINISHED GOODS	703.84	342.40
FINISHED GOODS	1,308.56	838.06
	-----	-----
TOTAL	3,782.35	2,625.07
	=====	=====

NOTE NO - 13

TRADE RECEIVABLES

(UNSECURED, CONSIDERED GOODS		
UNLESS OTHERWISE STATED)		
OUTSTANDING FOR OVER SIX MONTHS	32.12	2.71
OTHERS	1,336.45	1,871.30
	-----	-----
TOTAL	1,368.57	1,874.01
	=====	=====



For YASHO INDUSTRIES PVT. LTD.

[Signature]
DIRECTOR

NOTE NO - 14

(Rupees in Lacs)

CASH AND CASH EQUIVALENTS

ON HAND	6.36	5.48
WITH SCHEDULED BANKS IN CURRENT ACCOUNTS	360.22	260.82
TOTAL	366.59	266.30

NOTES TO FINANCIAL STATEMENTS**NOTE NO - 15****SHORT TERM LOANS AND ADVANCES**(UNSECURED, CONSIDERED GOOD
UNLESS OTHERWISE STATED)

ADVANCE TO STAFF MEMBERS	-	1.59
CURRENT TAX	31.18	52.52
SECURITY DEPOSIT	6.50	6.50
ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED	2,972.00	1,460.01
TOTAL	3,009.67	1,520.62

NOTES TO FINANCIAL STATEMENTS**NOTE NO - 16****OTHER INCOME**

FOREIGN EXCHANGE GAIN	2.37	(32.34)
INTEREST ON G.E.B.DEPOSIT	5.92	2.99
DIVIDEND	0.05	0.05
DUTY DRAWBACK	23.77	12.01
INSURANCE CLAIM RECEIVABLE (LOP)	677.01	-
DFRC LICENCE	18.43	-
TOTAL	727.55	(17.29)

NOTE NO - 17**COST OF RAW MATERIAL CONSUMED**

OPENING STOCK	1,432.06	1,366.88
PURCHASE	9,829.17	9,491.20
	11,261.23	10,858.08
LESS CLOSING STOCK	1,739.03	1,432.06
TOTAL	9,522.20	9,426.02



For YASHO INDUSTRIES PVT. LTD.

[Signature]
DIRECTOR

NOTE NO - 18**CHANGES IN INVENTORIES OF FINISHED GOODS, AND STOCK IN TRADE****OPENING STOCK**

SEMI FINISHED GOODS	342.40	400.78
FINISHED GOODS	838.06	682.96
OTHER SPARES	12.55	18.77
	<u>1,193.01</u>	<u>1,102.51</u>

CLOSING STOCK

SEMI FINISHED GOODS	703.84	342.40
FINISHED GOODS	1,308.56	838.06
OTHER SPARES	30.92	12.55
	<u>2,043.32</u>	<u>1,193.01</u>
TOTAL	<u><u>850.31</u></u>	<u><u>90.49</u></u>

NOTES TO FINANCIAL STATEMENTS**NOTE NO - 19****EMPLOYEE BENEFITS COST**

✓BONUS	42.91	33.16
✓CONVEYANCE ALLOWANCE A/C. E.S.I.C.	29.67	26.93
✓HOUSE RENT ALLOWANCE	11.08	8.61
PRODUCTION INCENTIVE	34.27	30.73
PROVIDENT FUND A/C.	4.23	6.89
PROFESSIONAL TAX	16.07	13.99
✓SALARY	0.03	-
✓STAFF ALLOWANCE	311.80	233.83
STAFF REWARD EXP.	30.55	26.84
STAFF WELFARE	6.00	9.02
STAFF WELFARE EXP (MEDICINE)	8.94	6.90
✓WASHING ALLOWANCE A/C.	0.42	0.24
	31.82	29.68
TOTAL	<u><u>527.78</u></u>	<u><u>426.82</u></u>

NOTE NO - 20**FINANCE COSTS**

BANK CHARGES	76.10	99.82
BANK INTEREST	777.96	543.73
INTEREST	274.05	247.04
BROKERAGE	2.60	1.00
INTEREST ON CAR LOAN	10.12	10.87
TOTAL	<u><u>1,140.84</u></u>	<u><u>902.45</u></u>



For YASHO INDUSTRIES PVT. LTD.

DIRECTOR

NOTE NO - 21

(Rupees in Lacs)

OTHER EXPENSES	31.03.2013	31.03.2012
✓ CARRIAGE INWARD	73.56	68.04
✓ CONSUMABLE STORES	50.03	49.28
✓ ELECTRIC CHARGES	277.52	283.15
✓ ELECTRIC REPAIRING	20.53	20.40
EXCISE	103.77	31.78
FACTORY BUILDING (REP)	2.64	15.42
✓ FUEL CHARGES	✓ 508.58	✓ 389.92
FACTORY OFFICE EXPENSES	6.86	6.31
FIRE ACCIDENT EXP	2.14	2.09
FURNITURE REPAIRING	1.70	1.63
GIDC DRAINAGECESS	3.27	2.58
GIDC EXP.	3.95	6.67
GPCB EXP	2.25	0.38
GUJARAT LABOUR WELFARE FUND	0.05	-
HOTEL EXPENSES	4.82	4.96
✓ IMPORT EXPENSES	120.28	114.98
✓ JOB WORK	405.57	198.25
LICENSE FEES	0.11	0.23
✓ MACHINERY REPAIRING	73.51	92.21
MISCELLANEOUS EXPENSES	0.86	0.12
MACHINERY REP. & REPLACEMENT	1.69	24.58
MAHARASTRA LABOUR WELFARE FUND	0.03	0.04
OCTROI	1.54	0.26
✓ PACKING EXPENSES	176.28	186.00
POLLUTION TREATMENT A/C.	13.81	19.65
REPAIRING & MAINTANCE	6.45	16.91
RES. & DEVELOPMENT	15.70	8.75
✓ SECURITY EXP	35.16	19.95
TESTING FEES	2.66	2.02
✓ WATER CHARGES	21.66	23.95
BOMBAY OFFICE EXP.	3.53	37.90
CLUB EXP	0.16	0.28
COMPUTER EXP.	4.86	5.42
CONVEYANCE EXP.	6.73	7.41
COURIER CHARGES	8.23	6.59
DIRECTORS MEDICAL EXP.	0.60	0.61
✓ DIRECTORS REMUNARATION	195.00	195.00
DIRECTORS SITTING FEES	0.30	0.50
DIRECTOR PERQUISITES	7.47	7.35
DONATION	0.00	0.60
E.C.G.C. EXP	17.13	18.58
GARDEN MAINTAINANCE	0.01	-
IMP & EXP. ADV. LICENCE	7.28	11.53
✓ INSURANCE	62.48	30.27
LEGAL EXPENSES	1.41	4.06
MOTOR CAR EXPENSES	8.99	7.42
MOTOR CAR REPAIRING	3.88	3.53
OFFICE RENT	17.76	17.76
POSTAGE	0.09	0.06
PRINTING & STATIONERY	10.98	12.61
✓ PROFESSIONAL CHARGES	25.53	17.00
RENT A/C.	1.20	2.08
ROC FILING FEES	3.66	0.04
SCOOTER REPAIRING	0.26	0.31
SCOOTER EXPENSES	1.69	1.76
SOCIETY MAINTANANCE	0.45	0.35



For YASHO INDUSTRIES PVT. LTD.

DIRECTOR

ADVERTISEMENT	1.42	0.61
CARRIAGE OUTWARD	207.14	213.24
COMMISSION	84.25	84.13
CERTIFICATE EXP	2.57	3.44
EXIBITION EXPENSES	14.26	0.92
EXPORT EXPENSES	18.95	26.01
FOREIGN TOUR EXP.	22.64	23.91
FREE SAMPLE	0.00	0.23
ISO:9001:2000 EXP.	0.36	0.77
KASAR A/C.	18.32	9.31
MEMBERSHIP & SUBSCRIPTION	2.11	2.94
PERIODICALS & MAGAZINES	2.57	0.19
SALES PROMOTION	16.54	14.05
SALES TAX	0.22	5.34
SEMINAR EXPENSES	0.32	0.07
TELEPHONE EXPENSES	12.29	9.81
TENDER FEES	0.03	0.11
TRAVELLING EXPENSES (FARE)	9.62	6.78
TRAVELLING EXPENSES (L/B)	3.60	2.69
LOSS ON SALE OF FIXED ASSETS	0.81	3.59
TOTAL	2,744.68	2,387.65



For YASHO INDUSTRIES PVT. LTD.

Shri

J. R. Shah

DIRECTOR

YASHO INDUSTRIES PVT. LTD.

NOTE NO – 22

PERIOD : 1/4/2012 TO 31/3/2013

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS

(A) SIGNIFICANT ACCOUNTING POLICIES :

a) System of Accounting:

The Financial Statements are prepared under the Historical Cost convention and on the accounting principle of going concern basis. The Company follows generally Mercantile System of Accounting except in case of gratuity and leave encashment.

b) Fixed Assets:

Fixed Assets are recorded at the Cost of Acquisition. Cost excludes excise duties to the extent recoverable but not Value Added Tax and includes other directly attributable costs incurred to bring the assets to their intended working condition. The amount of interest if any directly attributable to acquisition of the fixed assets stands capitalized.

c) Depreciation:

The Company provided depreciation on fixed assets on Written Down Value method at the rates specified in Schedule XIV of the Companies Act, 1956 for all assets acquired and put to use on or before 31st March, 2003. With effect from 1st April, 2003 depreciation is calculated as per Straight Line Method at the rates specified in Schedule XIV of the Companies Act, 1956 for all assets acquired and put to use on or after 1st April, 2003.

d) Inventories:

Closing Stock is valued at cost & includes all incidental charges. Stock of Raw Materials and Finished goods is exclusive of excise duty.

e) Purchases & Sales are inclusive of Excise element.

f) Translation of Foreign Currency Items :

Transactions in foreign currency are accounted for at the customs exchange rate for the month. Gains/losses arising out of fluctuations in foreign exchange rates between the transaction date and settlement date are recognized in the Profit & Loss account, except in case of fixed assets, where these are adjusted to the carrying cost of the respective assets.

Monetary items denominated in foreign currency are restated at the exchange rate prevailing at the year end and the overall net gain/loss is adjusted to the Profit & Loss Account.

g) Borrowing Costs

- (i) Borrowing costs on working capital is charged to Profit & Loss Account in the year of incurrence.
- (ii) Borrowing costs that are attributable to the acquisition of tangible fixed assets are capitalized till the substantial completion of the activities necessary to prepare the relevant asset for its intended use.

h) Cash Flow Statement

Cash Flow statement as required by Accounting Standard 3 is annexed.

(B) NOTES ON FINANCIAL STATEMENTS:

- (1) Loans, Debtors, Creditors and Deposits are as per the books and are subject to confirmation.
- (2) Accounts are prepared on going concern basis.



(3) Taxation :

(i) Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income-tax Act, 1961.

(ii) Deferred Tax As On 31/03/2013

PARTICULARS	DTA	DTL
Depreciation & Fixed Assets	-	7,18,16,460
Bonus	10,66,853	-
Current Year Loss Carried Fwd	2,64,39,907	-
B/F Depreciation loss	30,04,780	-
TOTAL	<u>3,07,86,242</u>	<u>7,18,16,460</u>

DEFERRED TAX LIABILITY AS ON 31/3/13 4,10,30,217

(4) Major Stock records / Excise records are maintained at works i.e. at Vapi Factory. Stock Tally is given in Annexure attached to Financial statements as per Schedule - VI and are compiled and certified by the Directors. Closing Stock valuation is done by management which is relied upon by the Auditors.

(5) Additional information pursuant to provisions of paragraphs 2A,2B,3, 4C and 4D of part II of schedule VI to the Companies Act 1956.

(a) TURNOVER :

1. Details of Manufactured Goods/Sales/Stocks

Class of Goods	Opening Stock		Purchase		Sales		Closing Stock	
	Oty (in Kgs)	Value (in `)	Oty (in Kgs)	Value (in `)	Oty (in Kgs)	Value (in `)	Oty (in Kgs)	Value (in `)
Chemicals & Chemicals Products	262304 (205549)	83806131 (68296084)	2968097 (3087829)	1042695468 (949120278)	2864364 (3031074)	1212562227 (1340315289)	366036 (262304)	130856346 (83806131)
Total	262304	83806131	2968097	1042695468	2864364	1212562227	366036	130856346

Figures in brackets are for previous years.

2. Details of Raw Materials Consumed:

	2012-13 Qty in Kg	2012-13 Value (in Rs)	2011-12 Qty in Kg	2011-12 Value (in Rs)
Hydroquinone	491750	185467386	655733	209534234
Other Raw Materials*	2794709	766752950	4850591	733067533
TOTAL	3286459	952220336	5728338	942601767

(*None of these items individually exceed 10% of the Total Value of Raw Materials Consumed)



(b) Payment to Directors :

Mr. Nilesh V. Jhaveri	Remuneration	52,00,000/-
Mr. Parag V. Jhaveri	Remuneration	52,00,000/-
Mr. Yayesh V. Jhaveri	Remuneration	52,00,000/-
Mr. Vinod H. Jhaveri	Remuneration	39,00,000/-

(c) Expenditure in foreign currency :	Current Year	Previous Year
C.I.F. value of Goods imported	71,47,73,618	77,34,72,689
Foreign Travel	11,59,737	13,88,766
Commission	37,01,813	39,07,362
Certificate Expenses	1,94,820	2,28,655
Membership & Subscription	79,357	33,794

(d) Earning in foreign exchange:

FOB value of goods Exported	67,63,63,160	78,08,64,700
-----------------------------	--------------	--------------

(6) Information on leases as per Accounting Standard 19 on "Accounting for Leases"

Operating Lease Expense :-

Rental expenses for operating leases recognised in Profit & Loss A/c.

For the year is

Rs. 18,96,000 - 12.13

Total future minimum lease payments under non-cancelable operating leases :-

Less than one year

Rs. 18,96,000 - 13.14

One year to less than Three years

Rs. 3,33,000 - 14.15

Three years to less than Five years

Rs. NIL

Rs. 41,25,000
=====

(7) Segment Reporting as per Accounting Standard 17:

The Company operates in single Business segment of "Chemicals". Therefore the Company is of the opinion that the disclosure requirements of Accounting Standard AS - 17 issued by the ICAI is not applicable to the Company.

(8) RELATED PARTY TRANSACTIONS :

Disclosures as required by Accounting Standard 18 - "Related Party Disclosures" are

1] LIST OF RELATED PARTIES :

a) Key Management Personnel :

Mr. Nilesh V. Jhaveri	Director
Mr. Parag V. Jhaveri	Managing Director
Mr. Yayesh V. Jhaveri	Director
Mr. Vinod H. Jhaveri	Director

b) Relatives :

Mr. Vinod H. Jhaveri (HUF)	HUF of Mr. Vinod H. Jhaveri
----------------------------	-----------------------------



Mrs. Niranjana V. Jhaveri	Mother of the Directors
Mr Nilesh Jhaveri (HUF)	HUF of Mr. Nilesh Jhaveri
Mrs. Jigna N. Jhaveri	Wife of Mr. Nilesh Jhaveri
Mr Parag Jhaveri (HUF)	HUF of Mr. Parag Jhaveri
Mrs. Neha P. Jhaveri	Wife of Mr. Parag Jhaveri
Yayesh Jhaveri (HUF)	HUF of Mr. Yayesh Jhaveri
Mrs Payal Y. Jhaveri	Wife of Mr. Yayesh Jhaveri

2] TRANSACTIONS WITH RELATED PARTIES :

NATURE OF TRANSACTIONS	KEY MANAGEMENT PERSONNEL	RELATIVES OF KMP	TOTAL
Expenses:			
Managerial Remuneration	1,95,00,000	NIL	1,95,00,000
Rent	NIL	1,20,000	1,20,000
Interest on Loans	1,79,96,752	Nil	1,79,96,752
Amount Outstanding on 31/3/2013			
Loans taken	21,39,40,623	13,39,518	21,52,80,141

(9) Payments to Auditor:

a) As Auditor	84,270
b) Taxation matters	1,17,978
c) Other services for certifying statements	50,562
	<u>2,52,810</u>

- (10) The company does not owe any amount outstanding for more than 30 days as at the Balance Sheet date to any small scale industrial undertaking.
- (11) Earning per Share :
In view of net loss, Earnings Per Share is not computed.
- (12) Comparative figures for previous Financial years have been re-grouped and re-classified wherever necessary to confirm to this year's classification.
- (13) Contingent Liabilities :-
Bill discounted with Saraswat Co-op bank Ltd – Rs 25,508,851/- (USD 3,66,620 & EURO 76,400)
- (14) The Company is in the process of identifying the small-scale and Micro, Small and Medium Enterprises and hence :
(a) Interest, if any, payable as per Interest on Delayed Payment to Small Scale and Ancillary Industrial undertakings Ordinance, 1993 and the Micro, Small and Medium Enterprises Development Act, 2006 is not ascertainable, and
(b) Amount payable to small-scale units is not ascertainable.
- (15) Loss by fire and corresponding insurance claim



As of the date of these accounts, the amount of insurance claim receivable for loss of stock and damage to factory building and machinery due to the fire on one of our factory premises on 13.12.2011 has not been finalised. Hence, the management has, on an estimated basis provided as sum of ` 27,37,22,423 as insurance claim receivable against damage to Factory building and Plant and Machinery. The previous year's provision of ` 13,42,90,402 for insurance claim receivable for loss of stock continues. The ad-hoc receipts of ` 19,99,42,048 from the insurance company have not been appropriated towards any particular claim receivable account as no specific information about their appropriation towards stock, building or plant are available. Further, the estimated amount recoverable for Factory building and Plant & Machinery has been entirely reduced from the respective Gross Block as asset-wise details are not available.

AS PER OUR REPORT OF EVEN DATE

For Jagdish B. Shah & Associates
Chartered Accountants

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Jagdish B. Shah
Jagdish B. Shah
Partner
Membership No. 6415
Firm Regn. No. 109648S



Harish P. J.

(DIRECTORS)

PLACE : MUMBAI
DATE : 26/08/2013