



ASTEC



Astec LifeSciences Limited

18th Annual Report 2011-2012

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Corporate Information

Board of Directors

Ashok V. Hiremath

Chairman & Managing Director

Janak J. Rawal

Whole Time Director

(Appointed w.e.f. 20.01.2012)

Dr. P. L. Tiwari

Non Executive - Non Independent Director

Laxmikant Kabra

Non Executive - Non Independent Director

Prof. Vinod Malshe

Non Executive - Independent Director

Sitendu Sharma

Non Executive - Independent Director

Mohammed Zakir

Non Executive - Independent Director

Mandar K. Patil

Non Executive - Independent Director

(Appointed w.e.f. 28.05.2012)

Bankers

AXIS Bank Limited

State Bank of Hyderabad

IDBI Bank Limited

Company Secretary & Compliance Officer

Vikas R. Chomal

Registrar & Share Transfer Agents

Bigshare Services Private Limited

Saki Vihar Road, Saki Naka,

Andheri (E), Mumbai - 400072, Maharashtra

Registered & Corporate Office

Elite Square, 7th Floor, 274,

Perin Nariman Street, Fort,

Mumbai- 400001, Maharashtra

Auditors

M/s. P. M. Kathariya & Co.

Chartered Accountants

Firm Reg. No.104922W

Mumbai, Maharashtra

Plant Locations

- i) B-17, B-18 & B-21, MIDC Mahad, Birwadi Industrial Area, Mahad, Dist. Raigad - 413341, Maharashtra
- ii) B-16, MIDC Mahad, Birwadi Industrial Area, Local Unit, Mahad, Dist. Raigad., Maharashtra
- iii) Additional MIDC, Plot No: K-2/1/1, Mahad, Dist. Raigad, Maharashtra

R&D Center & Pilot Plant

F-39, MIDC-Phase II,

Dombivali (East) 421204

Dist. Thane, Maharashtra

Website

www.astecsl.com

Financial Highlights

Rs. in lacs

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Turnover (Gross)	3,438	6,046	8,933	11,638	11,525	11,737
EBDIT	652	1,586	2,166	2,638	1,697	1,726
PAT	370	807	1,072	1,384	508	242
Gross Fixed Assets	2,443	3,791	4,064	5,533	9,004	10,207

Notice is hereby given that the Eighteenth Annual General Meeting of the Members of Astec LifeSciences Limited will be held on Tuesday, 25th September, 2012 at 3.30 P.M. at Kilachand Conference Room, 2nd Floor, IMC Building, IMC Marg, Churchgate, Mumbai - 400020, Maharashtra to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at March, 31, 2012, Profit and Loss Account for the year ended on that date and reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Prof. Vinod Malishe, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Dr. P. L. Tiwari, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

"RESOLVED THAT M/s. P. M. Kathariya & Co., Chartered Accountants be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this annual general meeting of the Company until the conclusion of next annual general meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

Notes:

1. A member entitled to attend and vote at the Annual General Meeting (the "meeting") is entitled to appoint a proxy and vote on a poll instead of himself and a proxy need not be a member of the Company. The instrument appointing proxy should, however be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
3. Members are requested to bring their attendance slip along with their copy of annual report to the meeting.
4. In case of joint holders attending meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, after 1.00 p.m. up to the date of the Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 17th September, 2012 to Tuesday, 25th September, 2012, both days inclusive.
7. The dividend on Equity Shares, if declared at the Meeting, will be credited between 26th September, 2012 to 3rd October, 2012 to those members whose names shall appear on the Company's Register of Members on 17th September, 2012; in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
8. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change of address immediately to the Company/Registrars and Transfer Agents, M/s. Big Share Services Private Limited.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with

whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents, M/s. Big Share Services Private Limited.

11. Non-Resident Indian Members are requested to inform Big Share Services Private Limited., immediately of :
 - a. Change in their residential status on return to India for permanent settlement.
 - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
12. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company secretary at least seven days before the date of meeting, so that the information required may be made available at the meeting.
13. Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (pursuant to clause 49 of the listing agreement entered into with the Stock Exchanges).

Name of Director	Prof. Vinod Malshe	Dr. P. L. Tiwari
Date of Birth	28.02.1947	01.07.1945
Relationship with other Directors inter se	None	None
Date of Appointment	28/03/2008	25/01/1994
Expertise in specific Functional Area	Prof. Vinod Malshe, has a Bachelor of Science (Chemical Technology) degree from Kanpur University and a Master of Science (Technology) degree from University of Mumbai. He has also been awarded a PhD in Technology. He brings with him 43 years' experience in the chemical industry. He retired from the position of Professor of Paint Technology and Head of the Department of Surface Coatings Technology, University of Mumbai, and Institute of Chemical Technology. He has written two books and published nearly 50 research papers. He was a member of ISI (now BIS) committees and was also one of the interview panelists for promotion, project evaluation, and examiner of PhD thesis of various universities.	Dr. P. L. Tiwari has an MBBS and MD (Medicine) degree from Banaras Hindu University. He is a Member of the Royal College of Physicians of the United Kingdom (MRCP) and Fellow of Royal College of Physicians, Edinburgh (FRCP). He is a practicing cardiologist in Mumbai. He was awarded the UP Ratna award in January, 1996 by the Chief Minister of Maharashtra. He was also awarded the L U Kirpalani Memorial Award for Life Time Achievement- 2005 by 'A' ward Medical Association, Mumbai.
Qualification	Master of Science (Technology)	MBBS and MD
No. of Equity Shares held in the company	Nil	16,50,000
Directorship in other Indian Public Companies	Anuvi Chemicals Limited Resins & Plastics Limited	Wanbury Limited
Chairmanship/Membership of Committees in other Indian Public Limited Companies	Astec LifeSciences Limited	-

Management Discussion & Analysis

(Statements in this Report, particularly those which relate to the Company's objectives, projections, estimates and expectations may constitute forward looking statements within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.)

Global economy review

In 2011, the global economy grew 3.8% (5.2% in 2010), emerging economies grew 6.2% (7.3% in 2010) and advanced economies grew 1.6% (3.2% in 2010). This indicates that emerging economies continued to catalyse global growth.

Indian economy review

The growth of the Indian economy is estimated at 6.9% in 2011-12 compared with 8.4% in the preceding two years, the lower growth attributed to a weakening global economy, lower industrial growth and reforms slowdown. World Bank has projected India's GDP growth at 7-7.5% in 2012-13. India's agricultural sector grew 2.5% compared with 7% in 2010-11.

Business Environment and Overview

Global Agrochemical Industry

The Agrochemical Industry is interdependent with the performance of the agricultural sector. It is known that monsoons play a significant role in the performance of the agricultural eco system, and in good seasons, there is a demand upsurge for agrochemical products as well. Worldwide, agrochemicals are finding increasing acceptance, thanks to the dawning awareness of how beneficial their role could be in maximizing returns by way of crop protection and enhancement of yields. The potential for growth sees a large number of existing players operating in keen competition with each other not only in their respective domestic markets, but in the global context as well. On the one hand, one has to strive and develop new customers and markets; on the other hand, for achieving organic growth and bigger share of the pie, the way to go is to develop new products through research and innovation. It is, indeed, an R&D driven industry, calling for deployment of the best of technical expertise and know how. Recent years have seen good rainfalls in Asian regions, as well as across Latin America and Europe. This has acted as spur in demand for the agrochemical products with the farming community willing to invest in their wider usage in order to maximize their returns from higher yields and better margins from volumes. Thus, riding on good rainfall and strong crop prices, 2011 turned out to be a good year for the global agrochemical market; counting the crop and the non crop segments together, its size has grown to US \$ 51,520 million in 2011 up from US \$ 44195 million in 2010 – an increase of 16.6%. The crop protection market alone has grown by about 18% to US \$ 45210 million from US\$ 38315 million in 2010. Sales also got a boost as an offshoot of wide spread incidence of pests and diseases in major markets viz., Europe, Asia and Latin America. The global agrochemical market is being projected to grow around 2-3 % in real terms in the next 3-5 year time span.

In Crop Protection Chemicals, fungicides usage continues to outpace that of insecticides and herbicides as farmers, wanting to take advantage of favorable strong commodity prices, are known to invest in their usage for higher yields. An ever rising demand worldwide for high-quality food is perhaps the most compelling factor driving Crop protection Chemicals usage.

Chinese Agrochemicals Industry is in the process of consolidation and it is being anticipated that there would be as much as 30% reduction in the number of Chinese companies operating in the agrochemical space in the next 3 to 5 years. This is likely to impact the global supply and pricing of all generics from China to markets like India, South America and Africa.

Key drivers of agricultural demand

- Increasing population
- Declining arable land per person
- Income growth in developing countries
- Changing diets
- Increasing demands for higher quality foods
- Bio-fuel potential

Indian Agrochemical Industry

The Indian agriculture Industry accounts for 12.9% of the nearly \$ 2 trillion Indian economy. India is the second biggest producer in the world of rice, wheat, sugar and cotton; India also happens to be among the top consumers of their produce, given the size of its population. It is also a reality of the Indian agriculture

that it is heavily reliant on the monsoon. The spread and reach of the monsoon and its onset timing have a crucial bearing on the fortunes of the agricultural sector, and of those associated with it like the agrochemical industry. 2011 has been a year of erratic rainfalls. To begin with, the onset of rains were delayed, though satisfactory overall. Despite the late onset of monsoon, the country witnessed strong sowing of cotton crop. In the latter half of the year, rainfall was quite deficient in the South, thereby affecting the sowings in the Kharif season in that part of the country. The consumption of agrochemicals thereby suffered in critical States of Andhra, Karnataka and Maharashtra. The overall performance of the agrochemical industry during the year 2011-12 has been satisfactory.

Company's Performance

The Company has product offerings mainly in the segments of the crop protection industry i.e., Fungicides. The Company's strategy is to consolidate its presence through a few key products and access customers across the globe with a view to ensure stable performance quarter on quarter in an otherwise seasonal industry. Export volumes complement domestic sales and insulate us against vagaries and shifts in market behavior, which is not so uncommon an experience in the agrochemical business.

2011-12 was a challenging year for ASTEC as we were affected by continued destocking of inventory by our consumers. The Gross turnover of the company was at Rs. 117.37 Crores as against Rs. 115.25 Crores in the previous year, resulting in increase of 1.84%. Exports for the year were at Rs. 39.56 Crores as against Rs. 25.10 crores in 2011 representing a growth of 58%.

The company has increased capacities of its plants. It has also implemented many cost reduction measures. In addition to this it has introduced new measures to improve its EHS performance. The company has obtained many new registrations in various parts of the world. Many more registrations are expected to come through.

Raw material costs rose sharply as a result of the increase in labour and power costs in China pushing raw material prices upwards in the global markets. Higher interest rates caused increased finance costs and the devaluation of the rupee led to forex losses. With the operating costs going up substantially, the margins were eaten up and EBITDA for the year under review was consequently of a much lower order in comparison with the previous year.

In domestic formulation business, the planned scale up did not materialize for a variety of reasons; for one, the availability of products was restricted; an indifferent monsoon in addressable markets was also a dampener, pulling down the sales. The Company continued to focus on registration activity and received many registrations during the year across various countries. The ever increasing registrations are in the nature of being an enabler, ultimately leading to volume growth and better value realisation with the current customer base as well as help the Company access and reach out to new markets across its product range. The Company has taken various steps as under to bring about sustained improvement in the operations of the Company:

Investment already made in waste water treatment facilities would make it possible to undertake treatment of higher volumes of production and reduce effluent treatment costs.

Future Outlook

The global agrochemical industry is looking for consolidation to upscale the level of operations and improve margins. The overall market size itself keeps on growing, year on year as the linkage of the Industry with the agriculture and food economy will continue to open new channels and markets. The growing income levels all over the world are driving consumption and demand for better quality food. The pressure to produce more and pushing for higher yields from limited arable land in countries like China, India, Australia, America, Brazil and Argentina, translates into growing opportunities for the crop protection industry in the coming years. For Astec, the past year has been sort of an aberration, in terms of overall results owing to factors and circumstances over which the Company had little control. Be as it may, the past year is behind us. The Company has since taken requisite corrective measures at considerable investment, the results of which are already visible. Further plans are in motion for capacity expansion.

Contract manufacturing opportunity

Your company has identified contract manufacturing as a platform for future growth. India is well positioned to capitalize on this opportunity as multinationals are moving manufacturing from high cost western economies to India and China. India has a strong pool of scientific manpower and a well-developed eco-system for the production of fine chemicals.

Your company is pleased to inform you that Company had signed two long term mutually exclusive confidential MANUFACTURING AND SUPPLY AGREEMENT with multinational majors to supply crop

protection products. Recently your company commenced commercial production of at its new state of the art facility at its new site at MIDC Mahad, Maharashtra. The said facility incorporates the proprietary process technology developed by our multinational major customer. We are pleased to inform you that work of the second project is also progressing as per the schedule.

The commencement of these new projects will have a substantial positive impact on the Company's agrochemical business in coming years.

Research and Development

Astec is able to provide its customers value addition due its strong R&D capabilities. The company has made substantial investments to bring its EHS standards to international levels. We are therefore optimistic of making substantial strides in developing this business segment and developing of new products.

Subsidiary Operations

During the year, company's 100% subsidiary namely Astec Crop Care Pvt. Ltd. started the business of trading in agrochemicals and pesticides formulations to sell products in its own brand names.

Risks and concerns

The potential for over capacity can put pressure on margins. In order to safeguard against this, the company has a strong focus on R&D that enables it to remain competitive. The weakening of the rupee is another cause of concern.

Internal Control & Systems

The company has proper and adequate system of internal controls which ensures that all the assets are safeguarded against loss from unauthorized use or disposition and that all transactions are authorized recorded and reported correctly. The company has successfully organized the program on Total Productive Maintenance (TPM) at the factory which has helped the company to achieve reduction in downtime, rejections and wastages and improvement in delivery schedule. The company has assigned internal audit functional to professional firm of chartered Accountants. The company in process to implement the SAP module for better internal control system. All major findings and suggestions arising out in internal audit are reported to and reviewed by the audit committee. A strong internal audit system and an effective Audit Committee of the Board have led to the further strengthening of the internal controls within the organization.

Dividend

The Board of Directors have recommended a dividend for the year 2011-12 of 5% on Equity shares (Rs. 0.50 per share of Rs. 10/- each).

Health, Safety & Environment

The company has continued to invest in Health, Safety & Environment and continues to be compliant with all statutory permissions and approvals. The company lays considerable emphasis on achieving high standards of EHS practices. It has modernized its plants and have obtained ISO14001 and OSHA 18001 certification.

The company is regularly conducting safety awareness programs among the employees. Safety and ecological protection are prime concerns of the company and it is committed to uphold them.

Human Resources

The company ensures that it has adequate human skills commensurate with its requirements. The company continuously strives to upgrade skills and competence of its human resources. Measures for safety, training, welfare and development of the employees receive top priority.

Cautionary Statement

Statement in this report on Management Discussion and Analysis relating to the Company's objectives, Projections, estimates, expectations or prediction may be forward looking within the meaning of applicable securities laws and regulation. These statements are based on certain assumptions and expectations of future events. Actual results might differ materially from those expressed or implied depending upon factors such as climatic conditions, global and domestic demand-supply conditions, finished goods prices, raw material cost and availability, foreign exchange market movements, changes in Government regulations and tax structure, economic and political developments within India and the countries which the Company has business and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

Report on Corporate Governance

Company's philosophy on Code of Corporate Governance

The Securities and Exchange Board of India (SEBI) has introduced a code of corporate governance for listed companies which are implemented through the Listing Agreements with the Stock Exchanges with which the company is listed. The company has complied with the corporate governance requirements set out in Clause 49 of the Listing Agreement.

The company believes that good corporate governance leads to corporate growth and long term gain in shareholder's value. The company is committed to maintaining the highest standards of corporate governance in its conduct towards shareholders, employees, customers, suppliers and other stakeholders.

Board of Directors

The Chairman of the Board of Directors is an Executive Director. The composition of Board of Directors is consisted of total Eight Directors of which one is Chairman & Managing Director, One Whole Time Director and Six Non-Executive Directors. Three out of Eight Directors are Independent Directors. Composition and category of Directors as of March 31, 2012 was as follows:

Composition and category of Directors as of March 31, 2012 was as follows:

Ashok V. Hiremath	Chairman & Managing Director
Janak J. Rawal	Whole Time Director
Dr. P. L. Tiwari	Non Executive, Non Independent Director
Laxmikant Kabra	Non Executive, Non Independent Director
Sitendu Sharma	Non Executive, Independent Director
Prof. Vinod Malahe	Non Executive, Independent Director
Mohammed Zakir	Non Executive, Independent Director
Mandar K. Patil*	Non Executive, Independent Director

*Appointed as Non-Executive, Independent Director with effect from 28th May, 2012.

Six Board meetings were held during the year from April 01, 2011 to March 31, 2012. The dates on which the meetings were held were 27th May, 2011, 10th August, 2011, 12th November, 2011, 4th January, 2012, 14th February, 2012 and on 29th February, 2012. The attendance of each Director at the Board meetings, last Annual General Meeting and Number of other Directorship and Chairmanship / Membership of Committee of each Director in various Companies are as under:

Name of Director	Attendance		Directorships (excluding Directorship in Private Companies)*	Committee Members#	Committee Chairmanships
	Board Meeting	Last AGM			
Ashok V. Hiremath Chairman & Managing Director	6	Present	3	Nil	Nil
Janak J. Rawal** Whole Time Director	1	-	Nil	Nil	Nil
Dr. P. L. Tiwari Non Executive & Non Independent Director	5	Present	1	Nil	Nil
Laxmikant Kabra Non Executive & Non Independent Director	6	Present	4	3	1
Sitendu Sharma Non Executive & Independent Director	5	Present	1	2	1
Prof. Vinod Malahe Non Executive & Independent Director	6	Present	2	1	Nil
Mohammed Zakir Non Executive & Independent Director	6	Present	Nil	3	1
Mandar K. Patil*** Non Executive & Independent Director	Nil	-	Nil	Nil	Nil

*excludes directorship in our own company / # includes Membership/Chairmanship in own company

appointed w.e.f 20.01.2012 / * appointed w.e.f 28.05.2012

Audit Committee

The Company has constituted an Audit Committee consisting of Non-Executive Directors during 2011-2012. The terms of reference of the Audit Committee include

- a. Review of:
 - Financial statements before submission to the Board
 - Draft financial statements and Auditors' Report (before submission to the Board)
 - Accounting policies and practices
 - Risk Management Policies and practices
 - Compliance with stock exchange and legal requirements concerning Financial statements
 - Related party transactions
 - The internal control systems and internal audit reports and their compliance thereof
 - Compliance with accounting standards and
- b. Recommending the appointment of auditors and fixing their fees.

Objective

The audit committee assists the board in its responsibility for overseeing the quality and integrity of the accounting, auditing, and reporting practices of the Company and its compliance with the legal and regulatory requirements. The committee's purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence and performance of the statutory Auditors.

Four meetings were held during the year from April 1st 2011 to March 31st 2012 i.e. on May 27th, August 10th, November 12th in 2011 and on February 14th in 2012.

The constitution of the Committee and the attendance of each member of the Committee as on March 31, 2012 are given below:

Name	Category	Number of Meetings Attended
Sitendu Sharma Chairman	Non-Executive, Independent	3
Laxmikant Kabra	Non-Executive, Non-Independent	4
Mohammed Zakir	Non-Executive, Independent	4

- The Chairman of the Audit Committee, Mr. Sitendu Sharma was present at the Annual General Meeting of the Company held on September 2nd 2011.

- Mr. Mandar K Patil was appointed as members of audit committee on 28th May, 2012.

- The Company Secretary is the Secretary of the Audit Committee.

Remuneration Committee

The Remuneration Committee determines and recommends the remuneration payable to the Executive Directors on the basis of their performance as well as Company's performance, subject to consents as may be required. The Non-Executive Directors are not paid any remuneration except for the sitting fees for attending the Board meetings /Committee meetings. The remuneration to the Executive Directors comprises a fixed salary and other perquisites. The leave travel allowance is paid as per the Company rules. Provident Fund and Superannuation are provided for as per the Company's policy. Wherever applicable the perquisites are considered a part of remuneration and taxed as per Income Tax Laws. The commission recommended by the Remuneration Committee to the Board is paid to the Managing Director in accordance with the provisions of the Companies Act, 1956.

The Remuneration Committee comprises Mr. Mohamed Zakir, Chairman, Prof. Vinod Malshe & Mr. Laxmikant Kabra, all Non-Executive Directors. The Committee deals with all elements of remuneration package, stock options, service contracts, etc. of whole-time director. Four meetings of Remuneration Committee were held on 27th May, 2011, 10th August, 2011, 12th November, 2011 and on 14th February, 2012 and all the members of the committee attended the meeting.

Details of remuneration paid to Directors for the year 2011-12 are given below:

(Rs. Lacs)

Name of Director	Remuneration paid during the year 2011-2012			
	Salary	Commission/ Bonus/Incentives	Sitting Fees	Total
Ashok V. Hiremath Chairman & Managing Director	48.00	-	-	48.00
Janak J. Rawal* Whole Time Director	9.44	-	-	9.44
Total	57.44	-	-	57.44

*Mr. Janak J Rawal was appointed as Whole Time Director with effect from 20th January, 2012.

The Non-Executive Directors are paid sitting fees at the rate of Rs.5000/- for Audit Committee Meeting and Rs.5000/- for Board Committee Meeting. No sitting is paid for attending Shareholders' Grievance & Share Transfer Committee Meetings and Remuneration Committee Meetings.

Sitting fee and commission to the Non-Executive Directors, for 2011-2012 are detailed below:

Name of Non-Executive Director	Sitting Fee	Professional Fees	Total
Laxmikant Kabra	50,000/-	8,00,000/-	8,50,000/-
Dr. P. L. Tiwari	25,000/-	-	25,000/-
Prof. Vinod Malshe	30,000/-	-	30,000/-
Sitendu Sharma	40,000/-	-	40,000/-
Mohammed Zakir	50,000/-	-	50,000/-

Share Transfer and Investor's Grievance Committee

The Board has constituted an Investor grievance committee under the Chairmanship of Mr. Laxmikant Kabra. The other members of the committee are Mr. Mohammed Zakir & Mr. Sitendu Sharma. The Committee looks into grievances of the investors of the Company.

Four meetings of investor's grievance committee were held during the year April 01, 2011 to March 31, 2012. The Committee met on 27th May, 10th August, and 12th November in 2011 and on 14th February in 2012.

The Board has designated Mr. Vikas R. Chomal, Company Secretary as the Compliance Officer.

The following table shows the complaints status as on 31st March, 2012 all of which were responded within one month.

Sr. No.	Nature of complaints	No. of complaints received	No. of complaints resolved	No. of complaints pending
1	Non receipt of refund order/allot. advice	0	0	0
2	Non receipt of credit	5	5	0
3	Pending before SEBI	2	1	1
	Total	7	5	1

General Body Meetings

(i) The last three Annual General Meetings of the company were held as under:

Year	Location	Date	Time	Number of Special Resolutions Passed
2008-2009	5-5A, 4th Floor, Kamanwala Chambers, Sir P. M. Road, Fort Mumbai - 400001, Maharashtra	18th September, 2009	3:30 P. M.	1
2009-2010	M. C. Ghia Hall, Bhogilal Hargovindas Bldg., 2nd Flr., Kala Ghoda, 18/20, K. Dubhash Marg, Mumbai - 400001, Maharashtra	23rd August, 2010	3:30 P. M.	Nil
2010-2011	Walchand Centre For Business Training, 3rd Flr., IMC Building, IMC Marg, Churchgate, Mumbai - 400020, Maharashtra	23rd September, 2011	3.00 P. M.	1

(ii) One Extra Ordinary General Meeting was held on 27th March 2012 at 11.30 A.M. at the M. C. Ghia Hall, Indian Textile Accessories & Machinery Manufacturers Association, Bhogilal Hargovindas Building, 4th Floor, 18/20, K. Dubhash Marg, Kala Ghoda, Mumbai-400001 to transact the following Special businesses:

- Increase of Authorized Capital
- Alteration of the Articles of Association
- Issuance of Preferential Warrants Convertible into Equity Shares on Preferential Basis.
- Astec Employees Stock Option Scheme 2012 (ESOP Scheme)

(iii) Company has appointed Mr. Janak J. Rawal as Whole Time Director of the Company with effect from 20th January, 2012 for a period of three years and re-appointed Mr. Ashok V. Hiremath as Chairman & Managing Director of the company with effect from 20th January 2012 for a period of three years through the process of Postal Ballot and the notice along with postal ballot forms was dispatched to the shareholders on January 13, 2012. The last date of receiving the postal ballot forms from the shareholders was February 17, 2012.

There is no item on the Agenda that needs approval by postal ballot at the forthcoming Annual General Meeting.

Disclosures

In preparation of the financial statements, the company has followed the Accounting Standards as per the Companies (Accounting Standards) Rules, 2006. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Accounts.

Related party transactions during the year have been disclosed as required under Accounting Standard 18 issued by the Institute of Chartered Accountants of India. Details of related party transactions were periodically placed before the Audit Committee. These transactions are not likely to have any conflict with the company's interest.

Business risk evaluation and managing such risks is an ongoing process within the organization. The Board is regularly briefed of risks assessed and the measures adopted by the company to mitigate the risks.

The Company has a Code of Conduct for its employees. The Board members and Senior Management personnel of the Company affirm that they have complied with this code.

The Stock Exchange, SEBI or other statutory authorities relating to the above have imposed no penalties or strictures on the Company.

The Company complies with all mandatory requirements and also adopted some of the non-mandatory requirements as detailed below.

Means of communication

Financial results are published by the Company in The "Business Standard", English and "Mumbai Lakshdeep", Marathi.

Results are also displayed in URL www.astecsl.com. Official news releases are also updated in the site.

Presentations made during the year are available on the Company's website www.astecsl.com

Key developments are communicated to the Stock Exchanges and media as and when they occur.

Subsidiary Company

The Company does not have material non-listed Indian subsidiary Company whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively of the Company and its subsidiary in the immediate preceding accounting year.

The Company however has following subsidiary Companies:

- 1) Behram Chemicals Private Limited incorporated on April 6, 1993 having registered office at Arman Residency, 1st floor, 102, R. W. Sawant Road, Opp. Mumbai - Nasik Fly Over, Thane (West), Thane - 400601 with a paid up capital of Rs. 60,00,000/-. Astec holds 65.63%.
- 2) Astec Crop Care Private Limited incorporated on 25th October, 2010 having registered office at Elite Square, 7th Floor, 274, Perin Nariman Street, Fort, Mumbai - 400001 with a paid up capital of Rs. 50,00,000/-, 100% of the capital is held by Astec.
- 3) The Company also have one Foreign Subsidiary; Astec Europe Sprl in Belgium, Europe. Astec Europe Sprl became our subsidiary on 3rd October, 2011 in which Astec holds 50.10%.

Minutes of Board meeting of these subsidiary companies are discussed at the meeting of Astec LifeSciences Limited.

General Shareholder Information and Management's Discussion and Analysis

- 1) Registered Office : Elite Square, 7th Floor, 274, Perin Nariman Street, Fort, Mumbai - 400001, Maharashtra, India.
- 2) Date, Time & Venue of Annual General Meeting
Annual General Meeting Date : Tuesday, 25th September, 2012
Time : 3.30 P. Monwards
Venue : Kilachand Conference Room, 2nd Floor, IMC Building, IMC Marg, Churchgate, Mumbai - 400020, Maharashtra

Date of Book Closure

The Share Transfer books and Register of Members will remain closed from 17th September, 2012 to 25th September, 2012 (both days inclusive).

Bank details for dividend payment

Shareholders holding in physical form are requested to notify/send the following information to the Registrar & Transfer Agent of the Company.

- Any change in their address/mandate/bank details etc.

- Particulars of the bank account in which they wish their dividend to be credited, in case the same has not been furnished earlier and should include the following particulars namely, bank name, account type, account number and MICR Code (nine digit) required to submit their PAN along with a photocopy of both sides of the PAN card, duly attested).

Permanent Account Number (PAN)

Securities and Exchange Board of India (SEBI) has made it mandatory for every participant in the securities/capital market to furnish Permanent Account Number (PAN) issued by the Income Tax

Department. Accordingly, all shareholders are required to submit their PAN along with a photocopy of both sides of the PAN card, duly attested.

Shareholders with shareholding in physical form are requested to send a copy of the PAN card of the holders (including joint holders) duly attested, by Notary Public/Gazetted Officer/Bank Manager under their official seal and stating their full name and address, folio no. to the company or its Registrar & Share Transfer Agent.

Shareholders holding shares in electronic form are required to furnish their PAN details to their depository participant with whom they maintain their account along with the documents as required by them.

Nomination Facility

Shareholders, holding shares in physical form and desirous of submitting/changing nomination in respect of their shareholding in the Company may submit form 28 (in duplicate) as per the provisions of section 109(A) of the Companies Act, 1956 to the Company's Registrar & Transfer Agent.

Electronic Clearing Services (ECS) facility

The Company pays dividend through ECS – by crediting the shareholder's bank account directly.

- Members holding shares in "physical form" and desirous of availing this facility are requested to send their details in ECS mandate form. The ECS mandate form may be collected from the company's.

- To avail of the ECS facility the mandate form should be sent by post or hand delivered to the company's corporate office or its Registrar and Transfer Agent so as to reach before commencement of the book closure date i.e. 17th September, 2012.

- Members holding shares of the company in Dematerialized (electronic) form are requested to intimate all changes pertaining to their Bank account details, ECS mandates, nominations, power of attorney, change of address/names etc. to their Depository Participant (DP) only and not to the Company or its Registrar and Transfer Agents changes intimated to the DP would be downloaded and updated in the company's record for disbursement of dividend or any corporate benefits.

Dividend

Dividend @ 50 paise per Share on 1, 69, 29, 130 equity shares of face value Rs.10/- each is recommended for the approval of members at the forthcoming Annual General Meeting.

Dividend Payment Date

The Dividend for the year ended 31st March, 2012, if declared at the annual general meeting, will be paid to the members whose names will appear on the Register of Members of the Company on 17th September 2012 after giving effect to all valid transfer of shares in physical form lodged with the Company on or before 17th September, 2012 at the end of business hours and in respect of shares held in demat form, the members whose names appear on the statement of beneficial ownership furnished by NSDL and CDSL at the end of business hours on 17th September, 2012. Dividend will be paid within 30 days from the date of approval by the members at the Annual General Meeting i.e. 25th September, 2012.

Financial Calendar

1) Financial Year	1st April to 31st March
2) Financial Reporting for	
3) Quarter ending 30th June	Second week of August, 2012
4) Quarter ending 30th September	Second week of November, 2012
5) Quarter ending 31st December	Second week of February 2013
6) Year ending 31st March	Last week of May, 2013

Listing on Stock Exchanges

- 1) BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400001, Maharashtra
- 2) National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra

Listing & Custody fees

Company have paid annual listing fees & annual custody fees for the year ended 31st March, 2012 to the stock exchanges and depository participants.

Stock Code

BSE code-533138
NSE Code-ASTEC
ISIN-INES63J01010

Corporate Identification Number (CIN)

The Company's CIN, allotted by the Ministry of Corporate Affairs is L99999MH1994PLC076236. The Company is registered at Mumbai in the State of Maharashtra, India.

Market Price Data

Monthly High & Low market price at BSE & NSE

Month	BSE		NSE	
	High (Rs)	Low (Rs)	High (Rs)	Low (Rs)
April-2011	55.00	42.25	57.95	56.15
May-2011	49.50	39.00	49.95	38.90
June-2011	45.30	37.00	45.50	37.50
July-2011	45.30	37.00	45.50	37.50
August-2011	39.95	27.70	40.00	28.30
September-2011	39.45	31.60	39.25	32.80
October-2011	36.35	32.65	35.80	33.10
November-2011	36.70	26.65	35.50	26.50
December-2011	36.75	21.05	33.60	21.20
January-2012	33.90	24.00	33.90	23.30
February-2012	35.15	28.35	35.15	28.15
March-2012	33.00	28.20	32.95	27.25

Registrar & Share Transfer Agents

Bigshare Services Private Limited

E-2 & 3, Ansa Industrial Estate, Saki-Vihar Road, Sakinaka, Andheri (E), Mumbai - 400 072, Maharashtra.

Tel. Tel: 91-22-2847 0652 | 40430200| Fax: 91-22-2847 5207

E-mail: info@bigshareonline.com

Share Transfer System

Bigshare Services Private Limited are the Registrar and Share Transfer Agents for servicing activities relating to both Physical and Electronic segments. The shareholders who wish to transfer their shares held in physical form can lodge the duly completed request for registration of transfer of shares with the Registrar & Share Transfer Agents. The duly transferred share certificates are normally returned to the shareholders within a period of 20 to 25 days from the date of lodgment.

Distribution of Shareholding in Rupees as on 31st March, 2012

Category Rs	Rs	Number of Shareholders	Percentage	Share Amount	Percentage
1	- 5000	8269	83.63	13104720	7.75
5001	- 10000	889	9.00	7125940	4.20
10001	- 20000	364	3.68	5614300	3.32
20001	- 30000	120	1.21	3076310	1.82
30001	- 40000	77	0.78	2791380	1.65
40001	- 50000	53	0.54	251761	1.49
50001	- 100000	68	0.69	4903140	2.90
100001	& above	48	0.48	130157900	76.87
Total		9888	100.00	169291300	100.00

Dematerialization of shares

The shares of the Company are actively traded at BSE and NSE in dematerialized form. International Securities Identification Number (ISIN) for both the depositories, viz., NSDL and CDSL is INE563J01010. The Shareholders who wish to get the shares dematerialized can submit the share certificates together with the Demat Request Form to the Depository Participant with whom they have opened a demat account. Shares dematerialized up to March 31, 2012 are:

Mode	No. of Equity Shares	Percentage
Demat shares with NSDL	13263039	78.34
Demat Shares with CDSL	3666086	21.66
Shares in Physical mode	5	Negligible
Total	16929130	100.00

Shareholding Pattern as on 31st March, 2012

Category	No. of Equity Shares	% of Equity Share holding
Promoters	9431980	55.71
Bodies Corporate	2684732	15.86
Resident Individuals	4657909	27.52
NRIs	147476	0.87
Clearing members	7033	0.04
Total	16929130	100.00

GDR's / ADR's / Warrants or any Instrument, Conversion date and impact on equity dates

Company has issued 16,00,000 preferential warrants compulsorily convertible into equity shares of Rs.10/- each vide special resolution passed at the extra ordinary general meeting of the members of the company held on 27th March, 2012 at M. C. Ghia Hall, Indian Textile Accessories & Machinery Manufacturers Association, Bhogilal Hargovindas Building, 4th Floor, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai - 400001.

Company has also taken approval of members for allotment of ESOP's to the employees of the company at the extra ordinary general meeting of the members of the company held on 27th March, 2012 at M. C. Ghia Hall, Indian Textile Accessories & Machinery Manufacturers Association, Bhogilal Hargovindas Building, 4th Floor, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai-400001. The ESOP scheme is known as *Astec Employees Stock Options Scheme

There are no GDR and ADR's.

Plant Locations:

- 1) B-17/18, B-23 MIDC Mahad, Bhirewadi, Mahad, District Raigad - 413341, Maharashtra.
- 2) B-16, MIDC Mahad, Bhirewadi, Mahad, District Raigad - 413341, Maharashtra.
- 3) K2, MIDC Mahad, Bhirewadi, Mahad, District Raigad - 413341, Maharashtra.

Research & Development Centre

- 3) F-39, MIDC-Phase II, Dombivili (East)-421204, District - Thane, Maharashtra.

Address for correspondence

Laxmikant Kabra

Director

Elite Square, 7th Floor, 274, Perin Nariman Street, Fort, Mumbai - 400001, Maharashtra.

Phone: 022-2261 8212, Fax: 022 2261 8289

kabra@astecsl.com

Website: www.astecsl.com

Vikas R. Chomal

Company Secretary & Compliance Officer

Elite Square, 7th Floor, 274, Perin Nariman Street,

Fort, Mumbai - 400001, Maharashtra.

Phone: 022-2261 8212 Fax: 022 2261 8289

vikas@astecsl.com

Website: www.astecsl.com

Investor grievance Redressal Division

Bigshare Services Private Limited

E-2/3, Ansa Industrial Estate, Sakinagar Road,

Saki Naka, Andheri (E), Mumbai - 400 072, Maharashtra.

Phone No: 022- 40430200 Fax No: 022 - 28475207

info@bigshareonline.com ; investors@astecsl.com

Website: www.bigshareonline.com

Declaration under Clause 49 of the Listing Agreement regarding compliance with Code of Conduct

The Board of Astec LifeSciences Limited laid down a code of conduct for all Board members and senior management. The code of conduct has been posted in the Company's website www.astecsl.com. All the Board members and the senior management affirmed compliance to the code for the year 2011-12.

Place: Mumbai.

Date: May 28, 2012

Sd/-
Ashok V. Hiremath
Managing Director

Auditors certificate on compliance of conditions of Corporate Governance

To the Members of
Astec LifeSciences Limited

1. We have examined the compliance with the conditions of Corporate Governance by Astec LifeSciences Limited ("the company") for the year ended March 31, 2012, as stipulated in Clause 49 of the Listing Agreements of the said company with stock exchanges in India.
2. The compliance with conditions of Corporate Governance is the responsibility of the company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
3. In our opinion and to the best of our information and according to the explanations given to us:
 - a) We certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.
 - b) We state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For M/s. P. M. Kathariya & Co.
Chartered Accountants
Sd/-
Firm Reg. No.104922W
CA. P. M. Kathariya
(Proprietor)
M. No: 31315

Date: 28th May, 2012
Place: Mumbai

NON-MANDATORY REQUIREMENTS

1. **Chairman's office**
The Company maintains an office for the Chairman at its registered office at Elite Square, 7th Floor, 274, Perin Nariman Street, Fort, Mumbai-400001, Maharashtra, India
2. **Remuneration Committee**
The Company has constituted a Remuneration Committee. The terms of reference of the Committee are described in the "Remuneration Committee" above in this report.
3. **Shareholders rights**
The quarterly financial results were published in the newspapers as mentioned in "Means of Communication" above in this report. The results are also displayed on the Company's website.

Directors' Report

To,
The Members,
Astec LifeSciences Limited

The Directors have pleasure in presenting the 18th Annual Report and the audited accounts for the year ended March 31, 2012.

1. Financial Highlights

	Rs. in Lacs	
	2011-12	2010-11
Revenue from operations (Gross)	11736.82	11,524.79
Less: Excise Duty	652.76	412.28
Revenue from operations (Net)	11084.06	11112.50
Other income	101.89	102.80
Total revenue	11185.95	11,215.31
Profit before Interest and Depreciation	1726.15	1697.08
Less: Interest and Depreciation	1381.83	980.86
Profit before Tax	344.32	716.22
Less: Provision for Income Tax	68.00	135.20
Less: Provision for Deferred Tax	34.52	72.59
Profit After Tax	241.81	508.43
Amount available for appropriation	241.81	508.43
Appropriation		
Proposed Dividend	84.65	84.65
Tax on Proposed Dividend	13.73	13.73
Transfer To General Reserve	50.00	100.00
Balance of Profit Carried forward	93.42	310.05

2011-12 was a challenging year for ASTEC as we were affected by continued destocking of inventory by our consumers. The Gross turnover of the company was at Rs. 117.37 Crores as against Rs. 115.25 Crores in the previous year, resulting in increase of 1.84%. Exports for the year were at Rs. 39.56 Crores as against Rs. 25.10 Crores in 2011 representing a growth of 58%.

Raw material costs rose sharply as a result of the increase in labour and power costs in China pushing raw material prices upwards in the global markets. Higher interest rates caused increased finance costs and the devaluation of the rupee led to forex losses. With the operating costs going up substantially, the margins were eaten up and EBITDA for the year under review was consequently of a much lower order in comparison with the previous year.

As result, profit after tax for the year was at Rs. 2.42 Crores as against Rs. 5.08 Crores in the previous year.

2. Operations

Your company has identified contract manufacturing as a platform for future growth. India is well positioned to capitalize on this opportunity as multinationals are moving manufacturing from high cost western economies to India and China. India has a strong pool of scientific manpower and a well-developed eco-system for the production of fine chemicals.

Your company is pleased to inform you that Company had signed two long term mutually exclusive confidential MANUFACTURING AND SUPPLY AGREEMENT with multinational majors to supply crop protection products. Recently your company commenced commercial production of at its new state of the art facility at its new site at MIDC Mahad, Maharashtra. The said facility incorporates the proprietary process technology developed by our multinational major customer. We are pleased to inform you that work of the second project is also progressing as per the schedule.

The commencement of these new projects will have a substantial positive impact on the Company's agrochemical business in coming years.

We were successful in tapping markets in South East Asia and South America.

In Mahad we made investments to increase the capacity of our manufacturing facility and to improve the quality of our products. We also made the investments in line with our commitment to responsible care to improve our EHS standards.

We invested in R & D and were successful in developing products and intermediates that are unique and will give the company substantial growth in the coming years.

3. Appropriations:

Amount of Rs. 50 Lacs is credited to General Reserve. Out of the amount available for appropriation, Your Director's have recommended a dividend of 5% on Equity Shares (Rs. 0.50/- per share of Rs. 10/- each). The dividend tax on the proposed dividend is Rs.13.73 Lacs.

4. Joint Venture:

Your company has invested in a joint venture in Europe namely Astec Europe Sprl in Belgium which is engaged in product registration activities. During the year, this Company became 50.10% subsidiary of Astec.

5. Subsidiary Companies:

- a) Your Company has a 100% subsidiary Company namely M/s. Astec Crop Care Private Limited with the main object to start the business of trading in Agrochemicals & Pesticides formulation to sell in local as well as in export market with its own brand name.
- b) Behram Chemicals Private Limited is a 65.63% subsidiary of Astec. Behram Chemicals Private Limited has a manufacturing facility at Mahad, which has been given on lease to Astec.
- c) With effect from October, 2011, Astec Europe Sprl has become 50.10% subsidiary of our Company which is engaged in product registration activities.

6. Research And Development:

Your Company continues to focus on R&D. We believe that a productive R & D is a key ingredient for success. During the year a number of new products were developed and many cost reduction schemes were initiated.

7. Risk Management:

Our Company continuously monitors business and operational risk. All key functions and divisions are independently responsible to monitor risk associated within their respective areas of operations such as production, insurance, legal and other issues like health safety and environment.

8. Listing Fees: -

The Company has paid requisite annual listing fees to Bombay Stock Exchange and National Stock Exchange where its securities are listed.

9. Public Deposits:

The Company has not accepted any deposits and as such there are no overdue deposits outstanding as on 31st March' 2012.

10. Particulars of Employees:

There were no employees drawing remuneration more than it is provided under Section 217 (2A) of the Companies Act 1956 read with the Companies (Particulars of Employees) Rules 1975 during the year ended 31st March, 2012.

11. Directors:

Prof. Vinod Malshe retires by rotation and, being eligible, offers himself for reappointment. Dr. P. L. Tiwari retires by rotation and, being eligible, offers himself for reappointment.

Appropriate resolutions for the reappointment of the aforesaid Director are being moved at the ensuing Annual General Meeting, which the Board commands for your approval.

None of the board members are interested in the resolution except Prof. Vinod Malshe & Dr. P. L. Tiwari.

12. Conservation Of Energy, Technology Absorption And Foreign Exchange Earnings And Outgo:

In accordance with the requirements of section 217(1)(e) of the Company's Act, 1956 read with the Companies Disclosure of Particulars in the Report of Board of Directors) Rules 1980, the following information is provided:

- Conservation of Energy, etc: Steps have been taken to reduce the power consumption of agitators and pumps. A new coal fired boiler was commissioned which has resulted in considerable savings in fuel cost.
- Technology Absorption: A majority of the technologies utilized by your Company are developed by in-house R & D department. Some processes have been provided by potential customers and those have been suitably absorbed.
- Foreign Exchange Earnings and outgo:

- Activities relating to Export, initiatives to increase exports, Development of new export markets for products and services and Export promotion plans:

The company is constantly trying to increase its exports; Strategic alliances are made with various parties to increase exports. The company is obtaining registration in various parts of the world. During the year, the company had exports (FOB value) of Rs. 3844.07 Lacs.

- Total Foreign Exchange earned and used:

	Rs. in lacs	
	2011-12	2010-11
1. Earnings/Inflow		
i. Exports at FOB	3844.07	2510.00
2. Expenditure / Outflow		
i. Traveling	16.87	6.91
ii. R & D Expenses	-	-
iii. Commission	37.73	35.00
iv. Import of Raw Material (CIF)	3018.09	1555.78
v. Professional Fees & Technical Services	20.41	-
vi. Subscription	1.68	-

13. Director's Responsibility Statement:

Pursuant to the requirement u/s 217(2AA) of the companies Act, with respect to Director's responsibility statement, it is hereby confirmed:

- That in the preparation of the accounts for the financial year ended 31st March, 2012 the applicable accounting standards have been followed along with explanations relating to material departures.
- That the Directors have selected such accounting policies and applied them entirely and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year.

- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the companies Act, 1936 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) That the Directors have prepared the annual accounts for the financial year ended 31st March, 2012 on going concern basis.

he annual accounts for the financial year ended 31st March, 2012 on going concern basis.

15. Auditors:

M/s. P. M. Kathariya & Co., Chartered Accountants, Mumbai retire as the Auditors of the Company at the ensuing Annual General Meeting and being eligible offer themselves for reappointment. Members are requested to appoint the Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to fix their remuneration.

16. Corporate Governance:

A report on the corporate governance code along with a certificate from the auditors of the company regarding the compliance of the code of corporate governance and also the management discussion and analysis report as stipulated under clause 49 of the listing agreement are annexed to this report.

17. Appreciation:

Your Directors wish to record their appreciation for the support and co-operation received from the customers, suppliers and the banks.

Your Directors express their warm appreciation to all the Employees of the Company for their diligence and contributions.

For and on behalf of the Board of Directors

Sd/-

Ashok V. Hiremath
Managing Director

Place : Mumbai
Date : 28th May, 2012

INFORMATION AS PER SECTION 217 (1) (e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1998 FORMING PART OF THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST MARCH' 2012.

1. Conservation of Energy

a. Energy conservation measures taken:

Daily monitoring of boiler efficiency.

Installation of capacitors to improve power factor.

Streamlining of boiler and steam system, optimum use of chilling units.

Energy efficient insulation for hot and cold services.

b. Total energy consumption and energy consumption per unit as per Form-A of the annexure to the rules in respect of industries specified in the schedule thereto.

A. Power & Fuel Consumption

	2011-12	2010-11
1. Electricity		
a. Purchased		
Unit (KWH in thousands)	5061.57	2860.00
Total amount (Rs.in Lacs)	309.56	154.72
Rate/KWH (Rs.)	6.12	5.41
b. Own Generation		
i. Through Diesel generator		
Unit (KWH in thousands)	-	169.76
Unit per Ltr. of Diesel	-	2.36
Oil cost/Unit	-	14.74
2. Furnace Oil		
Quantity (K.Ltrs.)	349.46	170.99
Total cost (Rs.in lacs)	133.25	45.51
Average rate / K.Ltrs. (Rs.)	38.13	27.00
3. Coal		
Quantity (MT.)	2666.53	1910.26
Total cost (Rs.in lacs)	160.00	116.25
Average rate / kg. (Rs.)	6.00	6.09
4. Others		
LSHS/LDO/HSD		
Quantity (K.Ltrs.) (LDO/HSD)	15.89	69.82
Total cost (Rs.in lacs)	6.83	27.81
Rate / K. Ltrs. (Rs.)	43.00	40.00

B. Consumption per unit of Production

The operations being of multi-cycle/ multi product type, consumption per unit for each product cannot be meaningfully determined. Hence the said information has not been furnished.

2. Technology Absorption

Efforts made in technology absorption as per Form-B of the annexure to the rules.

3. Research & Development (R&D)

- a. Specific areas in which the company carried out R&D: A number of products for the agrochemical industries have been developed for reputed customers in Europe, USA and Japan.
- b. Benefits derived as a result of above R&D: The R&D efforts will result in substantial increase in turnover and profitability.
- c. Future plan of action: R&D will be focused on custom synthesis projects.
- d. Expenditure on R&D

	Rs. in lacs	
	2011-12	2010-11
Capital & Recurring	234.92	231.42
Total R&D expenditure as a percentage of total Turnover.	2.12%	2.01%

4. Technology absorption, adoption and innovation

- a. Efforts, were made towards technology absorption, adoption and innovation. Processes provided by customers have been successfully adopted to suit local conditions and availability of raw materials in India and have been implemented on plant scale.
- b. Benefits derived as a result of the above efforts: Improved productivity through improvement in technology, new products, better safety and environmental control.

For and on behalf of the Board of Directors
Sd/-

Place : Mumbai
Date : 28th May, 2012

Ashok V. Hiremath
Managing Director

Auditors' Report

To,
The Members,
Astec LifeSciences Ltd.

1. We have audited the attached Balance Sheet of M/s ASTEC LIFESCIENCES LIMITED as at March 31, 2012 and the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by central government of India, in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments as mentioned above, we report as follows:-
 - a) We have obtained all the information and explanations which to the best of our knowledge & belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of such books.
 - c) The Balance Sheet & the Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion, the Balance Sheet & Profit and 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 to the extent applicable.
 - e) On the basis of written representations received from the directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of Section 274 (1) (g) of the Companies Act, 1956.
 - f) In our opinion & to the best of our information & according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
 - ii. in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
 - iii. in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For M/s. P. M. Kathariya & Co.
Chartered Accountants
Sd/-
Firm Reg. No.104922W
CA. P. M. Kathariya
(Proprietor)
M. No: 31315

Date: 28th May, 2012
Place: Mumbai

Annexure referred to the Auditors' Report

- 1. In respect of its fixed assets:**
 - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) In our opinion fixed assets have been physically verified by the management at reasonable intervals, no material discrepancies were noticed on such verification.
 - (c) No substantial part of fixed assets has been disposed off during the year, and it has not affected the going concern.
- 2. In respect of its inventories:**
 - (a) As informed to us physical verification of inventory has been conducted at reasonable intervals by the management.
 - (b) Procedures for physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business. There are no inadequacies in such procedures that should be reported.
 - (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification carried out at the end of the year.
- 3. In respect of loans granted and taken to / from parties covered in the register maintained u/s 301 of the Companies Act, 1956:**
 - (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, clause (iii)(b) to (iii)(d) of paragraph 4 of the Order are not applicable to the Company for the Current year.
 - (e) The company has taken loan from Directors and Companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 1,22,17,704/- and the year end balance of loans taken from such parties was Rs. 95,52,241/-.
 - (f) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the company.
 - (g) The loans taken are re-payable on demand. As informed, the lenders have not demanded repayment of any such loan during the year, thus, there has been no default on the part of the company. The payment of interest has been regular.
- 4. In respect of internal control:**

In our opinion and according to the information and explanations given to us there are adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit, We have not observed continuing failure to correct major weaknesses in internal control system.
- 5. In respect of contracts or arrangements need to be entered into a register maintained u/s 301 of the Companies Act, 1956:**
 - (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
 - (b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the companies Act 1956 and exceeding the value of Rs 5 Lakh with any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 6. In respect of deposits from public:**

As per the information and explanation given to us, no deposits within the meaning of Sections 58A

and 58AA or any other relevant provision of the Act and rules framed there under have been accepted by the Company.

7. In respect of internal audit system:

In our opinion, the Company has an internal audit system commensurate with its size and nature of business.

8. In respect of maintenance of cost records:

We are informed that the Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209 (1)(d) of the Act.

9. In respect of statutory dues:

(a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, Cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.

10. In respect of accumulated losses and cash losses:

The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.

11. In respect of dues to financial institution / banks / debentures:

Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution or banks.

12. In respect of loans and advances granted on the basis of security:

The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. In respect of provisions applicable to Chit fund:

In our opinion and according to information and explanations given to us the company is not chit fund or a nidhi or mutual benefit fund/society.

14. In respect of dealing or trading in shares, securities, debentures and other investment:

According to information and explanations given to us the company is not dealing in or trading in shares, securities, debentures and other investments.

15. In respect of guarantee given for loans taken by others:

In our opinion and according to the information and explanations given to us, the term and conditions on which the Company has given guarantees for loans taken by subsidiary from banks are not prejudicial to the interest of the Company.

16. In respect of application of term loans:

In our opinion, the term loan raised by the company during the year has not been applied for the purpose for which it was raised.

17. In respect of fund used:

Based on an overall examination of the Balance Sheet of the company and a review of the consolidated fund flow statement for the year, we report that no funds raised on short-term basis have been used for long-term investment.

18. In respect of preferential allotment of shares:

The company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Act, during the year.

19. In respect of securities created for debentures:

The company has not issued any debentures during the year. Therefore provisions of clause 4(xix) of the Order are not applicable to the company.

20. In respect of end use of money raised by public issues:

The company has not raised any money from the public during the year under audit.

21. In respect of fraud:

According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

For M/s. P. M. Kathariya & Co.
Chartered Accountants
Sd/-

Firm Reg. No.104922W
CA. P. M. Kathariya
(Proprietor)
M. No: 31315315

Date: 28th May, 2012
Place: Mumbai

Balance Sheet as at 31st March 2012

Particulars	Note	31.03.12	31.03.11
In Rupees			
Equity and liabilities			
Shareholders' funds			
Share capital	1	16,92,91,300	16,92,91,300
Reserves and surplus	2	814,735,268	800,392,949
Money received against share warrants		13,600,000	-
		997,626,568	969,684,249
Non-current liabilities			
Long-term borrowings	3	110,819,592	21,206,049
Deferred tax liabilities (net)	4	27,580,557	24,128,814
Other long term liabilities	5	218,291,704	34,250,776
Long-term provisions	6	3,420,134	7,835,236
		360,111,987	87,420,876
Current liabilities			
Short-term borrowings	3	559,278,793	378,755,155
Trade payables	7	295,174,115	228,286,869
Other current liabilities	8	45,767,662	48,577,888
Short-term provisions	6	10,701,724	9,837,729
		910,922,294	665,457,641
Total		2,268,660,849	1,722,562,766
II. Assets			
Non-current assets			
Fixed assets	9		
(i) Tangible assets		755,417,413	719,860,960
(ii) Intangible assets		330,384	-
(iii) Capital work-in-progress		436,206,071	89,947,523
Non-current investments	10	9,881,395	9,757,313
Long-term loans and advances	11	31,486,926	11,146,469
Other non-current assets	12	-	545,277
		1,233,322,189	831,257,542
Current assets			
(a) Current investments	13	117,381,580	78,772,040
(b) Inventories	14	433,229,960	353,479,631
(c) Trade receivables	15	307,301,912	342,525,803
(d) Cash and bank balances	16	35,408,018	30,090,223
(e) Short-term loans and advances	11	142,017,190	86,437,526
		1,035,338,660	891,305,224
Total		2,268,660,849	1,722,562,766

Significant Accounting Policies and notes are an integral part of the financial statements

1 to 33

As per our report of even date

For and on behalf of the Board

For M/s. P. M. Kathariya & Co.

Chartered Accountants

Firm Reg. No.104922W

Sd/-

CA. P. M. Kathariya

Proprietor

Membership No. - 31315

Place: Mumbai

Date: 28th May 2012

Sd/-
Ashok V. Hiremath
Managing Director

Sd/-
Laxmikant Kabra
Director

Sd/-
Vikas R. Chornal
Company Secretary & Compliance Officer

Profit & Loss Account for the year ended 31st March 2012

Particulars	Note	In Rupees	
		31.03.12	31.03.11
Revenue			
Revenue from operations (Gross)	17	1,173,681,659	1,152,478,893
Less : Excise duty		65,275,946	41,228,428
Revenue from operations (Net)		1,108,405,713	1,111,250,465
Other income	18	10,188,872	10,280,361
Total		1,118,594,585	1,121,530,827
Expenses			
Cost of materials consumed	19	780,077,750	691,755,903
Purchases of traded goods	20	69,698,620	184,538,000
Changes in inventories of finished goods, work-in-progress and traded goods	21	(82,386,080)	(46,251,881)
Employee benefit expenses	22	47,478,655	39,264,700
Finance costs	23	53,428,941	40,354,163
Depreciation and amortisation expense		84,754,242	57,731,760
Other expenses	24	129,699,679	82,734,206
Prior period items		1,410,988	(218,227)
Total		1,084,162,795	1,049,908,624
Profit / (Loss) before exceptional and extraordinary items and tax		34,431,790	71,622,203
Exceptional items			
Profit / (Loss) before extraordinary items and tax		34,431,790	71,622,203
Extraordinary items			
Profit / (Loss) before tax		34,431,790	71,622,203
Tax expense			
Current tax		6,800,000	13,519,717
Deferred tax		3,451,742	7,259,472
		10,251,742	20,779,189
Profit / (Loss) for the year		24,180,048	50,843,014
Earnings per equity share of Rs. 10 each			
Basic & Diluted		1.43	3.00
Significant Accounting Policies and notes are an integral part of the financial statements 1 to 33			

As per our report of even date

For and on behalf of the Board

For M/s. P. M. Kathariya & Co.
Chartered Accountants
Firm Reg. No.104922W
Sd/-
CA. P. M. Kathariya
Proprietor
Membership No. - 31315
Place: Mumbai
Date: 28th May 2012

Sd/-
Ashok V. Hiremath
Managing Director

Sd/-
Laxmikant Kabra
Director

Sd/-
Vikas K. Chomal
Company Secretary & Compliance Officer

Cash Flow Statement for the year ended 31st March, 2012

Particulars	(Rs. in Lacs)	
	2011-12	2010-11
A Cash Flow from Operating Activities		
Net Profit after Tax and Extra Ordinary Items	241.80	508.43
Adjustment for :		
Depreciation for the year	847.54	577.32
Provision for Taxation	102.52	207.79
Dividend Income	(27.88)	(21.26)
Interest Income	(74.01)	(81.54)
Interest Expenses	392.87	344.22
Loss of Sale of Fixed Assets	-	7.57
Unrealised Foreign Exchange Gain/Loss	157.77	(8.73)
Operating Profit Before Working Capital Changes	1,640.61	1,533.80
Adjustments for (increase) / decrease in operating assets:		
Trade Receivables	362.82	(164.41)
Inventories	(797.50)	(209.48)
Short Term Loans and Advances	(555.80)	(373.61)
Long Term Loans & Advances	(203.40)	(38.44)
Other Non Current Assets	5.45	12.16
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	647.74	1,383.91
Other current liabilities	(28.10)	165.20
Short-term provisions	8.64	(99.68)
Long-term provisions	(8.91)	(96.00)
Cash Generated from Operations	1,071.54	2,113.46
Income Tax Paid	(103.24)	(307.87)
Net cash flow from / (used in) operating activities (A)	968.30	1,805.59
B Cash Flow from Investing Activities		
Purchase of Fixed Assets/ Capital Expenditure	(4,669.00)	(3,565.03)
Proceed from Sale of Fixed Assets	-	10.09
Current Investments -		
Purchased	(386.10)	1,725.94
Purchase of Non current investments	(1.24)	-
Dividend Received	27.88	21.26
Interest Received	-	-
- Subsidiaries	41.60	-
- Others	32.41	81.54
Net Cash used in Investing Activities	(4,954.44)	(1,726.19)

Particulars	(Rs. in Lacs)	
	2011-12	2010-11
C Cash Flow from Financing Activities		
Proceeds from Long term borrowings	981.39	(6.56)
Repayment of Long term borrowings	(232.46)	(241.84)
Proceeds from other short-term borrowings	28.25	-
Repayment of other short-term borrowings	-	(70.14)
Net increase / (decrease) in working capital borrowings	1,776.98	900.62
Proceeds from deferred payment receipts	1,840.41	-
Money received against share warrants	136.00	-
Interest Expenses	(392.87)	(344.22)
Dividend Paid	(98.38)	(198.06)
Net Cash used in Financing Activities	4,039.32	39.80
Net Increase (-Decrease) in Cash & Cash		
Equivalents (A+B+C)	53.18	119.19
Cash & Cash Equivalent at the beginning of the Year	300.90	181.71
Cash & Cash Equivalent at the end of the Year	354.08	300.90

As per our report of even date

For and on behalf of the Board

For M/s. P. M. Kathariya & Co.

Chartered Accountants

Firm Reg. No.104922W

Sd/-

CA. P. M. Kathariya

Proprietor

Membership No. - 31315

Place: Mumbai

Date: 28th May 2012

Sd/-

Ashok V. Hiremath

Managing Director

Sd/-

Laxmikant Kabra

Director

Sd/-

Vikas R. Chomal

Company Secretary & Compliance Officer

**Notes forming part of the Balance Sheet
and Profit & Loss Account**

Particulars	Number	31.03.12 Accounts	In Rupees	
			Number	31.03.11 Accounts
Note 1				
Share Capital				
Authorised Share Capital				
Equity shares of Rs.10 each	1,70,00,000	17,00,00,000	1,70,00,000	17,00,00,000
	1,70,00,000	17,00,00,000	1,70,00,000	17,00,00,000
Issued, Subscribed and fully Paid up				
Equity shares of Rs.10 each fully paid	1,69,29,130	16,92,91,300	1,69,29,130	16,92,91,300
Total	1,69,29,130	16,92,91,300	1,69,29,130	16,92,91,300

a) Reconciliation of share capital (Equity)

Balance at the beginning of the year	1,69,29,130	16,92,91,300	1,69,29,130	16,92,91,300
Balance at the end of the year	1,69,29,130	16,92,91,300	1,69,29,130	16,92,91,300

**b) Shareholders holding more than 5% of the aggregate shares in the Company's
Equity Shares**

Name of Shareholder	No. of Shares	Amount	No. of Shares	Amount
Ashok V. Hiremath	6,115,780	61,157,800	6,115,780	61,157,800
Suresh Hiremath	1,650,000	16,500,000	1,650,000	16,500,000
Dr. P L Tiwari	1,650,000	16,500,000	1,650,000	16,500,000
Hridaynath Consultancy Private Limited	1,034,849	10,348,490	-	-
Total	10,470,629	104,706,290	9,415,780	94,157,800

In Rupees

Particulars	31.03.12	31.03.11
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Note 2
Reserves & Surplus
Capital Redemption Reserve

Balance at the beginning of the year

30,000

30,000

Balance at the end of the year

30,000

30,000

Securities Premium Reserve

Balance at the beginning of the year

440,213,096

440,213,096

Balance at the end of the year

440,213,096

440,213,096

General Reserve

Balance at the beginning of the year

104,927,685

94,927,685

Add : Additions made during the year

5,000,000

10,000,000

Balance at the end of the year

109,927,685

104,927,685

Surplus in the statement of Profit and Loss

Surplus in the statement of Profit and Loss

Balance at the beginning of the year

255,222,168

224,216,883

Add : Transferred from statement of Profit and Loss

24,180,048

50,843,014

Less : Appropriations:

(a) Proposed Dividend Equity Shares#

8,464,565

8,464,565

(b) Tax on dividend

1,373,164

1,373,164

(c). Transfer to General Reserve

5,000,000

10,000,000

Balance at the end of the year

264,564,487

255,222,168

Total
814,735,268
800,392,949

Dividend proposed to be distributed to equity shareholders is Rs. 0.50 (previous year Rs. 0.50) per equity share.

Note 3
Borrowings

	Long Term	Short Term	Long Term	Short Term
Secured				
Term loans From banks	110,819,592	-	21,206,049	-
Loan repayable on demand from banks	-	535,191,182	-	357,492,953
	110,819,592	535,191,182	21,206,049	357,492,953
Unsecured				
Loans and advances from related parties	-	9,552,241	-	14,717,704
Loans repayable on demand from other parties		14,535,370		6,544,499
	-	24,087,611	-	21,262,203
Total Borrowings	110,819,592	559,278,793	21,206,049	378,755,156

	In Rupees	
Particulars	31.03.12	31.03.11
a) Details of Guarantee for each type of Borrowings		
Guaranteed by directors		
Term Loans		
From banks	110,819,592	21,206,049
Loans repayable on demand		
From banks	535,191,182	357,492,953
	646,010,774	378,699,002

b) Details of security for each type of borrowings

- (a) Term loans from banks are secured by way of first pari-passu charge over entire movable and immovable Fixed Assets (present and future) of the company and second pari-passu charge over current assets of the company.
- (b) Loans repayable on demand from Banks (Working Capital loans) are secured by first pari-passu charge on the entire current assets of the company both present and future and further secured by second pari-passu charge on entire fixed assets (present and future) of the company.

c) Terms of repayment of term loans and other loans

Term loan (foreign currency) of Rs. 1015.80 Lacs (partial disbursement) (previous year NIL) having an interest rate of 7.25% are repayable in 8 semi annual instalments commencing from 1st July, 2013.

Term Loan of Rs. 92.39 Lacs (previous year Rs. 138.10 lacs) having interest rate of 15% are repayable in quarterly instalments of Rs. 11.32 lacs. Last instalment due in 31st March, 2015 Instalments falling due in respect of all the above loans upto 31.03.2013 have been regrouped under 'current maturities of long term debt' (Refer Note 8)

Note 4

Deferred tax liabilities

Deferred tax liabilities		
Timing difference on tangible assets depreciation and impairment	27,580,557	24,128,814
Total	27,580,557	24,128,814

Note 5

Other long term liabilities

Deferred Payment Receipts	218,291,704	34,250,776
	218,291,704	34,250,776

Note 6

Provisions	Long Term	Short Term	Long Term	Short Term
Provisions for employee benefits	737,719	863,995	1,628,333	-
Proposed dividend to equity	-	8,464,565	-	8,464,565
Dividend tax		1,373,164		1,373,164
Provision for taxation (net of advance tax)	2,682,415	-	6,206,903	-
	3,420,134	10,701,724	7,835,236	9,837,729

Particulars	In Rupees	
	31.03.12	31.03.11
Note 7		
Trade payables		
Dues to others	295,174,115	228,286,869
	295,174,115	228,286,869
Note 8		
Other current liabilities		
Current maturities of long term debt	9,228,000	23,246,000
Current maturities of deferred payment liabilities	24,254,634	-
Unpaid dividends	177,142	117,936
Advance from Customers	17,817	14,109,514
Statutory dues	340,701	2,690,751
Other payables	11,749,368	8,413,687
	45,767,662	48,577,888

Notes :-

- 1 The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures as required under Schedule VI of the Companies Act, 1956 relating to amounts unpaid as at year end together with interest paid/payable etc., have not been made
- 2 The Company have not received the required information from suppliers regarding their status under Small Scale Industries Act and hence disclosures as required under Schedule VI of the Companies Act, 1956 relating to amounts unpaid as at the year end together with interest paid/payable, etc., have not been made

Note 10
Non-current investments

(Valued at cost unless stated otherwise)

Investments in equity instruments (Unquoted)				
	Trade	Others	Trade	Others
In subsidiaries				
1) Astec Crop Care Pvt. Ltd.	5,000,000	-	5,000,000	-
2) Behram Chemicals Pvt. Ltd.	4,217,633	-	4,217,633	-
3) Astec Europe Sprl	570,962	-	446,880	-
Others				
1) Investments in Government or trust securities	40,300	-	40,300	-
2) Other investments	-	52,500	-	52,500
Total	9,828,895	52,500	9,704,813	52,500

Note 9

Fixed Assets

Particulars	Gross Block At Cost			Closing Bal as on 31.03.2012	Depreciation/Amortisation			Net Block		
	Opening Bal as on 01.04.2011	Additions	Disposals		Up to 01.04.2011	For the Year	Disposals	Up to 31.03.2012	as on 31.03.2012	as on 31.03.2011
I) TANGIBLE ASSETS										
LEASE HOLD LAND	15,21,046	1,755,320	-	16,973,366	470,192	103,045	-	653,237	16,320,129	14,747,854
FACTORY BUILDING	111,950,604	10,917,201	-	122,867,805	11,968,608	3,829,540	-	15,798,148	107,069,737	99,981,996
CORPORATE OFFICE	26,824,052	1,346,943	-	28,370,995	296,038	458,810	-	754,848	27,616,147	26,528,014
PLANT & MACHINERY	620,136,440	95,713,266	-	715,849,705	131,135,463	66,824,090	-	197,959,553	517,890,153	489,000,977
PLANT & MACHINERY- (R & D)	90,678,459	3,741,613	-	94,420,072	26,585,334	9,763,035	-	36,348,369	58,071,703	64,093,125
ELECTRICAL INSTALLATION	13,454,101	17,125	-	13,471,226	4,004,396	1,395,776	-	5,400,171	8,071,055	9,449,706
OFFICE EQUIPMENT	552,601	275,471	-	828,132	207,256	89,385	-	296,641	531,491	343,405
FURNITURE & FIXTURES	8,122,957	3,666,430	-	11,789,387	1,017,283	553,084	-	1,570,367	10,219,020	7,105,674
AIR CONDITIONER	380,264	-	-	380,264	183,026	53,040	-	236,066	143,298	196,338
MOTOR VEHICLES	8,669,540	2,138,571	-	10,808,111	2,267,024	936,217	-	3,203,241	7,604,870	6,402,516
COMPUTERS	3,733,754	538,212	-	4,271,966	2,278,076	657,370	-	2,935,447	1,336,519	1,455,678
FLATS	638,500	-	-	638,500	84,821	10,408	-	95,229	543,271	553,679
TOTAL	900,359,378	120,310,252	-	1,020,669,629	180,498,417	84,753,799	-	265,252,216	755,417,413	719,860,961
II) INTANGIBLE ASSETS										
COMPUTER SOFTWARE	-	330,825	-	330,825	-	441	-	441	330,384	-
TOTAL	-	330,825	-	330,825	-	441	-	441	330,384	-

NOTE:

Leasehold land is amortised over a period of lease

	In Rupees			
Particulars	31.03.12		31.03.11	
Note 11				
	Long term	Short term	Long term	Short term
Loans and advances				
Capital advances				
- Unsecured, considered good	-	678,959	-	-
	-	678,959	-	-
Security deposits				
- Unsecured, considered good	5,969,406	-	1,792,361	-
	5,969,406	-	1,792,361	-
Loans and advances to related parties				
- Unsecured, considered good	-	42,351,856	-	-
	-	42,351,856	-	-
Other loans and advances				
- Unsecured, considered good				
Advances Recoverable	25,517,520	96,725,568	9,354,108	83,453,358
Advance to Suppliers	-	1,297,072	-	1,224,671
Advance for Expenses	-	963,736	-	1,759,498
	25,517,520	98,986,375	9,354,108	86,437,526
	31,486,926	142,017,190	11,146,469	86,437,526
Note 12				
Other non-current assets				
Unamortised expenses	-	-	-	545,277
	-	-	-	545,277
Note 13				
Current investments				
	Units		Units	
Investments in mutual funds (Debt)				
BSL Dynamic Bond Fund - Retail QD	919	10,400	919	10,400
DWS Premier Bond Fund - Inst-MDP	-	-	2,442,146	24,999,756
HDFC Income Fund - DP	-	-	3,221,057	35,357,859
IDFC Money Manager Fund Invest Plan A - MDP	31,353	315,224	1,829,353	18,404,025
ICICI Prudential Regular Savings Bond	8,881,941	99,246,807	-	-
Reliance Regular Saving Fund-Debt Plan-GP	1,236,309	17,809,149	-	-
Total		117,381,580		78,772,040

Particulars	In Rupees	
	31.03.12	31.03.11
Note 14		
Inventories		
Raw materials	48,908,691	51,722,735
Work-in-progress	309,627,326	259,242,476
Finished goods	70,189,083	38,187,853
Traded goods	-	-
Stores and spares	4,504,860	4,326,567
Total	433,229,960	353,479,631

Note 15

Trade receivables

Outstanding for a period exceeding six months from the date they are due for payment

Unsecured considered good	23,982,523	21,499,052
	23,982,523	21,499,052
Other debts		
Unsecured considered good	283,319,389	321,026,751
	283,319,389	321,026,751
Total	307,301,912	342,525,803

Note 16

Cash and cash equivalents	Current	Non Current	Current	Non Current
Cash on hand	13,526	-	10,568	-
Balances with banks				
- in current accounts	3,070,569	-	6,008,127	-
	3,084,095	-	6,018,696	-
Other bank balances				
Unpaid dividend account	177,142	-	117,936	-
Balances with bank held as				
Margin money	32,146,781	-	23,953,592	-
	32,323,923	-	24,071,528	-
Total	35,408,018	-	30,090,223	-

Note 17

Revenue

Revenue from operations		
Sale of products		
Export	395,596,363	250,999,643
Domestic	772,135,806	899,667,939
	1,167,732,169	1,150,667,582
Other operating revenues	5,949,490	1,811,311
Revenue from operations (Cross)	1,173,681,659	1,152,478,893
Less : Excise duty	65,275,946	41,228,428
Revenue from operations (Net)	1,108,405,713	1,111,250,465

Particulars	In Rupees	
	31.03.12	31.03.11

Note 18
Other income

Interest Income:		
- From subsidiary companies	4,160,419	-
- From others	3,240,528	8,154,303
Dividend Income:		
- From current investments	2,787,925	2,126,059
	<u>10,188,872</u>	<u>10,280,361</u>

Note 19
Cost of materials consumed

Opening stock		
Raw materials and components	51,722,735	77,810,023
	<u>51,722,735</u>	<u>77,810,023</u>
Add : Purchases during the year		
Raw materials and components	777,263,706	665,668,615
	<u>777,263,706</u>	<u>665,668,615</u>
Less : Closing stock		
Raw materials and components	48,908,691	51,722,735
	<u>48,908,691</u>	<u>51,722,735</u>
	<u>780,077,750</u>	<u>691,755,903</u>

Imported and Indigenous Raw materials consumed	Rs In Lacs	Rs In Lacs
Imported	2,915.36	1,696.38
(Percentage to total raw materials consumed)	(37.37%)	(24.52%)
Indigenous	4,885.42	5,221.18
(Percentage to total raw materials consumed)	(62.63%)	(75.48%)

Note 20
Purchases of traded goods

Chemicals	69,698,620	184,538,000
	<u>69,698,620</u>	<u>184,538,000</u>

Particulars	In Rupees	
	31.03.12	31.03.11

Note 21

Changes in inventories of finished goods, work-in-progress and traded goods

Opening stock

- Manufactured goods	38,187,853	66,123,544
- Work-in-progress	259,242,476	185,054,904
	<u>297,430,329</u>	<u>251,178,448</u>

Closing stock

- Manufactured goods	70,189,083	38,187,853
- Work-in-progress	309,627,326	259,242,476
	<u>379,816,409</u>	<u>297,430,329</u>
	<u>(82,386,080)</u>	<u>(46,251,881)</u>

Note 22

Employee benefit expense

Salaries, wages and bonus	42,127,295	36,759,302
Contribution to provident and other defined contribution funds	3,394,182	1,249,689
Staff welfare expenses	1,957,178	1,255,709
	<u>47,478,655</u>	<u>39,264,700</u>

Note 23

Finance costs

Interest expenses	39,287,199	34,422,230
Bank charges	11,822,988	3,194,109
Other borrowing costs	2,318,754	2,737,824
	<u>53,428,941</u>	<u>40,354,163</u>

	In Rupees	
Particulars	31.03.12	31.03.11

Note 24
Other expenses

Consumption of stores and spare parts	873,430	1,996,410
Power, fuel & Water Charges	54,595,184	27,637,074
Rent	1,080,000	1,080,000
Repairs and maintenance	12,374,938	6,474,911
Insurance	3,506,749	3,667,884
Rates and taxes	655,088	54,008
Payments to auditors	550,221	479,600
Professional And Legal Fees	6,054,875	3,928,550
Office General Expenses	2,739,017	2,891,497
Telephone Expenses	684,240	956,507
Vehicle Expenses	1,695,970	1,750,163
Travelling Expenses	4,069,247	2,804,744
Commission on sale	3,773,372	3,499,955
Discount and Allowances	3,516,391	1,506,253
Export Forwarding Charges	7,234,913	8,165,466
Other Selling and Distribution Expenses	2,630,914	3,366,895
Sales Promotion Expenses	1,635,093	848,214
Net loss on foreign currency transactions and translation	17,683,433	67,833
Loss on sale of investment	329,934	-
Loss on sale of assets	-	756,979
Bad Debts Written Off	-	4,906,650
R & D and Laboratory Expenses	2,274,854	2,175,828
Deferred Revenue Expenditure written off	545,277	1,216,310
Miscellaneous expenses	1,196,539	2,482,476
	129,699,679	82,734,206
Details of payments to auditors		
a. Statutory Audit Fees	400,000	400,000
b. Tax Audit Fees	-	50,000
c. Certification and consultation Fees	95,071	9,600
d. Income tax and other matters	55,150	20,000
	550,221	479,600

Note 25
Value of Imports calculated on CIF basis in respect of -

(i) Raw Materials	3,018.09	1,555.78
(ii) Capital Goods	12.26	-
	3,030	1,555.78

Note 26
Expenditure in foreign currency on account of -

(i) Commission	35.73	35.00
(ii) Travelling	16.87	6.91
(iii) Professional Fees and Technical Services	20.41	-
(iv) Subscription	1.68	-
	74.69	41.91

	In Rupees	
Particulars	31.03.12	31.03.11

Note 27

Earnings in foreign currency

Exports at FOB	3,844.07	2,510.00
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Note 28

Contingent Liabilities and commitments (to the extent not provided for) (Rs. in Lacs)

(i) Contingent Liabilities

(a) Bank Guarantee outstanding	560.01	58.82
(b) Letters of credit with Banks	843.77	1,412.17
(c) Bills discounted but not realised	417.99	314.24
(d) Claims against company not acknowledged as debts in respect of sales tax demand against which company's appeal is pending before commissioner of sales tax (Appeal)	53.02	53.02

(ii) Commitments

Estimated amount of contracts remaining to be executed on account capital account and not provided for	240.58	320.89
--	--------	--------

Note 29

Disclosure in respect of Derivative Instruments

(a) Derivative Instruments Outstanding :

	Millions	
	Forward	
Against Exports	Euro/INR	(Nil)
	(0.10)	

() denotes previous year's figures

(b) Derivative instruments acquired for hedging purposes

(c) Foreign currency exposure not hedged by derivative instruments :

	USD (Millions)		Euro (Millions)	
	2011-12	2010-11	2011-12	2010-11
i) Debtors	1.36	2.78	0.41	1.65
ii) Creditors	1.45	3.48	-	-
iii) Loans taken	6.27	-	0.02	-
iv) Deferred receipts	4.72	0.76	-	-

Particulars	In Rupees	
	31.03.12	31.03.11

Note 30
Related Party Disclosures
a) Names of related parties

Relationship	Name
1) Subsidiary	Benhram Chemicals Private Limited Astec Crop Care Pvt. Ltd. Astec Europe SPRL Opus Chemical Pvt. Ltd. GreenGuard Technologies Pvt Ltd. India TL Domain Pvt Ltd. Altimax Financial Services Pvt Ltd. Sahabnagi Financial Services Pvt Ltd.
2) Associates	
3) Companies in which directors of the Company are able to exercise control or have significant influence	
4) Key management personnel (KMP)	Ashok V. Hiremath Janak Jaganath Rawal Laxmikant Kabra

b) Relatives

Ms. Chitra Hiremath (Wife)
Ms. Supriya Hiremath (Daughter)
Mr. Varun Hiremath (Son)
Mr. Suresh Hiremath (Brother)
Mr. Jal Hiremath (Brother)
Mr. Prabhu Hiremath (Brother)
Mrs. Vijaya Hiremath (Mother)

c) Transactions with related parties (Rs. in Lacs)

Mention the nature of transaction (purchases of materials and fixed assets separately), (sales of materials and fixed assets separately), services, reimbursements, issue of shares or other securities etc.

Subsidiary

Astec Crop Care Private Limited		
Sales	134.01	150.37
Loans and Advances given	423.52	Nil
Investment - Purchase of Shares in Astec Crop Care Private Limited	Nil	50.00
Behram Chemicals Private Limited		
Rental Charges Paid	10.80	10.80
Loans and Advances given	1.57	5.62
Loans and Advances received	Nil	5.14
Astec Europe Sprl		
Investment - Purchase of Shares in Astec Europe	1.24	Nil
Associates		
Altimax Financial Services Private Limited		
Issue of Preferential Share Warrant	79.90	Nil
Key management personnel (KMP)		
Mr Ashok V. Hiremath		
Remuneration	48.00	48.00
Dividend Paid	30.58	30.58

Particulars	In Rupees	
	31.03.12	31.03.11
Repayment of Unsecured Loan taken by Company	47.84	29.11
Purchase of Preferential Share Warrant	10.62	Nil
Relatives of KMP		
Mr Suresh Hiremath		
Dividend Paid	8.26	8.26
Ms. Chitra Hiremath		
Dividend Paid	0.03	0.03
Service Charges	4.89	6.94
Purchase of Preferential Share Warrant	8.07	Nil
Ms. Supriya Hiremath		
Dividend Paid	0.01	0.01
Ashok Hiremath HUF		
Dividend Paid	0.03	0.03
d) Balances with related parties		
Subsidiary		
Astec Cropcare Private Limited		
Investment	50.00	50.00
Loans and Advances	423.52	Nil
Behram Chemicals Pvt Ltd		
Investment	42.17	42.17
Loans and Advances	4.22	2.17
Astec Europe Sprl		
Investment	5.71	4.47
Associates		
Altimax Financial Services Pvt Ltd		
Investment - Preferential Share Warrant	79.90	Nil
Investment - Shares	0.89	
Key management personnel (KMP)		
Mr Ashok Hiremath		
Unsecured Loan	67.27	115.11
Relatives of KMP		
Mr Suresh Hiremath		
Unsecured Loan	32.50	32.50
Ms. Chitra Hiremath		
Investment - Preferential Share Warrant	8.07	Nil

Note 31

The Financial Statements for the year ended 31st March, 2012 had been prepared as per the then applicable, pre-revised schedule VI to the Companies Act, 1956. Consequent to the notification under the Companies Act, 1956, the financial statements for the year ended 31st March, 2012 are prepared under revised schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification.

Note 32

Significant accounting policies and practices adopted by the Company are disclosed in the financial statements.

Note 33
Accounting Policies and Notes On Accounts
I Basis of preparation of financial statements

These financial statements have been prepared on an accrual basis and under historical cost convention and in compliance, in all material aspects, with the applicable accounting principles in India, the applicable accounting standards notified under 211 (3C) and the other relevant provisions of the Companies Act, 1956.

The company generally follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis.

II Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial the reported amounts of revenues and expenses during the reporting period. Differences between actual results and are recognised in the period in which the results are known/materialised.

III Fixed Assets and Capital Work in Progress

- a) Fixed assets as accounted at cost of acquisition or construction less depreciation. The company capitalised all direct and indirect costs relating to the acquisition and installation of fixed assets. Interest on borrowed funds, if any used to finance acquisition/construction of fixed assets are capitalised till date of commercial production.
- b) Capital work in progress comprises outstanding advances paid to acquire Fixed Assets and cost of Fixed Assets that are not yet installed.

IV Depreciation and Amortisation

- a) Depreciation has been provided on straight-line method at the rates and in the manner specified in schedule XIV to the companies Act, 1956. Depreciation is provided on pro-rata to the period of use.
- b) Leasehold land is amortised over the period of lease.

V Sales

Revenue from sale of products includes sale value of goods and excise duty collected thereon, but excludes sales tax.

Sales turnover are stated at net of trade discount and rebates granted during the ordinary course of business.

VI Inventories

Inventories of Raw Materials, Packing Material, Stores and Spares are valued 'at cost'. Finished Goods and Work in Progress are stated 'at cost or net realisable value, whichever is lower'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

VII Investments

Investments are classified into Current and Long-term Investments. Current Investments are stated at lower of cost and fair value. Long-term Investments are stated at cost.

VIII Impairment of Fixed Assets

At each Balance Sheet date, the company reviews the carrying value of tangible and intangible assets for any possible impairment. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price or estimated future cash flows, which are discounted to their present value based on appropriate discount rates. During the year no provision for impairment of fixed assets has been made.

IX Excise Duty and Custom Duty

Excise duty / Customs duty has been accounted on the basis of payments made in respect of goods Cleared. Cenvat credit on raw materials and capital goods has been accounted for, by reducing the purchase cost of raw materials and capital goods respectively.

X Segment Reporting

In accordance with the requirement of Accounting Standard – 17, Segment Reporting issued by the Institute of Chartered Accountants of India, the Company's Business Segment is "Manufacturing of Agro and Pharma Chemicals" and hence it has no other reportable segment.

Thus the segment wise revenue, Segment wise result, total carrying amount of Segment wise assets and Segment wise liability, total cost incurred to acquire Segment wise assets, total amount of charge for depreciation during the year, is as reflected in the Financial Statement as of and for the year ended March 31, 2012.

XI Foreign Currency Transaction

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognized in the profit & loss account.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date. The exchange differences, if any, are recognised in the profit and loss account and related assets and liabilities are accordingly restated in the balance sheet.

XII Retirement Benefits

Provision for Gratuity & Leave encashment are made and provided on actuarial valuation basis. Other retirement benefits are accounted as per company's policy.

XIII In absence of information with the company, the nature of suppliers who are registered as micro. Small or medium enterprises under the Micro, Small and Medium Enterprises Development Act 2006, as at 31st March 2012 have not been given.

XIV Earnings Per Share

The numerator and denominator used to calculate Basic and Diluted Earning per Share:

		31.03.2012	31.03.2011
Net Profit after Tax	Rs. in Lacs	241.80	508.43
Weighted average number Shares Outstanding	Nos.	16929130	16929130
Nominal Value of Equity Shares	Rs.	10	10
Basic (Weighted) Earning per share	Rs.	1.43	3.00

Consolidated Auditor's Report

To The Board of Directors of Astec LifeSciences Limited

1. We have audited the attached Consolidated Balance sheet of Astec LifeSciences Limited, and its subsidiaries (the "Group") as at 31/03/2012 and also the Consolidated Statement of Profit and Loss and the Consolidated Cash flow Statement for the year ended on that date. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that We plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We have audited the financial statements of the subsidiary, BEHRAM CHEMICALS PRIVATE LIMITED, financial statements reflect total assets of Rs. 78.64 Lacs as at March 31, 2012 and total turnover of Rs. 10.80 Lacs for the year then ended.
4. We did not audit the financial statements of other subsidiaries whose audited financial statements reflect Group's share of total assets of Rs. 948.97 Lacs as at March 31, 2012 and total profit/loss of Rs. (115.12 Lacs) after tax for the year then ended. These financial statements have been audited by other Auditors whose report have been furnished to us, and our opinion is based solely on the report of the other auditors.
5. In Our opinion and to the best of Our information and according to the explanations given to us, the financial statements dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act and give the information required by the Companies Act, 1956, in the manner so required give a true and fair view in conformity with the accounting principles generally accepted in India, in case of:
 - (i) The Consolidated Balance Sheet of the State of Affairs of the Company as at 31/03/2012;
 - (ii) The Consolidated Statement of the Profit and Loss of the Profit of the Company for the year ended on that date; and
 - (iii) The Consolidated Cash Flow Statement of the cash flows of the company for the year ended on that date

For M/s. P. M. Kathariya & Co.
Chartered Accountants
Sd/-
Firm Reg. No.104922W
CA. P. M. Kathariya
(Proprietor)
M. No: 31315315

Date: 28th May, 2012
Place: Mumbai

Consolidated - Balance Sheet as at 31st March 2012

		In Rupees	
Particulars	Note	31.03.12	31.03.11
Equity and liabilities			
Shareholders' funds			
Share capital	1	169,291,300	169,291,300
Reserves and surplus	2	802,359,344	798,663,511
Money received against share warrants		13,600,000	-
		985,250,644	967,954,811
Minority Interest			
		1,812,413	2,281,333
Non-current liabilities			
(a) Long-term borrowings	3	117,933,001	23,706,049
(b) Deferred tax liabilities (net)	4	22,928,615	24,391,970
(c) Other long term liabilities	5	218,291,704	34,250,776
(d) Long-term provisions	6	3,407,178	7,822,369
		362,560,498	90,171,165
Current liabilities			
(a) Short-term borrowings	3	591,503,993	388,758,787
(b) Trade payables	7	309,805,441	228,603,663
(c) Other current liabilities	8	52,719,545	48,882,147
(d) Short-term provisions	6	10,701,724	9,837,729
		964,730,702	676,082,326
Total		2,314,354,257	1,736,489,635
II. Assets			
Non-current assets			
(a) Fixed assets	9		
(i) Tangible assets		760,166,911	725,109,534
(ii) Intangible assets		2,200,007	-
(iii) Capital work-in-progress		436,206,071	89,947,523
(b) Non-current investments	10	117,800	594,680
(c) Long-term loans and advances	11	32,498,952	11,768,295
(d) Other non-current assets	12	-	545,277
		1,231,189,741	827,965,309
2. Current assets			
(a) Current investments	13	118,081,580	79,472,040
(b) Inventories	14	503,846,590	368,471,470
(c) Trade receivables	15	318,739,966	342,558,803
(d) Cash and bank balances	16	41,064,286	30,601,490
(e) Short-term loans and advances	11	101,432,093	87,420,523
		1,083,164,516	908,524,326
Total		2,314,354,257	1,736,489,635

Significant Accounting Policies and notes are an integral part of the financial statements

1 to 33

As per our report of even date

For and on behalf of the Board

For M/s. P. M. Kathariya & Co.

Chartered Accountants

Firm Reg. No.1049229W

Se-

CA. P. M. Kathariya

Proprietor

Membership No. - 33335

Place: Mumbai

Date: 28th May 2012

Sd/-
Ashok V. Hiremath
Managing Director

Sd/-
Laxmikant Kabra
Director

Sd/-
Vikas R. Chomal
Company Secretary & Compliance Officer

Consolidated - Profit & Loss Account for the year ended 31st March 2012

Particulars	Note	In Rupees	
		31.03.12	31.03.11
Revenue			
Revenue from operations (Gross)	17	1,193,723,789	1,137,478,454
Less : Excise duty		65,275,946	41,228,428
Revenue from operations (Net)		1,128,447,843	1,096,250,026
Other income	18	6,130,753	10,291,389
Total		1,134,578,596	1,106,541,415
Expenses			
Cost of materials consumed	19	824,550,566	691,755,903
Purchases of traded goods	20	69,698,620	184,538,000
Changes in inventories of finished goods, work-in-progress and traded goods	21	(117,490,733)	(61,243,720)
Employee benefit expenses	22	55,753,010	40,158,826
Finance costs	23	56,592,281	40,563,061
Depreciation and amortisation expense		86,379,446	58,299,770
Other expenses	24	139,567,495	82,840,183
Prior period items		1,410,988	(218,227)
Total		1,116,461,673	1,036,693,796
Profit / (Loss) before exceptional and extraordinary items and tax		18,116,923	69,847,619
Exceptional items			
Profit / (Loss) before extraordinary items and tax		18,116,923	69,847,619
Extraordinary items			
Profit / (Loss) before tax		18,116,923	69,847,619
Tax expense			
Current tax		6,842,000	13,548,596
Deferred tax		(1,463,356)	7,309,589
		5,378,644	20,858,185
Profit / (Loss) after tax before minority interest		12,738,279	48,989,434
Less : Minority Interest		(916,684)	4,971
Profit / (Loss) for the year		13,654,964	48,984,463
Earnings per equity share of Rs. 10 each			
Basic & Diluted		0.81	2.89

Significant Accounting Policies and notes are an integral part of the financial statements 1 to 33

As per our report of even date

For and on behalf of the Board

For M/s. P. M. Kathariya & Co.

Chartered Accountants

Firm Reg. No.104922W

Sd/-

CA. P. M. Kathariya

Proprietor

Membership No. - 31315

Place: Mumbai

Date: 28th May 2012

Sd/-

Ashok V. Hiremath
Managing Director

Sd/-

Laxmikant Kabra
Director

Sd/-

Vikas R. Chomal
Company Secretary & Compliance Officer

Consolidated - Cash Flow Statement

Particulars	(Rs. in Lacs)	
	2011-12	2010-11
A Cash Flow from Operating Activities		
Net Profit after Tax and Extra Ordinary Items	136.55	489.84
Adjustment for :		
Depreciation for the year	863.79	583.00
Provision for Taxation	53.79	208.58
Dividend Income	(27.88)	(21.26)
Interest Income	(32.41)	(81.54)
Interest Expenses	454.71	344.26
Loss of Sale of Fixed Assets	-	7.57
Unrealised Foreign Exchange Gain/Loss	157.77	(8.73)
Operating Profit Before Working Capital Changes	1,606.32	1,521.72
Adjustments for (increase) / decrease in operating assets:		
Trade Receivables	248.77	(170.07)
Inventories	(1,353.75)	(359.40)
Short Term Loans and Advances	(140.12)	(381.87)
Long Term Loans & Advances	(203.27)	(38.44)
Other Non Current Assets	5.45	12.16
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	775.23	1,394.05
Other current liabilities	(6.11)	165.20
Short-term provisions	44.83	(99.68)
Long-term provisions	(8.91)	(96.00)
Cash Generated from Operations	968.45	1,947.67
Income Tax Paid	(103.67)	(308.58)
Net cash flow from / (used in) operating activities (A)	864.78	1,639.08
B Cash Flow From Investing Activities :		
Purchase of Fixed Assets/ Capital Expenditure	(4,680.26)	(3,571.40)
Proceed from Sale of Fixed Assets	-	10.09
Current Investments -		
Purchased	(386.10)	1,775.39
Purchase of Non current investments	4.77	-
Dividend Received	27.88	21.26
Interest Received -		
- Others	32.41	81.54
Net Cash used in Investing Activities	(5,001.30)	(1,683.11)
C Cash Flow From Financing Activities		
Proceeds from Long term borrowings	1,027.52	93.48
Repayment of Long term borrowings	(232.46)	(241.84)
Proceeds from other short-term borrowings	28.25	-
Repayment of other short-term borrowings	-	(45.14)

Particulars	(Rs. in Lacs)	
	2011-12	2010-11
Minority Interest	(4.69)	0.05
Net Increase / (decrease) in working capital borrowings	1,999.20	900.62
Proceeds from deferred payment receipts	1,840.41	-
Money received against share warrants	136.00	-
Interest Expenses	(454.71)	(344.26)
Dividend Paid	(98.38)	(198.06)
Net Cash used in Financing Activities	4,241.15	164.85
Net Increase (-Decrease) in Cash & Cash Equivalents (A+B+C)	104.63	120.82
Cash & Cash Equivalent at the beginning of the Year	306.01	185.19
Cash & Cash Equivalent at the end of the Year	410.64	306.01

As per our report of even date

For and on behalf of the Board

For M/s. P. M. Kathariya & Co.
Chartered Accountants
Firm Reg. No.104922W
Sd/-
CA, P. M. Kathariya
Proprietor
Membership No. - 31315
Place: Mumbai
Date: 28th May 2012

Sd/-
Ashok V. Hiremath
Managing Director

Sd/-
Laxmikant Kabra
Director

Sd/-
Vikas R. Chomal
Company Secretary & Compliance Officer

**Notes forming part of the Consolidated
Balance Sheet and Profit & Loss Account**

		In Rupees		
Particulars	Number	31.03.12 Accounts	Number	31.03.12 Accounts
Note 1				
Share Capital				
Authorised Share Capital				
Equity shares of Rs.10 each	1,70,00,000	17,00,00,000	1,70,00,000	17,00,00,000
	1,70,00,000	17,00,00,000	1,70,00,000	17,00,00,000
Issued, Subscribed and fully Paid up				
Equity shares of Rs.10 each fully paid	1,69,29,130	16,92,91,300	1,69,29,130	16,92,91,300
Total	1,69,29,130	16,92,91,300	1,69,29,130	16,92,91,300

a) Reconciliation of share capital (Equity)

Balance at the beginning of the year	1,69,29,130	16,92,91,300	1,69,29,130	16,92,91,300
Balance at the end of the year	1,69,29,130	16,92,91,300	1,69,29,130	16,92,91,300

**b) Shareholders holding more than 5% of the aggregate shares in the Company's
Equity Shares**

Name of Shareholder	No. of Shares	Amount	No. of Shares	Amount
Ashok V. Hiremath	6,115,780	61,157,800	6,115,780	61,157,800
Suresh Hiremath	1,650,000	16,500,000	1,650,000	16,500,000
Dr. P. L. Tiwari	1,650,000	16,500,000	1,650,000	16,500,000
Hridaynath Consultancy Pvt Ltd	1,054,849	10,548,490	-	-
	10,470,629	104,706,290	9,415,780	94,157,800

In Rupees

Particulars	31.03.12	31.03.11
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Note 2
Reserves & Surplus
Capital Redemption Reserve

Balance at the beginning of the year

30,000

30,000

Balance at the end of the year

30,000

30,000

Securities Premium Reserve

Balance at the beginning of the year

440,213,096

440,213,096

Balance at the end of the year

440,213,096

440,213,096

General Reserve

Balance at the beginning of the year

104,927,685

94,927,685

Add : Additions made during the year

5,000,000

10,000,000

Balance at the end of the year

109,927,685

104,927,685

Capital Reserve (arising on consolidation)

7,711

129,113

Surplus in the statement of Profit and Loss

Balance at the beginning of the year

253,363,617

224,216,883

Add : Transferred from statement of Profit and Loss

13,654,964

48,984,463

Less : Appropriations:

(a) Proposed Dividend on Equity Shares #

8,464,565

8,464,565

(b) Tax on dividend

1,373,164

1,373,164

(c) Transfer to General Reserve

5,000,000

10,000,000

Balance at the end of the year

252,180,852

253,363,617

Total
802,359,344
798,663,511

#Dividend proposed to be distributed to equity shareholders is Rs. 0.50 (previous year Rs. 0.50) per equity share.

Note 3
Borrowings

	Long Term	Short Term	Long Term	Short Term
Secured				
Term loans from banks	110,819,592	-	21,206,049	-
Loan repayable on demand from banks	-	567,416,383	-	36,74,96,584
	110,819,592	567,416,383	21,206,049	36,74,96,584
Unsecured				
Loans and advances from related parties	50,00,000	9,552,241	25,00,000	14,717,704
Loans repayable on demand				
Deposits from other parties	2113,409	-	-	-
	-	14,535,370	-	6,544,499
	-	24,087,611	-	21,262,203
Total Borrowings	11,79,33,001	59,15,03,994	2,37,06,049	38,87,58,787

Particulars	In Rupees	
	31.03.12	31.03.11
a) Details of Guarantee for each type of Borrowings		
Guaranteed by directors		
Term Loans		
From banks	110,819,592	21,206,049
Loans repayable on demand		
From banks	567,416,383	367,496,584
	678,235,974	388,702,633

b) Details of security for each type of borrowings

- (a) Term loans from banks are secured by way of first pari-passu charge over entire movable and immovable Fixed Assets (present and future) of the company and second pari-passu charge over current assets of the company.
- (b) Loans repayable on demand from Banks (Working Capital loans) are secured by first pari-passu charge on the entire current assets of the company both present and future and further secured by second pari-passu charge on entire fixed assets (present and future) of the company.

c) Terms of repayment of term loans and other loans

Term loan (foreign currency) of Rs. 1015.80 Lacs (partial disbursement) (previous year NIL) having an interest rate of 7.25% are repayable in 8 semi annual instalments commencing from 1st July, 2013.

Term Loan of Rs. 92.39 Lacs (previous year Rs. 138.10 lacs) having interest rate of 15% are repayable in quarterly instalments of Rs. 11.32 lacs. Last instalment due in 31st March, 2015

Instalments falling due in respect of all the above loans upto 31.03.2013 have been regrouped under 'current maturities of long term debt' (Refer Note 8)

Note 4

Deferred tax liabilities

Deferred tax liabilities

Timing difference on tangible assets depreciation and impairment	22,928,615	24,391,970
Total	22,928,615	24,391,970

Note 5

Other long term liabilities

Deferred Payment Receipts	218,291,704	34,250,776
	218,291,704	34,250,776

Note 6

Provisions	Long Term	Short Term	Long Term	Short Term
Provisions for employee benefits	737,719	863,995	1,628,333	-
Proposed dividend to equity shareholders	-	8,464,565	-	8,464,565
Dividend tax	-	1,373,164	-	1,373,164
Provision for taxation	2,669,439	-	6,194,036	-
	3,407,178	10,701,724	7,822,369	9,837,729

Notes

*The Company has taken a group gratuity for its employees with the Life Insurance Corporation of India (LIC). Under this policy the eligible employees are entitled to receive gratuity payments upon their resignation or death in lumpsum after deduction of necessary taxes upto a maximum limit of Rs.1,000,000.

In Rupees

Particulars	31.03.12	31.03.11
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Note 7
Trade payables

Dues to others	309,805,441	228,603,663
	309,805,441	228,603,663

Note 8
Other Current Liabilities

Current maturities of long term debt	9,228,000	23,246,000
Current maturities of deferred payment liabilities	24,254,634	-
Unpaid dividends	177,142	117,936
Advance from Customers	17,817	14,109,514
Statutory dues	782,590	2,767,604
Other payables	18,259,362	8,641,093
	52,719,545	48,882,147

Notes :-

- 1 The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures as required under Schedule VI of the Companies Act, 1956 relating to amounts unpaid as at year end together with interest paid/payable etc., have not been made
- 2 The Company have not received the required information from suppliers regarding their status under Small Scale Industries Act and hence disclosures as required under Schedule VI of the Companies Act, 1956 relating to amounts unpaid as at the year end together with interest paid/payable, etc., have not been made

Note 10
Non-current investments

(Valued at cost unless stated otherwise)

Investments in equity instruments (Unquoted)

	Trade	Others	Trade	Others
In subsidiary	-	-	446,880	-
1) Astec Europe Sprl				
Others				
1) Investments in Government	40,300	-	40,300	-
2) Other Investments	-	77,500	-	107,500
	40,300	77,500	487,180	107,500

In Rupees

Particulars	31.03.12		31.03.11	
Note 11				
Loans and advances	Long Term	Short Term	Long Term	Short Term
Capital advances				
- Unsecured, considered good	-	678,959	-	-
	-	678,959	-	-
Security deposits				
- Unsecured, considered good	6,981,432	25,000	2,414,187	-
	6,981,432	25,000	2,414,187	-
Other loans and advances				
- Unsecured, considered good				
Advances Recoverable	25,517,520	98,467,327	9,354,108	84,436,355
Advance to Suppliers	-	1,297,072	-	1,224,671
Advance for Expenses	-	963,736	-	1,759,498
	25,517,520	100,728,134	9,354,108	87,420,523
Total	32,498,952	101,432,093	11,768,295	87,420,523

Note 12
Other non-current assets

Unamortised expenses	-	545,277
	-	545,277

Note 13
Current investments

Investments in mutual funds (Debt)	Units	Amount	Units	Amount
BSL Dynamic Bond Fund - Retail QD	919	10,400	919	10,400
DWS Premier Bond Fund - Inst-MDP	-	-	2,442,146	24,999,756
HDFC Income Fund - DP	-	-	3,221,057	35,357,859
IDFC Money Manager Fund - Invest Plan A - MDP	31,353	315,224	1,829,353	18,404,025
ICICI Prudential Regular Savings Bond	8,881,941	99,246,807	-	-
Reliance Regular Saving Fund-Debt Plan-GP	1,236,309	17,809,149	-	-
Investments in Equity Instruments				
Tumkur Chemicals		700,000		700,000
Total		118,081,580		79,472,040

Note 14
Inventories

Raw materials	69,428,829	51,722,735
Work-in-progress	309,627,326	259,242,476
Finished goods	120,285,575	53,179,692
Traded goods	-	-
Stores and spares	4,504,860	4,326,567
	503,846,590	368,471,470

Particulars	In Rupees	
	31.03.12	31.03.11
Note 15		
Trade receivables		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured considered good	24,015,523	21,532,052
	24,015,523	21,532,052
Other debts		
Unsecured considered good	294,724,443	321,026,751
	294,724,443	321,026,751
Total :	318,739,966	342,558,803

Note 16

Cash and bank balances

Cash and cash equivalents	Current	Non Current	Current	Non Current
Cash on hand	271,332	-	342,165	-
Balances with banks				
- In current accounts	8,469,031	-	6,187,798	-
	8,740,363	-	6,529,962	-
Other bank balances				
Unpaid dividend account	177,142	-	117,936	-
Balances with bank held as Margin money	32,146,781	-	23,953,592	-
	32,323,923	-	24,071,528	-
Total	41,064,286	-	30,601,490	-

Note 17

Revenue

Revenue from operations		
Sale of products		
Export	395,596,363	250,999,643
Domestic	792,177,937	884,667,500
	1,187,774,299	1,135,667,143
Other operating revenues	5,949,490	1,811,311
Revenue from operations (Gross)	1,193,723,789	1,137,478,454
Less : Excise duty	65,275,946	41,228,428
Revenue from operations (Net)	1,128,447,843	1,096,250,026

	In Rupees	
Particulars	31.03.12	31.03.11
Note 18		
Other income		
Interest Income:		
- From subsidiary companies	-	-
- From others	3,240,528	8,165,330
Dividend Income:		
- From current investments	2,787,925	2,126,059
Other non operating income	102,300	-
	6,130,753	10,291,389

Note 19
Cost of materials consumed

Opening stock		
Raw materials and components	51,722,735	77,810,023
	51,722,735	77,810,023
 Add : Purchases during the year		
Raw materials and components	839,799,151	665,668,615
Others	2,457,509	2,457,509
	842,256,660	665,668,615
 Less : Closing stock		
Raw materials and components	69,428,829	51,722,735
	69,428,829	51,722,735
	824,550,566	691,755,903

Imported and Indigenous Raw materials consumed	Rs In Lacs	Rs In Lacs
Imported	2,915.36	1,696.38
(Percentage to total raw materials consumed)	(35.36%)	(24.52%)
Indigenous	5,330.14	5,221.18
(Percentage to total raw materials consumed)	(64.64%)	(75.48%)

Note 20
Purchases of traded goods

Chemicals	69,698,620	184,538,000
	69,698,620	184,538,000

Particulars	In Rupees	
	31.03.12	31.03.11
Note 21		
Changes in inventories of finished goods, work-in-progress and traded goods		
Opening stock		
- Manufactured goods	53,179,692	66,123,544
- Work-in-progress	259,242,476	185,054,904
	312,422,168	251,178,448
Closing stock		
- Manufactured goods	120,285,575	53,179,692
- Work-in-progress	309,627,326	259,242,476
	429,912,901	312,422,168
	(117,490,733)	(61,243,720)

Note 22

Employee benefit expense

Salaries, wages and bonus	50,401,650	37,653,428
Contribution to provident and other defined contribution funds	3,394,182	1,249,689
Staff welfare expenses	1,957,178	1,255,709
	55,753,010	40,158,826

Note 23

Finance costs

Interest expenses	42,330,930	34,425,861
Bank charges	11,939,596	3,399,376
Other borrowing costs	2,321,754	2,737,824
	56,592,281	40,563,061

Note 24

Other expenses

Consumption of stores and spare parts	873,430	1,996,410
Power, fuel & Water Charges	54,595,184	27,657,073
Repairs and maintenance	12,374,938	6,474,911
Insurance	3,509,749	3,757,284
Rent	24,000	-
Rates and taxes	866,043	78,008
Payments to auditors	642,221	571,600
Professional And Legal Fees	6,709,602	4,316,888
Office General Expenses	2,859,017	2,891,497
Telephone Expenses	684,240	956,507
Vehicle Expenses	1,695,970	1,750,163
Travelling Expenses	4,105,423	2,804,744
Commission on sale	3,773,372	3,499,955
Discount and Allowances	3,586,391	1,506,253
Export Forwarding Charges	7,234,913	8,165,466
Other Selling and Distribution Expenses	2,700,914	3,366,895
Sales Promotion Expenses	1,635,093	848,214
Net loss on foreign currency transactions and translation	17,700,712	67,833
Loss on sale of investment	329,934	-

Particulars	In Rupees	
	31.03.12	31.03.11
Loss on sale of assets	-	756,979
Bad Debts Written Off	-	4,906,650
R & D and Laboratory Expenses	2,274,854	2,175,828
Deferred Revenue Expenditure written off	545,277	1,216,310
Miscellaneous expenses	10,846,218	3,074,716
	139,567,495	82,840,183
Details of payments to auditors		
a. Statutory Audit Fees	492,000	492,000
b. Tax Audit Fees	-	50,000
c. Certification and consultation Fees	95,071	9,600
d. Income tax and other matters	55,150	20,000
	642,221	571,600

Note 25
Value of Imports calculated on CIF basis in respect of -
Rs. in Lacs

(i) Raw Materials	3,018.09	1,555.78
(ii) Capital Goods	12.26	-
	3,030	1,555.78

Note 26
Expenditure in foreign currency on account of -

(i) Commission	35.73	35.00
(ii) Travelling	16.87	6.91
(iii) Professional Fees and Technical Services	20.41	-
(iv) Subscription	1.68	-
	73.01	41.91

Note 27
Earnings in foreign currency

Exports at FOB	3,844.07	2,510.00
----------------	-----------------	-----------------

Note 28
Contingent Liabilities and commitments (to the extent not provided for) (Rs. in Lacs)

(i) Contingent Liabilities		
(a) Bank Guarantee outstanding	560.01	58.82
(b) Letters of credit with Banks	843.77	1,412.17
(c) Bills discounted but not realised	417.99	314.24
(d) Claims against company not acknowledged as debts in respect of sales tax demand against which company's appeal is pending before commissioner of sales tax (Appeal)	53.02	53.02
(ii) Commitments		
Estimated amount of contracts remaining to be executed on account capital account and not provided for	240.58	320.89

Particulars	In Rupees	
	31.03.12	31.03.11

Note 29

Disclosure in respect of Derivative Instruments

(a) Derivative Instruments Outstanding :

	Millions	
	Forward	
Against Exports	Euro/INR	0.10 (Nil)

() denotes previous year's figures

(b) Derivative instruments acquired for hedging purposes

(c) Foreign currency exposure not hedged by derivative instruments :

	USD (Millions)		Euro (Millions)	
	2011-12	2010-11	2011-12	2010-11
i) Debtors	1.36	2.78	0.41	1.65
ii) Creditors	1.45	3.48	-	-
iii) Loans taken	6.27	-	0.02	-
iv) Deferred receipts	4.72	0.76	-	-

Note 30

Related Party Disclosures

a) Names of related parties

Relationship	Name
1) Subsidiary	Benhram Chemicals Private Limited Astec Crop Care Pvt. Ltd. Astec Europe SPRL Opus Chemical Pvt. Ltd. GreenGuard Technologies Pvt Ltd. India TL Domain Pvt Ltd. Altimax Financial Services Pvt Ltd. Sahabnagi Financial Services Pvt Ltd.
2) Associates	
3) Companies in which directors of the Company are able to exercise control or have significant influence	
4) Key management personnel (KMP)	Ashok V. Hiremath Janak Jaganath Rawal Laxmikant Kabra

b) Relatives

Ms. Chitra Hiremath (Wife)
Ms. Supriya Hiremath (Daughter)
Mr. Varun Hiremath (Son)
Mr. Suresh Hiremath (Brother)
Mr. Jai Hiremath (Brother)
Mr. Prabhu Hiremath (Brother)
Mrs. Vijaya Hiremath (Mother)

Particulars	In Rupees	
	31.03.12	31.03.11
c) Transactions with related parties (Rs. in Lacs)		
Mention the nature of transaction (purchases of materials and fixed assets separately), (sales of materials and fixed assets separately), services, reimbursements, issue of shares or other securities etc.		
Astec Europe Sprl		
Investment - Purchase of Shares in Astec Europe Sprl	1.24	Nil
Associates		
Altimax Financial Services Pvt Ltd		
Purchase of shares by Altimax Financial Services Pvt Ltd.	0.89	Nil
Purchase of Preferential Share Warrant	79.90	Nil
Key Management Personnel (KMP)		
Mr Ashok V. Hiremath		
Remuneration	48.00	48.00
Dividend Paid	30.58	30.58
Repayment of Unsecured Loan taken by Company	47.84	29.11
Issue of Preferential Share Warrant	10.62	Nil
Relatives of KMP		
Mr Suresh Hiremath		
Dividend Paid	8.26	8.26
Ms. Chitra Hiremath		
Dividend Paid	0.03	0.03
Service Charges	4.89	6.94
Purchase of Preferential Share Warrant	8.07	Nil
Ms. Supriya Hiremath		
Dividend Paid	0.01	0.01
Ashok Hiremath HUF		
Dividend Paid	0.03	0.03
d) Balances with related parties		
Associates		
Altimax Financial Services Pvt Ltd		
Investment - Preferential Share Warrant	79.90	Nil
Investment - Shares	0.89	
Key Management Personnel (KMP)		
Mr Ashok V. Hiremath		
Unsecured Loan	67.27	115.11
Relatives of KMP		
Mr Suresh Hiremath		
Unsecured Loan	32.50	32.50
Ms. Chitra Hiremath		
Investment - Preferential Share Warrant	8.07	Nil

Note 31

The Financial Statements for the year ended 31st March, 2012 had been prepared as per the then applicable, pre-revised schedule vi to the companies act, 1956. Consequent to the notification under the Companies Act, 1956, the financial statements for the year ended 31st March, 2012 are prepared under revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification.

Note 32

Significant accounting policies and practices adopted by the Company are disclosed in the financial statements.

Note 33

Accounting Policies and Notes On Accounts

I Basis of preparation of financial statements

These financial statements have been prepared on an accrual basis and under historical cost convention and in compliance, in all material aspects, with the applicable accounting principles in India, the applicable accounting standards notified under 211 (3C) and the other relevant provisions of the Companies Act, 1956.

The company generally follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis.

II Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial the reported amounts of revenues and expenses during the reporting period. Differences between actual results and are recognised in the period in which the results are known/materialised.

III Fixed Assets and Capital Work in Progress

a) Fixed assets as accounted at cost of acquisition or construction less depreciation. The company capitalised all direct and indirect costs relating to the acquisition and installation of fixed assets. Interest on borrowed funds, if any used to finance acquisition/construction of fixed assets are capitalised till date of commercial production.

b) Capital work in progress comprises outstanding advances paid to acquire Fixed Assets and cost of Fixed Assets that are not yet installed.

IV Depreciation and Amortisation

a) Depreciation has been provided on straight-line method at the rates and in the manner specified in schedule XIV to the companies Act, 1956. Depreciation is provided on pro-rata to the period of use.

b) Leasehold land is amortised over the period of lease.

V Sales

Revenue from sale of products includes sale value of goods and excise duty collected thereon, but excludes sales tax.

Sales turnover are stated at net of trade discount and rebates granted during the ordinary course of business.

VI Inventories

Inventories of Raw Materials, Packing Material, Stores and Spares are valued 'at cost'. Finished Goods and Work in Progress are stated 'at cost or net realisable value, whichever is lower'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

VII Investments

Investments are classified into Current and Long-term Investments. Current Investments are stated at lower of cost and fair value. Long-term Investments are stated at cost.

VIII Impairment of Fixed Assets

At each Balance Sheet date, the company reviews the carrying value of tangible and intangible assets for any possible impairment. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price or estimated future cash flows, which are discounted to their present value based on appropriate discount rates. During the year no provision for impairment of fixed assets has been made.

IX Excise Duty and Custom Duty

Excise duty / Customs duty has been accounted on the basis of payments made in respect of goods Cleared. Cenvat credit on raw materials and capital goods has been accounted for, by reducing the purchase cost of raw materials and capital goods respectively.

X Segment Reporting

In accordance with the requirement of Accounting Standard – 17, Segment Reporting issued by the Institute of Chartered Accountants of India, the Company's Business Segment is "Manufacturing of Agro and Pharma Chemicals" and hence it has no other reportable segment.

Thus the segment wise revenue, Segment wise result, total carrying amount of Segment wise assets and Segment wise liability, total cost incurred to acquire Segment wise assets, total amount of charge for depreciation during the year, is as reflected in the Financial Statement as of and for the year ended March 31, 2012.

XI Foreign Currency Transaction

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognized in the profit & loss account.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date. The exchange differences, if any, are recognised in the profit and loss account and related assets and liabilities are accordingly restated in the balance sheet.

XII Retirement Benefits

Provision for Gratuity & Leave encashment are made and provided on actuarial valuation basis. Other retirement benefits are accounted as per company's policy.

XIII In absence of information with the company, the nature of suppliers who are registered as micro. Small or medium enterprises under the Micro, Small and Medium Enterprises Development Act 2006, as at 31st March 2012 have not been given.
XIV Earnings Per Share

The numerator and denominator used to calculate Basic and Diluted Earning per Share:

		31.03.2012	31.03.2011
Net Profit after Tax	Rs in Lacs	136.55	489.84
Weighted average number Shares Outstanding	Nos	16929130	16929130
Nominal Value of Equity Shares	Rs	10	10
Basic (Weighted) Earning per share	Rs	0.81	2.89

Financial information of subsidiary companies

(Rs. in Lacs)

Sr No.	Name of Subsidiary Company	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover/ Total Income Taxation	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend	Country
1.	Astec Crop Care Private Ltd.	INR	50.00	(115.04)	926.59	926.59	-	334.61	(146.0)	49.64	(96.36)	-	India
2.	Behram Chemicals Pvt. Ltd.	INR	60.00	7.37	78.64	78.64	7.00	10.80	1.90	0.90	0.99	-	India
3.	Astec Europe SpA	EURO	19000	33649.71	33043.60	33043.60	-	-	(27688.42)	-	(27688.42)	-	Belgium

As per our report of even date

For M/s. P. M. Kathariya & Co.
Chartered Accountants
Firm Reg. No. 104922W
Sd/-
CA. P. M. Kathariya
Proprietor
Membership No. - 31315
Place: Mumbai
Date: 28th May 2012

For and on behalf of the Board

Sd/-
Ashok V. Hismath
Managing Director

Sd/-
Laxminaray Kuba
Director

Sd/-
Vikram R. Chahal
Company Secretary & Compliance Officer

Astec LifeSciences Limited

Registered Office: Elite Square, 7th Floor, 274, Perin Nariman Street, Fort, Mumbai-400001, Maharashtra
Tel: +91 22 22618212, 22618504, Fax: +91 22 22618289, www.astecsls.com

ATTENDANCE SLIP

DP ID

Folio No.

Client ID

No. of Shares

Name and address of Shareholder/Proxy holder

I certify that I am a registered Shareholder/Proxy for the registered shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company held on Tuesday, 25th September, 2012 at *Kilachand Conference Room, 2nd Floor, IMC Building, IMC Marg, Churchgate, Mumbai - 400020, Maharashtra at 3.30 p.m.

Name of Member/Proxy

Member's/proxy Signature

(Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand over at the entrance of the Meeting Hall)

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PROXY FORM

DP ID

Client ID

Folio No.

No. of Shares

I/We _____ of _____ being a Member of Astec LifeSciences limited do hereby appoint _____ of _____ or failing him/her _____ of _____ as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Tuesday, 25th September, 2012 at *Kilachand Conference Room, 2nd Floor, IMC Building, IMC Marg, Churchgate, Mumbai - 400020, Maharashtra at 3.30 p.m. and at any adjournment(s) thereof.

Signed this _____ day of _____, 2012

Signature _____

Affix 1 Rupee
revenue
stamp

Notes: The proxy form duly completed must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and proxy need not be a member.

Book Post

To,

If undelivered please return to:



ASTEC

Astec LifeSciences Limited

Registered & Corporate Office:

Elite Square, 7th Floor, 274,
Perin Nariman Street, Fort,
Mumbai- 400001.

Phone: +91-22-2261 8212, 2261 8504

Fax: +91-22-2261 8289

E-mail: info@astecsls.com

www.astecsls.com