

**ANIL PRODUCTS LIMITED**

**BOARD OF DIRECTORS**

Shri Shripal C. Sheth - Chairman & Managing Director  
Shri Amol S. Sheth - Managing Director  
Shri Kamal R. Sheth - Director  
Shri Anish K. Shah - Director  
Smt. Indira J. Parikh - Director

**AUDITORS**

M/s. Parikh & Majmudar  
Chartered Accountants  
Ahmedabad

**BANKERS**

Bank of India  
Punjab National Bank  
HDFC Bank  
Allahabad Bank

ISIN No.: INE125E01019

**REGISTRAR & SHARE TRANSFER AGENT**

M/s. Pinnacle Share Registry Pvt. Ltd.  
Ashoka Mills Compound, Naroda Road, Ahmedabad –380 025  
Phone: 079-22200338  
Fax No.: 079 - 22202963  
Email: investor.service@psrpl.com

**REGISTERED OFFICE**

P. O. Box - 10009,  
Anil Road,  
Ahmedabad – 380 025

**NOTICE**

NOTICE is hereby given that the Annual General Meeting of the Members of the Company will be held on Friday, the 25<sup>th</sup> day of September, 2009 at 9.45 a.m. at Ahmedabad Textile Mills Association (ATMA) Hall, Ashram Road, Ahmedabad – 380 009, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet and Profit & Loss Account for the year ended 31<sup>st</sup> March 2009 together with the Reports of the Board of Directors and the Auditors.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Smt. Indira J. Parikh, who retires by rotation under provisions of Articles of Association of the Company and being eligible, offers herself for re-appointment.
4. To appoint M/s. Parikh & Majmudar, the Chartered Accountants, Ahmedabad, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS:**

5. To consider and if thought fit to pass with or without modification(s) the following resolution as a **Special Resolution**;  
“RESOLVED THAT pursuant to Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or reenactment thereof) as also the provisions of the SEBI (Issue of Capital & Disclosure Requirement) Regulations, 2009 and subject to the provisions in the Memorandum and Articles of Association of the Company and the Listing Agreement entered into by the Company with the Stock Exchanges where the securities of the Company are listed and subject to the approval, consent, permission and/or sanction, as may be necessary of the Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI) and all other appropriate authority as may be required, and subject to such terms conditions alterations, corrections, changes, variations and/or modifications, if any, as may be prescribed by any one or more or all of them in granting such approval, consent, permission and/or sanction, consent of the Company be and is hereby accorded to the Board of Directors of the Company (herein after referred to as the “Board” which term shall be deemed to include any Committee duly constituted by the Board of Directors or any Committee which the Board of Directors may hereafter constitute, to exercise one or more of its powers including the powers conferred by this resolution), the Board be and is hereby authorized to create, offer, issue and allot, Equity Shares or other securities convertible into or exchangeable with equity shares on such date as may be determined by the Board but not later than 60 months from the date of allotment (collectively referred to as “QIP Securities”) to be subscribed by qualified institutional Bysers as defined in SEBI (ICDR) Regulations,2009, whether or not such investors are Members of the Company, under as preferential issue through a placement document, offer letter and/ or circular and / or information memorandum , provided that the price of the equity shares so issued shall not be less than the price determined in terms of clause 85 of SEBI (ICDR) Regulations,2009 with respect to the Relevant Date as defined in Chapter VIII of the Securities and Exchange Board of India SEBI (ICDR) Regulations,2009 and the aggregate amount of the Securities so issued shall not exceed Rs 150 Crores.

RESOLVED FURTHER THAT the equity shares allotted in terms of this resolution shall rank pari passu in all respects with the then existing shares of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the company to take all actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid Securities and listing thereof with the stock exchanges(s) as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment if any of the said securities, utilization of the issue proceeds and to do all acts, deeds, and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the Members or other wise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any committee of Directors or the Chairman or any other Director(s) or officer(s) of the Company to give effect to the aforesaid resolution.”

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:  
RESOLVED THAT the Board of directors (hereinafter referred to as “ the Board” which term shall be deemed to include any committee which the Board may constitute for this purpose), be and is hereby authorised, in accordance with section 293(1)(d) of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and the Articles of Association of the Company, to borrow any sum or sums of money (including non fund based facilities) from time to time at their discretion, for the purpose of the business of the Company, from any one or more Banks, Financial Institutions and other persons, firms, bodies corporate, notwithstanding that the monies to be borrowed together with the monies already borrowed by the company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) may, at any time, exceed upto a sum of Rs.500 Crores (Rupees Five Hundred Crores) over and above the aggregate of the then paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) and that the Board of Directors be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit.

## ANIL PRODUCTS LIMITED



RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.

**By Order of the Board of Directors  
FOR ANIL PRODUCTS LIMITED**

**Amol S. Sheth**  
Managing Director

**Place : Ahmedabad**  
**Dated : 30/06/2009**

### **Notes:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote on a poll only, instead of himself. A proxy so appointed need not be a member of the company.
2. The Proxies should be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
3. Members / Proxies should bring the Attendance Slips duly completed for attending the Meeting.
4. Members are requested to bring their copy of the notice to the meeting.
5. The Register of Members and the Share transfer books of the Company will remain closed from 19<sup>th</sup> September 2009 to 25<sup>th</sup> September 2009 (both days inclusive).

### **Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956**

#### **Item No. 5**

The Company is presently engaged in the activity of manufacturing of starch and other allied products. However, as a matter of Expansion in the present line of business by value added products, the Company intends to increase its capacities of production. Similarly the company also requires funds for general Corporate Purposes as well as for its working capital requirements and the Board of Directors consider that the total financial requirements will be funded by raising Equity as well as borrowing from the Institutions/ Bank in such a manner, as stated in the resolution.

The proposed special resolution seek the enabling authorization of the Members of the Company to the Board of Directors, without the need of any further approval from members, to undertake the Qualified Institutional Placement ("QIP") with the Qualified Institutional Buyers ("QIB") in accordance with the provisions of chapter VIII of the SEBI (Issue of Capital & Disclosure Requirement) Regulations, 2009.

Pursuant to the above, the Board may, in one or more tranches, issue and allot Shares or other securities convertible into or exchangeable with equity shares on such date as may be determined by the Board but not later than 60 months from the date of allotment.

The Said QIP by the Board shall be subject to the provisions of the SEBI (Issue of Capital & Disclosure Requirement) Regulations, 2009 (as amended from time to time) including the pricing, as set out in the resolution. For reasons aforesaid, an enabling resolution is therefore proposed to be passed to give adequate flexibility and discretion to the Board to finalise the terms of the issue. The securities issued pursuant to the offering would be listed on the Indian Stock exchanges. The proposed issue of Securities as above may be made in one or more tranches.

Section 81(1A) of the Companies Act, 1956 and listing Agreement entered with Stock Exchanges, provide, inter alia, that where it is proposed to increase the subscribed share capital of the company by allotment of further shares shall be offered to the persons who on the date of the offer are holders of equity shares the Company, in proportion to the capital paid –up on those shares of that date unless the Members decided otherwise. The Special Resolution seeks the Consent and authorization of the Members to the Board of Directors to make the proposed issue of Securities, in consultation with the Lead Mangers, Legal Advisors, and other intermediaries and in the event it is decided to issue Securities convertible into equity shares to the holders of such convertible Securities in such manner and such number of equity shares on conversion as may be required to be issued in accordance with the terms of the issue, keeping in view the then prevailing market conditions and in accordance with applicable provisions of rules, regulations or guidelines.

The Board of Directors recommends the Resolutions set out at Item No.5 of the accompanying Notice for the approval of the Members.

None of the Directors of the Company is, in any way, concerned or interested in the said Resolutions, except to the extent of their shareholding.

#### **Item No 6:**

In terms of the provisions of Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of the Company, cannot, except with the consent of the company in general meeting, borrow money, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of aggregate of the paid up capital and its free reserves that is to say reserves not set apart for any specific purpose.

The Board of Directors accordingly recommends the resolution set out at item No. 6 of the accompanying Notice for the approval of the Members. Your approval is sought by passing an Ordinary Resolution.

None of the Directors of the Company is, in any way, concerned or interested in the said Resolution.

**By Order of the Board of Directors  
FOR ANIL PRODUCTS LIMITED**

**Amol S. Sheth**  
Managing Director

**Place : Ahmedabad**  
**Dated : 30/06/2009**

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**DIRECTORS' REPORT**

To  
The Members,

Your Directors have pleasure in presenting the Annual Report and Audited Accounts of the Company for the year ended 31<sup>st</sup> March 2009.

**1. FINANCIAL RESULTS**

Particulars	(Rupees in Lacs)	
	2008-09	2007-08
Profit before Depreciation and tax	1966.93	1591.55
Less: Depreciation	422.65	366.44
Profit Before Tax	1544.28	1225.11
Less: Provision for Taxation		
Current Tax	300.25	346.17
Fringe Benefit Tax	9.50	10.51
Deferred tax	182.21	139.42
Short Provision for earlier years	0.00	5.00
Profit After Tax	1052.32	724.01
Add: Balance of Profit of previous year	1810.49	1155.60
Less : Proposed Dividend	74.00	55.50
Tax on dividend	12.58	9.43
Balance carried to Balance Sheet	2308.11	1810.49

**2. DIVIDEND**

Considering various factors such as requirement of funds, present market conditions etc., for the year under review, your Directors have recommended a dividend of 10.00% on equity shares of the Company. The Company is liable for tax @ 17 % on distribution of dividend. The dividend and tax thereon will absorb Rs. 86.58 lacs for which necessary provision has been made in the accounts.

**3. OPERATIONS**

During the year under review, better monitoring & systemic controls in various functional areas has ensured greater operational efficiency. There has been a focus on improving efficiency in the utilization of Manpower, Machinery, Money and Material. There has been a conscious effort to control expenses, curb wastage of material and to improve overall efficiency and productivity in all the departments and functional areas. The improvement in demand supply position, change in product mix and focused cost reduction measures have lead to improvement in overall profitability and productivity. All these measures have manifested in better functioning of the Company with improvement in the bottom line.

During the year under report, the Company has achieved a gross turnover of Rs. 28732.28 lacs as compared to Rs. 23924.76 lacs during the previous year and the operations for the year under review have resulted into a net profit of Rs.1051.17 lacs as against Rs. 723.99 lacs in the previous year. The net sales and net profit of the Company for the year under review increased by about 20.09% and 45.19% respectively in comparison to the previous year. Your Directors expect even better results for the current year.

**4. INDUSTRIAL RELATIONS**

Relations with the Staff members and the workmen continued to be cordial and satisfactory during the period under review. The Directors acknowledge and appreciate the determination and sincere efforts of all their employees.

**5. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

A statement giving details of conservation of energy, technology absorption, foreign exchange earnings and outgo, in accordance with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto and forms part of the Report.

**6. INSURANCE**

The Company's buildings, plant and machineries, stocks and other properties wherever necessary and to the extent required have been adequately insured.

**7. DIRECTORS**

Under Article 129 of the Articles of Association of the Company, Smt. Indira J. Parkh retires by rotation and being eligible offers herself for re-appointment.

**8. PUBLIC DEPOSITS**

Deposits accepted by the Company as at 31<sup>st</sup> March 2009 aggregated to Rs. 483.01 Lacs. Your Company has no over due deposits but deposits aggregating to Rs. 21.55 Lacs from 174 depositors though matured, had neither been claimed nor renewed until 31<sup>st</sup> March, 2009.

**9. RELATED PARTY TRANSACTIONS**

As a matter of policy, the Company enters into transactions with related parties on an arms-length basis. The details of related party transactions are given in notes forming part of accounts.

**10. CORPORATE GOVERNANCE**

The Company adheres to sound Corporate Governance practices as per clause 49 of the Listing Agreement. The philosophy of the Company on Corporate Governance is to ensure the long term interest of the Shareholders, creation of transparency, maintaining management ethics and developing good corporate culture. The Management Discussion and Analysis Report as well as report on Corporate Governance are attached hereto as a part of this Annual Report.

**11. DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of section 217(2AA) of the Companies Act, 1956, your Directors confirm:

1. that in preparation of annual accounts, the applicable accounting standards have been followed and that no material departures have been made from it;
2. that we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on 31<sup>st</sup> March, 2009 and for the profit of the Company for that period;
3. that we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and
4. that we have prepared the annual accounts on a going concern basis.

**12. PARTICULARS OF EMPLOYEES**

The Company has not employed any person drawing remuneration aggregating not more than Rs. 2,00,000/- per month, hence information as per section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, is not applicable.

**13. AUDITORS AND AUDITORS' REPORT**

M/s. Parikh & Majumdar, the Chartered Accountants, Ahmedabad, retire as auditors of the Company at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board recommends their appointment as the Statutory Auditors of the Company. The specific notes forming part of the Accounts referred to in the Auditors Report are self explanatory and do not call for any further explanation under section 217 (3) of the Companies Act, 1956.

**14. COST AUDITOR**

As per the Order of the Central Government to appoint Cost Auditor pursuant to Section 233B of the Companies Act, 1956, your Company has appointed M/s. R. Nanabhoy & Co., the Cost Accountants, Mumbai as the Cost Auditor of the Company for the financial year 2008-09.

**15. ACKNOWLEDGEMENTS**

The Board expresses its gratitude and appreciates the assistance and co-operation received from the Creditors, Banks, Government Authorities, Customers and Shareholders during the year under review. Your Directors also wish to place on record its deep sense of appreciation for the committed services of all the employees of the Company.

**For and on behalf of the Board**

**Date : 30<sup>th</sup> June, 2009**  
**Place : Ahmedabad**

**Shripal C. Sheth**  
Chairman & Managing Director

## ANNEXURE TO THE DIRECTORS' REPORT

Particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo in terms of section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

## A. CONSERVATION OF ENERGY:

## (a) Energy Conservation measures taken:

The conservation of energy resources is an ongoing process at the Plant and the Company is constantly striving to improve the performance so as to reduce energy consumption. The Company lays great emphasis on the conservation of energy and as part of continuous efforts for conservation of energy, several measures were taken such as: (i) Installation of Variable frequency drives at various places (ii) Installation of condensate recovery system at various place (iii) New technology for online steam leakages.

## (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

Energy conservation measures have been given topmost priority across all the plants. A specific task force team has been formed to identify areas for saving in the steam and power cost. The team has been identifying areas for reduction in steam and power consumption as well for bringing in efficiencies in steam generation. Help of external experts in the field of energy has also been taken to identify areas and ways of reducing cost of energy. A study had been conducted across the entire factory to identify areas having a scope of energy saving.

## (c) Impact of the measures taken at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

The adoption of energy conservation measures have resulted in more efficient utilization of steam as well as power.

## (d) Total energy consumption per unit of Production:

## FORM A

## I. POWER AND FUEL CONSUMPTION:

Sr.	Particulars	2008-09	2007-08
1.	<b>ELECTRICITY:</b>		
	Purchased		
	Unit '000 KWH	29665.98	27593.14
	Total Amount (Rs. in Lacs)	1331.05	1054.88
	Rate per unit	4.49	3.82
2.	<b>COAL-GRADES B TO E:</b>		
	Quantity (M.T.)	20299.95	1218.71
	Total Cost (Rs. in Lacs)	721.53	61.01
	Average Rate (Rs. per M.T.)	3554.34	5006.11
3.	<b>FURNACE OIL:</b>		
	Quantity (K.L.)	99.08	379.02
	Total Amount (Rs. in Lacs)	27.05	89.95
	Average Rate (Rs. per K.L.)	27301.17	22149.23
4.	<b>LIGNITE &amp; OTHERS:</b>		
	Quantity (M.T.)	34276.52	46000.77
	Total Cost (Rs. in Lacs)	838.38	831.84
	Average Rate (Rs. per M.T.)	2445.94	1808.32

## II. CONSUMPTION PER M.T. OF PRODUCTION

Particulars	ELECTRICITY		STEAM	
	STD	KWH	STD	M.T.
Chemicals	—	208	—	1.556
	—	(206)	—	(1.361)
Processed Foods	—	127	—	3.036
	—	(120)	—	(2.946)

NOTE: Figures in brackets relates to previous year.

**B. TECHNOLOGY ABSORPTION****FORM B****RESEARCH AND DEVELOPMENT:****(a) Specific Areas in which Research & Development carried out by the Company:**

The Company's Research & Development Center has been approved by the Department of Science & Technology since 1974 and it has been actively engaged in carrying out Research & Development in several areas including process and Product improvement. It has also been working on development of new products and newer applications for specific customers. The Research & Development efforts of the Company are directed towards quality control and improvement of in-house expertise.

**(b) Benefits derived as a result of R&D**

- (i) The Company has been able to develop and manufacture speciality starches suitable for specific end use and finding specific applications in the targeted industries.
- (ii) Reduction of cost of production and improvement in the quality of the products.

**(c) Future plan of action**

The Company will continue to lay emphasis on the main areas of Research & Development set out under para (a) above.

<b>(d) Expenditure on R&amp;D Particulars</b>	<b>2008-2009</b>	<b>(Rs. in Lacs) 2007-2008</b>
Capital	-	-
Recurring	<b>20.09</b>	20.38
Total	<b>20.09</b>	20.38
Total R&D Expenditure as percentage of total turnover	<b>0.07%</b>	0.09%

**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:**

Through continuous interaction with Research & Development Center, efforts are made towards technology absorption, adoption and innovation. The thrust areas have been the increase in productivity through cost effective programs, improvement of quality of all the products and development of related products for various end uses.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information is given in Notes forming part of the accounts. Members are requested to refer the said notes.



## REPORT ON CORPORATE GOVERNANCE

Your Company has implemented the Code of Corporate Governance in terms of Clause 49 of the Listing Agreement executed with the Stock Exchanges.

### 1. Company's philosophy on Corporate Governance

The Company's philosophy on Corporate Governance encompasses the goal of achieving transparency, accountability, compliance in all spheres of its operations and in dealing with the shareholders, employees, the Government and the creditors. The Company believes in establishing a framework which would enable in strengthening the decision making processes and enhance the overall effectiveness of the organization.

### 2. Board of Directors

#### (i) Composition

There are five members on the Board of the Company comprising of two Executive Directors and three Non Executive and Independent Directors. There is no institutional nominee on the Board of Directors of the Company.

The list of composition and categories of Directors are:

Sr	Name of director	Category	No. of other Directorship in other public limited companies	No. of Committee position held in other public companies	
				Member	Chairman
1.	Mr. Shripal C. Sheth	C.M.D.	2	-	1
2.	Mr. Amol S. Sheth	M.D.	1	1	-
3.	Mr. Kamal R. Sheth	N E D (I)	4	-	-
4.	Mr. Anish K. Shah	N E D (I)	-	-	-
5.	Dr. Indiraben J. Parikh	N E D (I)	2	-	-

CMD – Chairman cum Managing Director – Executive & Non Independent.

MD – Managing Director – Executive & Non Independent. NED (I)– Non-Executive Director (Independent)

#### (ii) Board procedure:

Board meetings are governed by a structured agenda and any Director may bring up any matter for consideration of Board at the meeting, in consultation with the Chairman. Agenda papers are generally circulated to the members of the Board well in advance.

#### (iii) Board meetings and attendance

During the year, the Board of Directors met Seven times, on May 24, 2008, June 28, 2008, July 31, 2008, September 22, 2008, October 31, 2008, December 23, 2008 and January 29, 2009.

The details of attendance at the meetings of the Board of Directors and at the previous Annual General Meeting are as given below:

Name of Directors	No. of Meetings held	No. of meetings attended	Whether present at previous AGM
Shri Shripal C. Sheth	7	7	No
Shri Amol S. Sheth	7	7	Yes
Smt. Indira J. Parikh	7	-	No
Shri Kamal R. Sheth	7	3	Yes
Shri Anish K. Shah	7	3	No

Details of the various committees constituted by the Board of Directors of the Company are as mentioned below. The terms of reference of these committees have been determined by the Board from time to time. The Board has laid down the Code of Conduct for all the Board members and the Senior Management Personnel of the Company. The same has been posted on the website of the Company.

#### (iv) Details of Directors seeking Appointment/Reappointment at the Annual General Meeting:

Smt. Indira J. Parikh retires by rotation and being eligible offers herself for re-appointment. Smt. Indira J. Parikh aged about 62 years and by qualification she is M.A., Ed.(University of Rochester, NV) and Ph.D. She was the Dean in Indian Institute of Management, Ahmedabad (IIM-A) and has specialization in Organization Development. She is having wide experience in the Organization development. She is on the Board of various companies and institutions. She was appointed as Director on the Board of Directors of the Company w.e.f 31<sup>st</sup> October, 2003.



**3. Audit Committee:**
**(i) Composition, Meeting and Attendance during the year**

The Audit Committee comprises of three Independent and Non-Executive Directors. During the financial year ended March 31, 2009, the Committee met four times, on June 28, 2008, July 31, 2008, October 31, 2008 and January 29, 2009. The attendance of the each member of the Committee is given below:

Directors	Chairman / Member	Category	No. of meetings Attended
Shri Kamal R Sheth	Chairman	I & N. E. D.	2
Smt. Indira J Parikh	Member	I & N. E. D.	-
Shri Anish K Shah	Member	I & N. E. D.	2

The composition of the Audit Committee meets the stipulated minimum requirement of independent Directors. CFO and Company Secretary, General Manager- Finance, Statutory Auditors and Internal Auditors are invitees to the meeting. The Company Secretary acts as the secretary of the committee. The quorum is either two members or one third of the members of the audit committee whichever is higher with a minimum of two independent Directors.

**(ii) Terms of reference**

The Terms of Reference of this committee cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956, and are as follows:

- (a) Supervision of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- (b) Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- (c) Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.
  - Any changes in accounting policies and practices.
  - Major accounting entries based on exercise of judgment by management.
  - Qualifications in draft audit report.
  - Significant adjustments arising out of audit.
  - The going concern assumption.
  - Compliance with accounting standards.
  - Compliance with Stock Exchange and legal requirements concerning financial statements.
  - Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.
- (d) Reviewing, with the management, the quarterly financial statement before submission to the Board for approval.
- (e) Reviewing with the management, external and internal auditors the adequacy of internal control system;
- (f) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- (g) Reviewing with management, Management Discussion and Analysis of financial condition and results of operation.
- (h) Discussions with internal auditors any significant findings and follow up thereon.
- (i) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- (j) Discussions with external auditors before the audit commence, about the nature and scope of the audit as well as have post-audit discussions to ascertain any area of concern.

- (k) Reviewing the Company's financial and risk management policies.
- (l) To look into the reasons for substantial defaults in the payment to the depositors, debentures holders, shareholders (in case of nonpayment of declared dividends) and creditors.

#### 4. Remuneration Committee:

The Board of Directors of the Company constituted the "Remuneration Committee" to formulate Company's policy on specific remuneration packages for Executive Directors including pension rights and compensation payment.

##### (i) Composition, Meeting and Attendance during the year

Directors	Chairman / Member	Category
Shri Anish K. Shah	Chairman	I & N. E. D.
Smt. Indira J. Parikh	Member	I & N. E. D.
Shri Kamal R. Sheth	Member	I & N. E. D.

During the year one meeting of the Remuneration Committee of Directors of the Company was held on May, 04, 2007. Shri Anish K. Shah and Shri Kamal R. Sheth were present at the meeting.

##### (ii) Remuneration Policy

Remuneration Committee determines and recommends to the Board, the compensation of the Directors. The key components of the Company's Remuneration policy are:

- Compensation will be a major driver of performance.
- Compensation will be competitive.
- Compensation will be transparent, fair and simple to administer.
- Compensation will be fully legal and tax compliant

##### (iii) The details of remuneration of Managing Directors of the Company for the financial year 2008-2009 are given below: -

(Rs. In Lacs)

Particulars	Mr. Shripal C. Sheth, Chairman-cum-Managing Director	Mr. Amol S. Sheth, Managing Director
Salary	15.00	15.00
Contribution to PF & Other Funds	1.80	1.80
Perquisites	8.59	8.53
Commission	9.00	9.00
<b>Total</b>	<b>34.39</b>	<b>34.33</b>

The Company is not paying any remuneration to its Non-Executive Directors. The details of sitting fees paid to the Non-Executive Directors during the financial year 2008-2009 are given below:

Sr.	Name of the Non-Executive Director	Sitting Fees (Rs.)
1.	Mr. Kamal R. Sheth	9,000
2.	Mr. Anish K. Shah	9,000

#### 5. Share Transfer-Cum-Investors Grievances Committee

##### (i) Composition

Directors	Chairman / Member	Category
Shri Kamal R. Sheth	Chairman	I & N. E. D.
Shri Anish K. Shah	Member	I & N. E. D.
Shri Amol S. Sheth	Member	M.D.

##### (ii) Terms of reference

- A. To look into the redressal of investors grievances relating to
- a) Transfer and Dematerialization / Rematerialization of shares
  - b) Issue of duplicate share certificates.
  - c) Non-receipt of shares, dividends etc.
- B. To look into other related issues towards strengthening investor's relation.  
The members of Share transfer cum investors Grievances Committee normally meet twice every month.

During the year ended March 31, 2009, the Company received four complaints in the nature of demat credit and there are no complaints outstanding as on March 31, 2009.

The Managing Director acts as the Compliance Officer of the Company.

#### 6. General Body Meetings:

The last three Annual General Meetings of the Company were held as under:

Day & Date of AGM	Time	Venue	Special Resolution passed
Wednesday, the 27th September, 2006	9.45 AM	Ahmedabad Textile Mills Association Hall, Ashram road, Ahmedabad.	Yes
Friday, the 28th September, 2007	9.45 A.M.	Ahmedabad Textile Mills Association Hall, Ashram road, Ahmedabad.	Yes
Monday, the 29th September, 2008	9.45 A.M.	Ahmedabad Textile Mills Association Hall, Ashram road, Ahmedabad.	No

Resolutions at above annual general meetings were passed by show of hands. None of the resolutions were placed before the above-referred Annual General Meetings, which required to be passed by postal ballot.

#### 7. Disclosures:

##### Disclosure regarding materially significant related party transactions

Transactions with related parties, if any, are disclosed in Notes on accounts annexed to the financial results of the Company for the year. There was no related party transaction during the year, having potential conflicts with the interest of the Company.

##### Disclosure on non-compliance by the Company

There were no instances of non-compliance or penalty imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets, during the last three financial years.

#### 8. Means of Communication:

- Quarterly results are taken on record by the Board of Directors and submitted to the Stock Exchanges in terms of the requirement of Clause 41 of the Listing Agreement.
- The quarterly and half yearly results are published in National (English) and Regional (Gujarati) dailies. Half-yearly results are not sent to each of the shareholders. No presentation has been made to institutional investors or to analysts.
- Quarterly results and official news releases have been displayed on the Company's website: www.anil.co.in
- The management discussion and analysis report is attached with the Directors' Report in this Annual Report.

#### 9. General Shareholder Information:

##### (a) Annual General Meeting:

The ensuing Annual General Meeting ("the AGM") of the Company will be held on 25<sup>th</sup> September 2009 at 09.45 AM at Ahmedabad Textile Mills Association Hall, Ashram Road, Ahmedabad – 380 009.

##### (b) Financial Calendar:

The Financial year of the Company is for a period of 12 months from 1<sup>st</sup> April to 31<sup>st</sup> March. The financial results of the Company during the financial year 2009-10 are scheduled to be published as under:

a.	Results for the first quarter ending on 30 <sup>th</sup> June, 2009	By end of July, 2009
b.	Results for the second quarter ending 30 <sup>th</sup> September, 2009	By end of October, 2009
c.	Results for the third quarter ending 31 <sup>st</sup> December, 2009	By end of January, 2010
d.	Results (Audited) for the financial year ending 31 <sup>st</sup> March, 2010	By end of June, 2010
e.	Annual General Meeting for the year ending March, 2010	By end of September, 2010

**(c) Dates of Book Closure:**

The Register of Members and Share Transfer Books of the Company will remain closed from 19<sup>th</sup> September 2009 to 25<sup>th</sup> September 2009 (both days inclusive).

**(d) Dividend Payment**

The Board of Directors of the Company has recommended dividend of 10.00% on equity shares for the financial year ended 31<sup>st</sup> March, 2009 and will be paid after approval of the same at the ensuing Annual General Meeting of the Company.

**(e) Stock Exchange Listing**

The equity shares of the Company are listed on Bombay Stock Exchange Limited (BSE), 25<sup>th</sup> Floor, P. J. Tower, Dalal Street, Mumbai – 400 001 and Ahmedabad Stock Exchange Limited (ASE), Kamdhenu Complex, Ambawadi, Ahmedabad and the Company has paid annual listing fees to the Stock Exchange.

**(f) Stock Code**

Bombay Stock Exchange Ltd. – Company Code: 532910 (ANILPRO)

Ahmedabad Stock Exchange Ltd. - Company Code: 04292 (ANILPRODUCT)

**(g) Market Price Data**

During the financial year 2008-2009, the monthly high & low market prices of shares are following:

Month	High Price	Low Price
April 2008	213.00	110.00
May 2008	193.80	120.05
June 2008	149.90	109.15
July 2008	130.35	82.60
August 2008	199.00	125.05
September 2008	213.00	145.55
October 2008	143.10	73.55
November 2008	77.40	42.50
December 2008	79.35	47.05
January 2009	73.35	45.70
February 2009	54.85	38.20
March 2009	49.35	35.00

**(h) Registrar and Share Transfer Agent**

M/s. Pinnacle Share Registry Pvt. Ltd,  
Ashoka Mills Compound,  
Naroda Road, Ahmedabad –380 025  
Phone: 079-22200338  
Fax No. 079 - 22202963  
Email: investor.service@psrpl.com

**(i) Share Transfer system:**

Shares Transfers in physical form is approved by the Share Transfer-cum-Investors Grievance Committee of Directors of the Company at regular intervals in order to ensure that Share transfers complete in all respects are given effect to within valid period from the date of receipts. Demat requests are confirmed within 21 days from the date of receipt of request.

(j) **Shareholding pattern and Distribution of Shareholdings as on 31<sup>st</sup> March, 2009.**

Category	No. of Shares held	% of Shareholding
Promoters	4,346,120	58.73
Banks, FIs, Insurance companies	2,53,961	3.43
Private Bodies Corporate	3,44,773	4.66
Non-Resident Indians	13,070	0.18
Indian Public	23,66,990	31.99
Other (Clearing Member)	75,086	1.01
<b>Total</b>	<b>7,400,000</b>	<b>100.00</b>

**Distribution of Shareholdings**

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares	% of shareholding
1-500	14,023	94.90	9,99,114	13.50
501-1000	431	2.92	3,12,812	4.23
1001-2000	180	1.22	2,56,054	3.46
2001-3000	52	0.35	1,30,194	1.76
3001-4000	21	0.14	75,583	1.02
4001-5000	16	0.11	73,440	0.99
5001-10000	26	0.16	1,48,512	2.01
10001 and Above	29	0.20	54,04,291	73.03
<b>TOTAL</b>	<b>14,686</b>	<b>100.00</b>	<b>7,400,000</b>	<b>100.00</b>

(k) **Dematerialization of equity shares**

The Company's shares are available for dematerialization on both the depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). As on 31<sup>st</sup> March 2009, total 6,532,197 equity shares amounting to 88.27% of the equity share capital of the Company has been dematerialized.

ISIN No. of the equity shares of the company is INE125E01019.

(l) **Plant Locations:** Anil Road, Ahmedabad – 380 025.(m) **Address for Correspondence:**

Shareholders may correspond with the Company at the Registered office of the Company at: Anil Products Ltd, Secretarial Department, Anil Road, Ahmedabad – 380 025 Or directly correspond with the Share Transfer Agent of the Company at following address:

Pinnacle Share Registry Pvt. Ltd, Ashoka Mills Compound, Naroda Road, Ahmedabad –380 025 (Phone: 079-22200338)

**10. Declaration on Compliance with Code of Conduct**

The Board has formulated a code of conduct for the Board members and the Senior Management Personnel of the Company, which has been posted on the website of the Company.

It is hereby affirmed that all the Directors and the Senior Management Personnel have complied with the code of conduct framed by the Company and a confirmation to that effect has been obtained from the Directors and Senior Management Personnel.

**11. Review of governance practices**

We have in this report attempted to present the governance practices and principles being followed at Anil Products, as evolved over the years, and as best suited to the needs of our business and stakeholders.

Our disclosures and governance practices are continually revisited, reviewed and revised to respond to the dynamic needs of our business and ensure that our standards are at par with the globally recognized practices of governance, so as to meet the expectations of all our stakeholders.

**12. Certificate on Corporate Governance**

Certificate on compliance of Clause 49 of the Listing Agreement relating to Corporate Governance is published as an annexure to the Directors' Report.

**For and on behalf of the Board**

Date : 30<sup>th</sup> June, 2009

Place : Ahmedabad

**Amol S. Sheth**  
Managing Director

**1. INDUSTRY STRUCTURE AND DEVELOPMENTS**

The corn wet milling industry registered a steady growth. Exports have been strong. Over the past 3 years, the industry has shown a strong growth in exports, at approximately 18% constant annual growth. Corn refiners in India are recognizing the importance of maize and are working with seed companies to improve crop yield via the biotech route in seed development. Indian pharmaceutical companies are gearing up to become a major global player, not only in producing low-price generic medicines but also as innovators in drugs and vaccines. It is growing at a rate of 9% per year. India has also emerged as the fastest growing paper market in the world showing a 10 per cent growth in per capita paper consumption. Paper industry in India is the 15th largest paper industry in the world. The apparel industry of India is the largest foreign exchange earning sector, contributing 12% of the country's total exports.

**Developments at Anil Products Limited in 2008-09**

The demand for Modified Starch is growing across customer segments in India and Export markets in Food, Pharmaceutical, Paper and Textile industry. A wide range of modified starch products and strong R&D capabilities enable us to meet the requirements of a diverse range of customers. Anil Products Limited expanded the manufacturing capacity for modified starch to support its export thrust and also to meet the growing demand for modified starch in the Indian market. Our export initiatives have started yielding results and we have been able to establish our competitiveness against international players in terms of quality and price. Our export thrust for modified starch is aimed at Middle East, Europe and South East Asia especially countries, which do not have indigenous manufacturers of modified starch. Anil Products Limited also expanded the manufacturing capacity of feed premixes and feed ingredients to focus on industries such as Animal Feeds and Animal Healthcare. The products that are supplied to these industries are value added products which offers higher realization, higher margins and better contribution.

**2. OPPORTUNITIES, THREATS, RISKS & CONCERNS**

The Global economy continues to be buffeted by winds of uncertainty. The Governments around the world are taking significant measures to address the situation and the G-20 has pledged a \$5 trillion fiscal package to restore confidence, growth and jobs. However the proverbial light at the end of tunnel continues to be elusive.

Indian economy has not remained unscathed by the global recession. The shrinking global demand has adversely impacted Indian exports, which grew by a meager 3.3% during the fiscal 2008-09. The Indian economy has slowed down from the highs of 9% GDP growth over the past few years to record a 6.7% increase for 2008-09.

During the period of April to December 2008, Indian pharmaceutical sector had registered a growth rate of 28.1 per cent. Currently, the Indian pharmaceutical industry is one of the world's largest and most developed, ranking 4th in volume terms and 13th in value terms. The Indian pharmaceutical industry is driving product development and breaking new grounds in medicine research worldwide.

With the rapid growth of the economy in the past few years, India is undergoing structural changes with greater urbanization, rise in disposable incomes leading to higher demand for high-end paper and hygiene paper products. Buoyed by the growth prospects, companies in the paper industry are in the midst of massive capacity expansion. The domestic paper sector is expected to grow at 6.6%, which is higher than the growth rate globally.

India has set itself a target of doubling its processed food production by 2015, and will set up 10 food technology parks during the next year with a view to achieving this. Organized retail today provides a national market for processed food. Large corporations are entering and strengthening their presence in this sector. It is expected that in future bulk investments and modern food processing technologies are going to turn the fortune for Indian food processing industry. Innovation in the food and beverage market will create innumerable opportunities for corn wet milling industry.

**3. REVIEW OF OPERATIONS**

The focus has been and is on improving cost structure by improving overall efficiency of manpower and machine and value addition through service to customers, value added products and application development. The current year was a year of steady growth along with cost management and efficiency improvements. The endeavor during the year was to get ready for large scale growth in the coming years. As such, there has been a considerable reduction in various costs and improvement in overall efficiencies. It is because of these measures that the Company has been able to improve the bottomline substantially. Hence, not only have the gross sales increased from Rs.23924.76 lacs to Rs. 28732.28 lacs, the profit before tax has increased from Rs. 1225.11 lacs in the previous year to Rs. 1544.28 lacs during the current year.

**4. FUTURE OUTLOOK**

India has incredible opportunities in the field of food processing because of diverse agro-climatic zones, growing population, favorable demographic profile making it one of the largest consumption hubs. Globally, the per capita consumption of corn wet milling products is very high and with growing Indian consumption will be higher in coming years.

Processed foods market in India, stood at \$72bn-75bn for the full year 2007-2008 and has been growing consistently at the rate of 9% year on year. The Indian food processing market is the fifth-largest market in the country and is a "sunrise sector" in India after IT.

Textile exports are targeted to reach \$50 billion by 2010. The industry has the potential of attaining \$34bn export earnings by the year 2010.

**5. INTERNAL CONTROL AND ADEQUACY**

The Company has adequate internal control systems commensurate with the size of its operations and nature of its business. The internal audit is regularly conducted to review internal control systems, to examine their adequacy and suggest improvements for their effective observation and implementation.

**6. CONTINGENT LIABILITIES**

Details of contingent liabilities are given in Schedule 21 of balance sheet and profit and loss account.

**7. HUMAN RESOURCES**

The Company's focus has been to provide the right environment to optimize the productivity and growth potential. The Company continued to enjoy harmonious and cordial relations amongst all its employees. The Company has invested in people during the course of the year through various training programmes in order to keep its employees competent and updated in the changing business environment. Regular training programmes are conducted to educate and inform concerned workers and employees in all aspects of health, safety and proper working environment. Various work place improvement techniques like Quality Circles are being implemented and practiced in the Company. The Company regards its Human Resources amongst its most valuable assets. Industrial relations have remained cordial throughout the year.

**8. CAUTIONARY STATEMENT**

Statement in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities, law and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.



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**CERTIFICATE ON CORPORATE GOVERNANCE**

To the members of Anil Products Limited

We have examined the compliance of the conditions of Corporate Governance by Anil Products Limited for the year ended on 31<sup>st</sup> March 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of the opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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.

**Kumud M. Shah**  
Company Secretary

C. P. No. 2706  
Membership No. FCS 410

**Place : Ahmedabad**  
**Date : 30<sup>th</sup> June, 2009**

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**AUDITORS' REPORT**

To the members of  
Anil Products Limited  
Ahmedabad

1. We have audited the attached Balance Sheet of **M/s ANIL PRODUCTS LIMITED** as at 31<sup>st</sup> March 2009, the Profit and Loss A/c and also the Cash-flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan & perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts & disclosures in the financial statements. An audit also includes assessing the accounting principles used & 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 and the Companies (Auditors Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section(4A) of Section 227 of the companies Act 1956, we annex here to a statement on the matters specified in paragraphs 4 & 5 of the said order to the extent applicable.
- 4) Further to our comments in the Annexure referred to in paragraph-3 above, we report as under: -
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by Law have been kept by the Company so far as appears from our examination of those books.

## ANIL PRODUCTS LIMITED



- (c) The Balance Sheet and the Profit and Loss Account & Cash flow statement dealt with by this report are in agreement with the books of account.
- (d) In our opinion the Balance Sheet, Profit & Loss Account & Cash Flow Statement comply with Accounting Standards referred to in section 211(3C) of the Companies Act, 1956.
- (e) On the basis of the written representations received from the directors, as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the directors of the company are disqualified as on March, 31 2009 from being appointed as director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- (f) Attention is invited to the following notes in Schedule 21 to the Financial Statements.
- a) *Note no. 4 regarding inventories of finished goods of Rs. 168.51 Lacs lying with the consignment agents as at 31<sup>st</sup> March, 2009 which inventories are subject to confirmation from the consignment agents. These are therefore subject to necessary adjustments, if any, on receipts of such confirmations. Under the circumstances, its effects, if any, on the profit for the year and on value of the inventories as at the balance sheet date can not be ascertained.*
- ii) *Note no. 5 regarding non provision of doubtful debts and loans and advances of Rs. 291.10 Lacs and Rs. 80.50 Lacs respectively.*
- (g) Subject to above, in our opinion and to the best of our information and 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 31<sup>st</sup> March, 2009
- 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 Cash Flow Statement, of the cash flows for the year ended on that date.

Place : Ahmedabad  
Date : 30.06.2009

**For PARIKH & MAJMUDAR**  
Chartered Accountants  
**[HITEN PARIKH]**  
Partner  
Membership No. 40230

**ANNEXURE TO THE AUDITORS' REPORT**  
**(Referred to in paragraph 3 of our report of even date)**

- i.
  - (a) The company has maintained proper records showing full particulars, including situation of its fixed assets. The quantity details are being updated.
  - (b) As explained to us, the Company has designed a phased program of verification of fixed assets to cover all the items over a period of two years which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, some part of fixed assets was physically verified by the management during the year. According to information, and explanations given to us, no material discrepancies were noticed by the management on such verification.
  - (c) According to the information and explanations given to us, Fixed Assets disposed off during the year were not substantial & therefore do not affect the Going Concern assumption.
- ii.
  - (a) Physical verification of inventory has been conducted during the year by the management at reasonable intervals., except for stock of finished goods lying with the consignment amounting to Rs 168.51 lacs which is subject to confirmation .In our opinion, the frequency of verification is reasonable.
  - (b) In our opinion & according to the information & explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable & adequate in relation to the size of the company & nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the company is maintaining proper records of inventory. As explained to us, the discrepancies noticed on physical verification of inventory were properly dealt with in the books of accounts.
- iii. In respect of loans secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
  - (a) The company has taken Unsecured Loans from three parties covered in register maintained under section 301 of the Companies Act, 1956 during the year. [closing balance Rs. 1906.25 lacs] [Maximum balance during the year Rs. 3915.75 lacs]
  - (b) In our opinion and according to the information and explanation given to us, the rate of interest & other terms and conditions of the unsecured loans taken by the company from the parties covered in the register maintained under section 301 of the Companies Act, 1956 are prima facie not prejudicial to the interest of the company.
  - (c) As regards loans taken by the company terms of repayment have not been stipulated and hence the question of any overdue amount does not arise
  - (d) According to the information & explanations given to us, the Company has granted a loan of Rs. 3.81 lacs to one party covered in the register maintained under section 301 of the Companies Act, 1956. [closing balance Rs. 3.81 lacs] [Maximum balance during the year Rs. 3.81 lacs]
  - (e) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions of the unsecured loan granted by the company to the parties covered in the register maintained under section 301 of the Companies Act, 1956 are prima facie not prejudicial to the interest of the company.
  - (f) As regards loan granted by the company, the terms of repayment have not been stipulated and hence the question of any overdue amount does not arise.
- iv. In our opinion & according to the information & explanations given to us, there are adequate internal control systems commensurate with the size of the company & nature of its business for the purchase of inventory, fixed assets & also for the sales of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls systems.
- v.
  - (a) In our opinion and according to the information & explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under section 301 of the Companies Act, 1956
  - (b) In our opinion, and according to information and explanation given to us, the comparative prices of transactions made in pursuance of contract or arrangements entered in the register maintained under section 301 of the

Companies Act, 1956 agree gating during the year Rs. 5.00 Lacs or more in respect of such parties are not available. Hence, we are unable to comment whether these transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

- vi. In our opinion and according to information & explanation given to us, company has complied with the directives issued by the Reserve Bank of India and provisions of Section 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder with regard to the deposits accepted from the public. We are informed that no order has been passed by the Company Law Board.
- vii) The Company has appointed a firm of Chartered Accountants for Internal Audit. In our opinion, the internal audit is commensurate with its size & nature of its business.
- viii) We have broadly reviewed the books of accounts maintained by the company in respect of products where pursuance to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under section 209(1) clause (d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records has been made and maintained. We have not, however, made a detail examination of the records with a view to determine whether they are accurate or complete.
- ix. (a) According to the records of undisputed Statutory dues including provident fund, employees State Insurance, Income-tax, Wealth-tax, Service Tax, Sales-tax Customs duties, excise duty, cess and other statutory dues have not been regularly deposited during the year with the appropriate authorities. On the basis of records produced before us for our verification and according to the information & explanation given to us, no undisputed amount payable in respect of afore said dues were in arrears as at 31<sup>st</sup> March, 2009 for a period of more than six months from the date they became payable except a sum of Rs 0.27 lacs in respect of Sales Tax, Rs 0.97 lacs in respect of investor education and protection fund and Rs 1.16 Lacs in respect of education cess on municipal tax.
- (b) On the basis of records produced before us for our verification and according to the information and explanations given to us, the details of disputed, Sales Tax, Central Excise duty dues aggregating to Rs 339.11 lacs that have not been deposited as on 31<sup>st</sup> March, 2009 on account of matters pending before appropriate authorities, the details of which are as under.

Sr.	Nature of the dues	Financial Year to which the matter relates	Forum where the matter is pending	Amount (Rs. in Lacs)
<b>SALES TAX</b>				
1.	Sales Tax Demand	1994-1997	Gujarat High Court	47.23
2	Sales Tax Demand	2001-2002	Commissioner of Sales Tax – Gujarat	6.88
3	Central Sales Tax Demand	2001-2002	Commissioner of Sales Tax – Gujarat	2.47
4	Sales Tax Demand	2004-2005	Gujarat Value Added Tribunal	8.58
<b>CENTRAL EXCISE DUTY</b>				
1	Excise demand for product classifications	01.04.1998 to 29.02.2000	Customs, Excise and Service Tax Appellate Tribunal - Mumbai	147.92
2	Excise demand for product classifications	01.09.1996 to 31.05.1997	Gujarat High Court	9.61
3	Excise demand for product classifications	01.01.2006 to 31.03.2006	Customs, Excise and Service Tax Appellate Tribunal-Mumbai	101.96
4	Excise demand for product classifications	01.01.2006 to 31.05.2007	Customs, Excise and Service Tax Appellate Tribunal-Mumbai	14.46

- x. The Company does not have 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.
- xi) According to information & explanations given to us, the company has not defaulted in repayment of dues to Financial Institutions or Banks.
- xii) In our opinion & according to the information & explanation given to us, no loans & advances have been granted by the company on the basis of security by way of pledge of shares, debentures & other securities.
- xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund/ society.



## **ANIL PRODUCTS LIMITED**

- xiv) According to the information & explanations given to us, the company is not dealing or trading in shares, securities debentures & other investments.
- xv) In our opinion, the terms & conditions on which the company has given guarantee for loans taken by others from Banks or financial institutions are prima facie, not prejudicial to the interest of the company.
- xvi) In our opinion and according to the Information & explanations given to us the term loans have been applied for the purpose for which they were raised.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance sheet of the Company and after placing reliance on the reasonable assumptions made by the company, there are no funds raised on short term basis, which have been used for long term purpose.
- xviii) During the year the company has not made any preferential allotment of shares to the party covered in the register maintained under section 301 of the Act. During the year, the company has received the balance subscription amount relating to the preferential allotment of Equity Warrants made to the Companies covered in the register maintained under section 301 of the Act during the financial year 2007-08, as stated in Note No 18 of Schedule 21. However, the allotment of Equity Shares there against has not been made during the year.
- xix) The company has not issued any debentures during the year and hence the question of creation of security does not arise.
- xx) The company has not raised any money by way of public issue during the year.
- xxi) According to the information & explanations given to us, no fraud on or by the company has been noticed or reported during the course of our Audit.

**For PARIKH & MAJMUDAR**  
Chartered Accountants  
**[HITEN PARIKH]**  
Partner  
Membership No. 40230

**Place : Ahmedabad**  
**Date : 30.06.2009**

**ANIL PRODUCTS LIMITED**



**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2009**

		(Rupees in Lacs)	
	Schedule	31st Mar 09	31st Mar 08
<b>SOURCES OF FUNDS:</b>			
<b>1. Shareholders' Funds:</b>			
(a) Share Capital	1	740.00	740.00
(b) Equity Share Warrants (Refer Note No. 18 of Notes forming part of accounts)		1419.7	141.97
(c) Reserves and Surplus	2	<u>4849.24</u>	<u>4331.62</u>
		<b>7008.94</b>	5,213.59
<b>2. Loan Funds:</b>			
(a) Secured Loans	3	6547.51	6766.28
(b) Unsecured Loans	4	<u>3652.45</u>	<u>1197.27</u>
		<b>10199.96</b>	7963.55
<b>3. Deferred tax liability (Net)</b> (Refer Note No. 20 of Schedule 21)		<b>1496.50</b>	867.31
<b>Total</b>		<u><b>18705.40</b></u>	<u>14044.45</u>
<b>APPLICATION OF FUNDS:</b>			
<b>1. Fixed Assets</b>	5		
(a) Gross Block		11837.29	10363.89
(b) Less: Depreciation & Amortisation		<u>2001.58</u>	<u>1591.45</u>
(c) Net Block		9835.71	8772.44
(d) Capital Work-in- Progress		<u>279.29</u>	<u>480.68</u>
		<b>10115.00</b>	9253.12
<b>2. Investments</b>	6	<b>48.68</b>	48.68
<b>3. Current Assets, Loans and Advances:</b>			
(a) Inventories	7	2537.69	3638.50
(b) Sundry Debtors	8	9678.45	4494.55
(c) Cash and Bank Balances	9	581.83	172.38
(d) Other Current Assets	10	2.75	30.92
(e) Loans and Advances	11	<u>521.78</u>	<u>814.36</u>
		<b>13322.50</b>	9150.71
Less: Current Liabilities and Provisions:			
(a) Current Liabilities	12	4373.45	3956.03
(b) Provisions	13	<u>407.33</u>	<u>452.03</u>
		<b>4780.78</b>	4408.06
Net Current Assets		<b>8541.72</b>	4742.65
<b>5. Miscellaneous Expenditure</b> (To the extent not written off or adjusted)	14	-	-
<b>Total</b>		<u><b>18705.40</b></u>	<u>14044.45</u>
Notes forming part of Accounts	21		

As per our report of even date attached

**For Parikh & Majmudar**  
Chartered Accountants

**Hiten Parikh**  
Partner  
M. No. 40230  
Place : Ahmedabad  
Date : 30/06/2009

For and on behalf of the Board of Directors

**Amol S. Sheth**  
Managing Director

**Kamal R. Sheth**  
Director

**Dipal Palkhiwala**  
Chief Executive Officer  
& Chief Financial Officer





**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2009**

(Pursuant to the listing Agreement with Stock Exchanges)

(Rs.in Lacs)

	Year ended 31st March, 2009	Year ended 31st March, 2008
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit (Loss) Before Tax and Extra Ordinary Items	1,544.28	1,225.11
Adjustments for :		
Depreciation	422.65	366.44
Misc. Expenses w/o	-	0.59
Interest Income	(6.88)	(46.05)
Interest Expenses	1,041.08	995.96
Diminution in value of Investments	-	7.56
Dividend & Unit Income	(0.61)	(0.95)
(Profit)/Loss on sale of Fixed Assets	(28.30)	(7.74)
Unrealised foreign exchange loss (gain)	-	(0.28)
Provision of Doubtful Debts & Advances	-	18.31
	<u>1,427.94</u>	<u>1,333.84</u>
Operating Profit/ (Loss) Before Working Capital Changes	<u>2,972.22</u>	<u>2,558.95</u>
Adjustments for:		
Trade and other Receivables	(5183.90)	(540.83)
Inventories	1,100.81	(1,023.65)
Loans & Advances	292.58	988.15
Trade Payables	357.28	(429.19)
	<u>(3,433.23)</u>	<u>(1,005.52)</u>
Cash Generated from Operations	<u>(461.01)</u>	<u>1,553.43</u>
Direct Taxes Payable	(309.75)	(361.68)
Cash Flow Before Extraordinary Items	(770.76)	1,191.75
Prior period adjustments	(1.15)	(0.02)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<u>(771.91)</u>	<u>1,191.73</u>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (Net of Modvat benefit & including Pre-operative Exps. WIP Cap. Advance)	(1,303.28)	(1,353.28)
Amount received back from - Inter Corporate Deposit	-	-
Sale of Fixed Assets	47.05	55.30
Dividend Income & Income from UTI	0.61	0.57
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<u>(1,255.62)</u>	<u>(1,297.41)</u>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Equity Warrants	1,277.73	141.97
Proceeds from Long term Borrowings (Net of repayments)	(290.65)	(151.58)
Proceeds from Unsecured Borrowings (Net of repayments)	2,455.18	(141.41)
Proceeds from Bank/FIS borrowings for Working Capital	72.31	1,277.09
Deferred payment credits against vehicles (Net of repayments)	(0.43)	37.04
Dividend Paid	(55.50)	(55.50)
Dividend Tax	(9.43)	(9.44)
Interest Received	35.05	27.19
Interest Paid	(1,047.28)	(1,010.03)
<b>NET CASH GENERATED IN FINANCING ACTIVITIES (C)</b>	<u>2,436.98</u>	<u>115.33</u>
<b>NET INCREASE IN CASH AND EQUIVALENTS (A+B+C)</b>	<u>409.45</u>	<u>9.65</u>
<b>Cash and Cash Equivalents as at the Beginning of the year</b>	<u>172.38</u>	<u>162.73</u>
<b>Cash and Cash Equivalents as at Closing of the year</b>	<u>581.83</u>	<u>172.38</u>

As per our report of even date attached

For and on behalf of the Board of Directors

**For Parikh & Majmudar**

Chartered Accountants

**Hiten Parikh**

Partner

M. No. 40230

Place : Ahmedabad

Date : 30/06/2009

**Amol S. Sheth**

Managing Director

**Kamal R. Sheth**

Director

**Dipal Palkhiwala**Chief Executive Officer  
& Chief Financial Officer

**ANIL PRODUCTS LIMITED**
**Schedule '1' to '21' annexed to and forming part of Balance Sheet as at and Profit and Loss Account for the year ended 31st March 2009**

Particulars	(Rupees in Lacs)	
	31st Mar 09	31st Mar 08
<b>SCHEDULE '1': SHARE CAPITAL:</b>		
Authorised: 20000000 (P.Y. 20000000) Equity Shares of Rs.10/- each	<u>2,000.00</u>	<u>2,000.00</u>
Issued, Subscribed & Paid-up : 7400000 (P.Y. 7400000) Equity Shares of Rs.10/- each	<u>740.00</u>	<u>740.00</u>
<b>Total</b>	<u><u>740.00</u></u>	<u><u>740.00</u></u>
Note :		
Out of the above shares:- 700000 Equity shares were allotted as fully paid up to the shareholders of erstwhile The Anil Starch Products Ltd (ASPL) pursuant to a scheme of amalgamation without payment being received in cash.		
<b>SCHEDULE '2': RESERVES AND SURPLUS:</b>		
i) <b>Capital Reserve</b>	11.09	11.09
ii) <b>General Reserve</b>		
Op. Balance		
Add : Addition during the year	<u>20.00</u>	-
Closing Balance	<u>20.00</u>	-
iii) <b>Amalgamation Reserve</b>	<u>2,510.04</u>	<u>2,510.04</u>
(On Amalgamation of The Anil Starch Products Ltd. And Anil Consumer Products Ltd. with the company with effect from 1st April, 2001)		
iv) <b>Surplus as per the Profit &amp; Loss Account</b>	<u>2308.11</u>	<u>1,810.49</u>
<b>Total</b>	<u><u>4849.24</u></u>	<u><u>4,331.62</u></u>
<b>SCHEDULE '3': SECURED LOANS:</b>		
A) From Banks:		
i) Term Loans	1,945.80	2,236.45
ii) Working Capital Facilities		
Cash Credit Facilities	4,543.15	2,046.26
FCNR Working Capital Facilities	-	2,405.74
B) Others :		
iii) Vehicle Loans	45.08	45.51
(Secured by Vehicles Purchased there from)		
S.I.D.B.I.	6.04	15.22
(Secured by Guarantee given by companies bankers against hypothecation of machinery purchased therefrom)		
Interest accrued and due	7.44	17.10
(Refer Note No. 8 of Sch 21)		
<b>Total</b>	<u><u>6,547.51</u></u>	<u><u>6,766.28</u></u>
Note : Principal amount payable within 12 months Rs. 790.00 Lacs (P.Y. Rs. 810.00 Lacs)		

**ANIL PRODUCTS LIMITED**



Particulars	(Rupees in Lacs)	
	31st Mar 09	31st Mar 08
<b>SCHEDULE '4': UNSECURED LOANS :</b>		
<b>Fixed Deposits:</b>		
Members	2.53	2.81
Public	480.48	511.47
From Companies (*)	2502.25	605.75
From Banks	600.00	-
From Others	67.19	68.61
(*) Includes Rs. 1910.63 Lacs (P.Y. Rs. 1.25 Lacs) dues to companies in which directors of the company are interested		
Interest accrued and due	-	8.63
<b>Total</b>	<b>3,652.45</b>	<b>1,197.27</b>

Note :  
Payable within 12 months : Rs. 884.54 Lacs (P.Y. Rs. 932.32 Lacs)

**Schedule '5': Fixed Assets:**

Description	(Rupees in Lacs)									
	Gross Block (a)				Depreciation				Net Block	
	As on 1/4/08	Additions	Sale/Adjustment during the yr.	As on 31/3/09	Upto 1/4/08	Addition For the year	Adjustment for the year	Upto 31/3/09	As on 31/3/09	As on 31/3/08
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1. Freehold Land	2,799.45	86.13	-	2,885.58	-	-	-	-	2,885.58	2,799.45
2 Building	901.23	35.62	-	936.85	156.56	30.49	-	187.05	749.80	744.67
3 Plant and Machinery	6,290.03	1,335.40	0.79	7,624.64	1,248.97	360.45	0.30	1,609.12	6,015.52	5,041.06
4 Electric Installation	13.19	-	-	13.19	6.88	0.63	-	7.51	5.68	6.31
5 Dead Stock & Furniture	165.72	34.77	2.67	197.82	80.85	15.61	1.52	94.94	102.88	84.87
6 Vehicles	115.66	12.75	27.81	100.60	44.96	11.34	10.70	45.60	55.00	70.70
7 Business Solution software	78.61	-	-	78.61	53.23	4.13	-	57.36	21.25	25.38
<b>SUB-TOTAL :-</b>	<b>10,363.89</b>	<b>1,504.67</b>	<b>31.27</b>	<b>11,837.29</b>	<b>1,591.45</b>	<b>422.65</b>	<b>12.52</b>	<b>2,001.58</b>	<b>9,835.71</b>	<b>8,772.44</b>
<b>Previous Year :-</b>	<b>9,428.08</b>	<b>996.32</b>	<b>60.15</b>	<b>10,363.89</b>	<b>1,238.81</b>	<b>366.44</b>	<b>13.80</b>	<b>1,591.45</b>		
<b>Capital Work-in-progress</b>									<b>279.29</b>	<b>480.68</b>
<b>TOTAL</b>									<b>10,115.00</b>	<b>9,253.12</b>

Note

- (a) Include premises on ownership basis Rs.5.74 Lacs (Previous Year Rs.5.74 Lacs) and cost of shares in Owners Association Rs.0.01 Lac (Previous year Rs.0.01 Lac).
- (b) Vehicles includes Rs. 12.75 Lacs (Previous Year Rs.69.35 Lacs) being cost of assets purchased under hire purchase basis on which the vendors have a lien.
- (c) Capital work in progress includes Rs.NIL( Previous Year - 4.50 Lacs) on account of advance against Capital Expenditure.

Particulars	(Rupees in Lacs)	
	31st Mar 09	31st Mar 08
<b>SCHEDULE '6': INVESTMENTS (AT COST):</b>		
<b>In Government and Trust Securities:</b>		
<u>Quoted:</u>		
7924 US 64 Bonds of Rs.100 each (73832 Units of Rs.10/- each in Unit Trust of India converted into 7924 US 64 Bonds w.e.f.01/06/2003)	8.68	8.68
<u>Unquoted:</u>		
7 Years National Savings Certificates of the face value of Rs.11,000/- *	0.11	0.11
6 years National Savings Certificates of the face value of Rs.30,500/- *	0.30	0.30
* (Deposited with Government department as security Deposit)		
<b>In Shares, and Debentures, other than trade:</b>		
<u>Quoted:</u>		
2567 (P.Y. 2567) fully paid Equity Shares of Rs.10/- each in Gujarat State Fertilizer's Co. Ltd.	5.24	5.24
5425 fully (P.Y. 5425) paid Equity Shares of Rs.10/- each of The Arvind Mills Ltd.	12.63	12.63
200 (P.Y. 200) fully paid Equity Shares of Rs.10/- each in Corporation Bank.	0.16	0.16
28700 (P.Y. 28700) fully paid Equity Shares of Rs.10/- each in Bank of India.	12.92	12.92
<u>Unquoted :</u>		
5 fully paid share of Rs. 25/- each in The Ahmedabad Peoples' Co-operative Bank Ltd. (Rs.130/-)	-	-
2000 fully paid shares of Rs.10/- each in The Kapole Co-operative Bank Ltd.	0.20	0.20
20000 fully paid Equity Shares of Rs.10/- each in Anil Commodities Ltd.	2.00	2.00
20000 fully paid Equity Shares of Rs.10/- each in Anil Tradecom Ltd.	2.00	2.00
120000 fully Paid Equity Shares of Rs.10/- each in Anil Biochem Ltd.	12.00	12.00
	<u>56.24</u>	<u>56.24</u>
Less : Diminution in Value of Investment	<u>(7.56)</u>	<u>(7.56)</u>
	<u>48.68</u>	<u>48.68</u>
<b>Quoted Investments</b>		
Cost Price	39.63	39.63
Market Value	66.40	80.09
<b>Unquoted</b>		
Cost Price	16.61	16.61
<b>SCHEDULE '7': INVENTORIES</b>		
<b>Inventories:</b>		
Stores, Spares and Fuel	568.37	453.49
Raw Materials	843.59	1,387.43
Semi-finished Goods	190.07	152.50
Finished Products	935.66	1,645.08
	<u>2,537.69</u>	<u>3,638.50</u>
[Incl. Goods lying with Third Party Rs. 168.51 Lacs (P.Y. Rs. 766.04 Lacs)]		

**ANIL PRODUCTS LIMITED**


	(Rupees in Lacs)	
Particulars	31st Mar 09	31st Mar 08
<b>SCHEDULE '8': SUNDRY DEBTORS</b> (Unsecured Considered Good, except stated other wise stated)		
Debts considered Doubtful	436.31	728.21
Less : Provision for doubtful debts	(436.31)	(436.31)
Debts considered Good		
Debts due for a period exceeding six months	556.85	165.08
Others (Refer Note No. 9 of Sch. 21)	9,121.60	4,037.57
	<b>9,678.45</b>	<b>4,494.55</b>
<b>SCHEDULE '9': CASH AND BANK BALANCES:</b>		
A) Cash on hand	25.34	11.18
B) Balance With Schedule Bank:		
- In Current Account	369.09	50.53
- In Deposit Account	126.60	106.45
- In Dividend Account	6.14	4.22
Debit Balance in Cash Credit Account	54.66	-
	<b>581.83</b>	<b>172.38</b>
<b>SCHEDULE '10': OTHER CURRENT ASSETS</b> (Unsecured considered Good)		
Interest Accrued but not due on Deposits	2.75	30.92
<b>Total</b>	<b>2.75</b>	<b>30.92</b>
<b>SCHEDULE '11': LOANS AND ADVANCES</b> (Unsecured considered good except otherwise stated)		
Advances recoverable in cash or in kind or for value to be received		
Considered Good	89.23	185.43
Considered Doubtful	4.44	4.44
Provision for Doubtful debts	(4.44)	(4.44)
Inter Corporate Deposits (To the company under the same management)		
Deposits	42.48	42.48
Advances to Suppliers (Considered Good)	252.78	457.80
Advances to Suppliers (Considered Doubtful)	80.58	80.58
Balance with Govt. Authorities	56.71	48.07
Advance Tax and TDS (Net of Provisions) (Refer Note No. 9 of Schedule 21)	-	-
<b>Total</b>	<b>521.78</b>	<b>814.36</b>
<b>SCHEDULE '12': CURRENT LIABILITIES</b>		
Acceptance (Bills Payable)		
Sundry Creditors		
Micro Small and Medium Enterprises (Refer Note No. 13 of Schedule 21)	-	-
Others	3,436.37	2,842.70
Investor Education and Protection Fund		
Unclaimed Dividends	6.14	13.05
Unclaimed Matured Fixed Deposit	18.44	29.29
Unclaimed Matured Fixed Deposit Interest	-	1.66
(Does not include any amount due and outstanding, to be credited to "Investor Education and Protection Fund" except Rs. 0.97 lacs)		
Statutory Liabilities	49.05	93.50
Interest accrued but not due	18.71	24.91
Advance from Customers	844.74	950.92
	<b>4,373.45</b>	<b>3,956.03</b>
<b>SCHEDULE '13' : PROVISIONS</b>		
For Income Tax (Net of advance tax & TDS)	289.27	333.83
For Fringe Benefit Tax (Net of advance tax of Rs. )	2.09	0.75
For Wealth Tax	0.91	0.83
For Gratuity	-	14.52
For Leave Encashment	28.48	37.17
Proposed Dividend	74.00	55.50
Tax on Proposed dividend	12.58	9.43
<b>Total</b>	<b>407.33</b>	<b>452.03</b>

**ANIL PRODUCTS LIMITED**


	(Rupees in Lacs)	
Particulars	31st Mar 09	31st Mar 08
<b>SCHEDULE '14' MISCELLANEOUS EXPENDITURE</b>		
(To the extent not written off or adjusted)		
Preliminary Expenses (Incl. Debenture Issue Expenses)		0.59
Opening Balance		(0.59)
Less: Written off during the year		
<b>Total</b>	<u>-</u>	<u>-</u>
<b>SCHEDULE :- 15 GROSS INCOME FROM OPERATIONS</b>		
a) Manufacturing Sales		
- Domestic	24,850.90	20,832.05
- Export	1,686.84	498.99
b) Trading Goods	2,194.54	2,593.72
<b>TOTAL</b>	<u><b>28,732.28</b></u>	<u><b>23,924.76</b></u>
<b>SCHEDULE :- 16 INCREASE/ ( DECREASE ) IN STOCKS</b>		
A) Closing Stocks		
- Finished Goods	935.66	1,645.08
- Semi-Finished Goods	190.07	152.50
<b>Sub-Total (A) :-</b>	<u><b>1,125.73</b></u>	<u><b>1,797.58</b></u>
B) Less : Opening Stocks		
- Finished Goods	1,645.08	142.40
- Semi-Finished Goods	152.50	1,232.14
<b>Sub-Total (B) :-</b>	<u><b>1,797.58</b></u>	<u><b>1,374.54</b></u>
<b>TOTAL (A-B) :-</b>	<u><b>(671.85)</b></u>	<u><b>423.04</b></u>
<b>SCHEDULE '17': OTHER INCOME:</b>		
Profit on Sale of Fixed Assets ( Net )	33.12	14.11
Dividend Income	0.45	0.57
Income from Units of Unit Trust of India	0.16	0.38
Sundry balance written off	0.74	394.12
Provisions no longer required written back	42.24	6.48
Foreign Exchange Fluctuation Gain (Net)	50.83	-
Miscellaneous Income	129.42	82.55
DEPB Income	5.18	-
Rent Income	1.63	1.20
Interest Income [TDS Rs 1.31 Lacs (P.Y Rs 9.05 Lacs )]	6.88	46.05
<b>TOTAL :-</b>	<u><b>270.65</b></u>	<u><b>545.46</b></u>
<b>SCHEDULE '18': MATERIALS CONSUMED</b>		
(a) <b>Raw Material :</b>		
Opening Stock	1,387.43	629.63
Purchases	14,717.81	13,283.21
	16,105.24	13,912.84
Less: Captive consumption for Fixed Assets	-	19.61
	16,105.24	13,893.23
Less :Closing Stock	843.59	1,387.43
<b>Sub Total (A)</b>	<u><b>15,261.65</b></u>	<u><b>12,505.80</b></u>
B) <b>Trading Goods</b>		
Opening Stock	-	-
Purchases	2,178.23	2,580.52
	2,178.23	2,580.52
Less: Closing Stock	-	-
<b>Sub Total (B)</b>	<u><b>2,178.23</b></u>	<u><b>2,580.52</b></u>
<b>TOTAL ( A+B)</b>	<u><b>17,439.88</b></u>	<u><b>15,086.32</b></u>

**ANIL PRODUCTS LIMITED**

**(Rupees in Lacs)**

Particulars	31st Mar 09	31st Mar 08
<b>SCHEDULE '19': MANUFACTURING AND OTHER EXPENSES:</b>		
<b>A) Stores &amp; Spares Consumed</b>		
Opening Stocks	410.39	595.04
Add:- Purchases	1,501.09	1,201.26
	<u>1,911.48</u>	<u>1,796.30</u>
Less:- Closing Stock -	558.92	410.39
<b>Sub-Total (A) :-</b>	<b>1,352.56</b>	<b>1,385.91</b>
<b>B) Power &amp; Fuel</b>	<b>2,955.82</b>	<b>2,071.93</b>
<b>C) Employee's Emoluments</b>		
Salaries & Wages	920.67	838.22
Staff Emoluments	72.54	64.45
Provident Fund	83.71	74.73
Bonus	26.10	32.03
Gratuity	1.50	8.20
<b>Sub-Total (C) :-</b>	<b>1,104.52</b>	<b>1,017.63</b>
<b>D) Repairs &amp; Maintenance</b>		
(1) Factory Building	13.16	23.41
(2) Plant & Machinery	362.41	334.80
(3) Others	33.02	34.16
<b>Sub-Total (D):-</b>	<b>408.59</b>	<b>392.37</b>
<b>E) Other Manufacturing Expenses</b>		
Loading and Unloading Expenses	46.56	16.77
Excise Duty Provision on Closing Stock of Finished Goods (net)	(12.29)	(36.18)
<b>Sub-Total (E):-</b>	<b>34.27</b>	<b>(19.41)</b>
<b>F) Other Expenses</b>		
Selling & Distribution exps.	2.68	1.67
Commission	98.67	98.72
Brokerage & Discount	145.40	109.34
Freight Outward	275.96	248.79
Travelling conveyance & vehicle exps.	42.83	58.93
Legal & Professional Charges.	78.89	80.68
General Expenses	179.17	173.16
Processing charges	23.01	26.78
Auditors' Remuneration	2.03	4.42
Postage & Telephone Exps.	24.20	22.87
Sales Tax Expenses	4.72	15.96
Misc. Expenses Written off	-	0.59
Loss on Sale / Discard of Assets	4.82	6.37
Rent, Rates & Taxes	31.90	32.46
Insurance Premium Charges	14.36	33.86
Diminution in Value of Investments	-	7.56
Provision for Doubtful Debts	-	18.31
<b>Sub-Total (F):-</b>	<b>928.64</b>	<b>940.47</b>
<b>TOTAL :- (A+B+C+D+E+F)</b>	<b>6,784.40</b>	<b>5,788.90</b>
<b>SCHEDULE '20': INTEREST &amp; FINANCE CHARGES:</b>		
(Net of Amount transferred to Capital Expenses )		
Interest on Term Loans	238.17	225.62
Interest on Working Capital	535.35	448.29
Sub Total	773.52	673.91
Total Interest on Term Loan & Working Capital	773.52	673.91
Foreign Exchange Fluctuation Loss (Net)	-	2.86
Other Interest & Finance Charges	267.56	276.67
Loss on Derivatives	-	45.38
<b>TOTAL</b>	<b>1,041.08</b>	<b>998.82</b>



**SCHEDULE "21"****(A) Significant Accounting Policies :****a. Method of Accounting**

The Financial Statements are prepared as per historical cost convention and in accordance with the Generally Accepted Accounting Principles in India, the provisions of the Companies Act 1956 , and the applicable Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006. All Income and Expenditures having material bearing on the Financial Statements are recognized on accrual basis.

**b. Use of Estimates**

The presentation of the Financial Statements in conformity with the Generally Accepted Accounting policies requires, the management to make estimates and assumptions that affect the reported amount of Assets and Liabilities, Revenues and Expenses and disclosure of contingent liabilities. Such estimation and assumptions are based on management's evaluation of relevant facts and circumstances as on date of Financial Statements. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

**c. Revenue Recognition**

Sales are stated inclusive of rebate and trade discount and excluding Central Sales Tax, State Value Added Tax. With regard to sale of products, income is reported when practically all risks and rights connected with the ownership have been transferred to the buyers. This usually occurs upon dispatch, after the price has been determined.

Export Benefits (Pass Book Credit) are accounted / recognized on accrual basis.

Interest income is recognized on accrual basis.

**d. Fixed Assets**

Tangible Fixed Assets acquired by the Company are reported at acquisition value, with deductions for accumulated depreciation [other than "freehold land" where no depreciation is charged] and impairment losses, if any. The acquisition value includes the purchase price (excluding refundable taxes), and expenses directly attributable to assets to bring it to the factory and in the working condition for its intended use. Where the construction or development of any such asset requiring a substantial period of time to set up for its intended use, is funded by borrowings if any, the corresponding borrowing cost are capitalized up to the date when the asset is ready for its intended use.

Capital work in progress includes cost of assets at sites, construction expenditure, for acquisition of capital assets.

Pre-operative expenditure & trial run expenditure on the Project is capitalized amongst the various heads of fixed assets on the commencement of commercial production of respective project.

**e. Depreciation**

i) Depreciation on Fixed Assets is provided on Straight Line Basis in accordance with the provisions of Section 205(2)(b) of the Companies Act, 1956 in the manner and at the rates specified in Schedule XIV to the said Act.

ii) Depreciation on additions to Assets during the year is being provided on pro-rata basis with reference to month of acquisition/installation as required by Schedule XIV to the Companies Act,1956 .

iii) Depreciation on assets sold, scrapped or demolished during the year is provided at their respective rates up to the date on which such assets are sold, scrapped or demolished, as required by Schedule XIV of the Companies Act,1956

**f. Excise Duty**

Excise Duties recovered are included in the sale of products. Excise duties in respect of Finished Goods lying in stock are shown separately as an item of Other Manufacturing Expenses and included in the valuation of finished goods.

**g. Cash Flow Statement**

The Cash Flow Statement is prepared by the "indirect method" set out in Accounting Standard 3 on "Cash Flow Statements" and presents the cash flows by operating, investing and financing activities of the Company.

Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks

**h. Foreign Currency Transactions**

Transactions in the foreign currency which are covered by forward contracts are accounted for at the contracted rate; the difference between the forward rate and the exchange rate at the date of transaction is recognized in the profit & loss account over the life of the contract. Transactions in the foreign currency other than those covered by forward contract rates are translated to the reporting currency based on the exchange rate on the date of the transaction. Exchange differences arising on settlement thereof during the year are recognized as income or expenses in the Profit and Loss Account.

Cash and bank balances, receivables and liabilities (monetary items) in foreign currencies as at the year end are translated at closing-date rates, and unrealized translation differences are included in the Profit and Loss Account

**i. Investments**

Investments are classified as Long Term & Current Investments. Long Term Investments are valued at cost less provision for diminution other than temporary, in value, if any. Current Investments are valued at cost or fair value whichever is lower.

**j. Valuation Of Inventories**

- i) Raw materials are valued at cost or net realizable value whichever is lower.
- ii) Work in progress has been valued at cost of materials and labour charges together with relevant factory overheads.
- iii) Finished Goods are valued at cost or net realizable value which ever is lower. (inclusive Excise Duty).
- iv) Stores & Fuel are valued at cost or net realizable value whichever is lower.

**k. Employee Benefit :****(i) Short Term**

Short Term employee benefits are recognized as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the company.

**(ii) Long Term**

The Company has both defined contribution and defined benefit plans. These plans are financed by the Company in the case of defined contribution plans.

**(iii) Defined Contribution Plans**

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to Employees Provident Fund. The Company's payments to the defined contribution plans are reported as expenses during the period in which the employees perform the services that the payment covers.

**(iv) Defined Benefit Plans**

Expenses for defined benefit gratuity payment plans are calculated as at the balance sheet date by independent actuaries in the manner that distributes expenses over the employees working life. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discounted rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on Government Bonds with a remaining term i.e. almost equivalent to the average balance working period of employees.

**(v) Other Employee Benefit**

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid.

**l. Earning per Share :**

Basic earning per share is calculated by dividing the net profit after tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares in issue during the year. Diluted earning per Share is calculated by dividing net profit attributable to equity Shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

**m. Taxation**

Income –tax expense comprises of current tax, fringe benefit tax (FBT) and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. Provision for FBT is made on the basis of fringe benefit provided / deemed to have been provided during the year at the rates and values applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets arising mainly on account of brought forward business losses, capital losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account

of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each balance sheet date, the carrying amount of deferred tax assets is reviewed to reassure realization.

**n. Impairment**

The carrying value of assets of the Company's cash generating units are reviewed for impairment annually or more often if there is an indication of decline in value based on internal/external factors. If any indication of such impairment exists, the recoverable amounts of those assets are estimated and impairment loss is recognized, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on appropriate discount factor.

**o. Provisions & Contingencies**

A provision is recognized when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding long term benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized but are disclosed in the notes to the Financial Statements. A contingent asset is neither recognized nor disclosed.

**p. Borrowing Cost**

Borrowing costs are recognized in the period to which they relate, regardless of how the funds have been utilized, except where it relates to the financing of construction or development of assets requiring a substantial period of time to prepare for their intended future use. Interest on borrowings if any is capitalized up to the date when the asset is ready for its intended use. The amount of interest capitalized for the period is determined by applying the interest rate applicable to appropriate borrowings

**q. Research & Development Expenditure**

Research & Development Expenditure is charged to revenue. Capital expenditure on research and development is reported as fixed assets under the relevant head. Depreciation on research and development fixed assets are not classified as research and development expenses and instead included under depreciation expenses.

**r. Leases**

Lease Transactions entered into on or after April 1, 2001.

- (1) Assets acquired under lease where the Company has substantially all the risks and rewards incidental to ownership are classified as finance leases. Such assets are capitalized at the inception of the Lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.
- (2) Assets acquired on lease where a significant portion of risk and rewards incidental to ownership is retained by the lessor are classified as operating lease. Lease rental are charged to the profit and loss account on accrual basis.

**s. Proposed Dividend & Corporate Dividend Tax**

Dividend proposed by the Board of Directors along with corporate dividend tax is provided in the books of accounts. Approval in the General Meeting is pending for the same.

Particulars	31st Mar 09	31st Mar 08
<b>(B) NOTES FORMING PART OF THE ACCOUNTS:</b>		
<b>1. Contingent Liability / Capital Commitments not provided for in respect of:</b>		
(a) Claims against the Company not acknowledged as Debts	23.58	23.71
(b) Disputed Sales Tax Demands – matter under appeal	65.16	622.49
(c) Disputed Excise Demand – matter under appeal	273.89	394.76
(d) Disputed Income Tax Liability – matter under appeal	3.73	22.12
(e) Guarantees of s. 1,500 Lacs (P.Y. Rs. 2,970 Lacs) given by the Company for loan taken by others from banks. The balance outstanding is	1460.00	1475.01
(f) Guarantee limits of Rs.75.00 lacs (Previous year Rs. 75.00 lacs)	75.00	75.00
<b>Capital Commitments</b>		
Estimated amount of contracts remaining to be executed on Capital Account and not provided for	NIL	6.19

**2. Financial and derivative instruments**

Derivative Contract enter into by the company and outstanding as at March 31, 2009

(a) For hedging currency

Particular	(Rs. In Lacs)	
	As at March 31, 2009	As at March 31, 2008
Out Standing Forward Contract	124.735	2405.74

(b) The Company uses forward contracts to hedge its risk associated with foreign currency fluctuation. The Company does not use forward contracts for speculative purposes.

(c) The year end foreign currency exposure that have not been hedged by any derivative instruments or otherwise are as under

Particular	Amount receivable in Foreign Currency	Amount Payable in Foreign Currency
<b>Foreign Currency in lacs</b>		
31-03-2009	US \$ 3.00	—
31-03-2008	US \$ 1.05	US \$ 0.31
<b>Indian Currency in lacs</b>		
31-03-2009	151.33	—
31-03-2008	42.18	12.54

3. Inventories are as taken ,valued and certified by a Director.

4. Finished goods amounting to Rs 168.51 lacs (P.Y Rs. 766.04 lacs) with the consignment agent at close of the year are subject of confirmations.

5. No provision is made for book debts of Rs. 291.10 Lacs and loans and advances of Rs. 80.50 Lacs considered doubtful of recovery.

6. In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business and the provisions for depreciation and all known and ascertained liabilities are adequate and not in excess of the amounts reasonably necessary.

7. Certain balance of Debtors, Loans and Advances, Creditors and Certain Bank balances are being carried forward since long. However in view of the management same is recoverable/payable and hence no provision for the same is made in the books of accounts.

**8. Secured Loans**

	(Rupees in Lacs)	
	As at 31-03-2009	As at 31-03-2008
<b>I. Term Loan From Bank</b>	1945.80	2236.45
(a) Secured by first charge on Pari Passu basis on fixed assets of the Company.		
(b) Secured by first charge by way of Hypothecation on specific plant and Machinery of the company.		
(c) Secured by way of equitable mortgage of fixed assets of the company comprising of Land, Building and Fixed Machinery situated at Anil Road and Land, Building and Fixed Machinery situated at Village Palanpur, Taluka Kadi ranking Pari Passu in favour of all banks.		
<b>II. Working Capital Facility from Banks</b>	4543.15	4452.00
Secured by first charge on Pari Passu basis on Raw Material, stock in process, Finished goods Stores and spares, Packing Material and book debts and also secured by way equitable mortgage of fixed assets of the company comprising of Land, Building and Fixed Machinery situated at Anil Road and Land, Building and Fixed Machinery situated at Village Palanpur Taluka Kadi ranking Pari Passu in favour of all banks.		
9. a) Sundry Debtors Includes dues from Companies in which Directors of the company are interested Rs 652.15 lacs (P.Y Rs 202.68 lacs )		

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- b) Advance recoverable in cash or in kind includes following advances given to parties with in the same management as defined under section 370 (1B) of the Companies Act, 1956 :

		(Rs. In Lacs)	
		As at 31-03-09	As at 31-03-08
	ANIL COMMODITIES LTD (Maximum balance during the year Rs 341.57 lacs (P.Y Rs 1398.22 Lacs )	-	341.57
	RAHIL TRADING PVT LTD (Maximum balance during the year Rs 3.81 lacs (P.Y Rs 3.81 Lacs )	3.81	3.81
<b>10. Prior Period Adjustments represents:</b>			
	Stores Expenses	1.01	0.02
	Professional Charges	0.14	0.00
		<b>For the Year ended on 31st Mar 2009</b>	<b>For the Year ended on 31st Mar 2008</b>
<b>11. Payment to Auditors:</b>			
a) Statutory Auditors:			
i) As Auditors (including service tax)	1.96		1.96
ii) In other capacity: For Tax Audit	-		0.84
For Certification & other matters(*)	1.01		1.53
	<b>2.97</b>		<b>4.33</b>
b) Cost Auditors:			
i) As Auditors	0.10		0.10
	(*) paid to proprietary concern of Partner of the Firm		
<b>12. Managerial Remuneration:</b>			
Profit and loss account includes payments and provisions on account of remuneration to managing directors as under:			
<b>Chairman and Managing Director</b>			
	15.00		15.00
Salary	1.80		1.80
Contribution to Provident & other funds	8.59		8.06
Perquisites	9.00		9.00
Commission	<b>34.39</b>		<b>33.86</b>
<b>Managing Director</b>			
	15.00		15.00
Salary	1.80		1.80
Contribution to Provident & other funds	8.53		8.01
Perquisites	9.00		9.00
Commission	<b>34.33</b>		<b>33.81</b>
Computation of Net Profit as per Section 349 read with Section 309(5) and Section 198 of the Companies Act, 1956.			
	1544.29		1225.09
Profit before tax as per P & L a/c			
Add:			
Managerial Remuneration	68.72		67.67
Directors Sitting Fees	0.27		0.36
Loss on sale of Fixed Assets	4.82		6.36
Depreciation as per accounts	422.66		366.44
Provision for Doubtful Debts and Advances	-		18.31
Diminution in Value of Investment	-		7.56
	<b>496.47</b>		<b>466.70</b>
<b>Less:</b>			
Depreciation as per Sec 350	422.66		366.44
Profit on sale of Fixed Assets	33.12		14.96
	<b>1584.98</b>		<b>1310.39</b>
<b>Net Profit available for Managerial Remuneration</b>			
10% of the eligible amount of Commission :(subject to the Overall ceiling laid down in Section 198 and Section 309 Of the Companies Act, 1956	<b>158.50</b>		<b>131.04</b>
(i) 2.5% of Net Profit to Chairman and Manager Director	39.62		<b>32.76</b>
However Restricted to	9.00		<b>9.00</b>
(ii) 2.5% of Net Profit to Chairman and Jt. Manager Director	39.62		<b>32.76</b>
However And Restricted to	9.00		<b>9.00</b>

13. In absence of the complete information regarding the status of the suppliers as micro small or medium enterprise as per the micro small and medium enterprise development act 2006, the information regarding the amount due to such parties as on the balance sheet date and provision for interest if any required by the said act is not been made.
14. The Company is engaged in manufacturing of starches and its derivatives and hence management is of the opinion that it does not have a reportable primary segment identifiable in accordance with the Accounting Standard 17 issued by the Institute of Chartered Accountants of India.
15. Employee Benefits

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below :

**a) Defined Benefit Plans**

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

	<u>2008-09</u>	<u>2007-08</u>
Employer's Contribution to Provident Fund	30.92	26.58
<b>i) Gratuity</b>		
	<b>Gratuity ( Funded )</b>	
	<u>2008-09</u>	<u>2007-08</u>
<b>I. Reconciliation of opening and closing balance of Defined Benefit obligation</b>		
Defined Benefit obligation at beginning of the year	293.13	277.52
On amalgamation	-	-
Current Service Cost	15.91	14.96
Interest Cost	23.45	22.20
Actuarial (gain) / loss	(13.77)	0.04
Benefits paid	(42.71)	(21.59)
Settlement cost	-	-
Defined Benefit obligation at the year end	<b>276.01</b>	<b>293.13</b>
<b>II. Reconciliation of opening and closing balance of fair value of plan assets</b>		
Fair value of plan assets at beginning of the year	261.51	215.20
On amalgamation	-	-
Expected return on plan assets	20.92	17.22
Actuarial (gain) / loss	49.05	11.78
Benefits paid	42.71	(21.59)
Contribution by employer	14.52	56.00
Fair value of plan assets at the year end	205.19	278.60
Actual return on plan assets	28.13	29.00
<b>III. Reconciliation of fair value of assets and obligations</b>		
Fair value of plan assets	205.19	278.60
Presented value obligation	276.01	293.13
Amount recognized in Balance Sheet	70.82	14.52
<b>IV. Expense recognized during the year</b> (Under the head "Payment to and Provisions for Employees"-Refer Schedule 'L')		
Current Service Cost	15.91	14.96
Interest Cost	23.45	22.20
Expected return on plan assets.	(20.92)	(17.22)
Actuarial (gain) / loss	35.28	(11.75)
<b>Net Cost</b>	<b>53.73</b>	<b>8.19</b>
<b>V. Investment Details :</b>		
Public Securities	-	-
Special Deposit Schemes	-	-
State Govt. Securities	-	-
Private Sector Securities	-	-
Insurance Policies	-	-
Others (including bank balances)	-	-
<b>VI. Actuarial assumptions</b>		
Discount rate (per annum)	7.75%	8.00%
Expected rate of return on plan assets (per annum)	7.75%	8.00%
Rate of escalation in salary (per annum)	5.00%	5.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factor including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets the Company's policy for the plan assets management.

ii) **Leave Encashment**

	(Rs. In Lacs)	
	2008-09	2007-08
<b>Leave Encashment</b>		
<b>I. Reconciliation of opening and closing balance of Defined Benefit obligation</b>		
Defined Benefit obligation at beginning of the year	37.17	29.37
On amalgamation	-	-
Current Service Cost	6.34	5.65
Interest Cost	2.97	2.35
Actuarial (gain) / loss	(13.49)	10.30
Benefits paid	(4.51)	10.50
Settlement cost	-	-
Defined Benefit obligation at the year end	<b>28.48</b>	<b>37.17</b>
<b>II. Reconciliation of opening and closing balance of fair value of plan assets</b>		
Fair value of plan assets at beginning of the year	-	-
On amalgamation	-	-
Expected return on plan assets	-	-
Actuarial (gain) / loss	(13.49)	(10.30)
Benefits paid	(4.51)	(10.50)
Contribution by employer	4.51	10.50
Fair value of plan assets at the year end	-	-
Actual return on plan assets	-	-
<b>III. Reconciliation of fair value of assets and obligations</b>		
Fair value of plan assets	-	-
Presented value obligation	28.48	37.17
Amount recognised in Balance Sheet	28.48	37.17
<b>IV. Expense recognized during the year</b> (Under the head "Payment to and Provisions for Employees"-Refer Schedule 'L')		
Current Service Cost	6.34	5.65
Interest Cost	2.97	2.35
Expected return on plan assets.	-	-
Actuarial (gain) / loss	(13.49)	10.30
<b>Net Cost</b>	<b>(4.18)</b>	<b>18.30</b>
<b>V. Investment Details :</b>		
Public Securities	-	-
Special Deposit Schemes	-	-
State Govt. Securities	-	-
Private Sector Securities	-	-
Insurance Policies	-	-
Others (including bank balances)	-	-



**ANIL PRODUCTS LIMITED**



**16. Related Party disclosure as required by AS-18:**

NAME OF THE RELATED PARTIES AND NATURE OF RELATIONSHIP WHERE CONTROL EXISTS

**SR NO. NAME OF RELATED PARTY**

**( I ) ASSOCIATE COMPANY/ENTERPRISES**

- |                                                                               |                                                                              |
|-------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| 1 ANIL BIOCHEM LTD                                                            | 2 ANIL TRADECOM LTD                                                          |
| 3 ANIL COMMODITIES LTD                                                        | 4 AGRANIL MARKETING LTD                                                      |
| 5 AUGHT INVESTMENTS PVT LTD                                                   | 6 Rahil Marketing Pvt. Ltd. (Previously called as ABLOOM INVESTMENTS PVT LTD |
| 7 AGALLOCHUN INVESTMENTS PVT LTD                                              | 8 NAIMESH TRADING PVT LTD                                                    |
| 9 ANIL HOSPITALITY VENTURES LTD.<br>(Previous called as ASEEM REALTY PVT LTD) | 10 ASCENT LEARNING PVT LTD                                                   |
| 11 BHARTI CONSUMER MARKETING PVT LTD                                          | 12 RAHIL TRADING PVT. LTD.                                                   |

**( II ) KEY MANAGEMENT PERSONNEL**

- |                         |                              |
|-------------------------|------------------------------|
| 1 SHRI SHRIPAL C. SHETH | CHAIRMAN & MANAGING DIRECTOR |
| 2 SHRI AMOL S. SHETH    | MANAGING DIRECTOR            |

**( III ) RELATIVES OF KEY MANAGEMENT PERSONNEL**

- |                           |                                  |
|---------------------------|----------------------------------|
| 1 SHRI SHREYAS C. SHETH : | BROTHER OF SHRI SHRIPAL C. SHETH |
|---------------------------|----------------------------------|

**( IV ) ENTERPRISE IN WHICH RELATIVE OF KEY MANAGEMENT PERSONNEL ARE INTERESTED**

- 1 AMOL DICALITE LTD

THE FOLLOWING TRANSACTIONS WERE CARRIED WITH THE RELATED PARTIES IN THE ORDINARY COURSE OF BUSINESS

PARTICULARS	(Rs. In Lacs)							
	ASSOCIATES		KEY MANAGEMENT PERSONNEL		RELATIVES OF KEY MANAGEMENT PERSONNEL		TOTAL	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
(I) VOLUME OF TRANSACTIONS								
1 PURCHASE OF GOODS								
AMOL DICALITE LTD	-	-	-	-	55.05	51.84	-	51.84
ANIL COMMODITIES LTD	14742.33	8222.37	-	-	-	-	14742.33	8222.37
ANIL TRADECOM LTD	99.87	99.85	-	-	-	-	99.87	99.85
ANIL BIOCHEM LTD	22.62	-	-	-	-	-	22.62	-
AGRANIL MARKETING LTD	-	52.12	-	-	-	-	-	52.12
RAHIL MARKETING PVT. LTD	8.10	-	-	-	-	-	8.10	-
ASCENT LEARNING PVT. LTD	31.23	-	-	-	-	-	31.23	-
2 SALE OF GOODS								
ANIL TRADECOM LTD	134.53	1446.71	-	-	-	-	134.53	1446.71
ANIL BIOCHEM LTD	211.06	169.61	-	-	-	-	211.06	169.61
AGRANIL MARKETING LTD	2009.71	159.15	-	-	-	-	2009.71	159.15
3 SALE OF UTILITY								
ANIL BIOCHEM LTD	130.62	98.63	-	-	-	-	130.62	98.63
4 REIMBURSEMENT OF EXPENSES								
ANIL TRADECOM LTD	-	2.02	-	-	-	-	-	2.02
ANIL COMMODITIES LTD	31.49	137.45	-	-	-	-	31.49	137.45
5 INTERCORPORATE DEPOSITS								
ANIL BIOCHEM LTD	-	60.00	-	-	-	-	-	60.00
ABLOOM INVESTMENTS PVT LTD	-	-	-	-	-	-	-	-
ANIL TRADECOM LTD	280.00	706.36	-	-	-	-	280.00	706.36
AUGHT INVESTMENTS PVT LTD	-	-	-	-	-	-	-	-
ANIL COMMODITIES LTD	1625.00	-	-	-	-	-	1625.00	-
6 MONEY RECEIVED AGAINST WARRANTS								
AGRANIL MARKETING LTD	195.49	21.72	-	-	-	-	195.49	21.72
ASCENT LEARNING PVT LTD	48.55	5.39	-	-	-	-	48.55	5.39
AGALLOCHUN INVST.PVT LTD	206.99	22.99	-	-	-	-	206.99	22.99
BHARTI CONSUMER MKT P.LTD	182.71	20.30	-	-	-	-	182.71	20.30
ASEEM REALTY PVT LTD	194.22	21.58	-	-	-	-	194.22	21.58
ABLOOM INVESTMENTS PVT LTD	249.15	27.68	-	-	-	-	249.15	27.68
AUGHT INVESTMENTS PVT LTD	200.60	22.29	-	-	-	-	200.60	22.29
7 PAYMENT OF INTEREST								
NAIMESH TRADING PVT LTD	0.00	0.15	-	-	-	-	0.00	0.15
ASEEM REALTY PVT LTD	-	0.23	-	-	-	-	-	0.23
AGRANIL MARKETING LTD	-	0.45	-	-	-	-	-	0.45

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	ANIL BIOCHEM LTD	-	10.70	-	-	-	-	-	10.70
	ABLOOM INVESTMENTS PVT LTD	-	2.37	-	-	-	-	-	2.37
	AUGHT INVESTMENTS PVT LTD	-	3.40	-	-	-	-	-	3.40
	ANIL TRADECOM LTD	0.18	4.73	-	-	-	-	0.18	4.73
	ANIL COMMODITIES LTD	1.07	-	-	-	-	-	1.07	-
	AMOL SHETH	-	-	-	-	-	-	-	-
	SHRIPAL C SHETH	-	-	-	-	-	-	-	-
8	<u>LOAN TO COMPANIES</u>								
	ANIL COMMODITIES LTD	-	1627.00	-	-	-	-	-	1627.00
9	<u>RECEIPT OF INTEREST</u>								
	ANIL COMMODITIES LTD	-	36.69	-	-	-	-	-	36.69
	RAHIL TRADING PVT LTD	0.45	-	-	-	-	-	-	-
10	<u>RENTAL INCOME</u>								
	ANIL BIOCHEM LTD	1.20	1.20	-	-	-	-	1.20	1.20
11	<u>RENT PAID</u>								
	ANIL BIOCHEM LTD	0.24	0.24	-	-	-	-	0.24	0.24
12	<u>REMUNERATION TO DIRECTORS</u>								
	SHRIPAL C SHETH	-	-	34.39	34.05	-	-	34.39	34.05
	AMOL S SHETH	-	-	34.33	33.92	-	-	34.33	33.92
	KAMAL SHETH	-	-	0.12	0.18	-	-	0.12	0.18
	ANISH SHAH	-	-	0.12	0.18	-	-	0.12	0.18
	INDIRABEN J PARIKH	-	-	0.03	-	-	-	0.03	-
13	<u>CORPORATE GUARANTEE</u>								
	ANIL COMMODITIES LTD	1500.00	2970	-	-	-	-	1500	2970
(II)	<b><u>BALANCE AT THE END OF THE PERIOD</u></b>								
(A)	<u>UNSECURED LOANS</u>								
	ANIL BIOCHEM LTD	-	-	-	-	-	-	-	-
	NAIMESH TRADING PVT LTD	1.25	1.25	-	-	-	-	1.25	1.25
	ASEEM REALTY PVT LTD	-	-	-	-	-	-	-	-
	AGRANIL MARKETING LTD	-	-	-	-	-	-	-	-
	ABLOOM INVESTMENTS P. LTD	4.38	-	-	-	-	-	4.38	-
	AUGHT INVESTMENTS PVT LTD	-	-	-	-	-	-	-	-
	ANIL TRADECOM LTD	280.00	-	-	-	-	-	280.00	-
	ANIL COMMODITIES LTD	1625.00	-	-	-	-	-	1625.00	-
(B)	<u>CURRENT LIABILITIES</u>								
	ANIL BIOCHEM LTD	-	4.27	-	-	-	-	-	4.27
	AGRANIL MARKETING LTD	56.91	53.78	-	-	-	-	56.91	53.78
	AUGHT INVESTMENTS PVT LTD	0.12	0.12	-	-	-	-	0.12	0.12
	ABLOOM INVESTMENTS P. LTD	-	0.13	-	-	-	-	-	0.13
	NAIMESH TRADING PVT LTD	0.42	0.42	-	-	-	-	0.42	0.42
	ASEEM REALTY PVT LTD	12.99	-	-	-	-	-	12.99	-
	AMOL DICALITE LTD	14.11	-	-	-	12.35	-	14.11	12.35
	ANIL COMMODITIES LTD	96.58	-	-	-	-	-	96.58	-
	RAHIL MARKETING PVT. LTD	6.26	-	-	-	-	-	6.26	-
	ASCENT LERNING PVT. LTD.	17.94	-	-	-	-	-	17.94	-
	AMOL S SHETH	-	-	9.00	9.00	-	-	9.00	9.00
	SHRIPAL C SHETH	-	-	9.00	9.00	-	-	9.00	9.00
(C)	<u>INVESTMENTS</u>								
	ANIL BIOCHEM LTD	12.00	12.00	-	-	-	-	12.00	12.00
	ANIL TRADECOMM LTD	2.00	2.00	-	-	-	-	2.00	2.00
	ANIL COMMODITIES LTD	2.00	2.00	-	-	-	-	2.00	2.00
(D)	<u>LOANS AND ADVANCES</u>								
	ANIL COMMODITIES LTD	-	341.57	-	-	-	-	-	341.57
	RAHIL TRADING PVT LTD	3.81	3.81	-	-	-	-	3.81	3.81
(E)	<u>DEBTORS</u>								
	AGRANIL MARKETING LTD	310.69	4.92	-	-	-	-	310.69	4.92
	ANIL TRADECOMM LTD	235.71	197.76	-	-	-	-	235.71	197.76
	ANIL BIOCHEM LTD	56.59	-	-	-	-	-	56.59	-
	AUGHT INVESTMENTS PVT. LTD	24.16	-	-	-	-	-	24.16	-
	BHARTI CONSUMER MKT. PVT. LTD	25.00	-	-	-	-	-	25.00	-

**17. Leases:**

- (I) In accordance with accounting standard 19 ' Leases ' issued by the Institute of Chartered Accountants of India, the assets acquired on finance lease on or after April 1st, 2001 are capitalized and a loan liability recognized. Consequently, depreciation is provided on such assets. Installments paid are allocated to the liability and the interest is charged to the Profit & Loss Account.
- (II) Assets acquired on Lease agreements mainly comprise of Computers and Sap Software. The agreements provide for reimbursement of taxes, levy, etc. imposed by any authorities in future. There are no exceptional/ restrictive covenants in the Lease Agreements.

The minimum installments as at 31st March, 2009 and the present value as at 31st March 2009 of minimum installments in respect of assets acquired under the Lease Agreements are as follows:

<b>Minimum Installments</b>	<b>(Amount in Lacs)</b>
	<u>31st March, 2009</u>
i) Payable not later than 1 year	8.71
ii) Payable later than 1 year and not later than 5 years	17.42
iii) Payable later than 5 years	-
Total minimum installments	26.13
Less: Future finance charges	-
Present value of minimum installments	-
<b>Present Value of Minimum Installments</b>	
i) Payable not later than 1 year	-
ii) Payable later than 1 year and not later than 5 years.	-
iii) Payable later than 5 years	-
<b>Present value of minimum installments</b>	<b>-</b>

18. In terms of the approval of the Shareholders of the Company and as per the applicable statutory provisions including Securities and Exchange Board of India ( Disclosure and Investor Protection ) Guidelines 2000, the Company, on October 12, 2007 has issued and allotted 23,66,166 warrants convertible in to the equal number of equity shares at a price of Rs 60/- having face value of Rs 10/- each and a premium of Rs 50/- per warrant on preferential basis to Promoter Companies. The warrant holders have a right to offer for conversion of warrants into equity shares at any time within a period of 18 months from the date of allotment of the warrants. The warrant holders have paid 10% of the conversion price per warrant aggregating to Rs 141.97 Lacs, at the time of the subscription of the aforesaid Warrants in the previous Financial year 2007-08. The Warrant holders have exercised their option of conversion of the said warrants in to Equity Shares during the year, and accordingly have paid the balance 90% of the conversion price to the company during the year. As per the terms of the issue of the aforesaid warrants, the corresponding 23,66,166 Equity Shares have been allotted to the subscribers upon conversion, in the Financial year 2009-10 on 11-04-2009. Hence, as of 31-03-2009, the total subscription amount of Rs 1419.70 lacs relating to the aforesaid Equity Warrants has been disclosed as Equity Share warrants in the Balance Sheet.

**19. Calculations of Earnings Per Share (EPS)**

	<b>31/03/09</b>	<b>31/03/08</b>
	<b>Amt. in Rs.</b>	<b>Amt. in Rs.</b>
A. Profit after tax attributable to shareholders	1051.18	723.99
B. Basic and weighted average number of equity shares outstanding during the year.	7,400,000	7,400,000
C. Nominal value of equity share	10	10
D. Basic earning per share	14.21	9.78
Diluted Earning per share	1051.48	723.99
Basic and Weighted Average No. of Equity Shares outstanding during the year	74,00,000	74,00,000
E. Add: Dilutive Potential equity share – No. of Equity Shares Issued	633291	1685534
F. Basic and weighted average number of equity shares outstanding during the year for diluted earning per share	8033291	9085534
G. Nominal Value of Equity Shares	10	10
H. Diluted Earning per Share	13.08	7.97

**20. Deferred Tax Assets/(Liability).**

**The breakup of Deferred Tax as at 31.03.2009 is as under.**

	<b>31-03-2009</b>	<b>(Rs. In Lacs)</b>
	<u>31-03-2009</u>	<u>31-03-2008</u>
Deferred tax assets		
- Others	30.10	41.08
[A]	30.10	41.08
Deferred tax liabilities		
- Depreciation Difference	1526.60	908.39
[B]	<b>1526.60</b>	<b>908.39</b>
<b>NET DEFERRED TAX LIABILITY [A-B]</b>	<b>(1496.50)</b>	<b>(867.31)</b>

**ANIL PRODUCTS LIMITED**


During the year under review, the company has reviewed its deferred tax liability of earlier years on the basis of actual position of the company and accordingly a sum of Rs 446.97 lacs has been found as short provision of the earlier years. The said amount has been debited to Reserves and Surplus account and Credited to Deferred Tax Liability account.

21. Additional information pursuant to the provisions of paragraphs 3 and 4 of Part II of Schedule VI to the Companies Act, 1956:

(Amt in Lacs)

**I. Capacity (As certified by Management)**

Class of Products	Annual Licensed capacity [MT]		Annual Installed Capacity [MT]	
	2008-09	2007-08	2008-09	2007-08
Chemicals	93440	93440	93440	93440
Processed Foods	40515	40515	40515	40515
Feed Supplements and Ingredients	35000	NIL	35000	NIL

Note : a) The Company's products are not required to have licensing as per prevailing Industrial Policy.  
b) As certified by Management and accepted by Auditors, being a technical matter.

(Amt in Lacs)

**II. PRODUCTION**

Class of Product	2008-09 Qty. (MT)	2007-08 Qty. (MT)
<b>FINISHED GOODS</b>		
Chemicals	59321	54187
Processed Feeds	22782	26290
Feed Supplements and Ingredients	30852	0
<b>TOTAL</b>	<b>112955</b>	<b>80477</b>
<b>PREVIOUS YEAR FIGURES</b>	<b>80477</b>	<b>72050</b>

Note : Production includes Net Saleable Quantity

**III. TURNOVER (Excluding trading turnover)**

(Amt in Lacs)

Class of Goods	2008-09		2007-08	
	QTY [MT]	Value (Net of Excise duty)	QTY [MT]	Value (Net of Excise duty)
<b>1. Finished Goods</b>				
(a) Chemicals	62860	10264.62	52837	8570.29
(b) Processed Feeds	24588	4624.15	25621	4617.35
(c) Feed Supplements and Ingredients	30852	6642.58	-	-
(d) Others	—	3907.60	—	6715.73
<b>TOTAL :-</b>		<b>25438.95</b>		<b>19903.37</b>
<b>PREVIOUS YEAR FIGURES</b>		<b>19903.37</b>		<b>17021.64</b>

**IV. OPENING AND CLOSING STOCKS**

(Amt in Lacs)

Class of Goods	Opening Stocks				Closing Stocks			
	As at 01-04-2008		As at 01-04-2007		As at 31-03-2009		As at 31-03-2008	
	QTY [MT]	Value (Rupees)	QTY [MT]	Value (Rupees)	QTY [MT]	Value (Rupees)	QTY [MT]	Value (Rupees)
<b>1) Finished Goods</b>								
Chemicals	7489	894.28	6139	656.47	3950	548.01	7489	894.28
Processed Feeds	3240	596.23	2571	498.62	1434	290.41	3240	596.23
Others	—	154.57	—	77.05	—	97.24	—	154.57
<b>TOTAL:</b>		<b>1645.08</b>		<b>1232.14</b>		<b>935.66</b>		<b>1645.08</b>
<b>PREVIOUS YEAR</b>		<b>1232.14</b>		<b>1000.36</b>		<b>1645.08</b>		<b>1232.14</b>

## V. MATERIAL CONSUMED (Excluding trading goods &amp; Captive use)

Class of Goods	(Amt in Lacs)			
	QTY [MT]	2008-09 Value (Rupees)	QTY [MT]	2007-08 Value (Rupees)
RAW MATERIAL				
Maize	142947.11	12962.46	128032.16	10459.12
Feed	9303.65	2080.03	11640.28	1690.24
Others	—	219.17	—	356.44
<b>TOTAL :-</b>		<b>15261.66</b>		<b>12505.80</b>
<b>PREVIOUS YEAR :-</b>		<b>12505.80</b>		<b>10384.17</b>

## VI. PARTICULARS OF TRADING GOODS

Particulars	Opening Stock		Purchase		Turn Over		Closing Stock	
	QTY [MT]	Value (Rupees)	QTY [MT]	Value (Rupees)	QTY [MT]	Value (Rupees)	QTY [MT]	Value (Rupees)
<b>TOTAL:-</b>	0	0.00	24403.13	2178.23	24403.13	2194.54	0	0.00
<b>PREVIOUS YEAR :-</b>	0	0.00	31262.61	2580.52	31262.61	2593.71	0	0.00

## VII. Value of Imported And Indigenous - Materials, Stores And Spare Parts Consumed And Percentage Thereof.

## [1] MANUFACTURING ACTIVITY

Raw Materials	2008-09		2007-08	
	Value (Rupees)	(%)	Value (Rupees)	(%)
a) Imported	—	—	—	—
b) Indigenous	15261.66	100%	12505.80	100%
<b>TOTAL:-</b>	<b>15261.66</b>	<b>100%</b>	<b>12505.80</b>	<b>100%</b>
<b>P.Y</b>	<b>12505.80</b>	<b>100%</b>	<b>10384.17</b>	<b>100%</b>

## [2] TRADING ACTIVITY

Value of Imported &amp; Indigenous Trading goods Purchased &amp; their Percentage of total Consumption.

Particulars	2008-09		2007-08	
	Value (Rupees)	(%)	Value (Rupees)	(%)
a) Imported	0.00	0%	0.00	0%
b) Indigenous	2178.23	100%	2580.52	100%
<b>TOTAL :-</b>	<b>2178.23</b>	<b>100%</b>	<b>2580.52</b>	<b>100%</b>
<b>P.Y</b>	<b>2580.52</b>	<b>100%</b>	<b>2867.62</b>	<b>100%</b>

## [3] STORES CONSUMED

a) Imported	57.41	4.25%	59.59	4.29%
b) Indigenous	1295.15	95.75%	1326.32	95.71%
<b>TOTAL :-</b>	<b>1352.56</b>	<b>100%</b>	<b>1385.91</b>	<b>100%</b>
<b>P.Y</b>	<b>1385.91</b>	<b>100%</b>	<b>1021.41</b>	<b>100%</b>

**ANIL PRODUCTS LIMITED**

	(Rs. in Lacs)	
	<u>2008-2009</u>	<u>2007-2008</u>
<b>22. CIF Value of Imports</b>		
(i) Capital Goods	0.00	27.95
ii) Stores & Spares	57.41	59.59
<b>23. Expenditure in Foreign Currency</b>		
- Travelling Expenses	11.24	12.02
- Commission on Export Sales.	17.25	1.10
<b>24. Earning in Foreign Exchange</b>		
- FOB Value of exports	1686.83	498.99

25. Amounts less than Rs.500/- which are required to be shown separately have been shown at actual in brackets.

26. Previous year's figures have been regrouped and rearranged wherever necessary.

27. Information required in terms of Part IV of Schedule VI to the Companies Act 1956 as compiled by the Company is attached.

As per our report of even date attached

**For Parikh & Majmudar**

Chartered Accountants

**Hiten Parikh**

Partner

M. No. 40230

Place : Ahmedabad

Date : 30/06/2009

For and on behalf of the Board of Directors

**Amol S. Sheth**

Managing Director

**Kamal R. Sheth**

Director

**Dipal Palkhiwala**

Chief Executive Officer

& Chief Financial Officer

**Statement pursuant to part IV of Schedule VI of the Companies Act, 1956.  
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE  
NAME OF THE COMPANY : ANIL PRODUCTS LTD.**

**I. REGISTRATION DETAILS**

Registration No.	State Code
1 9 8 9 5	0 4
Balance Sheet Date	
3 1 0 3 2 0 0 9	

**II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)**

Public Issue	Rights Issue
N I L	N I L
Bonus Issue	Private Placement
N I L	N I L

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousands)**

Total Liabilities	Total Assets
1 8 7 0 5 4 0	1 8 7 0 5 4 0
<b>Sources of Funds</b>	
Paid up Capital	Reserves and Surplus
7 4 0 0 0	4 8 4 9 2 4
Secured Loans	Unsecured Loans
6 5 4 7 5 1	3 6 5 2 4 5
Deffered Tax Liability (Net)	
1 4 9 6 5 0	
<b>Application of Funds</b>	
Net Fixed Assets	Investments
1 0 1 1 5 0 0	4 8 6 8
Net Current Assets	Misc. Expenditure
8 5 4 1 7 2	N I L
Accumulatated Losses	
N I L	

**IV. PERFORMANCE OF COMPANY (Amounts in Rs. Thousands)**

Turnover*	Total Expenditure
2 7 2 3 2 2 9	2 5 6 8 8 0 1
Profit/Loss Before Tax	Profit/Loss After Tax
+ 1 5 4 4 2 8	+ 1 0 5 2 3 2
Earning Per Share in Rs.	Dividend Rate %
1 4 . 2 1	1 0 %

**V. Generic Names of Three Principal Products / Services of the Company (as per monetary terms)**

<b>Item Code No. (ITC Code)</b>	<b>Product Description</b>
1 1 0 8 1 2	S T A R C H
<b>Item Code No. (ITC Code)</b>	<b>Product Description</b>
1 7 0 2 4 0	L I Q U I D G L U C O S E

As per our report of even date attached  
**For Parikh & Majmudar**  
 Chartered Accountants  
**Hiten Parikh**  
 Partner  
 M. No. 40230  
 Place : Ahmedabad  
 Date : 30/06/2009

For and on behalf of the Board of Directors  
**Amol S. Sheth**  
 Managing Director  
**Kamal R. Sheth**  
 Director  
**Dipal Palkhiwala**  
 Chief Executive Officer  
 & Chief Financial Officer

**ATTENDANCE SLIP**

**ANIL PRODUCTS LIMITED**

Registered Office : Anil Road, Ahmedabad-380 025.



Folio No. \_\_\_\_\_ DPID No. \_\_\_\_\_ Client I.D. No. \_\_\_\_\_

Name and address of Shareholder : \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

No. of Share(s) held : \_\_\_\_\_

I hereby record my presence at the ANNUAL GENERAL MEETING of the Company held at Ahmedabad Textile Mills Association (ATMA) Hall, Ashram Road, Ahmedabad at 9.45 a.m. on Friday, the 25th September, 2009.

Signature of the member/proxy/  
Representative attending the meeting \_\_\_\_\_

**Notes :** Please fill in the Attendance Slip and hand it over at the entrance of the meeting venue.

**FORM OF PROXY**

**ANIL PRODUCTS LIMITED**

Registered Office : Anil Road, Ahmedabad-380 025.



I/We \_\_\_\_\_  
\_\_\_\_\_

of \_\_\_\_\_ being a Member(s) of the Anil Products Ltd. hereby  
appoint \_\_\_\_\_ of \_\_\_\_\_ or  
failing him \_\_\_\_\_ of \_\_\_\_\_ as  
my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of Anil Products Ltd. to be held at 9.45  
a.m. on Friday, the 25th September, 2009 and at any adjournment thereof.

Folio No. \_\_\_\_\_ DPID No. \_\_\_\_\_ Client I.D. No. \_\_\_\_\_

No. of Share(s) held : \_\_\_\_\_

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2009

Signature \_\_\_\_\_

Affix  
Re. 1/-  
REVENUE  
STAMP

**Notes :**

- 1) A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself.
- 2) A proxy need not to be a Member.
- 3) The completed form should be deposited at the Registered Office of the Company at Anil Road, Ahmedabad - 380 025, atleast 48 hours before the time of the meeting.