Tirupati Starch & Chemicals Ltd.

INDORE

Twenty Sixth Annual Report & Accounts 2011-2012

TIRUPATI STARCH & CHEMICALS LIMITED

Regd. Office : 'Shreeram Chambers', First Floor 12, Agrawal Nagar, Main Road, INDORE - 452 001

BOARD OF DIRECTORS

Dr. Damodar Modi	Chairman & Managing Director
Shri Ramdas Goyal	Executive Director
Shri Yogesh Agrawal	Whole-time Director
Shri Prakash Bafna	Whole-time Director
Shri Ramesh Chandra Goyal	Whole-time Director
Smt. Pramila Jajodia	Independent Director
Smt. Shashikala Mangal	Independent Director
Shri Ashish Agrawal	Independent Director
Shri Satish Chandra Mangal	Independent Director
Shri Vinod Kumar Garg	Independent Director

COMPANY SECRETARY & FINANCE MANAGER

Shri Bal Krishna Jain,
M.Com., LL.B., F.C.S.

AUDITORS

M/s. Sunil Chandra Goyal & Company,
Chartered Accountants,
103, Kanchan Bagh,
Indore (M.P.)

BANKERS

State Bank of India,
Commercial Branch, Indore

REGISTERED OFFICE

Shreeram Chambers, First Floor, 12, Agrawal Nagar, Main Road Indore - 452 001

WORKS

Village Sejwaya, (Ghatabillod) Distt. Dhar (M.P.)

NOTICE :

Notice is hereby given that the 26th Annual General meeting of the Members of Tirupati Starch & Chemicals Ltd., will be held at the Registered Office of the Company, on Saturday, the 29th September' 2012 at 1.00 p.m. to transact the following business:

1. To consider and adopt the Directors and Auditors' Report, Audited Profit and Loss Account for the year ended on 31st March'2012 and Balance Sheet as at that date along with Cash Flow statement of the year ended on 31st March' 2012.

2. To appoint a Director in place of Shri Prakash Bafna, Whole-time Director, who retires by rotation and being eligible offers himself for reappointment and that he shall continue to hold his office as Director and his reappointment as such shall not be deemed to constitute a break in his appointment as a Director.

3. To appoint a Director in place of Shri Vinod Garg, Director, who retires by rotation and being eligible offers himself for reappointment and that he shall continue to hold his office as Director and his reappointment as such shall not be deemed to constitute a break in his appointment as a Director.

4. To appoint a Director in place of Shri Ashish Agrawal, Director, who retires by rotation and being eligible offers himself for reappointment and that he shall continue to hold his office as Director and his reappointment as such shall not be deemed to constitute a break in his appointment as a Director.

5. To appoint auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

2. The register of members of the company will remain closed from Saturday the 22nd Sept. 2012 to Saturday the 29th Sept. 2012, (Both days inclusive).

3. The members should intimate change in their registered address, if any.

DIRECTOR'S REPORT TO THE MEMBERS

Ladies & Gentlemen,

Your Directors have pleasure in presenting their 26th Annual Report together with Audited Statement of Accounts for the year ended 31.3.2012.

		2011-2012 (Rs.)	2010-2011 (Rs.)
Profit/(loss) for the year		14059511	53453906
Less : Depreciation		8955007	8610810
Profit/loss after Depreciation		5104504	44843096
Income Tax		2504936	16258247
(Net of MAT Credit)			
(Less)/ Add: Provision for Deferred Tax		1181168	1370335
Profit/Loss after Tax		3780736	29955184
Add/(Less):	Debit relating to		
	Previous years	32871	(186545)
	Sundry balances written off	1063043	601
	Bonus written back	119376	112723
	Credit relating to previous years	972997	26227
Excess provision for Income Tax written back		–	13974
Excess provision for fringe Benefit Tax			–
Less - Income Tax for earlier Year 95-96		--	(153649)
	Carried to Balance Sheet	**2671861**	**29768488**

PERFORMANCE :

Both the plants (Starch & Dextrose) are running smoothly and satisfactorily at 100% capacity.

Efforts are being made to reduce power consumption by making necessary changes. The D.G. Set is used to produce electricity whenever there is power cut from MPEB.

FINANCE :

The Company is availing a C.C. loan (hypothecation) limit of Rs. 5.5 crores and Term Loan upto 18 Crores from State Bank of India, Commercial Branch, Indore.

ACCOUNTING STANDARD:

The Institute of Chartered Accountants of India has introduced various Accounting Standards in the year under review to make the financial statements and disclosure in line with the International accounting practices and disclosures. Most of these Accounting standards are of mandatory in nature and the company has incorporated them in the accounts accordingly.

Of the various Accounting standards, the main Accounting standards implemented during the year by the company are: Accounting standards 17 - Segment Reporting, Accounting Standard 18, related party disclosure and Accounting standard 22- Accounting for Taxes on income. Accounting standard-28, Impairment of assets. Accounting standard-29, Provisions, Contingent liabilities & Contingent assets.

MANAGEMENT :

Three of your Directors' Shri Prakash Bafna, Shri Vinod Garg and Shri Ashish Agrawal retire by rotation. They are eligible and offer themselves for re-appointment and that their re-appointment as such shall not be deemed to constitute a break in their appointment as Director of the Company.

LISTING AGREEMENT WITH STOCK EXCHANGE:

Pursuant to requirements of the listing Agreement, the Company declares that it's Equity Shares are listed on the Stock Exchange Ltd., Mumbai. The Company confirms that

it has paid listing fee due to the above Stock Exchange for the year 2012-13.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors confirm that:

I. In preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any.

II. They have selected the 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 under review and for the Profit of the Company for the period;

III. They 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;

IV. They have prepared Annual Accounts on a going concern basis;

CORPORATE GOVERNANCE :

The Company has complied with all mandatory provisions of Corporate Governance as prescribed under the Listing Agreements of the Stock Exchange with which the Company is listed. Pursuant to Clause 49 of Listing Agreement with the Stock Exchange, a separate report on Corporate Governance is given as a part of the Annual Report along with the Auditors' statement on its compliance.

AUDIT COMMITTEE

The company has formed an Audit committee as required U/S. 292A of the Co's Act 1956, as amended by Co's (amendment) Act-2000. The committee has been reconstituted on 27.05.2011, where in Shri Sulabh Goyal has resigned & Shri Ashish Agrawal appointed as Chairman in his place.

Now Committee consists of following Directors:

1. Shri Ashish Agrawal - Chairman, Independent Director
2. Shri Vinod Kumar Garg - Member. Independent Director
3. Shri Yogesh Kuma Agrawal - Member. Wholetime Director

4 Meetings of the committee were held during the year.

AUDITORS :

You have to appoint Auditors for the current financial year and to fix their remuneration. M/s. Sunil Chandra Goyal & Co., Chartered Accountants, Indore the Retiring Auditors are eligible for re-appointment. There appointment if made, will be within the prescribed limit specified u/s. 224 (1B) of the Companies Act-1956.

COMMENTS ON AUDITORS REPORT :

The remarks in Auditors' Report are self explanatory.

PARTICULARS OF EMPLOYEES :

There was no employee during the year drawing remuneration in excess of the ceilings prescribed u/s. 217 (2A) of the Companies Act-1956.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS :

A statement giving information as required u/s. 217 (1E) of the Companies Act-1956 is annexed and form part of this report (Annexure "A").

ACKNOWLEDGEMENT :

Your Directors wish to express their sincere appreciation for the co-operation and support received from State Bank of India. Your Directors also record their appreciation for the services rendered by the employees at all levels and the Shareholders, Customers & Dealers for their continued co-operation throughout the year.

For and on Behalf of the Board

Place : Indore
Date : 5th September 2012

Dr. Damodar Modi
Chairman

ANNEXURE 'A' :

Information pursuant to sec. 217 (1) (a) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of the Directors) Rule 1988 forming part of Directors Report.

A. CONSERVATION OF ENERGY.

a) Energy Conservation measures taken :
   i) Correcting the alignment of Main drive.
   ii) Construction of Sundrying Plateform for predrying of Gluten and Grit. Thus saving in G.C. Oil consumption.

b) Additional investment for reduction of Consumption of energy.
   i) Installation of Diesel Generator set for own generation of power.
   ii) Installation of best designed power capacitors for achieving and maintaining Power factor.

FORM A :

A. POWER & FUEL CONSUMPTION :

		Current year	Previous year
1.	Electricity		
a.	Purchased Units	6604535	6170132
	Total Amount (Rs.)	3444272	28895923
	Rate/Unit (Rs.)	5.21	4.68
b.	Own Generation		
	i. Through Diesel Generator	34660	14460
	Unit		
	Unit per liter of Diesel Oil	3.53	3.37
2.	Coal (Specify quality and where used)		
	Quantity (Tones)	11090.075	10369.980
	Total Amount (Rs.)	62536035	45309898
	Average Rate (P MT)	5638.92	4369.33
3.	G.C. Oil		
	Quantity (K.Lit) M.T.	–	4.930
	Total Amount	–	152073
	Average Rate	–	30.85

FORM B

B. CONSUMPTION PER UNIT OF PRODUCTION

	Standard of any	Current Yr.	Previous Yr.
		Maize Starch Powder Dextrose Monohydrate Dextrose Anhydrous Liquid Dextrose	
Electricity	Unit	225.71	209.40
G.C. Oil	K. Lit.	–	0.18
Coal(Special Quality)	Kg.	379.00	385.55

For and on Behalf of the Board
For Tirupati Starch & Chemicals Ltd.,
Dr. Damodar Modi
Chairman

Place : Indore
Date : 5th September 2012

CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your Company's philosophy on Corporate Governance is to carry out its activities and operations in a true and fair manner to achieve transparency, accountability and business prosperity. The Board of Directors of the Company are committed towards discharging their fiduciary responsibility towards enhancing shareholders' value and interest of all other stock-holders.

2. BOARD OF DIRECTORS.

a. Composition of Board of Directors and category of Individual Directors

Name of the Director	Category
Dr. Damodar Modi	Chairman & Managing Director
Shri Ramdas Goyal	Executive Director
Shri Rameshchandra Goyal	Wholetime Director
Shri Yogesh Kumar Agrawal	Wholetime Director
Shri Prakash Bafna	Wholetime Director
Smt. Pramila Jajodia	Independent Director
Smt. Shashikala Mangal	Independent Director
Shri Ashish Agrawal	Independent Director
Shri Satishchandra Mangal	Independent Director
Shri Vinod Kumar Garg	Independent Director

During the year under review, 5 Board Meetings were held on 30th April' 2011, 31st July' 2011, 3rd Sept.' 2011, 29th October' 2011, and 31st January' 2012. The last Annual General Meeting of the Company was held on 30th Sept.' 2011.

b. Attendance of each Director at Board Meeting and last Annual General Meeting:

Name of the Director	No. of Board Meetings attended	Attendance at the last AGM
Dr. Damodar Modi	5	Present
Shri Ramdas Goyal	5	Present
Shri Yogesh Kumar Agrawal	5	Present
Shri Rameshchandra Goyal	5	Present
Smt. Shashikala Mangal	4	Present
Shri Satishchandra Mangal	3	Present
Shri Prakash Bafna	3	Present
Smt. Pramila Jajodia	1	Absent
Shri Ashish Agrawal	2	Present
Shri Vinod Kumar Garg	2	Absent

c. REMUNERATION OF DIRECTORS : Details of remuneration paid to Directors for the year ended 31.03.2012.

Sr. No.	Name of Director	Salary Per Month
1.	Dr. Damodar Modi Managing Director	Rs. 1,65,000 plus HRA. as per agreement
2.	Shri Ramdas Goyal Executive Director	Rs. 1,38,000
3.	Shri Rameshchandra Goyal Wholetime Director	Rs. 1,35,000
4.	Shri Prakash Bafna Wholetime Director	Rs. 1,35,000
5.	Shri Yogesh Kumar Agrawal Wholetime Director	Rs. 1,35,000

PERQUISITES :

In addition to the salary they will be entitled to perquisites like Provident Fund, Gratuity, Leave Encashment etc. which are exempted perquisites.

The above remuneration shall also be paid as minimum remuneration in case of no profits or inadequate profits.

d. Notes on Directors seeking appointment / re-appointment

1. Shri Prakash Bafna is a Wholetime Director, he is a graduate. He is from Business Community having vast experience in food grains, which will be of immense benefit to the company.

2. Shri Vinod Kumar Garg is a Director, he is a DCE. He is from Business Community having vast experience which will be of immense benefit to the company.

3. Shri Ashish Agrawal is a Director of the company since he is a qualified Chartered Accountant in practice for the last 7 years. His experience will benefit to the Company.

3. AUDIT COMMITTEE

a. Brief description of terms of reference:

The terms of reference of this Committee covers the matters specified under Section 292A of the Companies Act, 1956 and also the matters listed under the Listing Agreement with the Stock Exchanges. The Committee is responsible for effective supervision of the financial operations and ensuring that financial, accounting activities and operating controls are exercised as per the laid down policies and procedures. The Financial Results of every quarter are reviewed by the Committee before being placed to the Board of Directors for its approval. The Company has set up its own in house Internal Audit Team consisting of :
Shri B.K. Jain, Chairman,
Shri Pundlik Darwade , Member
Shri S.P. Verma, Member.
which reviews the functions and operations of the Company and submits its report to the Board of Directors of the Company.

b. Constitution of the Committee:

The Audit Committee of the Company was constituted in the Board of Directors meeting held on 05.09.2001. After appointment of independent Directors, the Audit Committee was re-constituted vide Board Resolution dtd. 27.05.2010 & 25.02.2011 to comply with the amended clause-49 of the listing agreement as under:

i. Shri Ashish Agrawal, C.A. - Chairman
ii. Shri Vinod Kumar Garg, D.C.E - Member
iii. Shri Yogesh Agrawal, B.Sc.. - Member

During the year under review, Four Audit Committee meetings were held on 28th April' 2011, 28th July' 2011, 25th Oct.'2011 & 28th January'2012. The attendance of members at the meetings was as follows:

Name of the Member	Status	No. of Meetings attended
Shri Ashish Agrawal	Chairman	4
Shri Yogesh Kumar Agrawal	Member	4
Shri Vinod Kumar Garg	Member	4
Secretary of the Committee :	Shri B.K. Jain Company Secretary.	4

4. REMUNERATION COMMITTEE

a) Composition :

The Remuneration Committee of the company comprises of Dr. Damodar Modi, Chairman of the committee and Shri Ramdas Goyal & Shri Yogesh Agrawal are members of the said committee.

b) Meetings :

During the year the committee met one time on 30th July 2011. All the members of the committee attended the meeting.

c) Remuneration Policy:

The non-executive Directors are not paid any sitting fee for meeting of the Board or any Committee thereof attended by them.

d) Details of Remuneration paid to the Directors for the year ended 31st March'2012:

Sr. No.	Name of Director	Salary Per Month
1.	Dr. Damodar Modi Managing Director	Rs. 1,65,000 plus HRA. as per agreement
2.	Shri Ramdas Goyal Executive Director	Rs. 1,38,000
3.	Shri Rameshchandra Goyal Wholetime Director	Rs. 1,35,000
4.	Shri Prakash Bafna Wholetime Director	Rs. 1,35,000
5.	Shri Yogesh Kumar Agrawal Wholetime Director	Rs. 1,35,000

5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

a. Composition of the Committee:

The committee was constituted in order to comply with clause 49 of the listing agreement and following composition of the committee was approved by the Board of Directors on 29.07.2006 as under :

1. Shri Vinod Garg, Independent Director - Chairman

2. Shri Ashish Agrawal, Independent Director - Member
3. Shri Yogesh Kumar Agrawal Wholetime Director - Member

b. Functions :
To review the status of shareholders/investors grievances, redress mechanism and recommend measures to improve the level of investor's services.

c. Meetings and attendance:
During the financial year ended on 31st March' 2012, Four (4) meetings were held on : 28th April' 2011, 28th July' 2011 25th October' 2011 & 28th Jan.'2012. All the members of the committee attended the above meetings.

d. Name and Designation of the Compliance Officer:
Shri B.K. Jain, Company Secretary of the company is Compliance Officer of the Company as required under Clause 47 of the Listing Agreement.

e. Number of complaints received and resolved :
During the year under review, the Company received 12 complaints from Shareholders / Investors'. All the complaints have been resolved to the satisfaction of the shareholders. No complaint was pending as on March 31, 2012. In order to expedite the process of transfers of shares the Board has delegated the powers to approve share transfers to the Share Transfer Committee set up by the Board of Directors.

7. GENERAL BODY MEETINGS

a. Location and time of the last three Annual General Meetings

Financial Year	Location	Date	Time
2008-2009	Registered office of the Company	29.9.2009	4.00 p.m.
2009-2010	Registered office of the Company	30.09.2010	1.00 p.m.
2010-2011	Registered office of the Company	30.09.2011	1.00 p.m.

The Chairman of the Audit Committee Shri Ashish Agrawal was present at the Annual General Meeting to answer the queries of the share holders.

b. There were no Special Resolutions required to be passed through Postal Ballot at any of the above Annual General Meetings. None of the Resolutions proposed for the ensuing Annual General Meeting needs to be passed by Postal Ballot.

8. DISCLOSURES

a. The Company has not entered into any transaction of material nature with any related party as described under the Listing Agreement entered into with the Stock Exchanges that may have potential conflict with the interests of the Company at large.

b. During the past four years there has been no instance of non compliance by the Company with the requirements of the Stock Exchanges, SEBI or any other statutory authority on any matter related to capital markets.

c. The company has complied with the mandatory and non mandatory requirements of clause-49 of the listing agreement as far as possible.

9. MEANS OF COMMUNICATION

a. The Company publishes its annual, half yearly and quarterly financial results in the following newspapers
   1. Free Press (English)
   2. Choutha Sansar (Hindi)

b. The information required under the Management Discussion and Analysis Report has been covered by the Directors' Report.

10. GENERAL SHAREHOLDER INFORMATION.

a. Annual General Meeting
Date : 29.09.2012
Time : 1.00 P.M.
Venue: At Shreeram Chambers, 12, Agrawal Nagar Main Road, Indore.

b. Financial Calendar (tentative)

Particulars	Date
Unaudited Results of the first quarter ending June 30,2011	Last week of July' 2011
Unaudited Results of the second quarter & half year ending September 30, 2011	Last week of October' 2011
Unaudited Results of the third quarter & nine months ending December 31, 2011	Last week of January' 2012
Unaudited Results for the ending March 31, 2012	Last week of April' 2012

c. Dates of book closure
Saturday, 22nd September' 2012 to Saturday, 29th September'2012 (both days inclusive)

d. Dividend payment date
Not declared

e. Stock Exchange where listed
Bombay Stock Exchange Ltd., Mumbai
The listing fee has been paid to Bombay Stock Exchange for the year 2012-2013.

f. Stock Code : B.S.E. - 524582.

g. Share Transfer System
The Company has set up a Committee of Board of Directors known as the Share Transfer Committee, which meets generally once in a month inter alia for approving the transfer of shares. The formalities for transfer of shares in the physical form are completed and the share certificates are dispatched to the transferee within thirty days of receipt of transfer documents, provided the documents are complete and the shares under transfer are not under dispute. If however, the transfer documents are not in order, objections are communicated to the transferee within thirty days from the date of receipt of the transfer documents.

h Dematerialization of Shares
Now the equity Shares of the company can be traded in de-materialized form. The company has signed the agreement with both the depositaries i.e. Central Depositary Services (I) Ltd., & National Security Depositary Ltd., Mumbai for providing demate facility to the share holders. The Company's ISIN No. is INE314D01011.

The Company has also appointed M/s. Ankit Consultancy Pvt. Ltd., Indore as Registrar and Transfer agent for the above purpose.

i. Share holding Pattern as on March 31, 2012.
Share holding Pattern as on March 31, 2012 (in accordance with Clause 35 of the Listing Agreement)

Category	No. of shares held	Percentage of shareholding
A. Promoter's holding		
1. Promoters *		
- Indian Promoters	3480076	57.11
- Foreign Promoters	Nil	Nil
2. Person acting in concert #		
Sub - Total	**3480076**	**57.11**
B Non - Promoters Holding		
3. Institutional Investors		
a. Mutual Funds and UTI	32100	0.53
b. Bank, Financial Institutions, Insurance		
Companies (Central/State Govt. Institution/		
Non- Government institutions)	12500	0.21
c. Fils		
Sub - Total	**44600**	**0.73**
4. Others		
a. Private Corporate Bodies	47101	0.77
b. Indian Public	2411399	39.58
c. NRIs/ OCBs		
d. Any others (please specify)	110000	1.81
Sub- total	**2568500**	**42.15**
GRAND TOTAL	**6093176**	**100**

j. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity
The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

k. Plant locations
Vill. Sejwaya, Ghatabillod, Dist. Dhar.

l. Address for correspondence
All Shareholders should address their correspondence to the Company at its Regd. Office at Shreeram Chambers, 1st Floor, 12, Agrawal Nagar, Main Road, Indore.

Details of the Directors seeking reappointment at the forthcoming Annual General Meeting

(In pursuance of Clause (49 VI (A) of the Listing Agreements)

Name Of Director	Shri Prakash Bafna	Shri Ashish Agrawal	Shri Vinod Garg
Date of Birth	07.05.1948	08.02.1976	19.01.1964
Date of Appointment	03.06.1987	30.12.2005	30.12.2005
Expertise in specific Functional areas	hails from a business family	hails from a business family	hails from a business family
Qualifications	B.Sc.	Chartered Accountant	DCE
List of other public limited Companies in which Directorship Held as on 31st March 2012	Nil	Nil	Nil
Chairman/Members of the Committees of the Board across all public companies of which he is a Director	Nil	Nil	Nil

CODE OF CONDUCT

The Board of Directors has already adopted the Code of Ethics & Business conduct for the Directors and Senior Management Personnel. This Code is Comprehensive code applicable to all Directors, Executives as well as Non-executives and members of the Senior Management.

The Code has been circulated to all the members of the Board and Senior Management Personnel and compliance of the same has been affirmed by them. A declaration signed by the Managing Director & CEO in this regard is given below :

DECLARATION

"I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management personnel of the Company, affirmation that they have complied with the code of Ethics and Business Conduct framed for Directors and Senior Management Personnel in respect of the financial year 2008-09.

For Tirupati Starch & Chemicals Ltd.,
Dr. Damodar Modi
Chairman

Auditors' Report

To,
The Members of
M/s. Tirupati Starch & Chemicals Ltd., Indore

1. We have audited the attached Balance Sheet of M/s. Tirupati Starch & Chemicals Ltd., as at 31st March 2012 and also the Profit and Loss Account and 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 and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, as amended by the Companies (Auditors Report) (Amendement) Order 2004 (together the order) and on the basis of such checks of the books and records of the company as we considered appropriate and according to the informations & explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable to the Company.

4. Further to our comments in the Annexure referred to above, we report that :

(a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of these books;

(c) The Balance Sheet, Profit and Loss Account and 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 and Cash Flow Statement dealt with by this **report subject to comments given below** comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ;

(e) On the basis of the written representations received from the directors, as on March 31, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

(f) We have relied upon the representations made to us by the management that.

(i) Being a complex technical matter, the Stock in Process of Raw Starch has been determined as described in Note-1 (e) (iii) (a) forming part of accounts.

Subject to the foregoing, in our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the Company's Accounting Policies and the Notes thereto as per schedule 20 forming part of Accounts, more particularly. **Note No.1(e) (vi) (vii) & (viii) regarding method of ascertainment & accounting of consignment exspenses Inventory and sale of Finished Goods lying with consignee,. Note No.1(j) & 1(k) regarding Non-provision for leave encashment, in terms of revised AS-15 issued by Institute of Chartered Accountant of India, regarding premium paid under Group Gratuity Scheme of LIC charged to Profit & Loss A/c. Note No. 23 (vi) regarding MandiTax, Note No. 26 regarding inclusion of Excise Duty on uncleared Stock of Finished Goods amounting to Rs. 4,78,390/- Note No. 32 regarding Non-reconciliation of Coal & Stores records and Note No. 33 regarding non-ascertainment of amount receivable, Note No. 34, regarding ascertainment of Export benefits** forming part of accounts, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in confirmity with the accounting principles generally accepted in India.

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2012;

(b) In the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and

(c) In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For SUNIL CHANDRA GOYAL & CO.
Chartered Accountants

SUNIL GOYAL
Proprietor
Membership No.71809
FRN : 002658C

Place : Indore
Date : 05th Sept. 2012

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date

M/s.Tirupati Starch & Chemicals Ltd., Indore (2011-12)

(i) (a) In respect of fixed assets, the work of compilation of the Fixed Assets register showing other particulars such as location, depreciation, quantitative details etc. is in progress.

(b) As explained to us, most of the fixed Assets were physically verified in a phased manner during the year by the management in accordance with a programme of verification, which in our opinion should be corelated with the Fixed Assets register the work of compilation is still in progress. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) During the year, as explained to us, No part of fixed assets has been disposed off by the Company.

(ii) (a) As explained to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification needs to be increase. In respect of Stocks sent on consignment basis and lying with third parties these have substantially been confirmed by them, and in absence of some confirmations the stock is based on the basis of records available with the Company & Confirmation by the management, more particularly described in Note 1(e)(vi) forming part of accounts.

(b) According to the information and explanations given to us, in our opinion, the procedures for physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business and in our opinion frequency of verification needs to be increased.

(c) According to the information and explanations given to us, in our opinion the Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material, having regard to the size & nature of the business of the Company and the same have been properly dealt with in the books of accounts time to time.

(iii) (a) According to the information and explanations given to us as the Company has not given any loans to companies, firms or other parties covered in register maintained under section 301 of the Companies Act, 1956, therefore paragraphs (iii),(b),(c),(d) are not applicable.

(b) The Company has taken loan of Rs.3,87,12,157/- from 36 parties & maximum dues 4,15,70,872/- from parties who are relatives of key management personal.

(c) The rate of interest and other terms & conditions of loans taken by the company are not prima facie prejudicial to the interest of the company.

(d) No amount was overdue for repayment.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and with regard to the sale of goods and services. During the course of our audit, the management has assured to strengthen the aforesaid internal control procedures mainly regarding purchase of Fixed Assets.

(v) (a) To the best of our knowledge and belief and according to information and explanations given to us, we are of the opinion that there was no transaction that needed to be entered into the register maintained under Section 301 of the Companies Act, 1956.

(b) In our opinion and according to the information and explanations given to us. There was no transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956. and exceeding the value of rupees five lakhs in respect to any party during the year.

(vi) In our opinion and According to the information and explanations given to us, we are of the opinion the Company has not complied with the provisions of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits), Rules, 1975 with regard to deposits accepted from public as it has accepted excess deposit of Rs.476.63 Lacs as on 31st March, 2005 and Rs.352.61 lacs as on 30th November, 2007 from the limits specified. As per information and explanation given to us. The Central

Government had granted exemption to the company from the compliance of provisions of section 58A of the Companies Act, 1956 and Rules 3(2)(i) & 3(2)(ii) of the companies (Acceptance of Deposit) Rules 1975 framed there under upto 31.03.2013 subject to certain conditions and no other order under the aforesaid section has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

(vii) **The Company has an internal audit system which in our opinion needs to be strengthened to make it commensurate and adequate with the size of the company and nature of its business.**

(viii) To the best of our knowledge and according to the information and explanations given to us, as per notification of the Ministry of Corporate Affairs dated 3rd June, 2011 the provisions of the Companies (Cost Accounting) Rules 2011 are applicable to the company and the company is in process to comply with the said rules and the maintenance of the said records is in process. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or compute as the same are in process of maintenance.

(ix) According to the information and explanations given to us in respect of statutory and other dues:

(a) According to the information and explanations given to us and according to the books and records as produced and examined by us, the Company is generally regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, Excise Duty, Sales Tax, Service Tax, Cess and any other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of **Income Tax, Sales Tax, Excise Duty and Cess were in arrears, as at 31st March, 2012, for a period of more than six months from the date they became payable subject to note No. 23, 26, 32 & 33 and the disputed amounts as detailed in (b) below.**

(b) According to the information and explanations given to us, details of dues of income tax, excise duty and sales tax which have not been deposited as on 31st March, 2012 on account of any dispute are given below :

	Particulars	Forum where matter is pending	Financial /Assessment Year to which matter pertains	Amount Involved
1	Excise Duty	Commissioner Central Excise Department & others	Various Years	Rs. 23,37,75,030/-
2(a)	CST	M.P. Commercial Appellate Board	1995-96, 1997-98 & 1998-99	Rs. 4,86,766/-
(b)	MPCT	M.P. Commercial Appellate Board	1997-98	Rs. 27,041/-

(x) The Company have no accumulated losses as at 31st March, 2012 no cash losses incurred during the financial year covered by our audit there was no Cash Loss in the immediately preceeding financial year.

(xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders during the year.

(xii) In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) The provisions of any special statutes as specified under clause (xiii) of the order are not applicable to the Company.

(xiv) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities & investments.

(xv) In our opinion and according to the information and explanations given to us, Company has not given any guarantee for loans taken by others from banks and financial institutions.

(xvi) According to the information and explanations given to us, no term loans were availed by the Company during the year was used for the purpose for which the loan was obtained.

(xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, Short term funds have generally been used for short term purposes.

(xviii) According to the information and explanations given to us, during the year the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.

(xix) According to the information and explanations given to us, the Company has not issued any debentures during the year.

(xx) The Company has not raised any money through public issues during the year.

(xxi) Based upon the audit procedures performed and information given by the management we report that no fraud on or by the company has been noticed or reported during the course of our Audit.

For SUNIL CHANDRA GOYAL & CO.,
Chartered Accountants

SUNIL GOYAL
Proprietor
Membership No.71809
FRN : 002658C

Place : Indore
Date : 5th September' 2012

PRACTISING COMPANY SECRETARY CERTIFICATE ON CORPORATE GOVERNANCE IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT

To,
The Board of Directors
Tirupati Starch & Chemicals Ltd.
12, Agrawal Nagar, Indore (M.P.) - 452 001

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listining Agreement entered into, by the Company, with the Stock Exchanges of India, for the fin. Year ended on **31st March 2012.**

The Compliance of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

We have conducted our review on the bais of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said listing agreement.

On the basis of certificate issued by the Registrar and Share Transfer Agent of the Company and the Minutes of meeting of the Shareholders / Investors Grievance Committee of the Company, we state that, there were no investor grievances pending against the Company for a period exceeding one month.

of effectivness with which the management has conducted the affairs of the Company.

Place : Indore
Date : 1st September 2012

For Ramesh Chandra Bagdi & Associates
Company Secretaries
(Ramesh Chandra Bagdi)
Proprietor
Membership No. 11 800

BALANCE SHEET AS AT 31st MARCH 2012

	Note No.	AMOUNT AS AT 31 March 2012 (RUPEES)	AMOUNT AS AT 31 March 2011 (RUPEES)
I EQUITY AND LIABILITIES			
(1) **Shareholder's Fund :**			
a) Share Capital	2	60931760	60931760
b) Reserves & Surplus	3	67722862	65051001
	TOTAL	128654622	125982761
(2) **Non-Current Liabilities**			
a) Long Term Borrowings	4	40165861	39475226
b) Deferred Tax Liabilites (Net)	5	8697339	9878507
	TOTAL	48863200	49353733
(3). **Current Liabilities** :			
a) Short Term Borrowings	6	27761037	28493934
b) Trade Payables	7	8620464	8286474
c) Other Current Liabilities	8	2574599	– 533166
d) Short Term Provisions	9	4481600	18302119
	TOTAL	43437700	54,549,361
	Total-I (1+2+3)	**220955522**	**229,885,855**
II. ASSETS			
Non-Current Assets			
(1) a. Fixed Assets			
i) Tangible Assets	10	70,840,608	70,278,857
ii) Capital work-in-progress	10	14949238	0
b. Other Non-Current Assets	11	1550	1550
	TOTAL	85791396	70280407
(2) Current Assets			
a. Inventories	12	49630808	88717910
b. Trade Receivable	13	43852632	37432523
c. Cash and Cash equivalents	14	3638032	5661551
d. Short Term Loans & Advances	15	38042654	27793464
	TOTAL	135164126	159605448
	Total-II (1+2)	**220955522**	**229885855**

Significant Accounting policies and Notes on Financial Statements 1 to 41

As per our report of even date

for : SUNIL CHANDRA GOYAL & CO.
Chartered Accountants

SUNIL GOYAL
PROPRIETOR
M.NO. 71809
FRN : 002658C
INDORE
Date : 5th September 2012

B.K. Jain
Company Secretary
& Finance Manager

For : TIRUPATI STARCH & CHEMICALS LTD.

DR. DAMODAR MODI
Chairman & Managing Director
RAMDAS GOYAL
Executive Director
RAMESH CHANDRA GOYAL
PRAKASH BAFNA
YOGESH AGRAWAL
Whole Time Directors
SMT. SHASHIKALA MANGAL
SMT. PRAMILA JAJODIA
ASHISH AGRAWAL
SATISHCHANDRA MANGAL
VINOD KUMAR GARG
Independent Director

STATEMENT OF PROFT & LOSS FOR THE YEAR ENDED ON 31st MARCH 2012

	PARTICULARS	NOTE NO.	FOR THE YEAR ENDING ON 31 March 2012 (Rs.)	FOR THE YEAR ENDING ON 31 March 2011 (Rs.)
I.	**REVENUE FROM OPERATIONS**			
	Sales (Net of Returns)	16	569802679	512948723
	Add : Excise on Sales		34505365	30486155
	Add : VAT on Sales		4561568	2210486
	Less : Excise on Sales		34505365	30486155
	Less : VAT on Sales		4561568	2210486
			569802679	**512948723**
II	**OTHER INCOME**	17	4469848	1476208
III	**TOTAL REVENUE (I + II)**		**574272527**	**514424931**
IV	**EXPENSES**			
	Cost of Materials Consumed	18	364937158	312320164
	Purchase of Stock-in-Trade		0	0
	Changes in Inventories of Finished Goods Work-in-Progress & Stock-in-Trade	19	420041	-7869796
	Employee Benefits Expenses	20	38387892	32422851
	Finance Costs	21	6685532	6406933
	Depreciation & Amortization Expenses	10	8955008	8610810
	Other Expenses	22	149782392	117737868
	TOTAL EXPENSES		**569168023**	**469628830**
V.	Profit before exceptional and extraordinary items and tax (III–IV)		5104504	44796101
VI.	Exceptional Items		0	0
VII.	Profit before extraordinary items and tax (V–VI)		5104504	44796101
VIII.	Extraordinary Items		0	0
IX.	Profit before Tax (VII–VIII)		5104504	44796101
X.	**TAX EXPENSES**			
	1. Current Tax		2504936	16258274
	2. Deferred Tax		- 1181168	- 1370335
	3. Income Tax for earlier years written off/back		1108875	139675
XI.	Profit (Loss) for the period from continuing operations (VII–VIII)		2671861	29768487
XII.	Profit/(Loss) from discontinuing operations		0	0
XIII.	Tax Expenses of discontinuing operations		0	0
XIV.	Profit/(Loss) from discontinuting operations (after tax) (XII–XIII)		0	0

XV. Profit (Loss) for the period (XI + XIV)	**2671861**	**29768487**
XVI. Earnings per equity Share		
1. Basic and Diluted	0.44	4.88

Significant Accounting policies and Notes on Financial Statements 1 to 41

As per our report of even date

for : SUNIL CHANDRA GOYAL & CO.
Chartered Accountants

SUNIL GOYAL
PROPRIETOR
M.NO. 71809
FRN : 002658C
INDORE
Date : 5th September, 2012

B.K. Jain
Company Secretary
& Finance Manager

For : TIRUPATI STARCH & CHEMICALS LTD.
DR. DAMODAR MODI
Chairman & Managing Director
RAMDAS GOYAL
Executive Director
RAMESH CHANDRA GOYAL
PRAKASH BAFNA
YOGESH AGRAWAL
Whole Time Directors
SMT. SHASHIKALA MANGAL
SMT. PRAMILA JAJODIA
ASHISH AGRAWAL
SATISHCHANDRA MANGAL
VINOD KUMAR GARG
Independent Director

ACCOUNTING POLICIES & NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2012 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING ON 31ST MARCH, 2012

PARTICULARS	AS AT 31/03/2012	AS AT 31/03/2011
B. NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2012 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING ON 31ST MARCH, 2012		
NOTE 2		
SHARE CAPITAL		
1. Authorised		
65,00,000 Equity Shares of Rs. 10/- each (Previous year 65,00,000 Equity Shares of Rs. 10/- each)	65000000	65000000
25000 14% commulative Redeemable Preference Shares of Rs. 100/- each	2500000	2500000
2. Issued subscribed & paid up		
60,93,176 Equity Shares of Rs. 10/- each fully paid-up in cash (60,93,176 Equity Shares of Rs. 10/- each fully paid-up in cash) (of the above shares 2,39,768 equity shares are alloted as fully paid up by way of bonus shares by capitalisation of Reserve in the year 1993-94 (Previous year 60,93,176 shares)	60931760	60931760
TOTAL	**60931760**	**60931760**

List of Shareholders holding more than 5% of total shareholding	No. of Shares	%	No. of Shares	%
Dr. Damodar Modi	354040	5.81%	354040	5.81%
Smt. Pamiladevi Jajodia	308613	5.06%	125111	2.05%

NOTE 3		
RESERVE & SURPLUS :		
Investment Allowance Utilization Reserve (As per last year)	3670350	3670350
Preference Share Capital Redemption Reserve (As per last Year)	1000000	1000000
TOTAL	**4670350**	**4670350**
SURPLUS		
1. Profit & Loss Account as per last year	60380651	30612164
Add : Profit transferred during the year	2671861	29768487
	63052512	60380651
TOTAL	**67722862**	**65051001**
NOTE 4		
LONG TERM BORROWINGS		
A. SECURED TERM LOANS :		
Term Loan	492936	0
B. UNSECURED TERM LOANS :		
From Directors	16696047	16696047
From Others	22213809	22016110
Security Deposit from Dealers/ Distributors / Purchasing/Selling Agent	763069	763069
TOTAL (A + B)	**40165861**	**39475226**

		AS AT 31/03/2012	AS AT 31/03/2011
NOTE 5			
DEFERRED TAX LIABLITIES :			
Balance as per Last year		9878507	954885
Add : Addition during the year		-1181168	8923622
	TOTAL	**8697339**	**9878507**
NOTE 6			
SHORT TERM BORROWINGS			
SECURED BANK LOANS			
State Bank of Inda, Commercial Branch, Indore		27745532	28401894
Working Capital Loan			
Secured by First Charge on entire fixed assets of the company and hypothecation of entire stock of raw materials,stock-in-process, finished goods, stores and spares and packing materials and personally guaranteed by Six Directors of the Company)			
UNSECURED LOANS			
Due to Directors in Current Account		15505	92040
	TOTAL	**27761037**	**28493934**
NOTE 7			
TRADE PAYABLE			
a. Sundry Creditors for Goods Supplied		2759961	2942559
b. Sundry Creditors for Expenses		5860502	5343915
	TOTAL	**8620463**	**8286474**

In view of insufficient information from supplier regarding their status as SSI/MSE company amount overdue to such undertaking could not be ascertained.

development Act 2006. The management does not envisage any material impact on the financial statement in this regard which has been relied upon by the Auditors.

NOTE 8			
OTHER CURRENT LIABILITIES			
Current Matuity of Long term Secured Loans (Refer Note 3)			
HDFC Car Loan		407966	0
Sundry Creditors for Capital Goods Supplied		2166633	-533166
	TOTAL	**2574599**	**-533166**
NOTE 9			
SHORT TERM PROVISIONS			
Entry Tax Payable		0	66705
Provision for Bonus		1976664	1977140
Provision for Income Tax (MAT)		2504936	16258274
	TOTAL	**4481600**	**18302119**

		AS AT 31/03/2012	AS AT 31/03/2011
NON CURRENT ASSETS			
NOTE 10			
FIXED ASSETS (Ref. Separately attached) :			
Tangible Assets			
FIXED ASSETS (REF. SCHEDULE)		214428640	204912882
Intangible Assets			
Capital work in progress		14949238	0
Depreciation on Fixed Assets		- 143588032	- 134634023
	TOTAL	**85789846**	**70278859**
NOTE 11			
NON CURRENT INVESTMENTS			
INVESTMENT (Fully paid up valued at cost)		1550	1550
Quoted :			
100 Equity shares of Rs. 10/- each of M/s Indian Maize & Chemicals Ltd. New Delhi, Market Price Rs. NIL as on 31/03/2012			
	TOTAL	**1550**	**1550**
NOTE 12			
INVENTORIES			
Inventories : (As valued & certified by management)			
(i) Raw Material Maize (At cost on FIFO basis)		16928478	55890522
(ii) Stock in Process (At cost on FIFO basis)		11906465	10453611
(iii) Finished Goods (At cost or market value which ever is less)		5440788	6994858
(iv) By Products (At realisable value)		1502747	1821571
(v) Stores & spares (At Cost on FIFO Basis) Including Coal, Sulpher, Activated Carbon, Enzymes, Lime Alum, Salt, G.C. Oil and Packing materials etc.		13852330	13557348
	TOTAL	**49630808**	**88717910**
NOTE 13			
TRADE RECEIVABLES			
SUNDRY DEBTORS : (Unsecured considered goods)			
– More than 6 months		3226816	997111
– Less than 6 months		40625816	36435412
	TOTAL	**43852632**	**37432523**

NOTE -10

FIXED ASSETS

M/S TIRUPATI STARCH & CHEMICALS LTD., INDORE

DEPRECIATION CHART FOR THE YEAR 2011-2012

HEAD OF ACCOUNT	COST AS ON 01.04.2011	ADDITION DURING THE YEAR	DEDUC-TION/SALE	COST AS ON 31.03.2012	DEPRECIATION UPTO 31.3.11	DEPRECIATION DURING THE YEAR	DEPRECIATION TOTAL UPTO 31.3.12	NET BLOCK AS ON 31.3.2012	NET BLOCK AS ON 31.3.2011
(A) STARCH DIVISION									
Land	8686588	0	0	8686588	0	0	0	8686588	8686588
Buildings	18494574	2434433	0	20929007	8594337	677396	9271733	11657274	9900237
Site Development	1594565	0	0	1594565	265623	25638	291261	1303304	1328942
Plant & Machinery	81715725	5382886	0	87098611	57669090	3534870	61203960	25894651	24044735
Vehicles	2035894	1560997	0	3596891	1572279	341705	1913984	1682907	463615
Cart	13550	0	0	13550	13550	0	13550	0	0
Dead Stock & Furniture	1596175	12698	0	1608873	1277872	101841	1379713	229160	318303
Computer Hardware	761832	124745	0	886577	758077	135255	893332	-6755	3755
Office at Indore (Rented)	1527574	0	0	1527574	117937	24899	142836	1384738	1409637
Work in Progress :									
New Plant	0	7064667	0	7064667	0	0	0	7064667	0
New Factory Building	0	4283715	0	4283715	0	0	0	4283715	0
Pre Operative Exps. & Project Exps.	0	3600856	0	3600856	0	0	0	3600856	0
Total :	116426477	24464997	0	140891474	70268765	4841604	75110369	65781105	46155812
(B) DEXTROSE DIVISION									
Land	497650	0	0	497650	0	0	0	497650	497650
Factory Buildings	11530609	0	0	11530609	5445745	385122	5830867	5699742	6084864
Residential Building	791857	0	0	791857	197389	12907	210296	581562	594468
Site Development	803052	0	0	803052	195874	13090	208964	594088	607178
Plant & Machinery	74095487	0	0	74095487	57877120	3678958	61556078	12539409	16218367
Vehicles	399245	0	0	399245	399245	0	399245	0	0
Furniture & Fixtures	368504	0	0	368504	248886	23326	272212	96292	119618
Sub Total :	88486404	0	0	88486404	64364259	4113404	68477663	20008741	24122145
TOTAL (A+B)	204912881	24464997	0	229377878	134633024	8955008	143588032	85789846	70277957
Previous Year :	200588238	4324643	0	204912881	126024114	8610810	134634924	70277958	74564125

		AS AT 31/03/2012	AS AT 31/03/2011
NOTE 14			
Cash in Hand and Bank Balances :			
(I) Cash in Hand		1119771	885259
With Banks in Current Accounts :			
Citi Bank, Indore (Current A/c)		6053	199086
State Bank of India, Ahmedabad Branch, Current A/c		11828	11828
State Bank of India, Thane Branch, Current A/c		121	121
Bank of India, Ghatabillod		986	1185
Central Bank of India		32008	0
UCO Bank		11000	0
Postage & Telegram Saving A/c No.1865415		219	219
(Margin Money for Bank Guarantee) WCL		1042718	1167718
Fixed Deposit with State Bank of India, Commercial Branch, Indore		1383194	3366000
The Bank of Rajasthan Ltd.		25135	25135
Trustee TSCL Employees Group Gratuity		5000	5000
	TOTAL	**3638033**	**5661551**
CASH IN HAND			
Cash in Hand		564549	328900
R.K.Tiwari Imprest A/c		554322	555077
Site Petty Cash		900	1282
	TOTAL	**1119771**	**885259**
NOTE 15			
SHORT TERM LOANS & ADVANCES			
Advance against Capital Expenditure		13081075	593424
OTHER CURRENT ASSETS			
Deposits :		4715183	4352951
Advance to Staff		2864727	2161983
Govt. Departments		5060548	12420569
Other advances recoverable in Cash or in kind or for value to be recovered		12321121	8264537
	TOTAL	**38042654**	**27793464**

	AS AT 31/03/2012	AS AT 31/03/2011
NOTE - 16		
INCOME		
Main Product Sales		
Maize Starch Powder Local Sales	45231292	36476156
Maize Starch Powder Interstate Sales	69403548	108978358
Maize Starch Powder Export Sales	18942754	3360294
TRANSIT INSURANCE SALES	0	0
Vervosize HS Interstate Sales	0	336000
Vervosize HS Local Sales	29697650	25670750
Tirulose Starch local Sales	1506000	10907
Tirulose Starch Interstate sales	3559917	6110490
Modified (Gum)/ Spray Starch	1737000	0
Modified (Gum)/ Spray Starch	12500	0
Dextrine Local Sales	1644522	2109173
Dextrine Interstate sales	7848431	8959845
DEXTROSE ANHYDROUS INTERSTATE SALES	170936538	154702924
DEXTROSE ANHYDROUS LOCAL SALES	2728500	10323375
TOTAL A	**353248652**	**357038272**
By- Product Sales		
Germ Interstate Sales	26693602	18879599
Maize Gluten & Bran-I Interstate Sales	7111536	2287338
Maize Grit & Bran-II Local Sales	254420	764859
HYDROL INTERSTATE SALES	19438795	17851900
HYDROL LOCAL SALES	0	360230
Maize Bran (Cattel Feed) Interstate Sales	15533135	12457812
Maize Bran (Cattel Feed) Local Sales	1178775	874943
Maize Cattel Feed (Feed Suppliment) Interstate Sales	17221417	21285522
Maize Cattel Feed (Feed Suppliment) Local Sales	1551867	1892880
Maize Husk Dry (Cattel Feed) Interstate Sales	3887653	3275138
Maize Husk Dry (Cattel Feed) Local Sales	120224	359487
Maize Husk Wet (Cattel Feed) Interstate Sales	1844509	2047545
Maize Husk Wet (Cattel Feed) Local Sales	9717636	9768551
TOTAL B	**104553569**	**92105804**
Consignment Sales		
Consignment Sales Dextrine	4378965	2416835
Consignment Sales By Product (Gluten)	5299545	3607309
Consignment Sales Maize Germs	14142308	13690949
Consignment Sales Starch	86622881	43971452
Consignment Sales Tirulose	1556759	118102
TOTAL C	**112000458**	**63804647**
TOTAL (A+B+C)	**569802679**	**512948723**

Add : VAT on Sales
Add : TRANSIT INSURANCE SALES
Add : Excise Duty

STORES & SPARES CONSUMED			
Opening Stock		13070860	11370925
Stores purchased after Transfer to various departments		8332426	9906487
Less : Closing Stock		12397817	13070860
	TOTAL	**9005469**	**8206552**
Add : Hammali		27306	53345
Add : Freight & Cartage		563982	508966
	TOTAL	**9596757**	**8768863**
POWER & FUEL CONSUMPTION			
Electricity Charges		36721117	31209361
Opening Stock of Coal		486488	1096181
Add : Coal Purchases		41815952	26342055
Add : Coal Purchases Expenses		401915	0
Add : Coal Freight & Other Charges		22206536	19370037
		101632008	78017634
Add : Coal Hammali		949741	839010
		102581749	78856644
Less : Coal Stone Local Sales		78358	99001
Less : Coal Dust Local Sales			
Less : Coal Ash Local Sales		923742	855059
Less : Coal Ash Black Local Sales		513400	191765
Less : Waste Dust Local Sales		354584	311627
Less : Carbon Local Sales			
Less : Coal Hammali			
		100711665	77429558
Add : Diesel Consumed			
Add : Dung Loose (Raw Coal)			
Add : Fire wood consumed			
Less : Closing Stock		1454513	486488
	TOTAL	**99257152**	**76943070**
NOTE - 17			
OTHER INCOME:			
Miscellaneous Sales Local		1697929	578958
Miscellaneous Sales Interstate		6629	0
Dividend Received		1250	500
Agriculture Income (Net of Expenses)		-26580	-86434
Sundry Balance Written Off		0	335030
Insurance Claim Received		460920	363950
Miscellaneous Receipt (Weigh Bridge & Others)		228140	217723
Interest Received from MPSEB			
(Income Tax Deducted at Source Rs. 22980/- Previous year Rs. 49524/-		280234	0
D E P B CERTIFICATE (SALES)		373322	0
V.K.U.Y. CERTIFICATE (SALES)		972998	26227
Credit relating to previous year		28000	0
Profit On Sale of Fixed Asset		447006	40254
Interest received on FDR			
	TOTAL	**4469848**	**1476208**

		AS AT 31/03/2012	AS AT 31/03/2011
NOTE 18			
RAW AND PACKING MATERIAL (CONSUMED)			
RAW MATERIALS CONSUMED			
Opening Stock of Maize		55890522	24423383
Add : Maize Purchases		297501791	315301650
Add : Warehouse Rent (Maize)		625113	164450
Add : Maize Hammali		630636	599373
Add : Maize Brokerage		231153	0
Add : Maize Freight		3051662	6475680
Add : Maize Purchase Expenses (Including Entry Tax		1921214	2625273
Add : Maize Gluten Consumed		17234	0
Add : Dextrose Monohydrate Consumed		14458045	12344259
Add : Packing Material Consumed		10040456	9029741
		384367826	**370963808**
Less : Maize Sales		-1212	0
Less : Old Bardana Sales		2503402	2753123
Less : Old Bardana Sales – Interstate			
		2502190	2753123
		381865636	368210685
Less : Closing Stock Maize		16928478	55890522
Less : Closing Stock DMH		0	0
	TOTAL	**364937158**	**312320164**
NOTE 19			
(INCREASE)/DECREASE IN STOCK			
1. OPENING STOCK			
Stock in Progress		10453611	8211319
Finished Goods		6994858	2358383
By Products		1821571	830542
		19270040	11400244
2. CLOSING STOCK			
Stock in Progress		11906465	10453611
Finished Goods		5440788	6994858
By Products		1502747	1821571
		18850000	19270040
	TOTAL	**420040**	**-7869796**

	AS AT 31/03/2012	AS AT 31/03/2011
NOTE 20		
EMPLOYEE BENEFIT EXPENSES		
Salaries & Allowances	18821921	16451500
Wages to Workers	5981720	5261615
Tea & Snacks Expenses	426075	459973
Workers Medical Expenses	18930	520679
Co.contribution to Employees P.F. & F.P.F	1026554	858254
LTC Reimbursement	23995	61665
Leave Encashment	104747	88300
Bonus	1800000	1800000
Insurance Fund & Administrative Charges P.F. & F.P.F	172824	118679
Contribution to labour welfare fund A/c	21720	21120
LIC Employee Deposit Link Insurance A/c	0	55044
LIC Group Gratuity Insurance Scheme	400000	230000
Workmen & Staff Welfare exp.	52410	4680
Children Expenses	23300	23500
Medical Reimbursement	176074	0
Gratuity Paid	239538	0
Security Service Expenses	904005	917132
Less : 5% Transferred to Preoperative and Project Development A/c.	-1509691	0
TOTAL (A)	**28684122**	**26872141**
MANAGERIAL REMUNERATION		
Managerial Remuneration	8568000	4320000
Co.'s Cont. to Directors P.F. & F.P.F.	1019520	509760
Insurance fund & Administrative charges on P.F. & F.P.F.	16250	13750
LIC Super Annuation Scheme	0	637200
LIC Group Gratuity Insurance Scheme	100000	70000
TOTAL (B)	**9703770**	**5550710**
TOTAL (A + B)	**38387892**	**32422851**
NOTE 21		
INTEREST & BANK COMMISSION		
INTEREST & COMMITMENT CHARGES		
To State Bank of India, Indore	1773014	1269082
Bank Charges	473294	514879
On Excise Duty	0	229641
To Others	4439224	4393331
TOTAL	**6685532**	**6406933**

	AS AT 31/03/2012	AS AT 31/03/2011
NOTE 22		
OTHER EXPENSES		
MANUFACTURING EXPENSES		
Consumption of Stores & Spares (Net of VAT & Modvat)	9596757	8768863
Power, Coal & Fuel Consumption	99257152	76943070
Activated Carbon Consumed	1689156	1367511
Caustic Soda Consumed	2722318	1519805
Enzyme Consumed	1427220	1547491
Excise Duty on Finished goods Charge/(Credit)	57583	269971
Entry Tax	1888397	1003340
Filter Aid Consumed	750171	717933
Service Tax on commission	99440	0
G.C.Oil Consumed	0	152073
Hydrochloric Acid Consumed	210489	887822
Laboratory Charges Including Apparatus & Chemicals	778372	1018141
Oil & Lubricants Consumed	919041	684870
Repairs to Building	613820	729170
Repairs to Machinery	1399349	1756368
D.G.Set Maintenance	3218	1616
Repairs to others	318444	352703
Sulpher Consumed	899731	755615
Service Tax (GTA)	919762	842910
Education Cess (GTA)	25045	20544
Unloding Charges Allowed	11550	77898
Soda Ash	699242	712294
Water Charges	451400	340866
TOTAL (A)	**124737657**	**100470875**
ADMINISTRATIVE EXPENSES		
Advertisement	147485	124938
Audit Fee & Tax Audit Fee	130500	183000
Other Services	94000	61326
Books & Periodicals	15467	10801
C.S.T. Paid	0	4498
Conveyance Charges	31565	30700
Debit relating to the previous year	32872	186545
Difference in Trial Balance	0	21103
Donations	68203	95251
Entertainment Exp	30229	23064
Festival celebration Exp.	550221	407199
Insurance	913681	824857
Land Rent	0	38000
Law & Professional Charges	644614	419635
Licence & Fees	372963	227353
Membership Fees	50000	37500
Miscellaneous Expenses	224063	211432
Miscellaneous Expenses / income wirtten off / back	– 119376	– 112723
Postage & Telegrams (including Share Dept.expenses)	140702	148699
Professional Tax Exp	2500	2500
Rates & Taxes	31797	37631

	AS AT 31/03/2012	AS AT 31/03/2011
Rent	159720	134310
Sales Promotion	18755	41189
Sales Tax Demand Against Order	112600	202328
Stationery & Printing	374193	324212
Sundry balance written off	1063043	-600
Telephone Expenses	460025	521821
Travelling Expenses :		
To Directors	386759	374199
To Others	193709	187800
Vehicle Maintenance Expenses	808050	473220
Others		
TOTAL (B)	**6938340**	**5241787**
Hammali Sales	3204252	2836726
Freight and Octroi Consignement expenses	-215670	0
Commission on Sales & Brokerage	2975815	3654352
Freight & Octroi	2096706	2242693
Freight & Octroi Export Expenses	3229561	365984
Discount, Rebates & Allowances	669758	916491
Expenses on Consignment Sales (Excise, Freight & Insurance)	6252628	2180868
Transit Insurance Sales	-986693	-954691
Expenses on Consignment Sales (Commission & Other)	880037	782783
TOTAL (C)	**18106395**	**12025206**
TOTAL (A+B+C)	**149782391**	**117737868**

B-3

ACCOUNTING POLICIES & NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2012 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING ON 31ST MARCH, 2012

NOTE -

A. MAJOR ACCOUNTING POLICIES & NOTES ON ACCOUNTS

(a) FIXED ASSETS :
All Tangible Fixed Assets are stated at their original cost less depreciation (Net of Modvat VAT and Service Tax). Preoperation expenses are capitalised. Company has identified that there is no material impairment of assets and as such no provision is made as per AS-28 issued by Institute of Chartered Accountants of India. The Company is in process of set of its expansion project and the expenses related theretohave been kept as capital work in progress & no depreciation has been charged thereon.

(b) INVESTMENT :
Investments are carried at cost.

(c) Foreign Currency Loans availed for acquiring fixed assets had been translated at the exchange rate prevailing at the end of the year. The exchange difference on conversion was adjusted to cost of fixed assets.

(d) DEPRECIAITION :
Depreciation has been provided on straight line method at the rates specified in Schedule XIV of the Companies Act, 1956 as amended on prorata basis.

(e) INVENTORIES :
The Inventories are valued as under :

(i) Stores & Spares (at cost on FIFO basis) : It includes Coal, Sulpher, Lime, Alum, Salt, Furnace Oil, Activated Carbon, Enzymes and Packing Materials and other stores items.

(ii) Raw Material-Maize (At cost on FIFO Basis).

(iii) Stock in Process (At cost)

(a) Quantity and value of Stock in Process of Raw Starch is not ascertainable on regular basis due to constant change in its contents, which is complex technical in nature, therefore, at the year end on actual & technical basis quantity and value was ascertained.

(b) Quantity of stock in process of Dextrose Plant are ascertained on the basis of daily records maintained by the company and value is ascertained on the basis of actual & technical valuation.

(iv) Finished Goods (At cost or market value whichever is lower) excluding DAH & DMH.

(v) By-products and DAH & DMH (At realisable value).

(vi) The Stock on Consignment lying with other parties duly acknowledged by the custodians are included in the inventories at Market value including Excise Duty paid thereon. The Closing Stock is ascertained on the basis of records available with the Company and the sale will be recognized only after receipt of Statement of Sales if any.

(vii) The sale on Consignment basis are treated as Sales on receipt of Sales Advice from the consignee.

(viii) The Consignment sale is accounted for on net of expenses basis but excise, insurance and commission, freight & other expenses related to consignment are included in consignment sales separately amounting to Rs.71,32,665/-. (30,69,301/-).

(f) 20% of the preoperative expenses incurred till the commencement of production had been treated as Deferred Revenue Expenditure and the same are written off equally over a period of 5 years from the year of commencement of production at Dextrose plant.

(g) The Preliminary and Public Issue Expenses are written off equally over a period of 10 years from the year of commencement of production at Dextrose Plant. The expenses not related to public issue had been transferred to Deferred Revenue Expenditure and had been written off equally over a period of 5 years from the year of commencement of production at Dextrose Plant.

(h) Cenvat Credit :

(i) Modvat Credit on Capital Goods has been treated as Cenvat Credit Receivable by reducing the cost of fixed assets and balance if any is included in other advances recoverable in cash or in kind or for value to be received.

(ii) For claim of CENVAT Credit on Capital Goods and inputs the classification between Capital Goods and inputs are made on the basis of Excise records.

(iii) Modvat Credit on Purchase of raw & other material is reduced from the cost of such materials purchased at the time of purchase itself in excise records and the same accounted for at year end in the accounts.

(iv) Credit for Service Tax on Services are availed by reducing the Cost of respective services.

(i) Interdivisional transfer is not treated as Sales and Raw Material Consumption in view of announcement made by the Institute of Chartered Accountants of India on Accounting Standard (AS) 9. It is not affecting the Profit/loss of the company.

(i) No provision has been made towards liability for leave encashment benefits. The company is in process to implement it in terms of Revised AS-15 issued by the Institute of Chartered Accountants of India. The amount is not ascertainable as on Balance Sheet date and further the company is in process of implementation.

(k) The Company has taken a Group Gratuity Policy for providing gratuity benefits under Group Gratuity Scheme from Life Insurance Corporation of India (LIC) and the premium paid to the LIC is charged to Profit & Loss A/c. The payment is made as per computation made by LIC therefore no note is taken of the difference in the amount of actuarial liability and the balance in the fund with LIC. The same is subject to approval of Scheme by Commissioner of Income Tax.

The Company had opted for Group Supreannuation Scheme of LIC of India for its Directors and the contribution paid to LIC of India was charged to Profit & Loss Account. The same was also subject to approval of Scheme by Commissioner of Income Tax. During the year the company has made a payment of Rs. Nil (6,37,200/-).

2. **CONTINGENT LIABILITY NOT PROVIDED FOR :**

i) The following cases were pending against the company as confirmed by company's excise consultants :

(a) ***Cases related to classification of Plain Starch as modified Starch:Total Amount Involved Rs18,51,55,150/-***

- In the opinion of Excise Consultants' since the chemical examiner report clearly says that the starch is plain starch and not modified starch the pending Show Cause Notices are likely to be dropped on the basis of previous order of the Commissioner.

(b) ***In the matter of disallowance of Cenvat Credit as Common input used in Hydrol and demand of 8%, 10% on the value of clearance of Hydrol : Total Amount Involved Rs. 69,34,608/-.***

- In the opinion of Excise Consultants' moreover recently this issue has already been settled by the Hon'ble High Court of Bombay in ithe case of RALLIS INDIA LTD. versus UNION OF INDIA 2009 (233) E.L.T. 301 (Bom.) wherein it was held that Rule 6(b)(3) has no application is case of waste and residue. Thus all the demands has no legal base and will eventually will result into dropping of demands as the Tribunals is bound to follow High Court Orders.

(c) ***Demand for Rs. 4,21,765/- Cenvat Credit of Service Tax paid on outward transportation of finished goods :***

- In the opinion of Excise Consultants' undoubtedly credit on outward transportation can not be denied and the demands will be ultimately dropped.

(d) ***Show Cause Notices issued under Rule 6(3)(b) i.e. demand of 10% of the value of exempted goods on the ground of availment of Cenvat Credit Total demand Rs. 4,10,05,661/-.***

- In the opinion of Excise Consultants' the aforesaid show cause notices has been issued without ascertaining as to whether the Company has violated the condition of Rule 6. Even if it is assumed that the Company has violated the condition of Rule 6, in that case also the show cause notices will be dropped as in the Finance Act, 2010-11, retrospective amendment has been made wherein it has been provided that the assessee shall reverse the credit of input and input services used in manufacture of exempted goods and after certification of the same by the Chartered Accountant shall file application with the Commissioner who shall order for dropping of all such demands. Thus ultimately the show cause notice are going to be dropped.

(e) As regard Appeal No. E/3683/2003-NB(SM) Rs. 1,66,334/- in the matter of Credit on returned goods. In this case the commissioner (Appeals) vide Order-in-appeal has allowed credit of Rs. 1,04,242/- vide Order-in-Appeal and disallowed the credit of Rs. 62,592/-. The Company has filed appeal before Tribunal against disallowance of credit of Rs. 62,592/-. The Tribunal vide Final Order No. A/699/04-NB(SM) dated 16.04.2004 has allowed the appeal by way of remand. Hence as on today there is no demand against the Company.

(f) As regard Appeal No. E/995/2012 for disallowance of Cenvat of Rs. 1,95,254/ of common use of GTA in dutiable and exempted goods against the order of Commissioner (Appeals) vide Order-in-Original No. 01-03/COMMER/ CEX/IND/2012 dated 04.01.2012. The company has filed appeal before Tribunal and hearing date is fixed on 09.10.2012.

No provision for the same has been made on the basis of above contention of the Excise Consultants.

ii) The assessment of Entry Tax, Madhya Pradesh Commercial Tax & Central Sales Tax for the different years are completed and the following demands were raised and are disputed :

(In Rs.)

	1995-96	1997-98	1998-99
MPST	-	27,041/-	-
Central Sales Tax	1,40,531/-	91,543/-	2,54,692/-

The Company has disputed the demand and preferred appeal before appealing authorities. No provision has been made for taxation related to the said demands on the basis of contention of the Board of Directors of the Company that the appeals will be accepted.

iii) The assessment of assessment year 2009-10 has been completed & appeal with CIT (A)II, Indore was decided on 19/06/201. The liability thereof is not ascertainable after appeal effect. The liability will be recognized after receiving revised computation for appeal effect.

iv)	Bank Guarantee fav. Western Coal field Ltd., Nagpur	Rs. 9,00,000/-	(9,59,199/-)
	Krishi Upaj Mandi Samiti - Dhar	Rs. 5,00,000/-	(5,00,000/-)
	Margin Money against above In form of fixed deposit	Rs. 10,42,718/-	(14,59,199/-)

v) Court Decree in the case of Smt. Sharda Bai for Rs. 2,53,852/- before Hon'ble MP High Court, Indore out of which Rs. 1,28,000/- has been deposited & kept in advance as appeal is pending against the court Decree & the appeal is likely to be decided in Company's favour.

vi) Mandi tax has been recognized as expenses, which has been given to Mandi Authority to keep in a separate account in pursuance of Court Order and if the money is refunded the same will be considered as Income in that year.

3. Provision on of Income Tax has been made during the year as per Taxation Laws.

4. Estimated amount of contracts remaining to be executed on Capital account are not provided is Rs. 600 Lacs (NIL) against which a sum of Rs. 13.09 Lacs (Rs.5.93 Lacs) has been paid as advance.

5. During the year provision has been made in the accounts in respect of Excise duty (Including Cess) of Rs. 4,78,390/- (Rs. 4,20,807/-) payable on uncleared stock of finished goods lying in the factory premises as on 31/03/2012 and the same has been considered as an element of cost for the purpose of valuation of inventory as on 31/03/2012.

6. The Auditors' Remuneration during the year is as under :

	2010-11	**2011-12**
Audit Fees, Tax Audit & Certification	1,83,000	1,30,500
Other Services	61,326	94,000
Total	**2,44,326**	**2,24,500**

7. Figures for the previous year have been regrouped and recasted wherever necessary.

8. Figures in brackets pertain to the previous year.

9. Debit, Credit balances and Balances with Banks, are subject to confirmation and reconciliation.

10. Managerial Remuneration includes :

	2011-12	2010-11
Remuneration	84,96,000	42,48,000
Perquisites (Other than Gratuity)	72,000	72,000
Gratuity (Ref.Note 1(k) above)	1,00,000	70,000
Contribution to PF & other funds	10,35,770	5,09,760
LIC Super annuation Scheme	–	6,37,200
LIC Deposit Link Insurance	–	–
Leave Encashment	–	–
Total	97,03,770	55,36,960

11. There is a difference of Rs. 5,12,849/- (Rs. 5,12,849/-) in books records and Excise records pertaining to earlier years and current year Excise Duty Accounts, coal consumption details & store account are subject to reconciliations and confirmation.

12. In earlier years, the company has acquired the coal from Western Coal Field Ltd. (WCL) through the intermediaries at e-auction price instead of Notified price and the difference was kept as Fixed Deposit which was to be refunded or adjusted as the case may be as per judgments of Hon'ble Court against petition. No adjustments in accounts was made due to uncertainty. During the year 2007-08 on judgment in the favour of coal users, the company received a refund of Rs. 27,45,910/- alongwith interest of Rs.4,05,900/- from WCL and the same was treated as miscellaneous income. The balance amount refundable if any is not ascertainable and therefore the same will be accounted for as miscellaneous income if any in the year of receipt.

13. Export Benefits :
The amount available towards Export Benefits under duty exemption or any other Scheme during the years has been ascertained on the basis of available records.

14. (a) In view of insufficient information from suppliers regarding their status as SSI units amount overdue to such undertaking could not be ascertained.

(b) The company is in the process of compiling the additional information require to be disclosed under the Micro Small Enterprises Development Act 2006. The Management does not envisage any material impact on the financial statement in this regard which has been relied upon by the Auditors.

15. The Company has only a single reportable Segment in terms of the requirements of Accounting Standard-17 of the Institute of Chartered Accountants of India.

16. Related party disclosure (AS-18)
Disclosure of related party transactions as per Accounting Standard 18 of the Institute of Chartered Accountants of India.

17.a. Key Management personnel :

Dr. Damodar Modi	Chairman & M.D.
Shri Ramdas Goyal	Executive Director
Shri Prakash Bafna	Whole Time Director
Shri Ramesh Chandra Goyal	Whole Time Director
Shri Yogesh Agrawal	Whole Time Director

Smt. Pramila Jajodia	Director
Smt. Shashikala Mangal	Director
Shri Vinod Garg	Director
Shri Ashish Agrawal	Director
Shri Satishchandra Mangal	Director

Nature and amount of Transactions :

(i) Managerial Remuneration (As detailed in 10 above) Rs. 97,03,770 (Rs. 55,36,960) (Subject to approval in Annual General Meeting)

(ii) Amount received as Unsecured Loan Rs. 3,87,12,157/- (Rs. 3,90,00,483/-) from key Management Personnel & relatives.

(iii) Interest on the above Rs. 42,63,009/- (Rs. 42,58,338/-).

18. Earning per share (EPS) for the Computation as per (AS 20)

(a) Earning per share (EPS) for the year has been computed in accordance with the Accounting Standard-20 issued by the Institute of Chartered Accountants of India after considering provision for net deferred tax liability for the year as stated in note No.18.

(b) Earning per share (EPS) for the computation as per AS-20.

	For the year ended 31/03/12	For the year ended 31/03/11
Profit/(loss) available for appropriation as per Profit & Loss A/c (Rs.)	26,71,861	2,97,68,488
Weighted average number of equity shares as on 01/04/2011	60,93,176	60,93,176
Weighted average number of equity shares as on 31/03/2012	60,93,176	60,93,176
Nominal value per equity shares (Rs.)	10	10
Basic and Diluted EPS (Rs.)	0.44	4.88

19. Deferred Tax Liabilities (Net)

		Deferred Tax Assets/Liabilities upto 01.04.2011	Current year (charge) credit	Deferred Tax Assets/Liabilities as at 31/03/12
1.	Difference between Book & Tax Depreciation	(1,05,49,261)	11,80,054	(93,69,207)
2.	Brought forward/Credit forward Unabsorbed Depreciation	Nil	Nil	Nil
3.	Bonus provisions	6,70,754	1,114	6,71,868
	Total	**(98,78,507)**	**11,81,168**	**(86,97,339)**

a) In accordance with Accounting Standard 22, 'Accounting for Taxes on Income' (AS 22), issued by the Institute of Chartered Accountants of India, the company has adjusted the difference for deferred tax during the year.

b) The company expects to generate taxable income., in the coming years which will enable it to utilize the carried forward unabsorbed depreciation of MAT credit.

40. The financial statements for the year ended March 31, 2011 were prepared as per the then applicable, erstwhile Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous years figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

20. Information pursuant to the provision of Part IV of Schedule VI of the Companies Act, 1956 are enclosed.

For TIRUPATI STARCH & CHEMICALS LTD.

B.K.JAIN
COMPANY SECRETARY &
FINANCE MANAGER

DR.DAMODAR MODI
CHAIRMAN & MANAGING
DIRECTOR

Date : 5th September, 2012

BALANCE SHEET ABSTRACT AND Company's GENERAL BUISNESS PROFILE

I. Registration Details

Registration No.	:	3181
State Code	:	10
Balance Sheet Date	:	31.03.12

ii. Capital Raised during the year

(Amount ' In thousand) :

Public issue	:	Nil	Right issue	:	Nil
Bonus issue	:	Nil	Private Placemen	:	Nil

iii. Position of Mobilisation and Deployment of funds

(Amount ' in Thousand)

Total Liabilities	2210	Total Assets	:	2210
Source of Funds				
Paid-up Capital	60932	Reserve & surplus	:	67723
Secured Loans	402	Unsecured Loan	:	435
Deferred Tax Liability	87			
Application of Funds				
Net Fixed Assets	858	Investment	:	—
Net Current Assets	91726	Deferred Tax Assets	:	—

iv. Perfirmance of the Company

(Amount ' In thousand)

Turnover	5743	Other Income	:	45
Total Expenditure	5692	Profit (Loss) Before Tax	:	5105
Profit After Tax	2672			
Divident Rate (%)	Nil	Eaning Per Share	:	0.44

v. Generic names of Three principal products / Service of company

(as per monthly terms)

item code No. (ITC Code)	Production Description
2180	MAIZE STARCH
2190	DEXTROSE ANHYDROUS
2190	DEXTROSE SYRUP
2190	DEXTROSE MONOHYDRATE

For Tirupati Starch & Chemicals Ltd.

(Dr. Damodar Modi)
Chairman & Managing Director

B.K. Jain
Company Secretary & Finance Manager

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.2012

(Pursuant to the Listing Agreement with Stock Exchange)

				Current Year 2011-2012				Previous Year 2010-2011
A Cash Flow From Operating Activities								
Net Profit/(Loss) before Tax				5104504				44796101
Preliminary Expenses			0				0	
Depreciation			8955008				8610810	
Interest/Dividend			6685532				6406933	
Profit on Sale of Fixed Assets			0	15640540			0	15017743
Operating Profit before Working capital changes				20745044				59813844
Adjustments for:								
Sundry Debtors	37432523	43852632	-6420109		47863327	37432523	10430804	
Trade Advances	27200040	24961579	2238460		15239331	27200040	-11960709	
Inventories	88717910	49630808	39087103		48290734	88717910	-40427176	
Trade Payable and Provisions	26588593	13510030	-13078564		17894738	26588593	8693855	
Interest paid			0				0	
Deferred Taxes Assets(Provisions)			0	21826891			0	-33263226
Cash Generated from Operation				42571935				26550618
Fringe Benefit Tax (Provision)			0				0	
Income Tax - MAT (Provision)			-2504936				-16258274	
Net Prior year expenses								
Provisions written back								
Income Tax for earlier year			-1108875				-139675	
excess interest writted back								
Gratuity Written Back				-3613811				-16397949
Net Cash Flow from Operating Activities				38958124				10152669
B. Cash flow from Investing Activities								
Purchase of Fixed Assets	204911881	229377878	-24465997		200588239	204913781	-4325542	
Advance against	593424	13081075	-12487651		1237064	593424	643640	
Capital Expenses								
Sundry Creditors for	-533166	2166633	2699799		0	-533166	-533166	
Capital Goods								
Sale of Investment	1550	1550	0		1550	1550	0	
Sale of Fixed Assets		0	0	-34253849				-4215068
				4704275				5937602
C. Cash Flow from Financing Activities								
Proceeds from Long	39475226	40165861	690635		43382889	39475226	-3907663	
term borrowings								
Repayment of finance liabilities	0	0	0		0	0	0	
Decrease in Deferred Tax	0	0	0		0	0	0	
Increase in short term bank	28493934	27761037	-732897	0	47074487	28493934	-18580553	
Interest Paid			-6685532	-6727794			-6406933	-28895149
				-2023519				-22957548
Opening Cash and Bank Balance				5661551				28619099
Closing Cash and Bank Balance				3638032				5661551
Actual Cash and Bank Balance				3638033				5661551
Difference				0				0

Note :

1. Figures in brackes represents cash outflow.

2. Figures for previous year have been rearranged and re-grouped wherever necessary.

3. For purpose of Trade Advances and Trade Payables current liabilities directly related to other activities have been excluded.

4. Previous years figures have been reclassified to confirm to the current years presentation.

Place : Indore
Date : 5th Sept. 2012

For : Tirupati Starch & Chemicals Ltd.
Dr. Damodar Modi
Chairman & Managing Director

AUDITORS CERTIFICATE

We have examined the attached Cash Flow Statement of M/s. Tirupati Starch & Chemicals Ltd. for the year ended on 31st March, 2012. The Statement has been prepared by the copmany in accordance with the requirements of the listing agreements of the Bombay Stock Exchange and its based on and is in agreement with the corresponding profit and loss Account and the Balance Sheet of the company by our report of even date to the members of the company.

Place : Indore
Date : 05th September 2012

For : Sunil Chandra Goyal & Co.
Chartered Accountants

SUNIL GOYAL
(PROPRIETOR)
Membership No. 71809
FRN : 002658C