26th

Annual Report 2010-11

Amrit Banaspati Co. Ltd.
AN ISO 9001:2008 COMPANY

BOARD OF DIRECTORS

N.K. Bajaj, *Chairman & Managing Director*
G.N. Mehra
B.S. Bhatia
V.K. Sibal
Mohit Satyanand
Sujal Shah
Sundeep Agarwal
J.C. Rana
A.K. Bajaj
V.K. Bajaj

AUDIT COMMITTEE

B.S. Bhatia, *Chairman*
N.K. Bajaj
G.N. Mehra
Mohit Satyanand
Sujal Shah
J.C. Rana

SENIOR EXECUTIVES

R.S. Aggarwal, *Executive Director*
Parveen Tarika, *Chief Financial Officer*

COMPANY SECRETARY

Gurdeep Kaur

AUDITORS

V. Sahai Tripathi & Co.
Chartered Accountants
New Delhi

PRINCIPAL BANKERS

State Bank of India
State Bank of Patiala

REGISTERED OFFICE

Patiala - Chandigarh Road
Rajpura (Punjab) - 140 401

REGISTRAR & SHARE TRANSFER AGENTS

Mas Services Limited
T-34, 2nd Floor
Okhla Industrial Area, Phase - II
New Delhi - 110 020

Contents

NOTICE

Notice is hereby given that the 26th Annual General Meeting of the members of **Amrit Banaspati Company Limited** will be held on Saturday, the **20th day of August, 2011** at 11.30 a.m. at Amrit Bhawan, J-3, 9/13, Gobind Colony, Rajpura (Punjab) – 140 401 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.

2. To declare dividend on the equity shares for the financial year 2010-11.

3. To appoint a director in place of Mr. B.S. Bhatia, who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a director in place of Mr. V.K. Bajaj, who retires by rotation and being eligible, offers himself for re-appointment.

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

SPECIAL BUSINESS

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT Mr. Sundeep Agarwal, who was appointed as director of the Company by the Board of Directors in its meeting held on 30th April, 2011 in the casual vacancy caused by the demise of Mr. Romesh Lal, under section 262 of the Companies Act, 1956 and Article 132 of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a member pursuant to section 257 of the Companies Act, 1956, proposing his candidature, be and is hereby appointed as Director of the Company, liable to retire by rotation."

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT Mr. G.N. Mehra, who was appointed as an additional director of the Company by the Board of Directors, w.e.f. 30th October, 2010 and who holds office up to the date of Annual General Meeting, pursuant to section 260 of the Companies Act, 1956, and Article 133 of the Articles of Association of the Company and in respect of whom the Company has received a notice from a member under section 257 of the Companies Act, 1956, proposing his candidature, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT Mr. Sujal Shah, who was appointed as an additional director of the Company by the Board of Directors, w.e.f. 30th October, 2010 and who holds office upto the date of Annual General Meeting, pursuant to section 260 of the Companies Act, 1956, and Article 133 of the Articles of Association of the Company and in respect of whom the Company has received a notice from a member under section 257 of the Companies Act, 1956, proposing his candidature, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

9. To consider and if thought fit, to pass with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act 1956, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called "the Board" and which term shall be deemed to include any Committee, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) to borrow and raise (apart from temporary loans obtained by the Company from its bankers in the ordinary course of its business) such sum or sums of money from time to time as may be required for the purposes of the business of the Company on such terms and conditions as the Board may consider necessary and expedient in the best interest of the Company, in excess of the aggregate of the paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose, subject to the proviso that such borrowing shall not exceed Rs. 125 crores (Rupess one hundred twenty five crores only) .

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents as may be necessary, expedient and incidental thereto to give effect to this resolution."

By Order of the Board
for **Amrit Banaspati Company Limited**

Regd. Office:
Patiala-Chandigarh Road
Rajpura (Punjab)-140401
Dated: July 14, 2011

Gurdeep Kaur
Company Secretary

NOTES :

1. Explanatory statements pursuant to section 173(2) of the Companies Act, 1956 for items no. 6 to 9 are annexed hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK PROXY FORM IS ATTACHED AND IF IT IS INTENDED TO BE USED, THE SAME, IN ORDER TO BE EFFECTIVE, SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND SHOULD REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.**

3. Corporate members intending to send their authorized representative(s) to attend the Annual General Meeting are requested to send certified copy of the board resolution authorizing such representative(s) to attend and vote on their behalf.

4. Relevant information pursuant to clause 49 IV(G)(i) of the Listing Agreement regarding directors seeking appointment/re-appointment is given in the Corporate Governance Report forming part of this Annual Report.

5. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 13th day of August, 2011 to Saturday, the 20th day of August, 2011 (both days inclusive).

6. The dividend for the year 2010-11 on the equity shares will be paid to those members whose names appear in the Register of Members of the Company as on 20th August, 2011. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership position as at the end of the day on 12th day of August, 2011 as per data to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

7. Members are requested to note that pursuant to the provisions of section 205C of the Companies Act, 1956, the amount of dividend which remains unpaid/unclaimed for a period of 7 years would be transferred to the "Investor Education and Protection Fund" constituted by the Central Government. Shareholders who have not encashed their dividend warrant(s) for the years 2006-07, 2007-08, 2008-09 or 2009-10 are requested to make claim with the Company as no claim shall lie against the Fund or the Company in respect of individual amount once credited to the said Fund.

8. Members holding shares in physical form are requested to intimate immediately to the Registrars & Share Transfer Agents of the Company, Mas Services Ltd., T-34, IInd Floor, Okhla Industrial Area, Phase II, New Delhi – 110 020 quoting registered Folio No., change in their address, if any, with pin code number.

The following information to be incorporated on the dividend warrants may also be furnished:

(i) Name of sole/first joint holder and the folio number

(ii) Particulars of Bank Account, viz.

(a) Name of the bank

(b) Name of the branch

(c) Complete address of the bank with pin code number

(d) Bank account number allotted by the bank and nature of the account (savings/current etc.)

9. In terms of section 109A of the Companies Act, 1956, the shareholders of the Company may nominate a person on whom the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit nomination in form 2B.

10. Copies of relevant documents can be inspected at the registered office of the Company on all working days from Monday to Friday between 11 am to 2 pm upto the date of the meeting.

11. Members desirous of seeking any information/clarification on accounts or operations of the Company are requested to write to the Company at least 10 days before the date of the meeting to enable the management to keep the information ready.

12. The members/proxies are requested to bring their copies of Annual Report at the meeting since extra copies will not be supplied.

13. Members/proxies should bring duly filled attendance slip sent herewith for attending the meeting. Members are also requested to mention DP ID and Client ID (in case of shares held in electronic form) and folio no. (in case of shares held in physical form) in the attendance slip for attending the Annual General Meeting in order to facilitate their identification of membership.

14. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

15. In respect of the matters pertaining to Bank details, ECS mandates, nomination, power of attorney, change in name/address etc., the members are requested to approach the Company's Registrars and Share Transfer Agents, in respect of shares held in physical form and the respective Depository Participants, in case of shares held in electronic form. In all correspondence with the Company /Registrars and Share Transfer Agents, members are requested to quote their account/folio numbers or DP ID and Client ID for physical or electronic holdings respectively.

16. To facilitate trading in equity shares in dematerialized form, the Company has entered into agreement with National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Members can open account with any of the depository participant registered with NSDL or CDSL.

17. The shareholders whose shares are lying unclaimed with the Company are requested to claim by sending proper documentary evidence of bonafide beneficiary. Till such claim, the voting rights on such shares shall remain frozen as per changed Clause 5A(II) of the Listing Agreement with Stock Exchanges.

18. As a part of “Green initiative in the Corporate Governance”, The Ministry of Corporate Affairs vide its circular nos. 17/2011 and 18/2011 dated 21.04.2011 and 29.04.2011, respectively, has permitted the companies to serve the documents, namely, Notice of general meetings, Balance Sheet, Profit & Loss Account, Auditors' Report, Directors' Report, etc., to the members through e-mail. The shareholders holding shares in physical form are requested to register their e-mail address with the Registrar & Share Transfer Agents by sending duly signed request letter quoting their folio no., name and address. In case of shares held in demat form, the shareholders may register their e-mail addresses with their DPs (Depository Participants).

EXPLANATORY STATEMENTS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item no. 6

Mr. Sundeep Agarwal was appointed as independent director by the Board of Directors in its meeting held on 30th April, 2011, in the casual vacancy caused by the demise of Mr. Romesh Lal. Pursuant to section 262 of the Companies Act, 1956 read with article 132 of the Articles of Association of the Company, Mr. Sundeep Agarwal is entitled to hold office upto the date which Mr. Romesh Lal would have held the office i.e. upto the date of ensuing Annual General Meeting. The Company has received notice in writing from a member along with a deposit of Rs. 500/- proposing the candidature of Mr. Sundeep Agarwal for the office of Director under the provisions of Section 257 of the Companies Act, 1956.

Mr. Sundeep Agarwal, aged 50 years, has wide-ranging experience in production, quality control, product development, human resources and administration. Mr. Sundeep Agarwal had his schooling from St. Xavier's School, New Delhi and obtained bachelor degree in Engineering - BE (Mechanical) from Delhi College of Engineering. He is presently working as the Chief Executive Officer of Messrs Sumex Exports Pvt. Ltd. Sumex is a part of "Jayanita" group of industries and is engaged in manufacturing and export of garden decorative and shelving brackets. It has two manufacturing units in Sahibabad, (U.P.) and Manesar (Haryana), with export turnover of about Rs.28 crores. Mr. Sundeep Agarwal in the past was involved in setting-up a joint-venture with leading German company, global marketing to retail majors in USA, Europe, Australia and Hongkong and setting-up of fully automatic plating and powder coating plants.

The Board of Directors feel that the experience and business knowledge of Mr. Sundeep Agarwal will be of immense value to the Company in pursuing its growth plans, and therefore, recommends his appointment.

Except Mr. Sundeep Agarwal, no other Director of the Company is concerned or interested in the proposed resolution.

Item no. 7

Mr. G.N. Mehra was appointed as an additional director of the Company on 30th October, 2010 by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 read with Article 133 of the Articles of Association of the Company. Mr. G.N. Mehra holds the office of Director up to the date of the ensuing Annual General Meeting. The Company has received notice in writing from a member along with a deposit of Rs. 500/- proposing the candidature of Mr. G.N. Mehra for the office of Director under the provisions of Section 257 of the Companies Act, 1956.

Mr. G.N. Mehra is a retired bureaucrat having wide ranging experience in administration and industrial development. Mr. Mehra had a distinguished career as a member of the Indian Administrative Service (IAS). He held top positions in the Government of India as Secretary in the Ministry of Industry, Ministry of information and Broadcasting etc. Earlier he was Chief Secretary to the U.P. State Govt. besides being Industries Commissioner in U.P. and Chairman, PICUP. He was also associated in the running and management of various public sector companies having been, at various times, a director on the Boards of Hindustan Zink Ltd., Instrumentation Ltd., Maruti Udyog Ltd., Air India, Indian Airlines, International Airports Authority of India, etc. Of his career with the Government spanning over 37 years, Mr. Mehra has spent twenty years in the field of industrial development and management. He retired in June 1992 as India's High Commissioner to Canada. Mr. Mehra is also the author of book titled "Bhutan – Land of the Peaceful Dragon". Presently, he is on the Boards of M/s Subros Ltd; U.P.Hotels Ltd; Usha Breco Ltd; Action Construction Equipment Ltd; Bharat Seats Ltd. and Amrit Corp. Ltd.

The Board of Directors feel that the experience and business knowledge of Mr. G.N. Mehra will be of immense value to the Company in pursuing its growth plans, and therefore, recommends his appointment.

Except Mr. G.N. Mehra, no other Director of the Company is concerned or interested in the proposed resolution.

Item no. 8

Mr. Sujal Shah was appointed as an additional director of the Company on 30th October, 2010 by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 read with Article 133 of the Articles of Association of the Company. Mr. Sujal Shah holds the office of Director up to the date of the ensuing Annual General Meeting. The Company has received notice in writing from a member along with a deposit of Rs. 500/- proposing the candidature of Mr. Sujal Shah for the office of Director under the provisions of Section 257 of the Companies Act, 1956.

Mr. Sujal Shah is a practicing Chartered Accountant having an overall post qualification experience of about 19 years. He is the founder partner of SSPA & Co., Chartered Accountants, Mumbai and heads the corporate consultancy practice of the firm. His main areas of practice are mergers & acquisitions, valuation of companies/business, advising on restructuring of business, conducting financial due diligence and general corporate advisory. Mr.Sujal Shah has authored various papers on subjects of valuations and restructuring. He is a regular speaker on various subjects including, mergers & acquisitions, valuations, due diligence review, etc at various forums including the Institute of Chartered Accountants of India, Institute of Company Secretaries, Symbiosis, Pune, etc. He is on the Boards of various companies including Reliance Media Works Ltd; Reliance Asset Reconstruction Company Ltd; Gitanjali Gems Limited, Keynote Corporate Services Ltd., among others.

The Board of Directors feel that the experience and business knowledge of Mr. Sujal Shah will be of immense value to the Company in pursuing its growth plans, and therefore, recommends his appointment.

Except Mr. Sujal Shah, no other Director of the Company is concerned or interested in the proposed resolution.

Item no. 9

Pursuant to 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 the General Meeting, borrow money in the aggregate (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) which exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

Presently, as per the resolution passed under section 293(1)(d) of the Companies Act 1956 at the Annual General Meeting of the Company held on 14th September, 2002, the Board of Directors of the Company are authorized to borrow funds upto Rs. 50 crores over and above the paid up capital and free reserves of the Company. However, The business operations of the Company have increased manifold since then. The existing business operations and future growth plans of the Company, necessitate the increase in the borrowing limits of the Board of Directors of the Company. It is, therefore, proposed to increase the borrowing limits of the Board of Directors from present Rs. 50 crores to Rs. 125 crores.

None of the Director is concerned or interested in the proposed resolution.

Your Board recommends the Resolution for your approval.

By Order of the Board
for **Amrit Banaspati Company Limited**

Regd. Office:
Patiala-Chandigarh Road
Rajpura (Punjab)-140401
Dated: July 14, 2011

Gurdeep Kaur
Company Secretary

Dear Shareholders,

Your directors have pleasure in presenting the 26th Annual Report of the Company for the year ended 31st March, 2011.

Financial Results

(Rs. in lacs)

	2010-11	2009-10
Net Sales	**1,00,741.88**	80,636.31
Earnings before Interest, Depreciation and Tax (EBIDTA)	**4,055.19**	1,944.20
Less: Interest	**336.62**	356.45
Profit before Depreciation (PBD)	**3,718.57**	1,587.75
Less: Depreciation	**390.77**	358.85
Profit Before Tax (PBT)	**3,327.80**	1,228.90
Less: Provision for taxation		
- Current Tax	**1,062.91**	309.23
- Deferred Tax	**58.79**	121.86
- Prior period taxes	**0.43**	(0.34)
Profit After Tax (PAT)	**2,205.67**	798.15
Balance brought forward from previous year	**1,730.53**	1,164.53
Profit available for appropriation	**3,936.20**	1,962.68
Appropriations		
Proposed dividend on equity shares	**294.52**	147.26
Corporate tax on dividend	**47.78**	25.03
Transfer to general reserve	**220.57**	59.86
Balance carried forward to Balance Sheet	**3,373.33**	1,730.53

Dividend

Your Directors are pleased to recommend dividend @ Rs. 4.00 per share (i.e. 40%) on the Equity Shares of Rs.10/- each for the year ended 31st March, 2011, as compared to Rs.2.00 per share (i.e.20%) in the previous year.

Operational and Financial Performance

- During the financial year 2010-11, the Company recorded production of 1,42,731 MT of vanaspati and refined oils which is higher by 4.38% over the previous year's production of 1,36,736 MT;
- The gross sales volumes of vanaspati, refined oils and salt (inclusive of outsourced quantity) aggregated to 1,76,934 MT against 1,68,927 MT for the previous year recording a growth of 4.74%;
- The Company recorded growth of over 25% in sales turnover which increased to Rs.1,00,997.59 lacs as against Rs.80,778.61 lacs in the previous year;
- The overall business performance of the Company for the year was satisfactory. Favourable business conditions prevailed for the substantial part of the year which coupled with Company's continuing efforts to reduce cost by taking various cost-effective measures, such as, rationalization of production & logistic cost, maximum capacity utilization, process improvements, rationalization of working capital, judicious oil buying & brand spending and efficient management of the foreign exchange risk, has enabled the Company to achieve operating profit (EBIDTA) of Rs.4055.19 lacs as against Rs.1,944.20 lacs in the previous year. Net profit for the year amounted to Rs.2,205.67 lacs as against Rs.798.15 lacs in the previous year.

Capital projects

During the year under review, the Company has commissioned Slab machine & Perfector imported from Germany for producing and packing 100 grams slab of table margarine/bread spread in domestic and institutional packs. The Company has also installed canopies on all D.G. sets as per the new norms of PPCB (Punjab Pollution Control Board) to reduce sound level of D.G. sets.

Management Discussion and Analysis Report

The management discussion and analysis report for the year under review, as stipulated under clause 49 of the Listing Agreement with the stock exchanges, is presented in a separate section forming part of this Annual Report.

Fixed Deposits

Your Company had an aggregate deposit of Rs. 91.03 lacs (previous year Rs. 262.80 lacs) as on 31st March, 2011 from public and shareholders under the public deposit scheme of the Company framed under section 58A of the Companies Act, 1956. There were no overdue deposits as on 31st March, 2011, nor there was any failure in making repayment of fixed deposits and interest due thereon in terms of the conditions of the public deposit scheme.

Directors

Mr. Romesh Lal, Director, passed away on 8th February, 2011 after protracted illness. Mr. M.L.Sarin has resigned from the directorship of the Company w.e.f. 16th May, 2011. The Board has placed on record its appreciation of the valuable services rendered by Mr. Romesh Lal and Mr. M.L.Sarin during their tenure as Directors of the Company.

Mr.G.N.Mehra and Mr. Sujal Shah have been appointed as Additional Directors by the Board of Directors in the meeting held on 30th October, 2010. They retire at the ensuing annual general meeting and being eligible offer themselves for re-appointment. Mr. Sundeep Agarwal was appointed as Director on 30th April, 2011 in the casual vacancy caused by the demise of Mr. Romesh Lal. Mr. Sundeep Agarwal holds office up to the date up to which Mr. Romesh Lal would have held office i.e. up to the date of ensuing annual general meeting of the Company. Being eligible, Mr. Sundeep Agarwal offers himself for re-appointment.

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. B.S.Bhatia and Mr.V.K.Bajaj retire by rotation and are eligible for re-appointment.

Auditors

The Company's Auditors M/s V. Sahai Tripathi & Co., Chartered Accountants, hold office upto the conclusion of the ensuing Annual General Meeting. The Company has received requisite certificate from them pursuant to section 224(1B) of the Companies Act, 1956, confirming their eligibility for re-appointment as Auditors of the Company.

Cost Audit

The Board of Directors has re-appointed M/s R.J. Goel & Co., Cost Accountants, Delhi, as the cost auditors of the Company under section 233B of the Companies Act, 1956 for the financial 2011-12 and requisite approval has been received from the Central Government. Pursuant to General Circular No. 15/2011 – 52/5/CAB-2011 dated April 11, 2011 issued by the Government of India, Ministry of Corporate Affairs, Cost Audit Branch, New Delhi, following are the details of Cost Auditor and filing of cost audit report with Central Government:

Particulars of Cost Auditor	Details of Cost Audit Report filed for the period ended 31st March, 2010
M/s R.J. Goel & Co. Membership No. 14256 31, Community Centre Ashok Vihar, Phase – I Delhi – 110 052 E-mail: rjgoel14@yahoo.com	Due date: 30th September, 2010 Filing date: 7th September, 2010

The Cost Audit Report for the year ended 31st March, 2011 will be forwarded to the Central Government within the statutory time limit in pursuance of the provisions of Companies Act, 1956.

Listing of Shares

During the year under review, the Company's equity shares continue to be listed at the Bombay and Delhi Stock Exchanges and annual listing fees for the year 2011-12 have been paid to these Exchanges.

Directors' Responsibility Statement

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm :

(i) That in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;

(ii) That the accounting policies selected and applied are consistent and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for that period ;

(iii) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) That the annual accounts have been prepared on a going concern basis.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

A statement containing necessary information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, pertaining to conservation of energy, technology absorption and foreign exchange earnings & outgo is annexed and forms part of this Report.

Particulars of Employees

The Ministry of Corporate Affairs has vide Notification dated 31st March, 2011, raised the limit of employees salary to be disclosed in Directors Report under Section 217 (2A) of the Companies Act 1956 read with Companies (Particulars of Employees) Rules, 1975 to Rs. 60 lacs (if employed throughout the year) and Rs. 5 lacs per month (if employed for part of financial year). Since, none of the employee of the Company has drawn remuneration in excess of the limits specified above for the financial year ended 31st March, 2011, no disclosure is required to be made under the above said provisions.

Corporate Governance

Pursuant to clause 49 of the Listing Agreement, a separate Report on Corporate Governance along with certificate from the Statutory Auditors regarding compliance of the conditions of Corporate Governance is annexed and forms part of the Annual Report.

Corporate Social Responsibility

Your Company is fully aware of its responsibilities as a corporate citizen and seeks to achieve its social responsibility by focusing on the following areas:

Education: The Company has adopted two schools situated in nearby villages and has appointed teachers for imparting informal/basic education to the underprivileged poor & needy children. The Company also provides material such as free notebooks, books, stationery, clothes , Jerseys for summer and winter, shoes, etc. Financial aid is also provided to these schools from time to time for renovation / maintenance of schools buildings, purchasing of new furniture, for providing safe & clean drinking water to students & Staff and other basic amenities. Your Company has also been regularly sponsoring different events such as quiz, seminars and conferences in the nearby Management and Engineering Institutes. Our Company also permit the students of Management and Engineering Streams for industrial visit and impart the basic practical knowledge to them.

Health: To provide blood to the needy patients in this region and showing its commitment towards this noble social cause, your Company has been consistently holding blood donation camps annually for the last 21 years in association with PGI Chandigarh. The Company has also been regularly hosting free medical camps for inhabitants of near by villages in which free medicines are also distributed to needy persons.

Community services: To serve the general public, your Company has installed a number of Prerna Pyaoos at different locations in the city in order to provide clean drinking water to people. In the summer season special arrangements are made to provide cold water at various locations in the city.

Environment: Your Company has in place system for controlling and monitoring discharge complying with environmental standards and legislations. Several environmental initiatives are taken from time to time such as energy conservation measures and waste management, to ensure cleaner and healthier environment.

Human Relations

Human and Industrial relations remained cordial and satisfactory during the year. Your directors place on record their sincere appreciation to the contributions made by the employees and workers towards the success of the Company.

Acknowledgement

Your directors convey their sincere thanks to the investors, dealers, vendors, business associates, suppliers, bankers & various Central and State Government Authorities and customers for their consistent co-operation and support to the Company.

For and on behalf of the Board

N.K. Bajaj
Chairman &
Managing Director

Place : Rajpura
Date : July 14, 2011

STATEMENT CONTAINING PARTICULARS PURSUANT TO COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988, AND FORMING PART OF THE DIRECTORS' REPORT

I. CONSERVATION OF ENERGY	
(a) Energy conservation measures taken	Energy conservation continued to be the priority area of your Company. Energy conservation measures taken during the year included: • Replacement of old existing lead pans with new FRP pans, to reduce the down time. • Replacement of old post washer with new post washers to reduce the down time & increase productivity. • Installation of turbo ventilators in process house & packing section. This resulted in not only saving of power but also reduction in room temperature of process house/shop floor. • Productivity of plant has been increased due to reduction in down time of machinery by effective maintenance and uninterrupted power supply with the help of in-house Captive power plant. With increase in productivity of plant, utilities consumption has been reduced specially power and husk consumption. Besides above, the Company continued to follow the basic energy conservation measures such as constant replacement of outdated energy intensive equipments with latest technology energy saving equipments, timely maintenance of machines, effective control on utilization of energy, use of mostly automated machines, thus eliminating idle running of equipments. During the financial year 2008-09, the Company had installed a captive power plant 1.355 MW with biomass steam boiler 22TPH & 45Kg/cm2. With the installation of this plant, not only the power cost has reduced significantly but the Company has been able to effectively meet the problem of acute power shortage in Punjab.
(b) Additional investments and proposals	The Company will continue its efforts in replacement/ modification of inefficient equipments and upgradation of technology.
(c) Impact of the measures at (a) and (b) above, for reduction of energy consumption and consequent impact on the cost of production of goods:	Through continuous energy conservation measures taken by the Company, the cost of power is optimum as compared to total cost of production.

(d) **Total energy consumption and consumption per unit of production as per Form A**

				2010-11	2009-10
A.	**Power and Fuel Consumption**				
	1.	**Electricity**			
		a.	**Purchased**		
			Unit (KWH)	**64,37,973**	50,99,200
			Total Amount (Rs.)	**3,53,23,590**	2,60,47,120
			Rate/Unit (Rs.)	**5.49**	5.11
		b.	**Own generation through power plant**		
			Unit (KWH)	**77,16,266**	79,96,900
			Rice husk (for turbine)(MT)	**3,623**	3,743
			Unit per MT of rice husk	**2,129.80**	2,136.49
			Total cost (Rs.)	**2,65,45,629**	2,63,65,610
			Cost/unit (Rs.)	**3.44**	3.30
		c.	**Own generation through diesel generator**		
			Unit (KWH)	**1,12,411**	4,71,601
			HSD for generator (ltr.)	**34,528**	1,47,060
			Value of diesel (Rs.)	**11,51,869**	42,82,367
			Cost/unit (Rs.)	**10.25**	9.08
	2.	**Hydrogen gas**			
		Quantity (M3)		**6,76,811**	5,20,722
		Total Cost (Rs.)		**1,80,88,009**	1,21,15,412
		Rate/unit (Rs.)		**26.73**	23.27
	3.	**Others**			
		Rice husk for boiler			
		Quantity (MT)		**40,214**	42,824
		Total cost (Rs.)		**14,79,92,508**	14,15,83,596
		Rate/unit (Rs./MT)		**3,680**	3,306
		HSD for thermo fluid heater			
		Quantity (ltr.)		**70,360**	3,13,402
		Total cost (Rs.)		**23,47,239**	91,26,223
		Rate/unit (Rs./ltr.)		**33.36**	29.12
B.	**Consumption per unit (MT) of production**				
	Production (MT)			**1,42,731**	1,36,736
	Electricity (Kwh)			**100**	99
	Rice husk (Kg.)			**282**	313
	HSD (ltr.)			**0.49**	2.29

II. TECHNOLOGY ABSORPTION

Research and Development

1. Specific area in which R&D carried out by the Company	The Company has a separate and full fledged Research & Development centre with well equipped laboratories, modern analytical instruments and well qualified technical manpower. The R&D dept. has also well equipped bakery & has trained bakers for testing the performance of new bakery shortenings developed. R&D Dept. of the Company is engaged in the following areas of developmental work : i) New produce development ii) Development of new process iii) Process improvement for cost reduction iv) Improvement in product quality
2. Benefits derived as a result of above R&D	• better quality products in line with highest quality standards for maximum consumer satisfaction. • better market penetration. • Change in formulation of products like table margarine has resulted in healthier product without use of hydrogenated oils . • Reduction in trans fatty acids in bakery shortening. • The Company has been able to reduce effluent water generation as a result of process modification resulting in less environmental pollution, cost saving and process efficiency. Improvement in the formulation of bakery shortening products has resulted in cost reduction. Modification of process parameters has resulted in reduction of oil loss in physical refining of raw oils. Cost reduction in bleaching operation has also been made possible. Breakthrough has been achieved in chemical refining of raw oils & the Company has been able to reduce effluent water generation & reducing the load on Effluent Treatment Plant. The other benefits derived from R&D are increase in overall efficiency, reduction in cost of production and higher productivity.

(Rs. in lacs)

3. Expenditure on Research and Development		**2010-11**	**2009-10**
	Capital	**Nil**	Nil
	Recurring	**29.53**	29.58
	Total	**29.53**	29.58
	Turnover	**1,00,997.59**	80,778.62
	Total R & D expenditure as a % of turnover	**0.03**	0.04

Technology absorption, adaptation and innovation

1.	**Efforts in brief made towards technology absorption, adaptation and innovation**	Efforts are continuously being made to achieve higher productivity, value addition, cost reduction, better plant efficiency, reduction in wastage and above all environmental protection.
2.	**Benefits derived**	Benefits derived as a result of above effort are product improvement, cost reduction and product development. The technology developed for some of the products indigenously through R&D are : • Vanaspati & Bakery shortening with very low transfatty acids • Merricool bakers shortening for desserts • Merricool Crispy for Ice cream coating • Table margarine & Table spread slabs. (Both these new products have been successfully launched in the market. • Non diary topping • Cocoa butter substitute from lauric fats • Hair oils Technology for above products has been developed indigenously through R&D. Further action may be taken after ascertaining market potential.
3.	**Imported technology**	Technology & Perfector machine has been imported from Denmark for producing bakery shortening and margarines with improved quality. Technology & Ecopack machine has been imported from Germany for producing table margarine in slab form.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars with regard to foreign exchange earnings and outgo appear on page 56 of the Annual Report and Accounts.

For and on behalf of the Board

Place : Rajpura
Date : July 14, 2011

N.K. Bajaj
Chairman & Managing Director

Macro economic overview

The inherent strength of India's domestic demand spurred by a large growing young population, and robust consumption and investment rates, enabled the Indian economy to maintain 8.2 per cent annual growth over the previous year. The economic growth in the financial year 2010-11 was swift and broad-based and it is back to its pre-crisis growth trajectory. Agriculture is estimated to have grown at 5.4 per cent, industry at 8.1 per cent and services at 9.6 per cent. All three sectors are contributing to the consolidation of growth. No doubt, the Indian economy has shown remarkable resilience to both external and domestic shocks. More importantly, the growth is sustainable as we are expected to meet the double-digit growth in the near future despite the fact that the Govt. has already started rolling back the fiscal stimulus implemented over 2008-09 and 2009-10 to mitigate the impact of the global financial crisis on economic growth in India.

However there are few factors that threatens to derail India's growth story. One of them is uncomfortably high inflation . The total food inflation though declined from 17.9% per cent in January 2010 to less than half at 9.3 per cent in January 2011, but it still remains a cause of concern. Inflation as such is mostly fueled by growth, however, it also reveals shortcomings in distribution and marketing systems, which are getting accentuated due to growing demand for food items with rising income levels. Higher oil prices in the international market is also a worrying factor as approximately 1/3rd of India's total import bill is for oil and petroleum products. Likewise, revenue deficit, fiscal deficit and continued tightening of monetary policies are causes of concern.

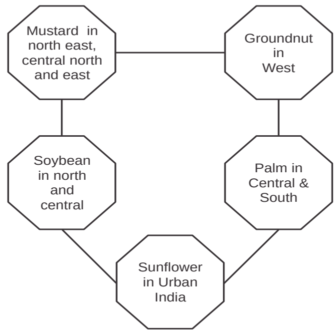
Industry structure

The Company is primarily engaged in the manufacturing and marketing of vanaspati, bakery shortenings, refined & filtered edible oils and marketing of salt and soya nuggets.

The Indian edible oil market is the world's fourth-largest after the USA, China and Brazil with domestic turnover of approx. Rs. 1 lakh crores and is the fifth largest producer of major oilseeds in the world.

The gap between demand and production of edible oil in India has increased sharply in recent years. Since 2000-01, production of oilseeds grew at the rate of 4.7% per annum, but edible oil consumption increased at the rate of 6.5% per annum. There is little scope of any substantial increase in supply. This pessimism stems from a number of factors. First, the prospects of increasing the supply through higher acreage are limited as the oil seeds have to compete with other crops like wheat and rice for land. Over the last one decade or so the Government has been favouring the latter while drawing its minimum support price (MSP) policies. With food inflation in the country emerging as a key challenge amidst rapidly increasing disposable income, the Government is likely to continue providing greater MSP hike to staples. Secondly, productivity of oil seeds in India is very poor. Indian oil seed yields are nearly half of world average and one-third compared with the top yields in world. A number of reasons like low quality seeds, lesser access to inputs, poor farming practices, and the fact that much of India's oilseed crop is cultivated in unirrigated areas are responsible for lower productivity. Substantially raising domestic production will be difficult in such circumstances. Demand for oil seeds has on the other hand been growing rapidly in India at the rate of 6.5 percent a year. As such, India has become the world's largest importer (ahead of the EU and China) of edible oil meeting about 60 percent of its domestic edible oil requirements through imports from the international markets by spending nearly Rs. 50,000 crore annually. Other allied factors contributing to imports are the higher cost of cultivation in India and uneconomic oil extraction systems. Palm and soybean oils constitute more than 95% of total edible oil imports. To curb over dependence on imports, the Govt. has taken a welcome initiative by providing for an amount of Rs. 300 crore in Union Budget 2011-12 to bring in 60,000 hectares under palm oil production by integrating the farmers with the markets. This is expected to yield about 3 lakh metric tonnes of palm oil annually in 5 years.

The demographic pattern of India exhibits regional consumer preferences for various edible oils depending upon the oils available in the region as under:



Palm oil (mainly imported) and soybean oil account for almost half of total edible oil consumption in India, followed by mustard and groundnut oil. However, the consumptions patterns are fast changing as consumers are beginning to accept oils other than traditional ones.

The domestic oil prices in India move largely in line with international price movements, especially for the oils which India imports. Within India, the domestic prices of various edible oils are largely correlated. Palm oil, being the cheapest oil, impacts the price movement of other oils. Palm, soybean and rapeseed (mustard) together account for 73% of edible oil consumption in India, with palm oil accounting for 44% of total consumption. Market share of soybean & palm oils have gained significantly over the years, due to increased access to imports. The strong growth of soybean and palm oil consumption reflects Indian consumers' sensitivity to prices.

Recent Developments in Industry

The recent financial crisis followed by economic meltdown, several poor harvests, shortage of feedstock and reduction in import duties on edible oil has taken a heavy toll on small-scale solvent extractors and refiners, as many of them have either closed down, or have been taken over by larger players in the industry. The number of solvent extractors has fallen from 766 to 711 and refiners have come down from 800 to around 600 since 2005. This trend is expected to continue going forward as a number of scale economies are increasingly available such as backward integration, cheaper access to credit, greater ability to sustain a volatile period or a price war and of course lower marginal cost of production.

The leading players have all invested heavily into building additional capacities over the last few years and continue to do so. Going forward, the scale economies has given substantial advantage to larger players while the volatility in global oil market has made going tough for smaller players.

Other notable developments in the Industry are increasing trend of consumer towards branded/packaged oil and diversion of vegetable oil for use as fuel in the form of biodiesel.

Threats

The Company operates in a highly competitive environment. Given the opportunities available in this sector, fully integrated multi national giants with efficient distribution & supply chain management system and modern plants have flooded the Indian market. Further, the possibility of other existing players ramping up their capacities and market share also cannot be ruled out. MNCs are able to command higher quality with lower costs, lower overheads, minimum losses and decreased input costs. Many of have them have acquired palm plantations in the Malaysian and Indonesian regions to procure raw material direct from the source and thus strategically placing themselves in a better and advantageous position as compared to other players in the industry.

Increased reliance on edible oils for bio fuels has also become a threat for the industry in general. This has not only reduced supplies available for human consumption but also have created direct nexus between crude oil prices on the one hand and vegetable oil prices on the other.

Risks and concerns

Volatility in domestic and global vegetable oil prices and volatility in foreign exchange market are two prominent risks to which the Company is exposed. With about 60% of domestic oil consumption dependent on imports, global demand-supply dynamics have a key bearing on domestic realizations with domestic prices increasingly aligning themselves to international ones. As such, the high volatility exhibited in international vegetable oils prices is being transmitted to domestic market as well. Uncertainty due to Govt. policies is another major cause of concern. With cheap imports threatening to cripple the domestic industry, the Govt. is walking a tightrope between filling the demand supply gap and the political need to keep the domestic industry in good health. Unorganized, medium and small players dominate the industry. Hence, quality also remains a concern. Uncertainty in procuring raw material is another worrying factor as it leads to maintain adequate stocks to achieve optimal capacity utilization. However, this makes operations highly working capital-intensive and raising stockholding costs. This practice also increases price risk to some extent, since the industry could face volatility between the procurement of the inputs and the sale of the outputs, impacting margins. The company is also exposed to market risk as it has no pricing power, the selling prices for the company being derived from the market price. Margin expansion is therefore possible only by way of value addition, branding, retail packaging or introducing cost effective manufacturing process calling for more deployment of funds on these areas. Another dimension to this risk is that there is no product differentiation at the user end making price competitiveness key driver of demand.

Other causes of concern are land shortage, water constraints, climate change, global warming, low operating margin, inadequate quality control and quality assurance mechanisms leading to adulteration, antiquated food laws and poor implementation and low depth liquidity in futures markets.

Further, the dynamics of the industry is not limited to its own market fundamentals of demand and supply. Non fundamental factors such as politics, inflation, investor interest, Government policies, and liquidity also plays a pivotal role.

Risk Management

For managing all risks associated with economy, regulations, competition etc., the Company has a well defined framework wherein the risks associated at each level are recognized and appropriately reported to the Board for assessment and minimization process. To minimize the risk of stock losses due to fluctuation in oil rates, inventory upto a maximum of one month is kept which is sufficient to meet the production requirements. The risk of adverse exchange rate movement arising due to purchase of imported oil is minimized by using forward booking of US $ at appropriate times. Market risk arising out of competition is managed by focusing on cost reduction measures and servicing the market by supplying quality products at competitive prices. Time to time sales promotion schemes catering to dealers, retailers and consumers are also being offered at par with competitors.

Financial and operating performance

The shareholders may refer to Directors' Report forming part of this Annual Report for detailed analysis on financial and operating performance of the Company during the year under review.

Outlook

A growing population and vastly varied dietary habits have ensured a thriving market for edible oil in the country. The Indian edible oil industry is expected to grow at a rate of 6 percent annually over the next five years. With poor prospects of increase in domestic production and robust expectations of increase in consumption, the country is going to remain hugely dependent on imports in medium to long run. If anything, such dependence will only increase as growth in supply is unlikely to match growth in demand. As reliance on imported palm and soybeans is increasing, players are actively looking for plantation acquisition or development at a global level. The step to integrate backward will increase the profitability of industry players in the long term.

Due to rising imports, the industry is getting increasingly correlated with the global scenario where a lot of volatility has been seen in recent years because of financial crisis and expanding demand for bio fuels. From a medium term perspective, the prospects of organised sector larger players are nonetheless reasonably strong. Increasing size is giving the players more scale economies and financial muscle to go for backward and forward integration. In backward integration the players are contracting farm lands to produce oil-seeds to ensure captive supply of raw material. Many players have also contracted vast lands in East Asia given the likelihood of continued high import dependence to meet rising domestic demand. In forward integration, companies are looking to open retail stores where product can be sold at a higher margin.

Judicious spending on brand building, rising demand for packaged/branded oils and increasing spread of organized retail will help improve margins in longer run for bigger players. Smaller players on the other hand are more likely to continue catering to niche segments, and while minimum margins will be protected through government policies, potential of improving margin is limited without scaling up operations.

Opportunities

Edible oil consumption in India has been growing steadily over the years. It is predicted by National Council of Applied Economic Research (NCAER) that in the year 2015, the demand for edible oils in India would be 20 million tons per annum. This highlights the opportunity available for domestic edible oil manufacturers to grow and expand their business. While population growth contributes to rising demand, increasing per-capita consumption would mean growth will be higher in India than most other places.

The Indian edible oil sector is presently largely fragmented and unorganised (85% market share), However, it is swiftly shifting to the organised sector owing to increase preference for non traditional oils such as soybean and sunflower. Thus , the organized sector led by branded edible oils has emerged as one of the fastest growing sectors in recent times clocking double digit growth in Indian FMCG industry. Increase in awareness regarding adulteration and increased health consciousness has further aided the growth of the organised sector. The retail boom backed by rising income levels has opened up another frontier for the companies to sell in retail packs that enjoy high margins and develop brand equity in line with other FMCG products to create pricing power. These developments will not only help companies expand customer base with increased volumes but will also lead to margin expansion.

The Company is all set to take up the opportunities as it has carved a niche for itself by creating a strong branded portfolio comprising of various types of refined oils under the “Ginni Refined Oils” umbrella like groundnut, cotton seed, rice bran, soybean, sunflower, palm oil, while vanaspati, kacchi ghani mustard oil and salt are marketed under the brand “Gagan”. Bakery shortening, table margarine and other specialty products also form part of our total product portfolio. This is backed by strong distribution network comprising of approx. 1000 dealers, more than 1 lac retail dealers and around 37 depots in various states, robust production and R&D department and seamless and efficient supply chain management. The Company is also exploring the possibilities of setting up manufacturing facilities in other strategic locations to enhance the capacity and increase its presence in new markets. The move is in line with the company's objective to be cost effective while adhering to quality standards and near to consumption markets.

ISO Certification and ERP

The Company is accredited with ISO 9001:2008 certification which is renewed on regular basis. The Company had been pioneer in edible oil industry to implement ERP across entire organization. It has substantially contributed towards increased efficiency and productivity at all levels.

Segment wise Performance

The Company is primarily engaged in the business of edible oils only, hence it has only one segment. The Company is also engaged in the trading of salt and soya nuggets but since their turnover is less than 10% of the total turnover, is not considered as segment as per AS-17 issued by I.C.A.I.

Internal control systems and their adequacy

The Company has well defined internal control mechanism to ensure efficiency of operations, adequate and appropriate financial reporting, compliance with applicable laws and regulations and safeguard of assets.

For this purpose, auditors have been appointed to conduct internal audit. The observations of the internal auditor are reported to the senior management for discussion and the recommendations are implemented appropriately.

The internal audit report is placed before the Audit Committee on quarterly basis, alongwith significant audit observations of the internal auditors. The Audit Committee reviews the adequacy and effectiveness of internal control system and suggests improvement in it from time to time.

Human Resources

Your Company considers its employees as an asset and it continuously strives to provide healthy and congenial work atmosphere. Various developmental programmes both personality development and professional development are being organized from time to time for sharpening their skill and updating their professional knowledge. Appropriate performance appraisal system is in place for creating better accountability and demarcation of responsibilities among employees. Your Company had total 446 employees as on 31st March, 2011.

Cautionary Statement

Statements in the Management Discussion and Analysis may be “Forward Looking Statements” within the meaning of present business conditions and applicable laws 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, demand and supply, price situation, Indian and overseas market, changes in government rules and regulations and other incidental factors. Moreover, though the data and information provided in the statement are based on sources believed to be reliable, the Company is not responsible for its accuracy and comprehensiveness. Shareholders are hence cautioned to conduct their own investigation and analysis before taking any action based on the information of this Report.

Company's Philosophy on Code of Governance

The philosophy of Amrit Banaspati Company Limited (ABCL) on corporate governance envisages attainment of highest standards of transparency, accountability, equity and integrity in its operations and dealings with all its stakeholders comprising of shareholders, employees, creditors, bankers, government and last but not least the society at large. We at ABCL believe that corporate governance is not merely a set of rules but it is the way a "Corporate" is run and managed so that the interests of all its stakeholders are secured.

Thus, the entire corporate structure of ABCL strive to be consistent with not only the provisions of clause 49 of the Listing Agreement in letter and spirit but also to adhere to unwritten rules of good corporate governance emanating from ethical behavior, fair play and sense of justice.

I. Board of Directors

1. Composition

Clause 49 of the Listing Agreement provides that the Board of Directors of a company shall have an optimum combination of executive and non-executive directors with not less than fifty percent of the Board of Directors comprising of non-executive directors. Where the Chairman of the Board is a non-executive director, at least one-third of the Board should comprise of independent directors and in case he is an executive director, at least half of the Board should comprise of independent directors.

As on 31.03.2011, the Company had total 10 directors with composition as under:

Executive director	-- 1
Non executive non independent directors	-- 3
Non executive independent directors	-- 6
Total	**--10**

Thus, in accordance with clause 49 of the Listing Agreement:

- Not less than 50% of the Board comprised of non executive directors.
- Since the Chairman is executive director, the number of independent directors was more than one half of the Board.

  All the directors have informed the Company about the committee positions they occupied in other companies as on 31.03.2011.

  The names and categories of the directors on the Board, their attendance at the Board meetings and Annual General Meeting held during the year and number of Committee Chairmanship/membership held by them in other companies are as follows:

Name of the Directors[6]	Attendance			No. of directorships in other companies[3]	No. of Committee memberships in other companies as [4]	
	Board meeting[1]		Last AGM[2]		Chairman	Member
Executive director	**Held during the tenure**	**Attended**				
Mr. N. K. Bajaj *Chairman & Managing Director*	5	5	Yes	5	1	1
Non executive non independent directors						
Mr. A. K. Bajaj	5	4	Yes	3	--	--
Mr. V. K. Bajaj	5	4	Yes	4	--	1
Mr. J.C. Rana	4	4	Yes	--	--	–
Non executive independent directors						
Mr. Romesh Lal[6]	5	--	No	NA	NA	NA
Mr. B.S. Bhatia[7]	5	5	Yes	1	--	1
Mr. M.L. Sarin[8]	5	1	Yes	--	--	--
Mr. V.K. Sibal	5	4	Yes	--	--	--
Mr. Mohit Satyanand	4	4	Yes	3	--	2
Mr. G.N. Mehra[9]	1	1	NA	6	5	3
Mr. Sujal Shah[9]	1	1	NA	7	4	2

1. During the year 2010-11, five (5) Board meetings were held.
2. Last AGM was held on 25.09.2010.
3. Directorships in foreign companies, private companies, associations excluded. None of the directors of the Company is director in more than 15 companies in terms of section 275 of the Companies Act, 1956.
4. In accordance with clause 49 of the Listing Agreement, Audit Committee and Shareholders'/Investors' Grievance Committee alone have been considered. As mandated by clause 49 of the Listing Agreement, none of the directors is member of more than 10 aforesaid Committees, nor is Chairman of more than five such Committees.
5. Inter se related directors are Mr. N.K. Bajaj, Mr. V.K. Bajaj & Mr. A.K. Bajaj.
6. Mr. Romesh Lal expired on 8th February, 2011. Mr. Sundeep Agarwal was appointed as independent director on 30th April, 2011, in the casual vacancy caused by the demise of Mr. Romesh Lal.
7. Mr. B.S. Bhatia, who is the Chairman of Audit Committee was present at the last Annual General Meeting of the Company held on 25.09.2010 to answer shareholders' queries.
8. Mr. M.L. Sarin resigned w.e.f. 16th May, 2011.
9. Mr. G.N. Mehra and Mr. Sujal Shah were appointed as additional directors on 30th October, 2010.

2. The number of equity shares held by non executive directors as on 31.03.2011 was as under:

Name of the director	Number of equity shares held
Mr. A.K. Bajaj	77,446
Mr. V.K. Bajaj	1,20,645
Mr. J.C. Rana	--
Mr. B.S. Bhatia	--
Mr. M.L. Sarin	2,950
Mr. V.K. Sibal	--
Mr. Mohit Satyanand	--
Mr. G.N. Mehra	4,825
Mr. Sujal Shah	--

3. **Number of Board meetings held**

During the year 2010-11, the Board met **five times** on the following dates:

1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
April - June (2010)	**July - September (2010)**	**October - December (2010)**	**January - March (2011)**
27.04.2010	27.07.2010 25.09.2010	30.10.2010	29.01.2011

The Board of Directors meet atleast once in a quarter to review operations of the Company and financial results, and more often, if there are other business to transact.

The time gap between any two Board meetings was not more than four months.

4. **Information supplied to the Board**

The Company Secretary in consultation with the Chairman & Managing Director finalizes the agenda papers which are circulated to the Board members well in advance of each meeting. Where it is not practical to attach any document to the agenda, the same is tabled before the meeting. In addition to regular business items, the following items/information are also placed before the Board, wherever applicable:

- Compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any.
- Annual operating plans, budgets and updates.
- Capital budgets and updates.
- Production, sales and financial performance data.
- Quarterly/annual financial results of the Company.
- Minutes of the meeting of Audit Committee and other committees of the Board.
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment and removal of Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices , which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligation to and by the Company, or substantial non payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Details of any joint venture or collaboration agreement.
- Significant labour problems and their proposed solutions.
- Significant development in human resources/Industrial relations front.
- Sale of material nature of investments, assets which is not in normal course of business.
- Quarterly details of foreign exchange exposure and steps taken by the management to limit the risk of adverse exchange rate movement
- Non compliance of any regulatory, statutory or listing requirements and shareholders services such as non payment of dividend, delay in share transfer, etc.

5. **Code of conduct**

The Board of Directors have laid down a Code of conduct for Board and senior management persons and the same is available on the Company's website, namely, **www.amritbanaspati.com**. In terms of clause 49 of the Listing Agreement, all Board members and senior management persons have confirmed compliance to the Code of conduct for the year ended 31st March, 2011. A declaration to this effect by CEO is given herein below:

I hereby declare that

The Company has obtained affirmation from all the directors and senior management to the effect that they have complied with the Code of Conduct and Ethics of the Company for the year ended 31st March, 2011.

(N.K. Bajaj)

Place: Rajpura *Chairman & Managing Director*

Date: July 14, 2011 *(CEO)*

6. Code of conduct for prevention of insider trading

Under SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has adopted Code of conduct for prohibition and prevention of insider trading. The Code is applicable on all the directors, officers and designated employees of the Company. The said persons, in addition to giving regular disclosures to the Company, are also prohibited under the code to deal in shares of the Company while in possession of unpublished price sensitive information. All Board members, officers and designated employees have confirmed compliance to the Code of conduct for the year ended 31st March, 2011.

II. Committees of the Board of Directors

A. Mandatory Committees

1. Audit Committee

The Company has constituted a qualified and independent Audit Committee under section 292A of the Companies Act, 1956 read with clause 49 of the Listing Agreement. Two third of the members of the Committee, including Committee Chairman are independent directors. All the members of the Committee are financially literate.

(i) Meetings and composition

The composition of Audit Committee as on 31.03.2011 and attendance record of the members at the meetings held during the year was as under:

Name of the Director	Category	Status	No. of meetings	
			Held* the tenure[1]	attended
Mr. Romesh Lal	Non executive Independent Director	Chairman	4	--
Mr. B.S. Bhatia	Non executive Independent Director	Co-Chairman	4	4
Mr. N.K. Bajaj[2]	Executive Director	Member	3	3
Mr. Mohit Satyanand[2]	Non executive Independent Director	Member	3	3
Mr. J.C. Rana[2]	Non executive non Independent Director	Member	3	3
Mr. Sujal Shah[3]	Non executive Independent Director	Member	--	--

1. Committee meetings held on 27.04.2010, 27.07.2010, 30.10.2010 and 29.01.2011
2. Mr. N.K. Bajaj, Mr. Mohit Satyanand and J.C. Rana were appointed as Committee members on 27th July, 2010
3. Mr. Sujal Shah was appointed as Committee member on 29th January, 2011

The current composition of Audit Committee is as under (as reconstituted by the Board of Directors in its meeting held on 30th April, 2011)

1. Mr. B.S. Bhatia, Chairman (Non executive independent director)
2. Mr. N.K. Bajaj (Executive non independent director)
3. Mr. G.N. Mehra (Non executive independent director)
4. Mr. Mohit Satyanand (Non executive independent director)
5. Mr. Sujal Shah (Non executive independent director)
6. Mr. J.C. Rana (Non executive non independent director)

As mandated by clause 49 of the Listing Agreement:

1. The representatives of statutory and internal auditors of the Company are also invited in the Audit Committee meetings.
2. The Company Secretary, Ms. Gurdeep Kaur act as Secretary to the Committee.
3. The gap between two Audit Committee meetings was not more than four months.
4. Minimum two independent directors were invariably present at each meeting of the Audit Committee.

(ii) Terms of reference of the Audit Committee

The terms of reference of Audit Committee are as under:

- Oversight 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.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Recommending to the Board, the appointment of, and if required, the replacement or removal of cost auditors and the fixation of Cost Audit fees as required under General Circular No. 15/2011 – 52/5/CAB-2011 dated April 11, 2011 issued by the Government of India, Ministry of Corporate Affairs, Cost Audit Branch, New Delhi.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
    - 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
    - Changes, if any, in accounting policies and practices and reasons for the same
    - Major accounting entries involving estimates based on the exercise of judgment by management
    - Significant adjustments made in the financial statements arising out of audit findings
    - Compliance with listing and other legal requirements relating to financial statements
    - Disclosure of any related party transactions
    - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, 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.
- Discussion with internal auditors regarding any significant findings and follow up there on.
- 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.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- Management discussion and analysis of financial condition and result of operations.
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
- Management letters / letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the Chief internal auditor.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

2. Shareholder's Investors' Grievance Committee

Pursuant to clause 49 of the Listing Agreement, the Company has constituted a Board Committee designated as Shareholders'/Investors' Grievance Committee under the Chairmanship of a non executive director to specifically look into the redressal of shareholder/investor complaints like transfer of shares, non receipt of balance sheet, non receipt of declared dividends and other ancillary matters.

(i) Meetings and composition

The composition of Committee as on 31.03.2011 and attendance record of the members at the meetings held during the year was as under:

Name of the members	Category	Status	No. of meetings	
			Held*	Attended
Mr. Romesh Lal	Non executive Independent Director	Chairman	1	-
Mr. V.K. Sibal	Non executive Independent Director	Member	1	1
Mr. A.K. Bajaj	Non executive non Independent Director	Member	1	1
Mr. M.L. Sarin	Non executive Independent Director	Member	1	--

* Committee meeting held on 16.10.2010

The current composition of Shareholders/Investors Grievance Committee is as under (as reconstituted by the Board of Directors in its meeting held on 30th April, 2011)

1. Mr. V.K. Sibal, Chairman (Non executive independent director)
2. Mr. A.K. Bajaj (Non executive non independent director)
3. Mr. Sundeep Agarwal (Non executive independent director)

(ii) Details of Shareholders'/Investors' complaints received during the year 2010-11

- Complaints pending at the beginning of the year …………………….. Nil
- Complaints received during the year……………………………………… 5
- Complaints redressed to the satisfaction of ……………………………… 5 Shareholders/Investors
- Complaints pending at the end of the year …………………………….. Nil

(iii) Share Transfer System

Transfer of shares in physical form are processed within a period of 15 days from the date of lodgment, subject to documents being valid and complete in all respects. The transfer, transmission etc. of the Company's securities are looked after by the Registrar & Share Transfer Agents of the Company M/s Mas Services Limited under the supervision and control of Company Secretary. The details of shares transferred/transmitted alongwith share transfer/transmission registers are placed before the Board Committee viz. Securities Transaction Committee for approval. Compliance certificate under clause 47(c) of the Listing Agreement certifying the compliance of share transfer formalities is being obtained from a practicing Company Secretary on half yearly basis and is filed with the stock exchanges. Requests received for dematerialization of shares are processed and the confirmation is given by the Registrar & Share Transfer Agent to the Depositories within prescribed time limit.

B. Non Mandatory Committees

1. Remuneration Committee

The Company has constituted a Remuneration Committee under schedule XIII to the Companies Act, 1956 read with clause 49 of the Listing Agreement. All the members of the Remuneration Committee are non executive independent directors.

(i) Terms of reference

The terms of reference of Remuneration Committee is to deal with, decide and recommend to the Board of Directors on all matters relating to appointment and remuneration of Managing Director(s) and other whole time directors.

(ii) Meetings and composition

The composition of Committee as on 31.03.2011 and attendance record of the members at the meetings held during the year was as under:

Name of the members	Category	Status	No. of meetings	
			Held*	Attended
Mr. Romesh Lal	Non executive Independent Director	Chairman	1	--
Mr. B.S. Bhatia	Non executive Independent Director	Member	1	1
Mr. Mohit Satyanand	Non executive Independent Director	Member	1	1

* Committee meeting held on 27.07.2010

The current composition of Remuneration Committee is as under (as reconstituted by the Board of Directors in its meeting held on 30th April, 2011)

1. Mr. B.S. Bhatia, Chairman (Non executive independent director)
2. Mr. Mohit Satyanand (Non executive independent director)
3. Mr. Sundeep Agarwal (Non executive independent director)

(iii) Remuneration policy

Executive directors

The remuneration of executive directors is reviewed by the Remuneration Committee and thereafter recommended to the Board for approval subject to shareholders' approval at the general meeting of the Company and such other authorities as may be required. While recommending remuneration, the Committee considers various factors such as practices prevalent in the industry for the time being, qualification, experience and expertise of the appointee and financial position of the Company.

The details of remuneration paid to executive directors for the financial year 2010-11 was as under :

Name of the executive director	Fixed (Rs.)			Variable (Rs.)	Total (Rs.)
	Salary & allowances	Provident fund + Superannuation	Other benefits	Commission	
Mr. N.K. Bajaj[1]	27,14,839	2,03,613	3,51,375	8,48,387	41,18,214
Mr. J.K. Khaitan[2]	11,53,290	1,55,594	10,110	--	13,18,994
Mr. S.C. Agarwal[3]	1,21,750	17,800	2,06,997	--	346,547
Total	**39,89,879**	**3,77,007**	**5,68,482**	**8,48,387**	**57,83,755**

1. Remuneration paid from 17.07.2010 2. Remuneration paid upto 16.07.2010 3. Remuneration paid upto 30.04.2010

Non executive directors

The Company does not have any pecuniary relationship with the non executive directors other than payment of sitting fees for attending meeting of the Board of Directors and its Committees.

The total sitting fees paid to non executive directors during the year 2010-11 was as under:

Name of the director	Sitting fees paid Including TDS (Rs.)
Mr. A.K. Bajaj	97,500
Mr. V.K. Bajaj	90,000
Mr. J.C. Rana	1,42,500
Mr. B.S. Bhatia	1,65,000
Mr. M.L Sarin	15,000
Mr. V.K. Sibal	67,500
Mr. Mohit Satyanand	1,12,500
Mr. G.N. Mehra	15,000
Mr. Sujal Shah	15,000
Mr. H.S. Goenka*	37,500
Mr. L.M. Suri*	37,500
Mr. Pavan Khaitan*	15,000

For Board/Committee meetings held upto 16.07.2010

Notes: *1. Sitting Fees: (i) Rs. 15,000/- for each meeting of Board of Directors/Audit Committee*
(ii) Rs. 7,500/- for other Committees
2. The Company does not have any service contract with any of its directors.
3. No separate provision exists for notice period and severance fees.
4. The Company has not granted any stock option to any of its directors/employees.

2. Other Committees of the Board

The Board has also constituted few other functional Committees apart from the aforesaid statutory Committees such as Securities Transaction Committee for considering transfer/transmission etc. of shares and Loan & Banking Committee for banking matters.

III. General Body Meetings

Location and time of last three Annual General Meetings

Year	Venue	Date	Time	No. of special resolutions passed
2009-10	Amrit Bhawan, Gobind Colony, Rajpura (Punjab)	25.09.2010	11.30 a.m.	1*
2008-09		12.09.2009	11.30 a.m.	1**
2007-08		13.09.2008	11.30 a.m.	Nil

* Appointment of Mr. N.K. Bajaj as Chairman & Managing Director

** Approval for payment of minimum remuneration to Mr. J.K. Khaitan, Vice Chairman & Managing Director as per Schedule XIII to the Companies Act, 1956.

No special resolution was passed last year through postal ballot. None of the resolutions proposed for the ensuing General Meeting need to be passed by postal ballot.

IV. Disclosures

1. Disclosure of materially significant related party transactions

The related party transactions are placed before Audit Committee on quarterly basis. During the year under review, there was no transaction of material nature with related parties which are not in the normal course of business or which are not on an arms length basis. The related party transactions have been disclosed under Note no. 4 of Notes to Accounts of the Balance Sheet forming part of this Annual Report.

2. Disclosure of accounting treatment

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, and in conformity, in all respects, with the generally accepted accounting principles and standards in India. The estimates/judgments made in preparation of these financial statements are consistent, reasonable and on prudent basis so as to reflect true and fair view of the state of affairs and results/operations of the Company.

3. Board disclosures- risk management

The Company has well defined management policies to manage the risk inherent in the various aspects of business. The Board is regularly informed about the business risks and the steps taken to mitigate the same.

4. Details of non compliance with respect to capital market

The Company has complied with all the requirements of the stock exchanges as well as Regulations and guidelines prescribed by SEBI. There were no penalties, strictures imposed on the Company by stock exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

5. Disclosure under Clause 5A(II) of the Listing Agreement in respect of unclaimed shares

The Securities and Exchange Board of India vide its circular no. CIR/CFD/DIL/10/2010 dated 16 December 2010, amended clause 5A of the Equity Listing Agreement for dealing with unclaimed shares in physical form. In compliance with this amendment, the Company has sent first reminder vide letter dated 30th June, 2011 to such shareholders whose share certificates are in undelivered form and hence remained unclaimed, requesting them to update their correct details viz. postal addresses, PAN details etc. registered with the Company.

The total equity shares lying unclaimed with the Company as on date are 46,006 owned by 3,637 number of shareholders.

V. Means of Communication

Presently, the quarterly/half yearly financial results are not sent individually to the shareholders. However, as required under the Listing Agreement, the same are published in English and Punjabi Daily newspapers having appropriate circulation such as Times of India, Business Standard, Economic Times, Punjabi Tribune and Rozana Spokesman. The Annual Report is sent to the shareholders individually before the Annual General Meeting. The financial results are also displayed on the BSE website we well as official website of the Company viz. www.amritbanaspati.com.

Pursuant to circular no. CIR/CFD/DIL/10/2010 dated 16th December, 2010 issued by Securities & Exchange Board of India (SEBI), the Company has maintained website namely www.amritbanaspati.com providing the basic information about the Company such as details of our business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc. The information provided on the website is being updated regularly.

During the year under review, no presentation was made to institutional investors or to the analysts.

VI. CEO/CFO Certification

The certificate required under clause 49(V) of the Listing Agreement duly signed by CEO/CFO was placed before the Board of Directors in its meeting held on 14th July, 2011.

VII. Auditors Certificate On Corporate Governance

As required under clause 49 of the Listing Agreement, the Company has obtained certificate from statutory auditors regarding compliance of conditions of corporate governance. The same is annexed to this Report.

VIII. Compliance

1. Mandatory requirements

The Company has complied with all the mandatory requirements of clause 49 of the Listing Agreement.

2. Non mandatory requirements

(i) **Remuneration Committee:** The Company has constituted a Remuneration Committee, the details of which have already been provided earlier in this Report.

(ii) **Audit qualifications:** During the current financial year, there are no audit qualifications in the financial statements.

IX. Other Corporate Information

1. Listing details

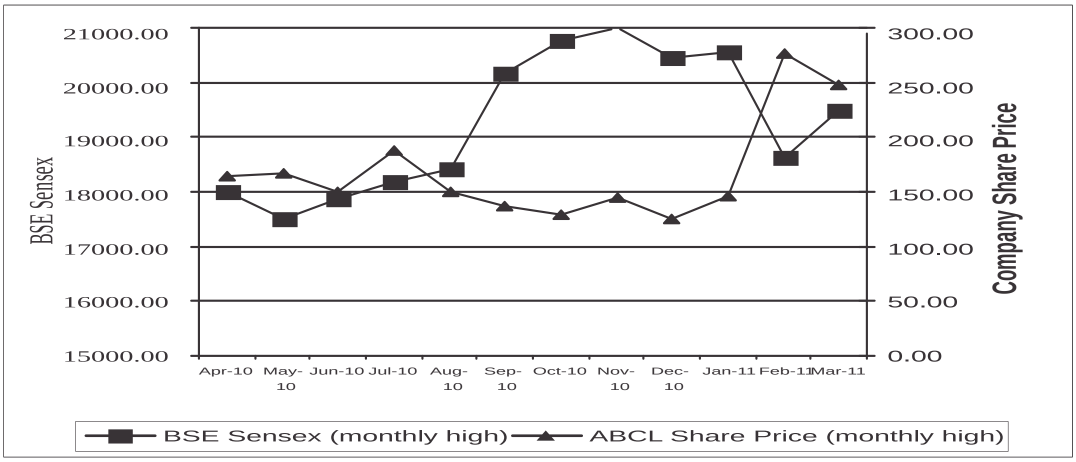
Name of the stock exchange	Address	Stock code	Status of payment of listing fees for the year 2011-12
The Bombay Stock Exchange Limited	Phiroze, Jeejeebhoy towers, 25th Floor, Dalal Street, Mumbai - 400 001	531728	Paid
The Delhi Stock Exchange Assn. Ltd.	3/1, Asaf Ali, Road. DSE House, New Delhi - 110 001	8917	Paid

2. Market Price Data

Month	Share price of the Company		BSE Sensex	
	High	Low	High	Low
April, 2010	167.00	137.10	18,047.86	17,276.80
May, 2010	169.40	113.00	17,536.86	15,960.15
June, 2010	153.00	97.30	17,919.62	16,318.39
July, 2010	191.10	118.00	18,237.56	17,395.58
August, 2010	153.10	117.00	18,475.27	17,819.99
September, 2010	138.90	116.35	20,267.98	18,027.12
October, 2010	131.95	111.00	20,854.55	19,768.96
November, 2010	147.00	112.05	21,108.64	18,954.82
December, 2010	127.80	110.00	20,552.03	19,074.57
January, 2011	149.00	108.00	20,664.80	18,038.48
February, 2011	282.00	137.00	18,690.97	17,295.62
March, 2011	251.90	191.25	19,575.16	17,792.17

Source : BSE website: www.bseindia.com

3. Comparison of Company' share price with BSE Sensex



4. Dematerialization of shares

55,10,653 equity shares equivalent to 74.84%of the Company's equity capital is held in dematerialized form with NSDL and CDSL as on 31.03.2011. The Company has joined NSDL and CDSL to offer depository services to the shareholders and connectivity of the same is being maintained through RTA Mas Services Limited. The shareholders may open account with any of the Depository Participant registered with NSDL or CDSL.

Reconciliation of share capital audits were carried out by a qualified practising Company Secretary on quarterly basis for reconciling the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit inter-alia confirms that total issued/paid-up capital is in agreement with the total number of shares held in physical form and the total number of dematerialised shares held with NSDL and CDSL.

5. **Distribution of shareholding as on 31.03.2011**

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
1 to 500	17,908	99.34	2,68,293	3.64
501-1000	50	0.28	36,558	0.49
1001-2000	9	0.05	12,576	0.17
2001-3000	10	0.06	27,050	0.37
3001-4000	4	0.02	13,813	0.19
4001-5000	8	0.04	37,166	0.51
5001-10000	5	0.03	36,222	0.49
10001 and above	32	0.18	69,31,290	94.14
TOTAL	**18,026**	**100.00**	**73,62,968**	**100.00**

6. **Shareholding pattern as on 31.03.2011**

Category	No. of shareholders	No. of shares	% of shareholding
Promoter holding			
Individuals/HUF	15	8,56,657	11.63
Bodies Corporate	13	46,09,015	62.60
Total Promoter holding	**28**	**54,65,672**	**74.23**
Non promoter holding			
Institutions/banks	6	587	0.01
Bodies Corporate	116	62,393	0.85
Individuals	17,516	18,22,401	24.75
NRIs/OBCs	319	4,278	0.06
Clearing members	8	3,342	0.04
Trust	1	967	0.01
Others	32	3,328	0.05
Total Non promoter holding	**17,998**	**18,97,296**	**25.77**
Grand Total	**18,026**	**73,62,968**	**100.00**

Auditors' certificate regarding compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement

To the members of Amrit Banaspati Company Ltd.

We have examined the compliance of the conditions of Corporate Governance by Amrit Banaspati Company Ltd. for the year ended on 31st March, 2011 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 the 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 statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the clause 49 of the Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2011, no investor grievances are pending against the Company for a period exceeding one month as per records maintained by the Company.

We state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For V. Sahai Tripathi & Co.
Chartered Accountants

(Rajan Sachdeva)
Partner
M.No. 93081

Place: Rajpura
Dated: July 14, 2011

X. General Shareholder Information

1 Annual General Meeting	Day : Saturday Date : 20th August, 2011 Time : 11.30 a.m. Venue : Amrit Bhawan, J-3 9/13, Gobind Colony, Rajpura, Pb.
2. Divided Payment Date	Dividend as recommended by the Board of Directors if declared in the AGM will be paid on or after 20th August, 2011 but before the statutory time limit of 30 days from the date of declaration.
3. Financial Year	1st April to 31st March
4. Financial calendar	<table><tr><th>Quarter ended on</th><th>2010-11 (Results announced on)</th><th>2011-12 (Tentative)</th></tr><tr><td>30th June</td><td>27.07.2010</td><td>Last week of July, 2011</td></tr><tr><td>30th September</td><td>30.10.2010</td><td>Last week of Oct., 2011</td></tr><tr><td>31st December</td><td>29.01.2011</td><td>Last week of Jan. 2012</td></tr><tr><td>31st March</td><td>30.04.2011</td><td>Last week of April, 2012</td></tr></table>
5. Book closure dates	From 13th August, 2011 to 20th August, 2011 (Both days inclusive)
6. Name, designation and Address of Compliance officer	Ms. Gurdeep Kaur Company Secretary cum Compliance officer Amrit Banaspati Co. Ltd., Patiala – Chandigarh Road, Rajpura Punjab – 140 401 Tel. 01762-232890, Fax: 01762-232897
7. Exclusive E-mail ID for redressal of investor complaints in terms of clause 47 (f) of the Listing Agreement	gurdeep.kaur@amritbanaspati.com
8. Registrar & Share Transfer Agents	Mas Services Ltd. T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi - 110 020 Tel nos. Ph:- 26387281/82/83 Fax: 011-26387384 e-mail: info@masserv.com
9. Website of the Company	www.amritbanaspati.com
10. Demat ISIN in NSDL/CDSL	INE221G01029
11. Outstanding GDRs/ADRs/ Warrants any convertible instruments, conversion date and likely impact on equity	Not applicable
12. Regd. Office, plant location and address for correspondence	Amrit Banaspati Company Limited Patiala-Chandigarh Road, Rajpura (Punjab)-140 401 Tel. 01762-232890, Fax: 01762-232897

XI. Details of directors seeking appointment/re-appointment at the Annual General Meeting (Pursuant to clause 49 of the Listing Agreement)

S.No.	(1)	(2)	(3)	(4)	(5)
Name of the Director	**Mr. B.S. Bhatia**	**Mr. V.K. Bajaj**	**Mr. Sundeep Agarwal**	**Mr. G.N. Mehra**	**Mr. Sujal Shah**
Age	69 years	47 years	50 years	79 years	43 years
Date of appointment	24.07.2007	24.07.2007	30.04.2011	30.10.2010	30.10.2010
Qualification	B.Com., M.Com, Ph.D.	B.Com	BE (Mechanical)	MA. LL.B.	B.Com, FCA (Chartered Accountant)
Expertise in specific functional area	Eminent educationist having more than 47 years of experience of Teaching, Research, Consultancy, HRD, Educational Administration & Industrial Training at Panjab University, Chandigarh, Punjabi University, Patiala, Indian School of Mines, Dhanbad, Apeejay Institute of Technology, Greater Noida and RIMT- Institute of Management & Computer Technology, Mandi Gobindgarh.	Industrialist having more than 24 years of experience. Also involved in the business of language training in collaboration with a swiss company, namely Inlingua.	Wide-ranging experience in production, quality control, product development, human resources and administration. Presently working as the Chief Executive Officer of Messrs Sumex Exports Pvt. Ltd. Sumex is a part of "Jayanita" group of industries and is engaged in manufacturing and export of garden decorative and shelving brackets with export turnover of about Rs.28 crores. Also involved in the past in setting -up a joint venture with leading German company, global marketing to retail majors in USA, Europe, Australia and Hongkong and setting-up of fully automatic plating and powder coating plants.	Retired bureaucrat having wide ranging experience in administration and industrial development. Mr. Mehra had a distinguished career as a member of the Indian Administrative Service (IAS). He held top positions in the Government of India as Secretary in the Ministry of Industry, Ministry of information and Broadcasting etc. He was also associated in the running and management of various public se ctor companies Of his career with the Government spanning over 37 years, Mr. Mehra has spent twenty years in the field of industrial development and management. He retired in June 1992 as India's High Commissioner to Canada. Mr. Mehra is also the author of book titled "Bhutan– Land of the Peaceful Dragon".	Practicing Chartered Accountant having an overall post qualification experience of about 19 years. He is the founder partner of SSPA & Co., Chartered Accountants, Mumbai and heads the corporate consultancy practice of the firm. His main areas of practice are mergers & acquisitions, valuation of companies/business, advising on restructuring of business, conducting financial due diligence and general corporate advisory. Mr Sujal Shah has authored various papers on subjects of valuations and restructuring.
Directorships in other public limited companies	Vardhman Polytex Ltd.	1. Amrit Corp. Ltd. 2. Amrit Agro Industries Ltd. 3. Amrit Learning Ltd. 4. Amrit Realities Ltd.	United Wheels Ltd.	1. Amrit Corp. Ltd. 2. Action Construction Eqipment Ltd. 3. UP Hotels Ltd. 4. Subros Ltd. 5. Bharat Seats Ltd. 6. Usha Breco Ltd.	1. Reliance Media Works Ltd. 2. Gitanjali Gems Ltd. 3. Keynote Corporate Services Ltd. 4. Reliance Asset Reconstruction Co.Ltd. 5. The Hindoostan Spinning & Weaving Mills Ltd. 6. Amal Ltd. 7. Hindoostan Technical Fabrics Ltd.
Chairmanship/membership of Committees in other public limited companies	**Vardhman Polytex Ltd** Audit Committee (Member)	**Amrit Agro Industries Ltd.** Shareholders'/Investors Grievance Committee (Member)	Nil	**Action Construction Equipment Ltd.** Audit Committee (Member) **Amrit Corp. Ltd., Bharat Seats Ltd.** Audit Committee (Chairman), Shareholders/Investors Grievance Committee (Member) **Usha Breco Ltd.** Audit Committee (Chairman) **Subros Ltd.** Audit Committee (Chairman), Shareholders/Investors Grievance Committee (Chairman)	**Reliance Media Works Ltd., Gitanjali Gems Ltd., Reliance Asset Reconstruction Company Ltd., Keynote Corporate Services Ltd.** Audit Committee (Chairman) **Amal Ltd., Hindoostan Spinning and Weaving Mills Ltd.** Audit Committee (Member)
Shareholding in the Company (Equity shares of Rs. 10/- each)	Nil	1,20,645	Nil	4,825	Nil

Note: The information given in the Report is as on 31st March, 2011, unless otherwise stated.

The Members of
Amrit Banaspati Company Ltd.

1. We have audited the attached balance sheet of Amrit Banaspati Company Ltd. as at 31st March, 2011 and also the profit & 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 the 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 misstatement. 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 the management as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government in terms of section 227 (4A) of the Companies Act, 1956 ('the Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us during the course of the audit, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments in the Annexure referred to in paragraph 3 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 those books.

(c) The company's balance sheet, profit & loss account and the 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 the cash flow statement dealt with by this report comply with the requirements of the accounting standards referred to in sub-section (3C) of section 211 of the Act, to the extent applicable.

(e) Based on the representations received from all the Directors of the company as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors of the company is disqualified as on 31st March, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) to section 274 of the Act.

(f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the Notes appearing in Schedule 19, Significant Accounting Policies and foot-notes appearing under other schedules 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 31st March, 2011;

ii) In the case of the Profit & Loss Account, of the Profit for the year ended on that date; and

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

For V Sahai Tripathi & Co.
Chartered Accountants
Firm Regn. No. 000262N

(Rajan Sachdeva)
Partner
M. No. 93081

Place : Rajpura
Date : July 14, 2011

Annexure to the Auditors' Report
(Referred to in paragraph 3 of our report of even date)

1. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The company has a phased programme of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. In accordance with such programme, the management has physically verified its fixed assets during the year and no material discrepancies were noticed by them.

(c) During the year, there was no substantial disposal of fixed assets.

2. (a) According to the information and explanations given to us, physical verification of inventories is conducted by the management at periodic intervals. These intervals are reasonable having regard to the size of the company and the nature of its inventories.

(b) The procedures followed by the company for physical verification of inventories are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification as compared to book records.

3. (a) The company had granted a loan amounting to Rs.392.73 lacs to the erstwhile Amrit Banaspati Co. Ltd. (now 'Amrit Corp. Ltd.') under the Modified Rehabilitation Scheme (MRS) sanctioned by the Hon'ble Board of Industrial & Financial Reconstruction (BIFR). Pursuant to the Scheme of Arrangement sanctioned by the jurisdictional High Courts, out of the said unsecured loan, a sum of Rs.88.53 lacs has devolved on Amrit Corp. Ltd. and Rs.191.32 lacs on ABC Paper Ltd., which are bodies corporate covered under Section 301 of the Act (ABC Paper has ceased to be the bodies corporate u/s 301 of the Act w.e.f.16.07.2010).

(b) The MRS provided that the said unsecured loans would be subordinated to institutions/banks term loans and would be repaid after payment to all financial institutions/banks. Accordingly, the interest on the said unsecured loans has been fixed at 10% on annual basis and the loans were to be repaid after 31.03.2010 by which time all the loans of the financial institutions/banks were to be repaid as per MRS. The company intimated to both Amrit Corp. Ltd. and ABC Paper Ltd. that their respective unsecured loans be repaid in 4 equal half-yearly instalments during financial years 2010-11 and 2011-12. We are of the opinion that the rate of interest and other terms and conditions of the loan are not prejudicial to the interests of the Company.

(c) Amrit Corp. Ltd. is regularly servicing the unsecured loan by payment of interest and repayment of principal as per the agreed schedule. Interest on the unsecured loan has been regularly paid by ABC Paper as well up to 31.03.2011. However, ABC Paper has failed to commence the repayment of the loan and has proposed repayment of the same in five years in 20 equal quarterly installments commencing from June, 2011, which is not acceptable to the company. In view of dispute by ABC Paper in repayment of the unsecured loans, the company recalled and cancelled the repayment schedule and demanded from ABC Paper Ltd. to repay the entire unsecured loans of Rs.191.32 lacs forth.

(d) In view of the default in the repayment of unsecured loan by ABC Paper, the company has served on ABC Paper Ltd., a statutory Notice under Section 433/434 of the Companies Act, 1956 requiring ABC Paper Ltd. to repay the unsecured loans failing which, necessary winding up petition will be filed with the High Court of competent jurisdiction. Therefore, we are of the opinion that the company has taken reasonable steps for recovery of the principal amount of the unsecured loans.

(e) The company has not taken any loan secured or unsecured from any other company covered in the register maintained under section 301 of the Act.

4. 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 for the purchase of inventory and fixed assets and for the sale of goods and services. There was no continuing failure to correct major weaknesses in internal controls noticed by us during the course of our audit.

5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act, have been entered in the register required to be maintained under that section.

(b) Transactions made in pursuance of such contracts or arrangements entered in the register maintained under Section 301 of the Act have been made, to the best of our knowledge and belief, at prices which are reasonable having regard to the prevailing market prices at the relevant time.

6. In our opinion and according to the information and explanations given to us, the company has complied with the directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA or any other relevant provision of the Act and the Rules framed thereunder, wherever applicable with regard to the deposits accepted during the year. In accordance with the information and explanations given to us, there were no orders passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other "Tribunal" which have not been complied with.

7. In our opinion the company has an internal audit system which is commensurate with the size and nature of its business.

8. We have broadly reviewed the books of accounts maintained by the Company, pursuant to the rules prescribed by the Central government for the maintenance of cost records under Section 209(1)(d) of the Companies Act,1956 and are of the opinion that prima facie the prescribed accounts and records have been maintained . We have not however made a detailed examination of such accounts and records.

9. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, in our opinion the company is regular in depositing the undisputed statutory dues including provident fund, investor education & protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other material statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of the above dues which were outstanding as at 31st March, 2011 for a period of more than six months from the date of becoming payable.

(b) According to the records of the company examined by us, the particulars of the dues outstanding of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess as at 31st March, 2011 which have not been deposited on account of dispute, are as follows:

Name of Statutes	Nature of Dues	Amount	Forum where dispute is pending
		Rs.	
Service Tax	Demand notice of service tax on the deduction of price of the oil lost in transit from the freight amount	5,59,152	Central Excise Service Tax Appellate Tribunal (CESTAT) at New Delhi
Central Excise	Demand of central excise duty on account of difference of clearance of products shown in ER-1 and the balance sheet FY 2004-05	2,09,100	Central Excise Service Tax Appellate Tribunal (CESTAT) at New Delhi
Central Excise & Customs	Differential customs duty on transit loss of imported CPO	51,31,410	Commissioner Central Excise (Appeals), Chandigarh
Income Tax	Demand for Assessment year 2007-08, (financial year 2006-07)	1,73,98,263	Commissioner Income Tax (Appeals), Chandigarh
Income Tax	Demand for Assessment year 2008-09, (financial year 2007-08)	99,73,087	Commissioner Income Tax (Appeals), Chandigarh

10. The company has no accumulated losses as at 31st March, 2011 and has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.

11. During the year, the company has not defaulted in the re-payment of dues to the banks. The company has no loans from the financial institutions nor issued any debentures.

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

13. The company is not a chit fund, nidhi, mutual benefit fund or a society. Accordingly, the provisions of clause 4(xiii) of the Order are not applicable.

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

15. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year. There is no corporate guarantee which is outstanding at the end of the year. Accordingly, clause 4(xv) of the Order is not applicable.

16. According to the information and explanations given to us, the term loan has been applied for the purpose for which it was obtained.

17. There were no funds raised on a short term basis which has been used on a long term basis.

18. The company has not made any preferential issue during the year.

19. The company has not issued any debentures during the year.

20. The company has not raised any money by public issue during the year.

21. During the course of our examination of the books and records of the company and according to the information & explanations given to us, there were no frauds on or by the company, noticed or reported during the course of our audit.

For V Sahai Tripathi & Co.
Chartered Accountants
Firm Regn. No. 000262N

(Rajan Sachdeva)
Partner
M. No. 93081

Place : Rajpura
Date : July 14, 2011

BALANCE SHEET AS AT 31ST MARCH , 2011

		Schedule No.	As at 31.3.2011 (Rs.)	As at 31.03.2010 (Rs.)
I.	SOURCES OF FUNDS:			
	(1) *Shareholders' Funds*			
	(a) Capital	1	**7,48,05,680**	7,48,05,680
	(b) Reserves & Surplus	2	**46,37,10,001**	27,73,72,614
	(2) *Loan funds*			
	(a) Secured loans	3	**32,63,51,436**	26,96,40,163
	(b) Unsecured loans	4	**9,17,29,949**	12,41,13,150
	(3) Deferred Tax Liability		**8,32,45,041**	7,73,65,838
	TOTAL		**1,03,98,42,107**	82,32,97,445
II.	APPLICATION OF FUNDS:			
	(1) *Fixed assets*	5		
	(a) Gross Block		**84,00,16,014**	70,51,88,119
	(b) Less : Depreciation/Amortization		**30,26,67,630**	26,84,13,675
	(c) Net Block		**53,73,48,384**	43,67,74,444
	(d) Capital work-in-progress		**56,57,482**	2,52,84,974
			54,30,05,866	46,20,59,418
	(2) *Current Assets, Loans & Advances*			
	(a) Inventories	6	**73,28,10,242**	76,23,11,114
	(b) Sundry Debtors	7	**18,99,53,809**	6,58,66,184
	(c) Cash and bank balances	8	**26,67,39,988**	4,60,78,448
	(d) Loans & Advances	9	**6,54,54,015**	5,91,05,609
	Less :		**1,25,49,58,054**	93,33,61,355
	Current Liabilities and Provisions	10		
	(a) Current Liabilities		**67,98,47,669**	53,16,65,886
	(b) Provisions		**7,82,74,144**	4,04,57,442
			75,81,21,813	57,21,23,328
	Net Current Assets		**49,68,36,241**	36,12,38,027
	TOTAL		**1,03,98,42,107**	82,32,97,445

Significant Accounting Policies & Notes to Accounts **19**

Schedules (1 to 10 & 19) form part of this Balance Sheet.
This is the Balance Sheet referred to in our report of even date.

For V. Sahai Tripathi & Co.
Chartered Accountants
Firm Regn. No. 000262N

Rajan Sachdeva
Partner
Membership No. 93081

Place : Rajpura
Dated : July 14, 2011

N.K. Bajaj
(Chairman & Managing Director)

V.K. Bajaj
(Director)

Parveen Tarika
[Vice President (Finance & Accounts)], CFO

Gurdeep Kaur
(Company Secretary)

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule No.	Current Year (Rs.)	Previous Year (Rs.)
Income			
Gross Sales		**10,09,97,58,686**	8,07,78,61,845
Less: Excise Duty		**2,55,70,282**	1,42,31,145
Net Sales		**10,07,41,88,404**	8,06,36,30,700
Increase / Decrease (-) in stock	**11**	**7,12,87,692**	2,42,10,880
Other Income	**12**	**2,01,33,305**	1,86,81,439
Total		**10,16,56,09,401**	8,10,65,23,019
Expenditure			
Raw Material consumed	**13**	**7,17,32,99,869**	5,55,57,73,722
Trading purchases		**1,40,36,00,718**	1,17,24,59,578
Manufacturing expenses	**14**	**78,49,67,436**	73,93,39,175
Employees' emoluments	**15**	**8,74,49,995**	8,61,74,591
Selling & Distribution expenses	**16**	**23,16,66,304**	27,78,52,731
Administrative and Other Expenses	**17**	**7,91,05,891**	8,05,03,056
Total		**9,76,00,90,213**	7,91,21,02,853
Profit before Interest & depreciation/amortization		**40,55,19,188**	19,44,20,166
Interest	**18**	**3,36,61,630**	3,56,45,292
Profit before depreciation/amortization		**37,18,57,558**	15,87,74,874
Less : depreciation/amortization		**3,90,77,282**	3,58,84,673
Profit before taxation		**33,27,80,276**	12,28,90,201
Less provisions for:			
-Current Tax		**10,62,91,055**	3,09,23,000
-Deferred Tax		**58,79,203**	1,21,86,050
-Prior period taxes		**42,929**	(33,491)
Profit for the year after taxation		**22,05,67,089**	7,98,14,642
Add : Balance brought forward from previous year		**17,30,52,526**	11,64,52,591
Profit available for appropriation		**39,36,19,615**	19,62,67,233
Appropriations:-			
a) Proposed dividend on Equity Shares		**2,94,51,872**	1,47,25,936
b) Tax on proposed dividend		**47,77,830**	25,02,673
c) Transfer to General Reserve		**2,20,56,709**	59,86,098
Balance Carried to Balance Sheet		**33,73,33,204**	17,30,52,526
Earning per share (Basic & Diluted)		29.96	10.84
Significant Accounting Policies & Notes to Accounts	**19**		

Schedules (11 to 19) form part of this Profit & Loss Account.
This is the Profit & Loss Account referred to in our report of even date.

For V. Sahai Tripathi & Co.
Chartered Accountants
Firm Regn. No. 000262N

Rajan Sachdeva
Partner
Membership No. 93081

Place : Rajpura
Dated : July 14, 2011

N.K. Bajaj
(Chairman & Managing Director)

V.K. Bajaj
(Director)

Parveen Tarika
[Vice President (Finance & Accounts)], CFO

Gurdeep Kaur
(Company Secretary)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

		31.03.2011 (Rs.)	31.03.2010 (Rs.)
A.	**Cash flow from Operating activities**		
	Net Profit before tax and extraordinary items	**33,27,80,276**	12,28,90,201
	Adjustments for :		
	Depreciation	**3,90,77,282**	3,58,84,673
	Interest - Received	**(52,61,655)**	(53,81,467)
	- Paid	**3,36,61,630**	3,56,45,291
	Profit on sale of assets	**(11,11,821)**	(67,597)
	Loss on sale of assets	**6,23,608**	42,38,362
	Operating profit before working capital changes	**39,97,69,320**	19,32,09,463
	Adjustments for :		
	Trade and other Receivables	**(13,04,36,031)**	4,61,27,766
	Inventories	**2,95,00,871**	(31,19,47,790)
	Trade payables	**14,22,26,200**	22,79,18,226
	Cash generated from operations	**44,10,60,360**	15,53,07,665
	Direct tax paid	**(7,91,90,811)**	(2,43,95,945)
	Cash Flow before extraordinary items	**36,18,69,549**	13,09,11,720
	Extraordinary Items	-	-
	Net cash from operating activities	**36,18,69,549**	13,09,11,720
B.	**Cash flow from Investing activities**		
	Purchase of fixed assets	**(12,47,59,523)**	(6,23,26,101)
	Sale of fixed assets	**52,24,004**	42,20,410
	Interest received	**52,61,655**	53,81,467
	Net cash used in investing activities	**(11,42,73,864)**	(5,27,24,224)
C.	**Cash flow from Financing activities**		
	Proceeds from long term borrowings	**2,38,34,996**	(3,12,21,816)
	Interest Paid	**(3,35,40,534)**	(3,54,07,733)
	Payment of Dividend (Incl. Tax)	**(1,72,28,609)**	(1,29,21,457)
	Net cash used in financing activities	**(2,69,34,147)**	(7,95,51,006)
	Net increase/(decrease) in cash and cash equivalents	**22,06,61,538**	(13,63,510)
	Cash and cash equivalents as at 31.03.2010 (Opening Balance)	**4,60,78,450**	4,74,41,960
	Cash and cash equivalents as at 31.03.2011 (Closing Balance)	**26,67,39,988**	4,60,78,450

As per our report of even date.

For V. Sahai Tripathi & Co.
Chartered Accountants
Firm Regn. No. 000262N

Rajan Sachdeva
Partner
Membership No. 93081

Place : Rajpura
Dated : July 14, 2011

N.K. Bajaj
(Chairman & Managing Director)

V.K. Bajaj
(Director)

Parveen Tarika
[Vice President (Finance & Accounts)], CFO

Gurdeep Kaur
(Company Secretary)

Schedule : 1

CAPITAL	As at 31.03.2011 (Rs.)	As at 31.03.2010 (Rs.)
Authorised		
90,00,000 (Prev. Year 90,00,000) Equity Shares of Rs. 10/- each	**9,00,00,000**	9,00,00,000
30,00,000 (Prev. Year 30,00,000) 7% Redeemable Preference Shares of Rs.10/- each	**3,00,00,000**	3,00,00,000
Issued, Subscribed and Paid up		
73,62,968 (Prev. Year 73,62,968) Equity Shares of Rs.10/-each	**7,36,29,680**	7,36,29,680
Add : Forfeited Shares	**11,76,000**	11,76,000
Total	**7,48,05,680**	7,48,05,680

Schedule :2

RESERVE AND SURPLUS	As at 31.03.2011 (Rs.)	As at 31.03.2010 (Rs.)
Capital Reserve		
Balance brought forward	**8,365**	8,365
Capital Subsidy	**50,00,000**	50,00,000
	50,08,365	50,08,365
Preference Share Capital Redemption Reserve	**2,50,97,000**	2,50,97,000
Share Premium Account		
Balance brought forward	**5,70,89,265**	5,70,89,265
General Reserve		
Balance brought forward	**1,71,25,458**	1,11,39,360
Add: Transfer from Profit and Loss Account	**2,20,56,709**	59,86,098
	3,91,82,167	1,71,25,458
Profit and Loss Account	**33,73,33,204**	17,30,52,526
Grand Total	**46,37,10,001**	27,73,72,614

Schedule: 3

SECURED LOANS	**As at 31.03.2011 (Rs.)**	As at 31.03.2010 (Rs.)
Term Loans		
- State Bank of Patiala	**9,15,55,752**	2,27,74,000
- Interest accrued & due on bank loans	**10,95,373**	9,17,220
- State Bank of India	**6,73,00,000**	8,93,00,000
- Interest accrued & due on bank loans	**7,53,377**	2,60,301
Working Capital Loans		
a) State Bank of India		
- Cash Credit	**13,09,36,324**	9,44,91,787
b) State Bank of Patiala		
- Cash Credit	**3,47,10,610**	6,18,96,855
Total	**32,63,51,436**	26,96,40,163

Notes:

1. The terms loans are secured/to be secured by a equitable mortgage of factory land & building both existing as well as future and a first charge by way of hypothecation on pari passu basis over all the fixed assets of the company both present and future, save and except assets exclusively charged to bankers for their term loans.

   The term loans are also secured by personal guarantees of S/Shri N.K.Bajaj and V.K.Bajaj.

2. The working capital (cash credit) borrowings are secured/to be secured by:

   (a) First pari passu charge by way of hypothecation over all the current assets of the company consisting of raw material/stock in process/finished goods/stores & spares/ book debts; bills etc. lying in factory premises/sales depots and offices;

   (b) Second pari passu charge over all the fixed assets of the company (existing as well as future);

   (c) Equitable mortgage of factory land and building both present and future on 2^{nd} charge basis with the existing charge-holders, and

   (d) Personal guarantees of S/Shri N.K.Bajaj and V.K.Bajaj

Schedule :4

UNSECURED LOANS	**As at 31.03.2011 (Rs.)**	As at 31.03.2010 (Rs.)
Fixed deposits		
Payable within one year Rs. 32,60,000	**91,03,000**	2,62,80,000
(Prev. year 1,79,30,000/-)		
From Directors Rs. NIL (Prev. Year Rs. 54,28,000/-)		
Loans & Advances		
Other than from banks	**8,26,26,949**	9,78,33,150
Total	**9,17,29,949**	12,41,13,150

Schedule : 5 FIXED ASSETS

(Rupees)

	GROSS BLOCK (At Cost)				DEPRECIATION/AMORTIZATION				NET BLOCK	
	Opening as at 01.04.10	Additions	Deduction/ sales	Closing as at 31.03.11	Upto 31.03.10	For the Year	Deduction/ sale	Upto 31.03.11	As at 31.03.11	As at 31.03.10
Land	26,27,162	-	-	**26,27,162**	-	-	-	**-**	**26,27,162**	26,27,162
Building	7,06,70,481	2,42,38,991	-	**9,49,09,472**	2,97,57,533	22,57,778	-	**3,20,15,311**	**6,28,94,161**	4,09,12,947
Plant & Machinery	51,44,65,581	11,35,29,710	36,56,760	**62,43,38,531**	18,51,83,095	2,57,21,254	26,24,458	**20,82,79,891**	**41,60,58,640**	32,92,82,486
Laboratory Equipments	16,90,317	1,95,278		**18,85,595**	13,21,355	87,017		**14,08,372**	**4,77,223**	3,68,962
Furniture & fixture	43,40,454	49,066	2,75,704	**41,13,816**	33,33,990	1,16,802	1,54,747	**32,96,045**	**8,17,771**	10,06,464
Equipment & Appliances	70,43,283	4,71,161	2,93,235	**72,21,209**	33,61,013	4,03,393	1,01,952	**36,62,454**	**35,58,755**	36,82,270
Vehicle	79,63,503	50,49,186	48,32,051	**81,80,638**	30,14,288	7,20,708	16,30,455	**21,04,541**	**60,76,097**	49,49,214
Computer	1,88,19,264	8,53,623	5,01,370	**1,91,71,517**	1,06,39,498	21,42,509	3,11,714	**1,24,70,293**	**67,01,224**	81,79,766
Electric Installation	3,42,122	-	-	**3,42,122**	3,25,016	-	-	**3,25,016**	**17,106**	17,106
Water Supply System	24,54,519	-	-	**24,54,519**	19,27,129	1,60,520	-	**20,87,649**	**3,66,870**	5,27,389
Nitrogen Cylinder	4,000	-	-	**4,000**	4,000	-	-	**4,000**	**-**	-
Temporary Construction	94,433	-	-	**94,433**	94,433	-	-	**94,433**	**-**	-
Brand	7,46,73,000	-	-	**7,46,73,000**	2,94,52,325	74,67,300	-	**3,69,19,625**	**3,77,53,375**	4,52,20,675
TOTAL	70,51,88,119	14,43,87,015	95,59,120	**84,00,16,014**	26,84,13,675	3,90,77,281	48,23,326	**30,26,67,630**	**53,73,48,384**	43,67,74,444
Previous Year	68,69,49,059	4,09,07,182	2,26,68,123	**70,51,88,119**	24,68,05,950	3,58,84,673	1,42,76,948	**26,84,13,675**	**43,67,74,444**	44,01,43,109
Captital Work In Progress									**43,01,543**	91,44,860
Capital Advance									**13,55,939**	1,61,40,114
TOTAL									**54,30,05,866**	46,20,59,418

Schedule: 6

INVENTORIES	As at 31.03.2011 (Rs.)	As at 31.03.2010 (Rs.)
Stores and spare parts	**2,78,64,494**	2,53,14,844
Packing material	**1,37,27,980**	1,45,07,159
Raw Material in Tank	**22,94,47,103**	16,34,53,209
Raw Material at Port	**12,58,07,920**	29,49,85,896
Stock-in-process	**6,86,99,302**	3,82,55,085
Finished Goods/Traded Goods	**25,74,08,715**	22,20,45,395
By-products	**98,54,728**	37,49,526
Total	**73,28,10,242**	76,23,11,114

Schedule: 7

SUNDRY DEBTORS	As at 31.03.2011 (Rs.)	As at 31.03.2010 (Rs.)
(Unsecured considered good unless otherwise stated)		
a) Due for more than six months	**21,19,341**	23,15,778
b) Other debts	**18,99,53,809**	6,56,69,747
	19,20,73,150	6,79,85,525
Less: Provision for doubtful debts	**(21,19,341)**	(21,19,341)
Total	**18,99,53,809**	6,58,66,184

Schedule: 8

CASH AND BANK BALANCES	As at 31.03.2011 (Rs.)	As at 31.03.2010 (Rs.)
a) Cash & cheques in hand & in transit	**3,64,36,288**	1,85,01,427
b) With scheduled banks		
- in current accounts	**1,19,05,111**	40,20,708
- in fixed deposit accounts	**18,77,00,000**	64,35,659
- in margin money account	**2,98,66,370**	1,65,60,000
- Unclaimed dividends	**7,63,309**	4,89,244
- Unclaimed Preference shares Redemption	**68,910**	71,410
Total	**26,67,39,988**	4,60,78,448

Schedule : 9

LOANS AND ADVANCES	As at 31.03.2011 (Rs.)	As at 31.03.2010 (Rs.)
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	**6,49,59,015**	5,82,89,184
Loans to officers*	**4,95,000**	8,16,425
Total	**6,54,54,015**	5,91,05,609

* Maximum amount due at any time during the year Rs. 8,16,425/- (Prev. year Rs. 12,70,465/-)

Schedule : 10

CURRENT LIABILITIES AND PROVISIONS	As at 31.03.2011 (Rs.)	As at 31.03.2010 (Rs.)
a) Current Liabilities		
1. Acceptances	**57,50,63,537**	38,35,96,764
2. Sundry Creditors		
-- Due to Micro and Small Enterprises	**1,20,825**	58,161
-- Due to others	**6,29,51,473**	9,93,89,832
3. Other Liabilities	**4,00,44,351**	4,68,53,187
4. Unclaimed Dividend*	**7,63,309**	4,89,288
5. Unclaimed Redemption amount on Preference Shares*	**68,910**	71,410
6. Interest accrued but not due on loans	**8,35,264**	12,07,244
Total	**67,98,47,669**	53,16,65,886
b) Provisions		
1. Current Tax (net of advance tax & TDS)	**3,51,63,757**	80,20,585
2. Bonus	**57,75,496**	53,51,594
3. Leave Encashment	**31,05,189**	49,37,718
4. Gratuity	**-**	49,18,936
5. Dividend on Equity Shares (incl. tax)	**3,42,29,702**	1,72,28,609
Total	**7,82,74,144**	4,04,57,442
Grand Total	**75,81,21,813**	57,21,23,328

* Not due for deposit to Investor Education & Protection Fund.

Schedule :11

INCREASE/DECREASE IN STOCK	Current Year (Rs.)	Previous Year (Rs.)
Opening Stock		
Finished Goods/Traded Goods	**22,20,45,395**	20,39,12,994
By - Products	**37,49,526**	36,95,781
Stock - in - Process	**3,82,55,085**	3,21,44,179
Total	**26,40,50,006**	23,97,52,954
Closing Stock		
Finished Goods/Traded Goods	**25,74,08,715**	22,20,45,395
By - Products	**98,54,728**	37,49,526
Stock - in - Process	**6,86,99,302**	3,82,55,085
Total	**33,59,62,745**	26,40,50,006
Increase / Decrease (-) in Excise Duty	**(6,25,047)**	(86,172)
Increase / Decrease (-) in Stock	**7,12,87,692**	2,42,10,880

Schedule : 12

OTHER INCOME	Current Year (Rs.)	Previous Year (Rs.)
Interest Received (Gross)	**52,61,655**	53,81,467
(TDS Rs. 5,87,898 Previous year Rs. 7,22,031)		
Cash Discount Received	**92,47,859**	81,49,228
Miscellaneous Income	**56,23,791**	51,50,744
Total	**2,01,33,305**	1,86,81,439

Schedule : 13

RAW MATERIAL CONSUMED	Current Year (Rs.)	Previous Year (Rs.)
Opening Stock- in Tanks	**16,34,53,209**	11,04,77,111
- at Port	**29,49,85,896**	7,99,51,470
Purchases	**7,07,01,15,787**	5,82,37,84,246
	7,52,85,54,892	6,01,42,12,827
Less : Closing Stock- in Tanks	**22,94,47,103**	16,34,53,209
- at Port	**12,58,07,920**	29,49,85,896
Consumption	**7,17,32,99,869**	5,55,57,73,722

Schedule :14

MANUFACTURING EXPENSES	Current Year (Rs.)	Previous Year (Rs.)
Power & Fuel consumed	**21,86,94,379**	20,58,78,584
Stores & Spares , Chemicals & Others	**6,30,61,438**	5,46,77,357
Packing material	**48,02,04,267**	44,31,57,092
Repairs :		
Buildings	**41,31,514**	1,00,85,182
Machineries	**1,88,75,838**	2,55,40,960
Total	**78,49,67,436**	73,93,39,175

Schedule :15

EMPLOYEES EMOLUMENTS	Current Year (Rs.)	Previous Year (Rs.)
Salaries & Wages	**7,30,22,422**	6,72,89,707
Bonus	**57,75,496**	53,51,594
Employees Welfare expenses	**35,60,349**	36,62,768
Employers Contribution to Provident Fund, Family Pension Fund, ESI & other benefits	**50,91,728**	98,70,522
Total	**8,74,49,995**	8,61,74,591

Schedule :16

SELLING & DISTRIBUTION EXPENSES	Current Year (Rs.)	Previous Year (Rs.)
Freight Outward	**12,39,99,990**	11,65,97,802
Advertisement & Sales Promotion	**4,86,44,038**	11,74,82,332
Dealers Incentive & Target Incentive	**4,02,00,742**	2,75,29,924
Sales Depot expenses	**1,76,50,358**	1,44,65,649
Commission	**10,25,932**	15,47,793
Brokerage	**1,45,244**	2,29,231
Total	**23,16,66,304**	27,78,52,731

Schedule :17

ADMINISTRATIVE & OTHER EXPENSES	Current Year (Rs.)	Previous Year (Rs.)
Insurance	**63,47,984**	65,75,565
Rates & taxes	**22,30,735**	18,91,681
Rent	**1,79,000**	2,40,000
Travelling & Conveyance	**1,68,83,187**	1,47,17,989
Royalty	**2,19,23,730**	96,26,857
Bank Charges	**27,73,275**	26,64,649
Subscription & fees	**9,67,371**	24,32,513
Payment to directors		
-as sitting fees	**8,17,500**	8,92,500
- as travelling expenses	**12,23,375**	19,48,107
Payment to Auditors		
-Audit fee	**3,30,900**	2,86,780
-Reim. of expenses	**2,63,344**	1,17,684
Printing & Stationary	**12,19,297**	12,40,900
Legal & Professional charges	**64,70,049**	29,32,946
Advisory & Consultancy	**93,30,040**	1,52,89,583
Communication expenses	**25,06,709**	29,06,327
Postage & Telegrams	**3,38,646**	5,26,189
Loss on sale of Assets	**6,23,608**	42,38,362
Computers maintenance	**23,42,987**	56,40,640
Repair & Maintenance - general	**2,27,157**	2,52,501
Miscellaneous expenses	**19,78,719**	16,44,218
Sundry Balances written off	**1,89,104**	22,82,435
Doubtful debts	**-**	2,93,489
Prior period expenses	**(60,826)**	18,61,141
Total	**7,91,05,891**	8,05,03,056

Schedule 18

INTEREST	Current Year (Rs.)	Previous Year (Rs.)
Term loans	**1,55,96,281**	1,38,70,910
Working Capital loans	**1,13,70,929**	1,01,33,949
Dealership Security	**56,96,899**	64,02,304
Inter Corporate Deposits	**-**	30,53,720
Fixed Deposits	**9,97,521**	21,84,409
Total	**3,36,61,630**	3,56,45,292

Schedule '19' – Significant Accounting Policies and Notes to Accounts

A. Significant Accounting Policies

1. Basis of Preparation of Financial Statements

The Financial statements have been prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on accrual basis and are in accordance with the applicable accounting standards issued by the Institute of Chartered Accountants of India (ICAI) & prescribed in the Companies (Accounting Standards) Rules, 2006. These Accounting policies have been consistently applied, except where a newly issued accounting standard is initially adopted by the Company. Management evaluates the effect of accounting standards issued on a going concern basis and ensures that they are adopted as mandated by the ICAI.

2. Use of estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities and reported amount of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, employee benefits and provision for income tax. Actual results could differ from these estimates. Any revision in accounting estimates are recognized prospectively in the year of revision.

3. Fixed Assets

(a) **Tangible Assets**

Fixed assets are stated at their original cost of acquisition inclusive of inward freight, duties, taxes and incidental expenses relating to acquisition and installation net of grants received if any. The cost of assets under installation or under construction plus direct expenses as at the Balance Sheet date are shown as capital work-in-progress.

(b) **Intangible Assets**

The cost of Brands acquired comprises its purchase price, including any duties and other taxes (other than those subsequently recoverable by the enterprise from the taxing authorities) and any directly attributable expenditure on acquisition of the same.

4. Depreciation/Amortization

(a) Depreciation is provided on the Straight Line Method, at the rates specified in Schedule XIV of the Companies Act, 1956.

(b) In respect of assets added/sold, discarded, demolished or destroyed during the year, depreciation is charged on a pro-rata basis with reference to the month of addition/disposal. In the case of additions, it is charged for the full month if addition took place in first half of the month and if it is purchased in second half of the month it is charged for half of the month and in the case of sales it is charged upto the month preceding the date of sale.

(c) Assets below Rs. 5,000/- are depreciated at the rate of 100%.

(d) Intangible asset i.e. brands are amortized over a period of 10 years subsequent to its purchase.

5. Impairment

The carrying amount of assets is reviewed at each Balance Sheet date to ascertain if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use the estimated future cash flows are discounted to their present value at the weighted cost of capital.

6. Inventories

1. Stock of raw materials and finished goods are valued at cost or at market value, whichever is lower.
2. Stores, spares and loose tools are valued at cost.
3. In the case of finished goods, cost is determined by taking material, labour and related factory overheads including depreciation and fixed production overheads.
4. Work in process is valued at raw material cost.

Cost for the purpose of inventory valuation is calculated on the moving weighted average method and in respect of trading goods at the last month weighted average price.

7. Foreign Currency Transactions

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of respective transaction or at the forward contact rate agreed with the bank, as the case may be. Monetary current assets and monetary current liabilities that are denominated in foreign currency are translated at the exchange rate prevalent on the date of the Balance Sheet. The resulting difference is also recorded in the Profit & Loss Account.

8. Revenue Recognition

(a) Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods are transferred to the customers and is stated inclusive of excise duty.

(b) Interest revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

9. Retirement and Other Employee Benefits

(a) **Short Term Employee Benefits**

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

(b) **Post-Employment Benefits**

(i) **Defined Contribution Plans:** The State governed provident fund scheme, employee state insurance scheme, employee pension scheme and the Company's approved superannuation scheme are defined contribution plans. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.

(ii) **Defined Benefit Plans:** Defined benefit plans of the company comprise employees gratuity fund schemes managed by Trust/LIC and Employees Provident Fund managed by trust. The Provident Fund Trust set up by the Company is treated as defined benefit plan since the minimum interest payable by the Provident Fund Trust to the beneficiaries is notified every year by the Government and the Company has an obligation to make good the shortfall, if any, between the return on respective investments of the trust and the notified interest rate.

Accordingly, the contribution paid or payable and the interest shortfall, if any, is recognized as an expense in the period in which the services are rendered by the employee.

Wherever applicable, the present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains and losses are recognized immediately in the Profit & Loss Account.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on net basis.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs. Past service cost is recognized as expense on a straight-line basis over the average period until the benefits become vested.

(c) **Long Term Employee Benefits**

Entitlements to annual leave, casual leave and sick leave are recognized when they accrue to employees. Sick leave and casual leave can only be availed while earned leave can either be availed or encashed subject to restriction on the maximum number of accumulation of leaves. The Company determines the liability for such accumulated leaves using the projected unit credit method with actuarial valuation being carried out at each Balance Sheet date in the similar manner as in the case of defined benefit plans as mentioned in (b) (ii) above.

(d) The Company does not encash leave which have been accumulated up to specified period. Such Leaves have been classified as Long Term Employee Benefits. Such Leaves accumulated at each accounting period are carried forward to next accounting period. Leaves other than specified leaves are encashable. There are no other en-cashable short term benefits. The other staff benefit schemes will be provided according to respective laws in respect of employees as and when these schemes will become applicable to Company.

10. Research and Development Expenditure

Revenue expenditure relating to research and development is charged to revenue and capital expenditure is treated as forming part of fixed assets. The expenditure on research projects is charged to the Profit & Loss Account in the year of incurrence.

11. Taxes on Income

The current charge for income tax is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternative Tax (“MAT”) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an Asset if there is convincing evidence that Company will pay normal tax in future. MAT Credit entitlement can be carried forward and utilized for a period of ten years from the year in which the same is availed. Accordingly, it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

Deferred tax is recognized subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between taxable profits and accounting profits. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date. Deferred tax assets on timing difference are recognized only if there is a reasonable certainly that sufficient future taxable income will be available against which such deferred tax assets can be realized. However, deferred tax assets on the timing differences when unabsorbed depreciation and losses carried forward exist, are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax can be realized. Deferred tax assets are reassessed for the appropriateness of their respective carrying values at each Balance Sheet date.

12. Provisions and Contingencies

Provisions are recognized when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle and are reviewed regularly and adjusted wherever necessary to reflect the current best estimates of the obligation. Where the Company expects a provision to be reimbursed, the reimbursement is recognized as a separate Asset, only when such reimbursement is virtually certain. Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved. Contingent Assets are neither recognized, nor disclosed. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

13. Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

14. Earnings Per Share

In determining earnings per share, the Company considers the net profit after tax and includes the post-tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

15. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated. The Cash Flow statement is separately attached with the financial statements of the Company.

B. Notes to Accounts

1. Contingent liabilities .

(a) Contingent liabilities of the Company as on 31.03.2011 on account of matters pending before various judicial /appellate authorities are as under: (Rs.)

Nature of Liability	2010-11	2009-10
Service Tax	5,59,152	5,59,152
Central Excise	2,09,100	Nil
Differential customs duty on transit loss of imported CPO	51,31,410	Nil
Income tax demand for the financial year 2006-07 & 2007-08	2,73,71,350	Nil

These matters are contingent on the facts and evidence presented before the adjudicating authorities.

(b) Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March, 2011 amounted to Rs. 124.53 lacs (Prev. Year Rs. 860.34 lacs)

2. The Company had in the past, sent letters to suppliers to confirm whether they are covered under Micro, Small and Medium Enterprises Act, 2006 as well as they have filed required memorandum with the prescribed authorities. The information given herein below is in respect of only those suppliers who have intimated the Company that they are registered as micro or small enterprises.

(Rs.)

S.No.	Particulars	2010-11	2009-10
1.	Principal amount remaining unpaid as on 31st March, 2011	**1,20,825**	58,161
2.	Interest due thereon as on 31st March, 2011	**--**	--
3.	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day during the year	**--**	--
4.	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	**--**	--
5.	Interest accrued and remaining unpaid as at 31st March, 2011	**--**	--
6.	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	**--**	--

3. The Company had granted an unsecured loan of Rs.392.73 lacs to the erstwhile Amrit Banaspati Co. Ltd. (now 'Amrit Corp. Ltd.' - ACL), under the Modified Rehabilitation Scheme (MRS) sanctioned by the Hon'ble Board of Industrial & Financial Reconstruction (BIFR). Pursuant to the Scheme of Arrangement sanctioned by the jurisdictional High Courts effective from 01.04.2006, out of the said unsecured loan, a sum of Rs.88.53 lacs has devolved on ACL and Rs.191.32 lacs on ABC Paper Ltd., then bodies corporate covered under Section 301 of the Companies Act, 1956. The MRS provided that the said unsecured loans would be subordinated to institutions/banks term loans and would be repaid after payment to all financial institutions/banks. Accordingly, the interest on the said unsecured loans was fixed at 10% on annual basis and loan will be repaid after 31.03.2010 by which time all the loans of financial institutions/banks will be repaid as per MRS. The Company intimated to both ACL and ABC Paper Ltd. that the respective unsecured loans be repaid in 4 equal half-yearly instalments during the financial years 2010-11 and 2011-12.

ACL is regularly servicing the said unsecured loan by payment of interest and repayment of principal. Interest on the unsecured loan has been regularly paid by ABC Paper Ltd. as well upto 31.03.2011. However, ABC Paper Ltd. has failed to commence the repayment of the loan and has in fact proposed repayment of the same in five years in 20 equal quarterly instalments commencing from June, 2011, which is not acceptable to the Company. ABC Paper Ltd. has ceased to be the company under same management covered under section 301 of the Companies Act, 1956 w.e.f. 16th July, 2010.

In view of dispute by ABC Paper Ltd. in repayment of the unsecured loan, the Company has recalled and cancelled the repayment schedule and demanded from ABC Paper Ltd. to repay the entire unsecured loan of Rs.191.32 lacs forthwith. The company has also served on ABC Paper Ltd., a statutory Notice under Section 433/434 of the Companies Act, 1956 requiring ABC Paper Ltd. to repay the unsecured loan failing which, necessary winding up petition will be filed with the High Court of competent jurisdiction.

4. Related party disclosure

A. Related parties

(1) Key Management Personnel (KMP)	Mr. N.K. Bajaj Chairman & Managing Director Mr. J.K. Khaitan* Vice Chairman & Managing Director Mr. S.C. Agarwal* Senior Executive Director
(2) Associate Companies	Amrit Corp. Ltd. Amrit Agro Industries Ltd. (Amrit Agro) ABC Paper Ltd.*

B. Transactions with Related Parties **(Rs. in Lacs)**

	Type of Transaction	ABC Paper Ltd.		Amrit Corp. Ltd.		Amrit Agro		KMP		Total	
		2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
(a)	Payment made for BPO services	--	--	60.67	60.67	--	--	--	--	60.67	60.67
(b)	Payment made for Group Chairman's Office	--	--	5.52	5.52	--	--	--	--	5.52	5.52
(c)	Royalty paid for use of brand names	--	--	163.50	51.66	--	--	--	--	163.50	51.66
(d)	Royalty paid for use of corporate logo	--	--	55.74	44.60	--	--	--	--	55.74	44.60
(e)	Interest received on unsecured loans	5.58	28.32	7.75	8.85	--	--	--	--	13.33	37.17
(f)	Expenses reimbursed	--	--	5.57	0.51	--	--	--	--	5.57	0.51
(g)	Advances/loans given	--	300.00	--	--	--	--	--	--	--	300.00
(h)	Advances/loans received back	--	300.00	44.27	--	--	--			44.27	300.00
(i)	Remuneration of key managerial personnel	--	--	--	--	--	--	57.84	75.90	57.84	75.90
(j)	Purchase of paper	0.12	1.19	--	--	--	--	--	--	0.12	1.19
(k)	Fixed deposits accepted/renewed	--	--	--	--	--	--	--	54.28	--	54.28
(l)	Fixed Deposits repaid	--	--	--	--	--	--	54.28	--	54.28	--
(m)	Interest paid (Gross)	--	--	--	--	--	--	0.32	5.52	0.32	5.52
(n)	Dividend paid	--	--	32.80	24.60	5.36	NA	9.11	2.29	47.27	26.89
(o)	Sale of finished goods	--	--	--	--	18986.19	NA			18986.19	NA
	Balances as on 31.03.2011										
(p)	Unsecured loan	--	191.32	44.27	88.53	--	--	--	--	44.27	279.85
(q)	Credit balance	--	--	75.24	27.79	--	--	--	--	75.24	27.79
(r)	Debit balance	--	17.22	--	--	877.50	NA	--	--	877.50	17.22

*** Due to restructuring of shareholding amongst the promoters, ABC Paper Ltd., ceased to be Related party w.e.f. 16.07.2010. The transactions reported with ABC Paper is, therefore upto 16.07.2010. Mr. J.K. Khaitan and Mr. S.C. Agarwal ceases to the Key Management Personnel w.e.f. 16.07.2010 and 01.05.2010 respectively upon their resignations as whole time directors as well as directors of the Company. Mr. N.K. Bajaj was freshly appointed as Chairman & Managing Director with remuneration w.e.f. 17.07.2010. The remuneration paid to KMP are thus as follows: Mr. J.K.Khaitan and Mr. S.C.Agarwal upto 16th July, 2010 and 30th April, 2010 respectively and Mr. N.K. Bajaj from 17th July, 2010 to 31st March, 2011.**

5. Segment information for the year ended 31st March, 2011

a. Business segments

The Company is engaged in the manufacturing of edible oils, which in the context of Accounting Standard AS-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, is considered as the only business segment.

b. Geographical segments

Since the Company's activities/operations are within the country and considering the nature of products it deals in, the risks and returns are the same and as such, there in only one geographical segment.

6. Employee benefits:

(a) Defined Contribution Plans

The Company has recognized the contribution/liability in the Profit & Loss Account for the financial year 2010-11.

(b) Defined Benefit Plans & Other Long Term Benefits

The following disclosures are made in accordance with AS-15 (Revised) pertaining to Defined Benefit Plans and other Long Term Benefits:

(Rs. in Lacs)

	2010-11		2009-10	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Funded Plan		Funded Plan	
Amount recognized in Balance Sheet				
Present value of funded obligations	126.01	-	201.72	-
Fair value of plan assets	132.44	-	152.53	-
Present value of unfunded obligations	-	31.05	-	49.38
Unrecognized past service cost				
Net Liability/(Assets)	(6.43)	31.05	49.19	49.38
Amount in Balance Sheet				
Liability	-	31.05	49.19	49.38
Assets	6.43	-	-	-
Net Liability/(Assets)	(6.43)	31.05	49.19	49.38
Expenses recognized in the Profit & Loss Account				
Opening defined obligation less benefits paid				
Current service cost	8.84	5.66	10.40	4.56
Interest on defined benefit obligation	16.14	3.95	9.21	3.30
Expected return on plan assets	(11.82)	-	(1.92)	-
Net actuarial losses/(gain) recognized in the year	(3.04)	4.58	70.55	6.21
Past service cost				
Losses/(gains) on "Curtailments and Settlements"				

	2010-11		2009-10	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Funded Plan		Funded	
Total, included in "Employee Benefit Expense"	10.12	14.19	88.24	14.07
Actual return on plan assets				
Reconciliation of benefit obligations and plan assets for the period				
Change in defined benefit obligation				
Opening defined benefit obligation	201.72	49.38	115.14	41.25
Current service cost	8.84	5.66	10.40	4.56
Interest cost	16.14	3.95	9.21	3.30
Actuarial losses/(gains)	(3.38)	4.58	71.02	6.21
Liabilities extinguished on curtailments				
Liabilities extinguished on settlements				
Liabilities assumed on acquisition				
Exchange difference on foreign plans				
Benefits paid	(97.31)	(32.52)	(4.05)	(5.94)
Closing defined benefit obligation	126.01	31.05	201.72	49.38
Change in fair value of assets				
Opening fair value of plan assets	131.37	-	21.29	-
Expected return on plan assets	11.82	-	1.92	-
Actuarial gain/(Losses)	(0.34)	-	0.47	-
Assets distributed on settlements				
Contributions by employer	86.90	-	132.90	-
Assets acquired due to acquisition				
Exchange difference on foreign plans				
Benefits paid	(97.30)	-	(4.05)	-
Closing fair value of plan assets	132.45	-	152.53	-
Assets information				
Category of assets				
Government of India Securities				
State Govt. Securities				
Corporate Bonds				
Special Deposit Scheme				
Equity shares of listed companies				
Property				
Insurer Managed Funds	100%	-	100%	-
Others				
Grand Total	100%	-	100%	-
Summary of the actuarial assumptions				
Discount rate	8.00%	8.00%	8.00%	8.00%
Expected rate of return on assets	9.00%	Nil	9.00%	Nil
Future salary increase	7.00 (1st five years), 5.00% thereafter	7.00 (1st five years), 5.00% thereafter	7.00 (1st five years), 5.00% thereafter	7.00 (1st five years), 5.00% thereafter

Additional Information

(Rs. in lacs)

	2010-11		2009-10		2008-09		2007-08	
	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leav encashment
Experience adjustment								
---On plan liabilities (loss) / gain	3.38	(4.58)	(75.97)	(6.57)	(5.14)	(4.21)	--	--
--On plan assets (loss)/ gain	(0.34)	--	0.89	--	(7.45)	--	--	--
Present value of benefit obligation	126.01	31.05	201.72	49.38	155.14	41.25	106.50	44.11
Fair value of assets	132.44	--	152.53	--	114.65	--	117.48	--
Excess of obligation over plan assets	(6.43)	31.05	49.19	49.38	0.49	41.25	(10.98)	44.11

Notes:

(a) The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors;

(b) The liability towards the earned leave for the year ended 31st March, 2011, based on actuarial valuation amounting to Rs. 14.19 lacs has been recognized in the Profit & Loss Account.

(c) The Company has taken a Group Insurance Master Policy from SBI Life to manage the gratuity liability. As on the balance sheet date the fair value of plan assets maintained for gratuity are more than the present value of funded obligation as per acturial valuation hence no provision for gratuity has been made during the year.

7. The deferred tax asset/liability comprises the following:

(Rs. in lacs)

S.No.	Particulars	Upto 31.03.10	For the Year ended 31.03.11	Upto 31.03.11
A	**DEFERRED TAX ASSETS**			
i	Unabsorbed Business Loss			
ii	Disallowance under I. Tax Act, 1961	26.11	**(5.50)**	**20.61**
	Total Deferred Tax Assets (A)	26.11	**(5.50)**	**20.61**
B	**DEFERRED TAX LIABILITIES**			
i	Depreciation	799.77	**53.29**	**853.06**
	Total Deferred Tax Liability (B)	799.77	**53.29**	**853.06**
C	**Net Deferred Tax Liability (B-A)**	773.66	**58.79**	**832.45**

8. In terms of Accounting Standard – 28 issued by the Institute of Chartered Accountants of India, on “Impairment of assets”, the management has, at the period end, estimated the amount recoverable against fixed assets based on the present value of estimated future cash flows expected to arise from the continuing use of such assets. The recoverable amount so assessed was found to be adequate to cover the carrying amount of assets, therefore no provision for impairment in value thereof has been considered necessary by the management.

9. The amount of excise duty disclosed as deduction from Gross sales is the total excise duty for the year except the excise duty related to the difference between the closing stock and opening stock, which has been disclosed as excise duty expense in “Increase/Decrease in stock” under Schedule 11 annexed and forming part of Profit & Loss Account.

10. Cash discount received on payment for raw material purchases has been shown as “other income” which was earlier deducted from the relevant purchases. The same has no effect on the net profit of the Company.

(Rs. in lacs)

		2010-11	2009-10
11.	**Borrowing cost capitalized during the year**	**29.36**	Nil
12.	**Earning per share (Basic & Diluted)**		
	Profit after taxation as per P&L Account	**2,205.67**	798.15
	Profit attributable to equity shareholders	**2,205.67**	798.15
	Number of equity shares outstanding	**73,62,968**	73,62,968
	Earnings per share (par value Rs. 10/- each)	**29.96**	10.84
13.	**Information pursuant to clause 32 of the listing agreement with stock exchanges**		
	Loans and advances in the nature of loans to Associates/ Companies in which directors are interested		
	ABC Paper Ltd. (ceased to be associate company w.e.f. 16.07.2010)	**NA**	191.32
	Amrit Corp. Ltd.	**44.27**	88.53
	Amrit Agro Industries Limited	**877.50**	NA
	The loans to Amrit Corp. Ltd. and ABC Paper Ltd. are in the nature of unsecured loans, interest bearing and repayable as per terms of Modified Rehabilitation Scheme (MRS) agreements with the parties concerned. Advance to Amrit Agro Industries Ltd. is in the nature of debit balance outstanding as on 31.03.2011.		
14.	**Managerial remuneration (To Chairman & Managing Director, Vice Chairman & MD, and Senior Executive Director)**		
	Salary	**25.03**	34.35
	Contribution to Provident and Superannuation Fund	**3.77**	7.32
	Perquisites & Allowances	**20.56**	22.23
	Commission	**8.48**	12.00
	Total	**57.84**	75.90
	Directors Sitting fees	**8.18**	8.93
	Total	**66.02**	84.83
	Computation of net profit under Section 349 of the Companies Act, 1956		
	Profit before tax as per P&L Account	**3,327.80**	1,228.90

(Rs. in lacs)

		2010-11	2009-10
	Add:		
	1. (Profit) / Loss on sale of assets (Net)	**(4.88)**	41.71
	2. Managerial Remuneration	**57.84**	75.90
	Net Profit for the year	**3,380.76**	1,346.51
	Maximum permissible remuneration to whole time directors under section 198 of the Companies Act, 1956 @ 10% of the profits computed above	**338.08**	134.65
	Total managerial remuneration actually paid including Commission to Chairman & Managing Director	**57.84**	75.90
	Commission to Chairman & Managing Director restricted to 50% of annual basic salary	**8.48**	12.00
15.	**Payment to Auditors/ Cost Auditors**		
	Payment to Auditors		
	- As fees	**3.31**	2.87
	-As reimbursement of exp. /other capacity	**2.63**	1.18
	Payment to Cost Auditors		
	- As fees	**0.66**	0.55
	- As reimbursement of expenses	**0.13**	0.08
16.	**Expenditure/capital advance in foreign currency**		
	Spares/advance for machinery	**9.25**	137.18
	Foreign Travelling	**0.92**	3.79
	Others	**1.17**	3.66
17.	**Foreign exchange earnings**	**Nil**	Nil
18.	**Value of import on CIF basis in respect of**		
	-Raw materials	**48,481.51**	38,268.67
	-Capital Goods/spare parts	**453.12**	26.93

19. ADDITIONAL INFORMATION UNDER PARAGRAPHS 3&4 OF PART 2 OF SCHEDULE VI OF THE COMPANIES ACT, 1956 FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH, 2011

a) Capacity, Production & Purchase

Class of Goods	Qty. Unit	Capacity				Production		Purchases	
		Licensed		Installed		Actual		Actual	
		31.3.2011	31.3.2010	31.3.2011	31.3.2010	2010-11	2009-10	2010-11	2009-10
1. Vegetable Products	MT	N.A.	N.A.	250 Per Day	250 Per Day	90,071	83,653	16,564	15,188
2. Refined / Filtered Oil	MT	N.A.	N.A.	150 Per Day	150 Per Day	52,660	53,083	7,662	8,432
Total						**1,42,731**	**1,36,736**	**24,226**	**23,620**

Note :
1. The Installed capacities are as per certificates given by the Factory Manager.
2. Production of vegetable products is excluding captive consumption and including margarine.

b) Stocks of Finished Products & Sales

	Stocks of Finished Goods						Sales					
Class of Goods	Opening stock 01.04.2010		Closing stock 31.03.2011		shortage	Sales Retn.	2010-11		2009-10		shortage	sales return
	Qty MT	Value Rs in Lacs	Qty MT	Value Rs in Lacs	31.03.2011 Qty. (MT)		Qty. MT	Value Rs in Lacs	Qty MT	Value Rs in Lacs	31.03.10 Qty. (MT)	
1. Vegetable Products	2,652	1,161.75	2,260	1,544.72	64	8	1,06,972	61,058.11	98,359	46,043.48	110	6
2. Refined / Filtered Oil	1,969	976.34	1,364	926.93	25	7	60,909	36,419.35	61,622	32,040.37	66	20
3. Rice		--		--				--		34.29		
4. Salt		58.94		87.60				481.23		509.71		
5. Bye Products		37.50		98.55				2,722.50		1,835.62		
6. Others		23.42		14.83				316.40		315.14		
Total		2,257.95		2,672.63				1,00,997.59		80,778.61		

c) Raw Material Consumed

	Qty Consumed (MT)			Value (Rs.In Lacs)	
	2010-2011	2009-2010		2010-2011	2009-2010
(i) Oils & Fats	1,50,859	1,44,399		71,733.00	55,557.75
(ii) Stores, Spare parts, Chemicals & Others	-	-		5,432.66	4,978.35

20. Value of Indigenous & Imported Raw Material Consumed

Particulars	Value (Rs. In lacs)									
	2010-11					2009-10				
	Indigenous	%	Imported	%	Total	Indigenous	%	Imported	%	Total
Oils & Fats	23,251.49	32.41	48,481.51	67.59	71,733.00	17,289.08	31.12	38,268.67	68.88	55,557.75
Spare parts, Packing material, Chemicals & Others	5,432.66	100.00	-	0.00	5,432.66	4,951.42	99.46	26.93	0.54	4,978.35

21. Previous year figures have been regrouped/re-arranged wherever found necessary.

As per our report of even date.

For V. Sahai Tripathi & Co.
Chartered Accountants
Firm Regn. No. 000262N

Rajan Sachdeva
Partner
Membership No. 93081

Place : Rajpura
Dated : July 14, 2011

N.K. Bajaj
(Chairman & Managing Director)

V.K. Bajaj
(Director)

Parveen Tarika
[Vice President (Finance & Accounts)], CFO

Gurdeep Kaur
(Company Secretary)

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
(Pursuant to Part IV of Schedule VI to the Companies Act, 1956)

1	**REGISTRATION DETAILS**	
	Registration No.	6208
	State Code	16
	CIN(L51909PB1985PLC006208)	
	Balance Sheet date	31.03.2011
		Rupees ' 000
2	**CAPITAL RAISED DURING THE YEAR ENDED MARCH 31st, 2011**	
	Public issue	--
	Rights issue	--
	Bonus issue	--
	Private Placement (Preferential allotment to Promoters)	--
3	**POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS AS ON 31.03.2011**	
	Total liabilities	1039842
	Total assets	1039842
	SOURCES OF FUNDS	
	Paid-up capital	74806
	Reserves and surplus	463710
	Secured loans	326351
	Unsecured loans	91730
	Deferred tax provision	83245
	Total	**1039842**
	APPLICATION OF FUNDS	
	Net fixed assets	543006
	Net current assets	496836
	Total	**1039842**
4	**PERFORMANCE OF THE COMPANY FOR THE YEAR ENDED MARCH 31st, 2011**	
	i) Turnover (Sale of products and other income)	10119892
	ii) Total expenditure	9787112
	iii) Profit before tax	332780
	iv) Profit after tax	220567
	v) Earning per share (face value of Rs.10/-) (in Rs.)	29.96
	vi) Dividend rate (%)-Equity shares	40%

5 **PRODUCTS OF THE COMPANY**

Generic names of principal products/services of the Company

Item Code No.	Product description
15162009	Vegetable Products, Refined & Filtered Oils

Note : The above particulars should be read alongwith the Balance Sheet as at 31st March,2011, the Profit & Loss Account for the financial year ended on that date & the schedules forming part thereof.

AMRIT BANASPATI COMPANY LIMITED

Regd.Office:Patiala - Chandigarh Road,Rajpura(Pb.) 140401

Amrit, Building Confidence.

ATTENDANCE SLIP

DP Id*		Folio No.	
Client Id*		No. of shares	

Name of the Shareholder :-

I hereby record my presence at the **26th Annual General Meeting** of the Company at Amrit Bhawan, J-3, 9/13, Gobind Colony, Rajpura (Pb.) - 140 401 at **11.30 a.m. on Saturday, 20th August, 2011.**

....

*Applicable for Member holding shares in electronic form. Signature of the Shareholder/Proxy

Notes:

1. Member/Proxyhlder wishing to attend the meeting must bring the Attendance slip to the meeting and hand it over at the entrance duly signed.
2. Member/Proxyhlder desiring to attend the meeting should bring his/her copy of the Annual Report for reference at the meeting.

AMRIT BANASPATI COMPANY LIMITED

Regd.Office:Patiala - Chandigarh Road,Rajpura(Pb.) 140 401

PROXY

I/We ……………………………………………………………………………………………………..............

of ………………………………………… in the district of ……………………………………….................

being Member/Members of the above named company, hereby appoint…………………………….............

.... of .... in the district of ....

or failing him .... of .... in the district of ....

as my/our proxy to attend and vote for me/us on my/our behalf at the **26th Annual General Meeting** of the Company to be held on **Saturday, 20th August, 2011 at 11.30 a.m.** at Amrit Bhawan, J-3, 9/13, Gobind Colony, Rajpura (Pb.) - 140 401 and at any adjournment thereof.

Signed this ………………………………day of …………………………2011.

Folio No. : ……………………DP ID No.* …………………………Client ID No.* ………………………

* Applicable for Member holding shares in electronic form.

Please affix Rupee 1/- Revenue Stamp

No. of shares held : ………………

Signature of the member across the stamp …………………….. ..………………………

Notes:

1. This proxy form must be lodged with the Company at its Registered Office at Patiala-Chandigarh Road, Rajpura (Pb.) - 140 401, not less than FORTY-EIGHT HOURS before the commencement of the meeting.
2. Those members who have multiple folios with different jointholders may use copies of this attendance slip/Proxy.


Amrit Banaspati Co. Ltd.
AN ISO 9001:2008 COMPANY
100% VEG.
Har Boond Mein Sehat
Har Roop Mein Swad
GINNI
GINNI GOLD
nutri Delight
GAGAN SALT
GAGAN VANASPATI
MERRIGOLD
KHAO GAGAN, RAHO MAGAN!
GAGAN
Kachi Ghani
PURE MUSTARD OIL
Jum ke khao, khul ke jiyo!
GINNI
Refined Oils