

ANNUAL REPORT
2011-12

ASHOK KUMAR NATWARLAL & CO.

CHARTERED ACCOUNTANTS

161/1 MAHATMA GANDHI ROAD, 3RD FLOOR, ROOM 70B

KOLKATA – 700007

ASSOCIATED CEREALS LIMITED

ASSOCIATED CEREALS LIMITED
27, BENTINCK STREET, GROUND FLOOR, KOLKATA-700001

DIRECTORS REPORT TO THE SHARE HOLDERS

Your Directors have pleasure in presenting their report together with the audited account for the year ended on 31st March, 2012.

Working Results

The working results for the ended on 31st March, 2012 shows Net Profit of Rs. 19,160.69/- (after income tax but before Provision for standard Assets).

Dividend

In the absence of suitable Profit, the Directors do not recommend any dividend for the year 2011-2012.

Auditors

M/s. Ashok Kumar Natwarlal & Co., Chartered Accountants, retires and is eligible for re-appointment.

Directors' Responsibility Statement

As stipulated, your Directors affirm their commitment to the Directors' Responsibility Statement as below :

The directors state that in preparation of the Annual Accounts, your Company has followed the applicable accounting standards with proper explanations relating to material departures. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year ended 31st March, 2012 and of the profit or loss for the year. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 : safeguarding the assets of your Company and for preventing and detecting frauds and other irregularities. The annual accounts of your Company have been prepared on a going concern basis.

ASSOCIATED CEREALS LIMITED
27, BENTINCK STREET, GROUND FLOOR, KOLKATA-700001

Auditors Report :

The observations made in the auditors report are self-explanatory and therefore do not call for any further comments under section 217(3) of the Companies Act, 1956.

CEO/ CFO Certification

As required by Clause 49 of the Listing Agreement, the Certificate issued by the Chairman and CFO is forming part of this report.

Auditors' Certificate of Corporate Governance

As required by Clause 49 of the Listing Agreement, the Auditors' Certificate is given as an Annexure to this Report.

Acceptance of Public Deposits

Since your company has neither accepted any public deposit nor does it propose to accept any public deposit during the current year and resolution to this effect has already been passed at board meeting as such the "Non Banking Financial Companies Acceptance of Public Deposit (Reserve Bank) Directions 1998" to the extent applicable are not applicable to the company.

Conservation of Energy

In accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with companies (Disclosures of particulars in the report of Board of Directors) Rules, 1988, regarding conservation of energy, this is to stated that the Company not being a manufacturing Company, has not consumed energy of any significant level and accordingly no measures are required to be taken for energy conservation.

Foreign Exchange

accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with companies (Disclosures of particulars in the report of Board of Directors) Rules, 1988, regarding Foreign Exchange, it is to state that there has been no transaction relating to Foreign exchange during the year.

Particulars

Provision of Section 272(2A) of the Companies Act, 1956 is not applicable as no employees were in receipt of remuneration to the extent laid down therein.

Dated :
Kolkata

BY ORDER OF THE BOARD


BINOD CHAND KANKARIA
(DIRECTOR)

Binod Chand Kankaria

ASSOCIATED CEREALS LIMITED

27, BENTINCK STREET, GROUND FLOOR, KOLKATA-700001

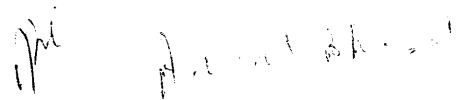
CHAIRMAN & CFO CERTIFICATION

We Binod Chand Kankaria, Chairman and Anant Bhagat, Chief Financial Officer of Associated Cereals Limited, to the best of our knowledge and belief, certify that :

1. We have reviewed the balance sheet and profit and loss account, and all its schedules and notes on accounts, as well as the cash flow statements, and the director's report;
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made;
3. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations;
4. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct;
5. We are responsible for establishing and maintaining disclosures controls and procedures and internal controls over financial reporting for the Company, and we have:
 - a. designed such disclosure control and procedures to ensure that material information relating to the Company
 - b. disclosed in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonable likely to materially affect, the Company's internal control over financial reporting.
6. We have disclosed based on our most recent evaluation, wherever applicable, to the Company's auditors and the audit committee of the Company's Board of Directors (and persons performing the equivalent functions)
 - a. all deficiencies in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data, and have identified for the Company's auditors, any material weakness in internal controls over financial reporting including any corrective actions with regard to deficiencies;
 - b. significant changes in internal controls during the year covered by this report;
 - c. all significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements;
 - d. instances of significant fraud of which we are aware, that involve management or other employees who have a significant role in the Company's internal controls system.
7. We affirm that we have not denied any personnel, access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to 'whistle blowers' from unfair termination and other unfair or prejudicial employment practices; and
8. We further declare that all board members and senior managerial personnel have affirmed compliance with the code of conduct for the current year

Binod Chand Kankaria
Chairman

Anant Bhagat
Chief Financial Officer



ASHOK KUMAR NATWARLAL & CO.
CHARTERED ACCOUNTANTS

161/1, Mahatma Gandhi Road
3rd Floor, Room No. 70B
Kolkata-700007
Phone:9433725999

Auditors' Certificate on Corporate Governance

To the Members of

Associated Cereals Limited

We have examined the compliance of conditions of corporate governance by **Associated Cereals Limited** ('the Company') for the year ended on March 31, 2012 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 procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 and representation made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month as on 31st March, 2012 against the Company as per the records maintained by the Investors Grievance Committee.

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

161/1, Mahatma Gandhi Road,
3rd Floor, Room No. 70B,
Kolkata - 700 007

For, Ashok Kumar Natwarlal & Co.
Chartered Accountants

A. K. Agarwal

ASHOK KUMAR AGARWAL
Proprietor
Membership No. 056189
Firm Rgn. 322307E



Dated : **05 SEP 2012**

AUDITOR'S REPORT TO THE MEMBERS OF M/S. ASSOCIATED CEREALS LIMITED

We have audited the attached Balance Sheet of **ASSOCIATED CEREALS LIMITED**, as at 31st March, 2012, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed hereto. 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.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material 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 financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.

As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, (the Order) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to in paragraph (3) above, we report that:

- 1) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - 2) 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 the books;
 - 3) The Balance Sheet and Profit and Loss account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - 4) In our opinion, the Balance Sheet and Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - 5) On the basis of the written representation received from the Board of Directors and taken on record by the Board of Directors, none of the directors of the Company was disqualified as on 31st March, 2012 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- In our opinion and to the best of our information and according to the explanations given to me, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2012; and
- b) in the case of the Profit and Loss Account, Loss of the company for the year ended on that date.
- c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date

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For, Ashok Kumar Natwarlal & Co.
Chartered Accountants

A K Agarwal
ASHOK KUMAR AGARWAL

Proprietor
Membership No. 056189
Firm Regn No.322307E

Dated :

ANNEXURE Referred to in paragraph 3 of our report of even date

In terms of the information and explanations given to us and the books and records examined by us in normal course of audit and to the best of our knowledge and belief we state that:

1. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets. The fixed Assets are physically verified during the year by the management and there were no material discrepancies noticed on such verification. In our opinion, having regard to the size of the Company and the nature of its operations, the frequency of verification is reasonable.
2. The Company does not own any inventory and therefore clause 4(ii) of the order is not applicable.
3. In our opinion and according to the information and explanations given to us the Company has not granted any loan secured or unsecured to Companies, firms or other parties listed in the register U/s.301 of the Companies Act, 1956 or which are otherwise companies under the same management as this company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with its size and the nature of business with regard to purchase and sale of shares & securities, goods or services. During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in internal control.
5. a) In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
b) In our opinion and according to the information and explanations given to us, there are no transactions of purchase of shares & securities, goods, materials and services made in pursuance of contracts or arrangements with any party entered in the register maintained under Section 301 of the Companies Act, 1956 for value aggregating to Rs.5,00,000/- or more during the year under review.
6. The Company has not accepted deposits from the public, compliance of the provision of section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules 1975, with regard to the deposits accepted from public does not apply.
7. The Company did not have any formal internal audit system but the Company's internal control procedures involve reasonable internal checking of the financial records and the same is considered adequate.
8. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of costs records under section 209(1)(d) of the Companies Act, 1956, for any products of the Company.
9. According to the records of the Company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, custom duty and excise duty were outstanding, as at year end for a period of more than six months from the date they become payable.
10. The Company has incurred cash losses during the financial year covered by our audit and has not incurred loss in the immediately preceding financial year.



11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the Balance Sheet date.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund, nidhi/mutual benefit fund and therefore the requirements pertaining to such classes of companies is not applicable. Therefore the provisions of clause 4(xiii) of the order are not applicable to the Company.
14. According to the information and explanations given to us, the Company has maintained proper records of transactions and contracts in respect of its dealing in shares, securities, debentures and other investments and timely entries have been made therein. The aforesaid securities have been held by the Company in its own name, except to the extent of the exemption granted under section 49 of the Companies Act, 1956.
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.
16. In our opinion and according to the information and explanations given to us, the Company has not taken any long term loans during the year.
17. According to the information and explanations given to us, the and on overall examination of the Balance Sheet of the Company we report that no funds raised on short term basis have been used for long term investment.
18. According to the information and explanations given to us, the Company has not made any preferential allotment of shares during the year to parties and companies covered in the Registrar maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures during the year and therefore the question of creating security or charge in respect thereof does not arise.
20. The Company has not raised any money through public issue.
21. According to the information and explanations given no fraud on or by the Company has been noticed or reported during the year.

161/1, Mahatma Gandhi Road,
3rd Floor, Room No. 70B,
Kolkata – 700 007

Dated: 05 SEP 2012

For, Ashok Kumar Natwarlal & Co.
Chartered Accountants

A K Agarwal
ASHOK KUMAR AGARWAL
Proprietor
Membership No. 056189
Firm Regn No.322307E

ASHOK KUMAR NATWARLAL & CO.
CHARTERED ACCOUNTANTS

161/1, Mahatma Gandhi Road
3rd Floor, Room No. 70B
Kolkata-700007
Phone:9433725999

TO WHOM IT MAY CONCERN

We, Ashok Kumar Natwarlal & Co., Chartered Accountants are the statutory auditor of the company M/s. ASSOCIATED CEREALS LTD having its registered office at 27, Bentinck Street, Ground Floor, Kolkata-700001. We have verified the records for the Financial Year 31st March, 2012 as produced before us and certify that the said Company is carried on NBFC business during the Financial Year as on 31st March, 2012, thereby requiring to hold Certificate of Registration No.B.05.03146 dated 05/07/1999 issued to them by Reserve Bank Of India, Kolkata under section 45-IA of the RBI Act, 1934 with reference to the position of the Company as at the end of the Financial Year ending on 31st March, 2012 wherein the Company is holding financial assets more than 50% of its total assets and the income from the financial assets is more than 50% of its gross income.

Further as per calculation sheet of assets and income for the financial year as on 31st March, 2012 as enclosed as per Annexure-A shows that the Company investing 99.23 % in financial assets and 100.00% income coming from the financial assets.

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For, Ashok Kumar Natwarlal & Co.
Chartered Accountants



A. K. Agarwal
ASHOK KUMAR AGARWAL
Proprietor
Membership No. 056189
Firm Registration No. 322307E

ated :

ANNEXURE - A
ASSOCIATED CEREALS LIMITED

Calculation of Financial & Nonfinancial Assets (Rs. in Lacs)

PARTICULARS	ASSETS AS ON 31 ST MARCH, 2012	PERCENTAGE OF TOTAL ASSETS AS ON 31 ST MARCH, 2012
A. FINANCIAL ASSETS:		
1. Investments in shares	23.33	1.19%
2. Loans & Advances	1920.86	97.94%
3. Sundry Debtors (Shares)	2.00	0.10%
TOTAL (A) :	1946.19	99.23%
B. NONFINANCIAL ASSETS		
1. Cash & bank Balances	10.25	0.52%
2. Tax Deducted at Source	3.91	0.20%
Advance Income Tax	0.15	0.01%
4. Income Tax Refund	0.88	0.04%
TOTAL (B) :	15.19	0.77%
TOTAL (A+B) :	1961.38	100.00%

Calculation of Financial & Nonfinancial Income (Rs. in Lacs)

PARTICULARS	INCOME AS ON 31 ST MARCH, 2012	PERCENTAGE OF TOTAL INCOME AS ON 31 ST MARCH, 2012
A. FINANCIAL INCOME		
1. Interest Received	1.03	33.99%
2. Commodity Profit	2.00	66.01%
TOTAL :	3.03	100.00%
B. NON FINANCIAL INCOME		
	NIL	NIL
TOTAL	0.00	0.00
TOTAL : (A+B)	3.03	100.00%

161/1, Mahatma Gandhi Road
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Kolkata - 700 007

Dated :

For, Ashok Kumar Natwarlal & Co.
Chartered Accountants

A. K. Agarwal
ASHOK KUMAR AGARWAL
Proprietor
Membership No. 056189
Firm Rgn. 322307E

ASSOCIATED CEREALS LTD.
27, BENTICK STREET, GROUND FLOOR, KOLKATA-700001.
BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No.	AS AT MARCH 31, 2012	AS AT MARCH 31, 2011
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	91,926,900.00	91,926,900.00
(b) Reserves and Surplus	3	103,555,103.57	103,560,152.88
(2) Current Liabilities			
(a) Short-Term Borrowings	4	74,930.00	-
(b) Short-Term Provisions	5	565,937.00	526,977.00
(c) Other Current Liabilities	6	15,000.00	67,138.00
Total Equity & Liabilities		196,137,870.57	196,081,167.88
II. ASSETS			
(1) Non-Current Assets			
(a) Long term loans and advances	7	182,400,000.00	182,400,000.00
(2) Current Assets			
(a) Current investments	8	2,333,113.53	2333113.53
(b) Trade receivables	9	200,202.53	517,140.00
(c) Cash and cash equivalents	10	1,024,970.51	705,498.35
(d) Short-term loans and advances	11	10,179,584.00	10,125,416.00
Total Assets		196,137,870.57	196,081,167.88

NOTES TO ACCOUNTS

1

Notes referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

FOR ASHOK KUMAR NATWARLAL & CO

CHARTERED ACCOUNTANTS

A. K. Agarwal

Ashok Kumar Agarwal

Proprietor

Membership No. : 56189

Firm Reg. No.: 322307E



FOR ASSOCIATED CEREALS LIMITED

ANANT BHAGAT
(DIRECTOR)

BINOD CHAND KANKARIA
(DIRECTOR)

PLACE:

DATED: THE

05 SEP 2012

DAY OF

, 2012

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ASSOCIATED CEREALS LTD.

27, BENTICK STREET, GROUND FLOOR, KOLKATA-700001.

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2012

Sr. No	Particulars	Note No.	For the year ended March 31,2012	For the year ended March 31,2011
			₹	₹
I	Revenue from operations		-	-
II	Other Income	12	304,250.53	498,470.88
III	III. Total Revenue (I +II)		304,250.53	498,470.88
IV	Expenses:			
	Employee Benefit Expense	13	144,000.00	144,000.00
	Financial Costs	14	2,930.00	-
	Depreciation and Amortization Expense	15	-	95,932.00
	Other Administrative Expenses	16	104,340.84	250,429.28
	Provisions and Contingencies	17	24,210.00	481,000.00
	Total Expenses (IV)		275,480.84	971,361.28
V	Profit before exceptional and extraordinary items and tax	(III - IV)	28,769.69	(472890.40)
VI	Profit before extraordinary items and tax		28,769.69	(472890.40)
VII	Profit before tax		28769.69	(472890.40)
VIII	Tax expense:			
	(1) Current tax		16,420.00	245,326.50
	(2) Tax of Previous Year		17,560.00	-
	(3) Excess Provisoin for income Tax		161.00	-
IX	Profit(Loss) for the period from continuing operations	(VII-VIII)	(5049.31)	(718216.90)
X	Profit/(Loss) for the period		(5049.31)	(718216.90)
XI	Earning per equity share:			
	(1) Basic		0.00	(0.08)
	(2) Diluted		0.00	(0.08)

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement

This is the Profit & Loss Statement referred to in our Report of even date.

FOR ASHOK KUMAR NATWARLAL & CO
CHARTERED ACCOUNTANTS

FOR ASSOCIATED CEREALS, LIMITED

A.K. Agarwal

[Signature]

ANANT BHAGAT
(DIRECTOR)

BINOD CHAND KANKARIA
(DIRECTOR)

Ashok Kumar Agarwal
Proprietor
Membership No. : 56189
Firm Reg. No.: 322307E

PLACE: _____
DATED: THE _____ DAY OF _____, 2012

[Handwritten Signature]

ASSOCIATED CEREALS LIMITED

NOTE : 1

NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31st March, 2012 AND PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON THAT DATE

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The financial statements are prepared on accrual basis under historical cost convention in accordance with the provisions of the Companies Act, 1956 and Accounting Standards issued by the Institute of Chartered Accountants of India.

2. Basis of Preparation

- The Ministry of Corporate affairs (MCA) has issued a revised form of Schedule VI , applicable from 1st April' 2011 for the preparation and presentation of financial statement. The adaption of revised schedule VI does not impact the recognition and measurement principle followed for the preparation of the financial Statements. However, it has significant impact on presentation and disclosures made in the financial statement.
- The Operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalent. The cycle has been considered as 12 months for classification of current and non current assets and liabilities as required by revised Schedule VI.
- The accounting policies applied by the company are consistent with those used in the previous year.

3. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. In addition, the following criteria must also be met before revenue is recognized:

- Interest and other dues are accounted on accrual basis except in the case of non-performing loans where it is recognized upon realization, as per the income recognition and asset classification norms prescribed by the RBI.
- Profit/Loss on sale of Investments is recognized on trade date Basis. Profit/Loss on sale of Investments is determined based on the "First in First out" cost for Current Investments.

Accounting of Purchase and sale of Trading Items

Purchase and sale of trading items are accounted for as and when the deliveries are affected.

5. Miscellaneous Expenditure

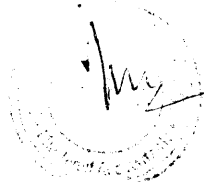
Miscellaneous Expenditure including share issue expenditure is amortized over a period of five year.

6. Retirement and Other Benefits

The provisions of payment of Gratuity Act are not applicable to the employees of the Company for the year under review.

7. Taxes on Income

- a) Current tax is the amount payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred tax is recognised on timing differences; being the differences between the taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets subject to the consideration of prudence are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.



8. Earnings per Share

The Company reports basic and diluted earnings per share in accordance with Accounting Standards-20, *Earnings per Share*, issued by the Institute of Chartered Accountants of India. Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the period.

9. Provisions and Contingencies

Provision against Loans

- Provisions is made in accordance with the RBI guidelines applicable to non- performing loans. In addition, Provision is made in accordance with the Provisioning policy of the company against non- performing loans.
- A general provision is made at 0.25% of the outstanding Standard Assets in accordance with the RBI guidelines.

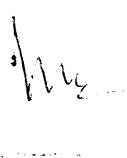
Other Provisions

- A Provision is recognized when the company has a present obligation as a result of Past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation as at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed separately.

10. Previous year figures has been re-arranged or re-cast wherever necessary, however the same are not strictly comparable with that of the current year as the previous year.

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Dated:



For, Ashok Kumar Natwarlal & Co.
Chartered Accountants

A. K. Agarwal
ASHOK KUMAR AGARWAL
Proprietor
Membership No. 056189
Firm Regn No.322307E

ASSOCIATED CEREALS LTD.

27, BENTICK STREET, GROUND FLOOR, KOLKATA-700001.

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012

Note : 2 Share Capital

Sr. No	Particulars	AS AT MARCH 31, 2012		AS AT MARCH 31, 2011	
		Nos.	Value	Nos.	Value
1	AUTHORIZED CAPITAL				
	Equity Shares of Rs. 10/- each.	9,200,000	92,000,000.00	9,200,000	92,000,000.00
		9,200,000	92,000,000.00	9,200,000	92,000,000.00
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL				
	Equity Shares of Rs. 10/- each, Fully Paid up Share capital by allotment	9,192,690	91,926,900.00	9,192,690	91,926,900.00
Total Issued, Subscribed & Paid Up Capital		9,192,690	91,926,900.00	9,192,690	91,926,900.00

(a) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Sr. No	Name of the Shareholder	No. of Shares	% Held	No. of Shares	% Held
1	ULTRAPLUS HOUSING ESTATE PVT. LTD.	6,869,620	74.72%	6,222,370	67.688%

(b) Reconciliation of the Number of Shares and Amount Outstanding as at the Beginning and at the End of the Year

Sr. No	Equity shares	Number	Amount	Number	Amount
1	Outstanding at the Beginning of the Year	9,192,690	91,926,900.00	9,192,690	91,926,900.00
2	Issued During the Year	-	-	-	-
3	Outstanding at the End of the Year	9,192,690	91,926,900.00	9,192,690	91,926,900.00

(c) Terms/Rights Attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share and ranks pari passu.

ASSOCIATED CEREALS LTD.

27, BENTICK STREET, GROUND FLOOR, KOLKATA-700001.

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012

Note : 3 Reserve & Surplus

Sr. No	Particulars	AS AT MARCH 31, 2012		AS AT MARCH 31, 2011	
1	General Reserve:				
	Opening Balance	58,215,100.00		58,215,100.00	
	Add: Addition during the Year		58,215,100.00		58,215,100.00
	Closing balance				
2	Surplus (Profit & Loss Account):				
	Opening Balance	35720102.88		36,438,319.78	
	Add: Surplus in the Statement of Profit & Loss	(5049.31)		(718216.90)	
			35,715,053.57		35,720,102.88
	Transfer to General Reserve				
	Closing balance		35,715,053.57		35,720,102.88
3	Reserve Fund (RBI):				
	Opening Balance	9,624,950.00		9,624,950.00	
	Add: Addition during the Year		9,624,950.00		9,624,950.00
	Closing balance				
	Total in		103,555,103.57		103,560,152.88

Note : 4 Short Term Borrowings

Sr. No	Particulars	AS AT MARCH 31, 2012		AS AT MARCH 31, 2011	
1	Others		74,930.00		-
	Total in		74,930.00		-

Note : 5 Short Term Provisions

Sr. No	Particulars	AS AT MARCH 31, 2012		AS AT MARCH 31, 2011	
2	Others		-		
	Provision for standard Assets		505,210.00		481,000.00
	Provision for Fringe benefit Tax		5,003.00		5,003.00
	Provision for Taxation		55,724.00		40,974.00
	Total in		565,937.00		526,977.00

Notes : 6 Other Current Liabilities

Sr. No	Particulars	AS AT MARCH 31, 2012		AS AT MARCH 31, 2011	
1	Audit Fees Payable		10,000.00		10,000.00
2	Filing Fees Payable		5,000.00		(1992.00)
3	Salary Payable		-		53,450.00
4	TDS Payable		-		640.00
5	Professional Tax Payable		-		5,040.00
	Total in		15,000.00		67,138.00

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ASSOCIATED CEREALS LTD.

27, BENTICK STREET, GROUND FLOOR, KOLKATA-700001.

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012

Note : 10 Cash & Cash Equivalent

Sr. No	Particulars	For the year ended March 31,2012		For the year ended March 31,2011	
1	Cash-in-Hand Cash Balance		1,043,287.69		526,174.69
	Sub Total (A)		1,043,287.69		526,174.69
2	Bank Balance Corporation Bank The Laxmi Vilas Bank Balance with Scheduled Bank in Current Account		2,106.00 - 20,423.18		179,323.66
	Sub Total (B)		- 18,317.18		179,323.66
	Total in ₹ [A + B]		1,024,970.51		705,498.35

Note :11 Short Terms Loans and Advances

Sr. No	Particulars	For the year ended March 31,2012		For the year ended March 31,2011	
1	Loans & Advances				
	a) <u>Unsecured, Considered Good :</u>		10,076,813.00		10,017,645.00
2	Others <i>Advance Recoverable in cash or in kind or for value to be considered good</i> Advance Tax Fringe Benefit Tax Income Tax Refund Income Tax Refundable		15,000.00 - (84890.00) 172,661.00		15,000.00 5,000.00 87,771.00
	Total in ₹		10,179,584.00		10,125,416.00

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ASSOCIATED CEREALS LTD.

27, BENTICK STREET, GROUND FLOOR, KOLKATA-700001.

Notes Forming Part of the Profit & Loss Accounts as at 31st March, 2012

Note : 12 Other Income

Sr. No	Particulars	For the year ended March 31,2012	For the year ended March 31,2011
	Interest Received	103,213.00	188,101.00
	Interest on TDS	835.00	-
	LongTerm gain on sale of shares	-	308,672.00
	Liability No Longer Required	-	1,697.88
	Commodity Profit	200,202.53	-
	Total in	304,250.53	498,470.88

Note : 13 Employment Benefit Expenses

Sr. No	Particulars	For the year ended March 31,2012	For the year ended March 31,2011
1	Salaries, Bonus, PF & ESIC	144,000.00	144,000.00
	Total in	144,000.00	144,000.00

Note :14 Financial Cost

Sr. No	Particulars	For the year ended March 31,2012	For the year ended March 31,2011
1	Interest paid on Loan	2,930.00	-
	Total in	2,930.00	-

Note : 15 Depreciation & Amortised Cost

Sr. No	Particulars	For the year ended March 31,2012	For the year ended March 31,2011
1	Preliminary Expenses W/O	-	95,932.00
	Total in	-	95,932.00

Note : 16 Other Administrative Expenses

Sr. No	Particulars	For the year ended March 31,2012	For the year ended March 31,2011
a	Administrative Expenses:		
1	Advertisement & Publicity	8,225.00	6,660.00
2	Bank Charges	31,971.84	2,518.53
3	CDSL fees	16,632.00	16,500.00
4	Filing Fees	5,000.00	3,500.00
5	General Expenses	2,251.00	2,151.00
6	Interest paid to professional tax	1,816.00	-
7	Interest on delayed TDS	39.00	72.00
8	NSDL fees	16,545.00	16,545.00
9	Postage & Telegram	1,268.00	1,350.00
10	Printing & Stationery	3,458.00	3,117.00
11	Professional Fees	1,000.00	1,000.00
12	Professional Tax	4,285.00	2,525.00
13	Trade Licences	1,850.00	1,850.00
14	Registrar Expense	-	20,411.75
15	Car Hire Charges	-	32,000.00
16	Interest on income Tax	-	107,022.00
17	Interest on FBT	-	2,272.00
18	Listing Fees	-	14,818.00
19	Demat Charges	-	700.00
20	Asset Discarded & Written off	-	732.00
21	Bad Debt	-	4,685.00
b	Payment to Statutory Auditors:		
1	Audit Fees	10,000.00	10,000.00
	Total in	104,340.84	250,429.28

Note : 17 Provisions & Contingencies

Sr. No	Particulars	For the year ended March 31,2012	For the year ended March 31,2011
1	Provision against Standard Assets	24,210.00	481,000.00
	Total in	24,210.00	481,000.00



ASSOCIATED CEREALS LIMITED

Schedule L Annexed as per Reserve Bank of India Prudential Norms. Schedule to the Balance sheet of a Non Banking Financial Company as on 31.03.2012 required in terms of paragraph 13 of a Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

(Rs. in lakhs)

Particulars			
Liabilities side:			
(1)	Loans and advances availed by the NBFCs Inclusive of interest accrued thereon but not Paid:	Amount Out-standing	Amount overdue
	(a) Debentures : Secured	NIL	NIL
	: Unsecured (other than falling within the meaning of public deposits)	NIL	NIL
	(b) Deferred Credits	NIL	NIL
	(c) Term Loans	NIL	NIL
	(d) Inter-corporate loans and borrowing	NIL	NIL
	(e) Commercial Paper	NIL	NIL
	(f) Public Deposits	NIL	NIL
	(g) Other Loans (unsecured)	NIL	NIL
Assets side:		Amount outstanding	
(2)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
	(a) Secured	NIL	
	(b) Unsecured	1925.80	
(3)	Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities		
	(i) Lease assets including lease rentals under sundry debtors:		
	(a) Financial lease	NIL	
	(b) Operating lease	NIL	
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	NIL	
	(b) Repossessed Assets	NIL	
	(iii) Hypothecation loans counting towards EL/HP activities:		
	(a) Loans where assets have been repossessed		
	(b) Loans other than (a) above		
		NIL	

		NIL
(4)	<p><u>Break-up of Investments:</u> <u>Current investments:</u></p> <p>1. <u>Quoted:</u></p> <p>(i) Shares: (a) Equity (b) Preference</p> <p>(ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Other (please specify)</p> <p>2. <u>Unquoted:</u></p> <p>(i) Shares: (a) Equity (b) Preference</p> <p>(ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify)</p> <p><u>Long Term investment:</u></p> <p>1. <u>Quoted:</u></p> <p>(i) Share: (a) Equity (b) Preference</p> <p>(ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Other (please specify)</p> <p>2. <u>Unquoted:</u></p> <p>(i) Shares: (a) Equity (b) Preference</p> <p>(ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify)</p>	<p>NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL 23.33 NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL</p>
(5)	Borrower group-wise classification of all leased assets, stock-no-hire and loans and advances:	



Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
© Other related parties	NIL	NIL	NIL
2. Other than related parties	NIL	1925.80	1925.80
Total	NIL	1925.80	1925.80
(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)			
Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	
1. Related Parties			
(a) Subsidiaries	NIL	NIL	
(b) Companies in the same group	NIL	NIL	
© Other related parties	NIL	NIL	
2. Other than related parties	55.29	23.33	
Total	55.29	23.33	

(7) Other information

	Particulars	Amount
(i)	Gross Non-Banking Assets	NIL
	(a) Related parties	NIL
	(b) Other than related parties	NIL
(ii)	Net Non-Performing Assets	NIL
	(a) Related parties	NIL
	(b) Other than related parties	NIL
(iii)	Assets acquired in satisfaction of debt	NIL

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