



**Annual Report
2012-2013**

**ASSOCIATED
CEREALS LIMITED**

ASSOCIATED CEREALS LIMITED

DIRECTORS REPORT TO THE SHARE HOLDERS

Our Directors have pleasure in presenting their report together with the audited Balance sheet as at 31st March 2013 and Statement of Profit & Loss for the year ended on that date.

Financial Results

Particulars

	CURRENT YEAR	PREVIOUS YEAR
Revenue from Operations:-	Rs. 13,62,489.00	Rs. 3,04,250.53
Profit Before Taxes	Rs. 7,77,033.99	Rs. 28,769.69
Provision for Taxes for Current Year	Rs. (3,11,235.00)	Rs. (16,420.00)
Income Tax for Earlier Years	Rs. (1,06,951.00)	Rs. (17,399.00)
Profit Transfer to Reserve'	Rs. (71,770.00)	Rs. -----
Profit transfer to Balance Sheet	Rs. 2,87,077.99	Rs. (5,049.31)

Dividend

In the absence of adequate Profit, the Directors do not recommend any dividend for the year 2012-2013.

Directors

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

Director

The articles of Association of the company provide that at least two-thirds of our Directors shall be subject to retirement by rotation and one third of these retiring directors must retire from office at each Annual General Meeting of the shareholders. A retiring director is eligible for re-election. Mr Shrish Tapuriah, Director of the company, shall retire at ensuing Annual General Meeting, and have offered himself for re-appointment. Mr. Suresh Kumar Jain is appointed as Director with effect from 15/05/2013.

Address

The Registered office of the company was changed from 27 Bentinck Street, Ground Floor, Kolkata-700001 to Arihant Enclave 493B/57A G T Road (South) Shibpur Howrah-711102 with effect from 06/09/2012.

Subsidiary

The Company is a Subsidiary of Ultraplus Housing Estate Pvt Ltd. During the year the Holding of Ultraplus Housing Estate Pvt Ltd dilutes from 74.73% to 54.12 due to preferential issue of equity Shares to Non Promoter.

Preferential Issue

During the year the Company came out with a issue of 35,00,000 @ Rs. 10/- at a premium of Rs. 20/- aggregating to Rs. 10,50,00,000/- for Cash. The issue was successfully subscribed. The Company make allotment on 19/02/2013. Further Application has already been submitted to respective stock Exchanges for listing of the said shares.

Utilisation of Fund raised through Preferential allotment

The fund raised through preferential allotment by the Company has been fully deployed by the Company for the object for which it has been raised.

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.

Corporate Governance

Corporate Governance as required under Clause 49 of Listing Agreement is annexed separately forming part of this report.

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 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

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 Foreign Exchange, it is stated that there has been no transaction relating to Foreign exchange during the year.

Absorption of Technology

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 technology, it is stated that there has been no transaction relating to technology during the Year.

Particulars of Employees

Provision of Section 217(2A) of the Companies Act, 1956 is not applicable as no employees were in receipt of remuneration to the extent laid down therein.

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, 2013 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 for 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.

Acknowledgement

Directors deeply acknowledge the trust and confidence you have placed in the company. Director would also like to thank all its Banker, Customer, Vendors and Shareholders for their Continued support to the Company. In specific, the Board would also record its sincere appreciation of the Commitment and Contribution made by all employees of the Company.

Kolkata


BY ORDER OF THE BOARD

INDEPENDENT AUDITOR'S REPORT

To The Members

M/S. ASSOCIATED CEREALS LIMITED

Report on Financial Statements

We have audited the accompanying financial statement of ASSOCIATED CEREALS LIMITED, which comprises the Balance sheet as at 31st March, 2013 and the statement of Profit and Loss and Cash Flow statement for the year then ended and a summary of Significant accounting policies and other explanatory information.

Management Responsibility for the Financial Statements

Management is responsible for preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the Accounting Standards referred to in Sub-section (3C) of sub section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in case of the Balance sheet, of the state of affairs of the company as at March 31, 2013;
- (b) In the case of profit and loss Account, of the **PROFIT** for the Year ended on that date; and
- © in the case of the Cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Sub-Section 227 of the Act, we give in the annexures a statement on the matters specified in the paragraphs 4 and 5 of the order.



2. As required by section 227(3) of the Act, 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 purpose 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 the book ;
- c) The Balance Sheet, Statement of Profit and loss, and Cash flow Statement dealt with by this report are in agreement with books of account ;
- d) In our opinion, the Balance Sheet and statement of Profit and Loss dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- e) On the basis of the written representation received from the Directors as on 31st March, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- f) Since the central government has not issued any notification as to the rate at which the cess is to be paid under Section 441A of the companies Act, 1956 nor has it issued any rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the company.

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

Dated: The 31st Day of May 2013

For, Ashok Kumar Natwarlal & Co.
Chartered Accountants

A. K. Agarwal

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



ANNEXURE Referred to in point No. 1 of our report of even date on the accounts for the year ended 31st March 2013

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:

The Company does not own any fixed Assets and as such clauses 1(a) to 1(c) of the companies (Auditor's Report) order, 2003 are not applicable.

The Company does not own any inventory and as such clause 2(a) to 2(c) of the companies (Auditor's Report) 2003 are not applicable.

In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the companies Act, 1956:

- a) The company has granted unsecured loan or advances to companies, firms or other parties listed in the register maintained U/s 301 of the companies Act, 1956. The Maximum amount outstanding during the year was Rs. 29,82,49,423/- and the year end balance of loan and advances granted to such party was Rs. 28,54,12,756.00.
- b) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions for such loan and advances were not prima-facie prejudicial to the interest of the company except in case of interest free advances.
- c) There was no stipulation for repayment of above loans and advances.
- d) The company has not taken any unsecured loans or advances from companies, firms or other parties listed in the register maintained U/s 301 of the companies Act, 1956. Consequently the provisions of Clauses 3(e) to 3(g) of the order are not applicable.

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.

- 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.

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.

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

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.

- a) As explained to us, the provident Fund Scheme and Employees State Insurance Scheme are not applicable to the Company.
- b) 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 31ST March 2013 for a period of more than six months from the date they become payable.

The Company does not have any accumulated losses at the end of the financial year. Further it has not incurred any cash losses during the financial year ended on that date and 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 preferential allotment of shares 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.
- The Company has not raised any money through public issue.
- 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: The 31st Day of May, 2013

For, Ashok Kumar Natwarlal & Co.
Chartered Accountants

A.K. Agarwal

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



ASSOCIATED CEREALS LIMITED

Trihant Enclave, Ground Floor, 493B/57A, G.T.Road (South), Shibpur, Howrah-711102

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 :

a) We have reviewed the Financial Statements and Cash Flow Statements for the year ended 31st March 2013 and to the best of our Knowledge and belief:

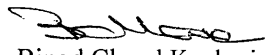
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements which might be misleading;
- (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations

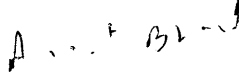
There are, to the best of our Knowledge and belief, no transactions entered into by the Company during the Year which are fraudulent, illegal or violative of the Company's code of conduct.

We accept responsibility for establishing and maintaining internal control for the financial reporting and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

b) We have indicated to the Auditors and the Audit Committee :

- (i) Significant Changes in Internal Control during the Year;
- (ii) Significant Changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
- (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control.


Binod Chand Kankaria
Chairman


Anant Bhagat
Chief Financial Officer



ASSOCIATED CEREALS LIMITED

REPORT ON CORPORATE GOVERNANCE

A) Company's Philosophy

Your Company believes that for its sustained success, it must maintain global Standards of corporate conduct towards its Shareholders, customers, employees, all other stakeholders and society in general. The company has always focused on good corporate governance, which is a key driver of sustainable corporate growth and long term value creation for its shareholders.

The Company believes that corporate governance is not just limited to creating checks and balances. It is more about creating organization excellence leading to increasing employees and customer satisfaction and shareholder's Value. The primary objective of corporate governance is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness, to develop capabilities and identify opportunities that best serve the goal of value creation. The Company believes, it must leverage its human and capital resources to translate opportunities into reality, create awareness of corporate vision and spark dynamism and entrepreneurship at all levels.

Above all, corporate governance must balance individual interest with corporate goals and operate within accepted norms of propriety, equity, fair play and a sense of justice. Accountability and transparency are key drivers to improve decision-making and the rationale behind such decision, which in turn creates stakeholder confidence.

3) Board of Directors

The Board of Director consist of three Director. All of them are non executive Director. Mr Shrish Tapuriah Director of the company is retiring by rotation and is eligible for re-appointment.

Mr. Binod Chand Kankaria

Mr. Binod Chand Kankaria has rich and diverse experience in areas of construction. He continues to lead as new generation entrepreneur with dedication and concerted focus on efficiency and growth.

Name of other Public limited companies in which Mr. Binod Chand Kankaria is a Director

Sl No.	Name of the Company
1.	Jain Space Infra Venture Ltd
2.	Orient Movietone Corpn Ltd

Mr. Anant Bhagat

Mr. Anant Bhagat aged 27 Years hold degree of Bachelor of Business Management. He started his career in Real Estates and obtained degree of Master of Science in Real Estates. He has rich and diverse experience in areas of construction, financing. He does not hold any equity shares in the Company.

Name of other Public Limited Companies in which Mr. Anant Bhagat is a Director

Sl No.	Name of the Company
1.	Navin Space Housing Limited
2.	Bengal Sanjeevani Housing Development Ltd

Mr. Shrish Tapuriah

Mr. Shrish Tapuriah is a well qualified Chartered Accountant and has rich and diverse experience in areas of administration, Taxation and financing.

Name of other Public Limited Companies in which Mr. Shrish Tapuriah is a Director

Sl No.	Name of the Company
1.	Hanuman Bags & Containers Ltd
2.	Kanchan Udyog Limited

C) Meetings and Attendance

The Meeting of the Board are generally held at the Corporate office of the Company at 27 Bentinck Street, Ground Floor, Kolkata-700001 and Arihant Enclave 493B/57A G.T. Road(South) Shibpur Howrah-711102. The Company changed its address on 06/09/2012 from 27 Bentinck Street, Kolkata-700001 to 493B/57A G T Road (South) Howrah-711102. During the year under review, Thirteen Board meeting were held on 13/04/2012, 10/5/2012, 11/08/2012, 27/08/2012, 5/9/2012, 6/9/2012, 29/09/2012, 26/10/2012, 31/12/2012, 18/01/2013, 31/01/2013, 19/02/2013, 30/03/2013.

ASSOCIATED CEREALS LIMITED


Director

D) Board Agenda

The Board meeting are scheduled well in time and Board members are given a notice of more than a month before the meeting date except in case of emergent meeting. The Board members are provided with well structured and comprehensive agenda papers.

E) Shareholding of Directors

Names	No. of Shares held
Binod Chand Kankaria	NIL
Anant Bhagat	NIL
Shrish Tapuriah	NIL

F) General Body Meetings

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

Financial Year	Date	Location
2009-10	15/09/2010	161/1 M G Road, Kolkata-700007
2010-11	01/09/2011	27 Bentinck Street, Kolkata-70001
2011-12	29/09/2012	Arihant Enclave 493B/57A G T Road Ground Floor, Howrah-711102

During the years, the company had taken shareholders approval by way of special resolution as per details below

Financial Year	Date	Purpose
2012-2013	06/09/2012	Change of Address outside the local limits within same state
2012-2013	31/01/2013	Issue of 35,00,000 Equity share on preferential Basis

G) Disclosures

There are no materially significant transactions with the related parties viz. promoters, directors, relatives, the management, subsidiaries etc that may have a potential conflict with the interest of the company at large.

No penalties have been imposed on the company by the Stock Exchange or SEBI or any other authority in any matter related to capital markets, for non compliance by the company.

H) Means of Communication

The Company regularly interacts with the shareholders through multiple channels of communication such as publication of results on quarterly, half yearly basis and yearly basis. The results are not sent individually to Shareholders.

The company is developing its website and will host the same shortly. All information relating to shareholder and public at large can be viewed by logging into the Website.

I) Code of Conduct

The Company has laid down the code of conduct for its directors.. The object of the code is to conduct the company's business ethically and with responsibility, integrity, fairness, transparency and honesty.

J) Registrar and Transfer Agents and Share Transfer System

M/s Niche Technologies Pvt Ltd is your Company's Share Transfer Agent. Share transfer in physical form and other communications regarding shares, Change of Address etc may be addressed to

M/s Niche Technologies Pvt Ltd
D-511, Bagree Market
71, B R B Basu Road
Kolkata-700001

Trading in Equity shares of the Company is permitted as demat as well as physical form. Shares sent for transfer in physical form are registered and returned with in a period of 30 Days from the date of receipt of the documents, provided the documents are valid and complete in all respects. With a view to expediting the process of share transfers Mr. Binod Chand

Binod Chand Kankaria
Binod Chand Kankaria

Binod Chand Kankaria

Kankaria Director, Compliance officer be and is hereby severally authorized to approve transfer of equity shares and the same shall be ratified in the next meeting of shareholders/ Investors Grievance Committee. The shareholders/ Investors Grievance Committee meets as and when required to consider the other transfer, transmission of shares etc and to attend shareholder Grievance.

K) Distribution of Shareholding

The Distribution of shareholding as on March 31, 2013 was as follows:

Sl No.	No. of Equity Shares held	No. of Share Holders	% of total Shareholders	No. of Shares held	% of total Shares
1	1-500	372	78.4810	110300	.8690
2	501-1000	41	8.6498	31100	.2450
3	1001-5000	16	3.3755	27620	.2176
4	5001-10000	0	0	0	0
5.	10001-50000	18	3.7975	641000	5.0502
6.	50001-100000	8	1.6878	562000	4.4277
7.	100001- And above	19	4.0084	11320670	89.1905
	Totals	474	100.00	12692690	100.00

L) Details of Shareholding as on March 31, 2013 was as under:-

Sl No.	Category	No. of Shares Held	Shareholding
1	Promoters	6869620	54.123
2	Non Institution- Bodies Corporate	4299950	33.877
3	Non Institution-Individual	1523120	12.000
		<u>12692690</u>	<u>100.00</u>

M) General Shareholder Information

Annual General Meeting:

Date	28 th June 2013
Time	12.30 PM
Venue	Arihant Enclave, 493B/57A G T Road (South) Shibpur Howrah-711102
Financial Year	2012-2013
Book Closure Date	25 th June 2013 to 28 th June 2013
Listing on Stock Exchange	The Uttar Pradesh Stock Exchange Limited A-256 The Gauhati Stock Exchange Association Limited B-128
SIN No.	INE840I01014

The Company has made application for listing of 3500000 equity shares allotted on 19/02/2013 and the same is under process of listing.

N) Shareholder'/Investors' Grievance Committee

The shareholder'/Investors' Grievance Committee of the Board has been constituted to look into complaints like transfer of shares, Non-receipt of Dividend etc. The committee is headed by Mr. Anant Bhagat, as Chairman and Mr. Shrish Tapuriah, Non executive Director. No compliant had been received during the year.

ASSOCIATED COMPANIES LIMITED

[Signature]

30) Audit Committee

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of accounting, auditing and reporting practice of the company and its compliance with legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting process of the company, the audit of the Company's Financial Statements, the appointments of Auditor, Independent Performance and remuneration of the Statutory Auditors.

During the year under review, four meetings of the committee were held during the year ended 12.05.2012, 13.08.2012, 12.11.2012 and 13.02.2013. The composition of the committee and attendance at its meeting is given below:

Name of Director	Category	No. of Meetings Held	No. of Meetings Attended
Mr. Anant Bhagat	Non Executive Director	4	4
Mr. Shrish Tapuriah	Non Executive Director	4	4

The terms of reference as stipulated by the Board to the Audit Committee include:

1. Oversight of the Companies Financial reporting Process and disclosure of its financial information to ensure that the financial statement is correct, Sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory Auditor and fixation of Audit Fees.
3. Reviewing with the Management, the annual Financial Statement before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors Responsibility Statement in the Directors Report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
 - Changes, if any, in Accounting Policies and Practices and reason for the same.
 - Major Accounting entries involving estimates based on the exercise out of audit findings.
 - Qualification in the draft Audit report, if any.
4. Reviewing with the management, the quarterly financial Statements before submission to the Board for approval.
5. Reviewing with the Management, Performance of the Auditors, and adequacy of Internal control systems.
6. Discussion with the Auditors before the audit commences, about the nature and scope of the audit as well as post audit discussion to ascertain any area of concern.
7. To review the functioning of Whistle Blower Mechanism.
8. Carrying out any other function as is mentioned in the terms of reference of audit Committee.

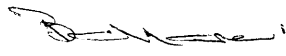
The Audit Committee is empowered, Pursuant to its terms of reference, to:

- Investigate any activity within its terms of reference and to seek any information it requires from any employee.
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

We have instituted internal processes and systems to ensure that the audit committee has access to all material information and reviews on a regular basis as follows:

- Management discussion and analysis of Financial Condition and results of operation.
- Statement of Significant party related transactions (as defined by Audit Committee), Submitted by Management.
- Management Certificates on internal controls and Compliances with laws and regulations, including any exception to these.
- Management letters/letters of internal control weakness issued by the auditors.

ANANT BHAGAT


ANANT BHAGAT

ASSOCIATED CEREALS LIMITED

Arihant Enclave, Ground Floor, 493B/57A,
G.T Road (South), Shibpur,
HOWRAH – 711102
Mob No. : 9933454540
Email : acaasm@rediffmail.com

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The key areas of Management Discussion and Analysis are given below.

INDUSTRY STRUCTURE & DEVELOPMENTS

During the financial year 2012-13, the Indian economy faced significant strains in its growth rate. There was a sharp decline in GDP rate from 6.2% in 2011-12 to 5.4% in 2012-13. The economic slowdown had a significant bearing on the functioning and profitability of NBFCs in the medium term. The high level of Fiscal and Current Account deficits had a dampening effect on the Indian economy. The tightened liquidity also affected the functioning of Capital markets. In order to control the soaring inflation and to strengthen the Indian economy, RBI introduced several fiscal measures during the year. With the intervention of RBI, your Company expects a favorable market in the years to come.

SEGMENT WISE PERFORMANCE

The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments.

OUTLOOK

The economic slowdown had a significant bearing on the functioning and profitability of NBFCs in the medium term. But it has been estimated that in the long run there are vast opportunities for NBFCs. Hence, the Company is expecting to improve its performance and profitability in future.

OPPORTUNITIES & THREATS

Business opportunities for finance companies are enormous as the new areas and segments are being explored. A larger segment of customers remain unserved by Banks and large sized Finance Companies. Your Company on its part is also well poised to seize new opportunities as they come.

The major threat being faced by finance companies are regulatory changes, interest rates hiked by RBI, high inflation etc. The Company is also facing stiff competition from banks / financial institutions due to their ability to raise low cost funds which enables them to provide funds at much cheaper rate.

RISKS & CONCERNS

As a NBFC, your Company's growth and profitability are dependent on the functioning of Capital Markets. The Company is exposed to several market risks like credit risk, liquidity risk and interest rate risk. The volatility of the capital markets in which your Company operates is also a major cause of concern to the Company.

INTERNAL CONTROL SYSTEM AND ADEQUACY

Internal control systems and procedures in the Company are commensurate with the size and the nature of Company's business and are regularly reviewed and updated by incorporating changes in regulatory provisions in order to safeguard the assets and to ensure reliability of financial reporting.

HUMAN RESOURCES

The Company provides a fair and equitable work environment to all its employees. The Company is continuously working to create and nurture an atmosphere which is highly motivated and result oriented.

FINANCIAL PERFORMANCE

The financial performance of the Company for the year under review is discussed in detail in the Directors Report.

For and on behalf of board of directors

Place : Kolkata
Date : 31st Day of May, 2013


Binod Chand Kankaria

(Director)

ASHOK KUMAR NATWARLAL & CO.
CHARTERED ACCOUNTANTS

161/1, Mahatma Gandhi Road
3rd Floor, Room No. 70B
Kolkata-700007
Phone: 09468913311

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, 2013 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 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, 2013 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

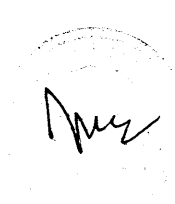
Dated: 31st Day of May 2013

For, Ashok Kumar Natwarlal & Co.
Chartered Accountants

A. K. Agarwal

ASHOK KUMAR AGARWAL
Proprietor

Membership No. 056189
Firm Rgn. 322307E



ASSOCIATED CEREALS LTD.

Arihant Enclave, Ground Floor, G.T.Road(South) Shibpur Howrah-711102

BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note No.	AS AT MARCH 31, 2013	AS AT MARCH 31, 2012
		₹	₹
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	126,926,900.00	91,926,900.00
(b) Reserves and Surplus	2	173,913,951.56	103,555,103.57
(2) Current Liabilities			
(a) Short-Term Borrowings	3	81,410.00	74,930.00
(b) Other Liabilities	4	11,600.00	35,423.18
(c) Short-Term Provisions	5	1,091,775.00	565,937.00
Total Equity & Liabilities		302,025,636.56	196,158,293.75
II. ASSETS			
(1) Non-Current Assets			
(a) Long term loans and advances	6	3,800,000.00	3,800,000.00
(b) Non-Current investments	7	2,333,113.53	2,333,113.53
(c) Miscellaneous Expenditure	8	160,000.00	-
(2) Current Assets			
(a) Trade receivables	9	-	200,202.53
(b) Cash and cash equivalents	10	1,196,350.03	1,045,393.69
(c) Short-term loans and advances	11	294,536,173.00	188,779,584.00
Total Assets		302,025,636.56	196,158,293.75

The accompanying notes 1 to 20 are integral part of Financial Statements

FOR ASHOK KUMAR NATWARLAL & CO
CHARTERED ACCOUNTANTS

A.K. Agarwal

Shishu Tapuriah

Shishu Tapuriah
Director

FOR ASSOCIATED CEREALS LIMITED

Anant Bhagat

Anant Bhagat
Director

Binod Chand Kankaria

Binod Chand Kankaria
Director

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

PLACE:
DATED: THE 31st DAY OF May, 2013



ASSOCIATED CEREALS LTD.

Arihant Enclave, Ground Floor, G.T.Road(South) Shibpur Howrah-711102
PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2013

Sr. No.	Particulars	Note No.	For the year ended March 31,2013	For the year ended March 31,2012
	Revenue from Operations	12	₹ 1,362,489.00	₹ 304,250.53
	II. Total Revenue		1,362,489.00	304,250.53
	Expenses:			
	Employee Benefit Expense	13	120,000.00	144,000.00
	Financial Costs	14	6,480.00	2,930.00
	Depreciation and Amortization Expense	15	40,000.00	-
	Other Administrative Expenses	16	188,775.01	104,340.84
	Provisions and Contingencies	17	230,200.00	24,210.00
	Total Expenses (IV)		585,455.01	275,480.84
	Profit before exceptional and extraordinary items and tax	(II-III)	777,033.99	28769.69
	Profit before extraordinary items and tax		777,033.99	28769.69
	Profit before tax		777,033.99	28,769.69
	Tax expense:			
	(1) Current tax		311,235.00	16,420.00
	(2) Tax of Previous Year		106,951.00	17,560.00
	(3) Excess Provisoin for income Tax		-	161.00
VIII	Profit(Loss) for the period from continuing operations	(VIII-IX)	358847.99	(5049.31)
	Profit/(Loss) for the period		358847.99	(5049.31)
	Earning per equity share:			
	(1) Basic	18	0.04	(0.001)
	(2) Diluted		0.04	(0.001)

The accompanying notes 1 to 20 are integral part of Financial Statements

FOR ASHOK KUMAR NATWARLAL & CO
 CHARTERED ACCOUNTANTS

FOR ASSOCIATED CEREALS LIMITED

A-12- Agarwal

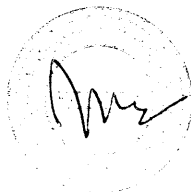
Shrish Tapuriah
 Director

Anant Bhagat
 Director

Binod Chand Kankaria
 Director

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

Place:- Kolkata
 DATED: THE 31st DAY OF May, 2013



ASSOCIATED CEREALS LTD.

Arihant Enclave, Ground Floor, G.T.Road(South) Shibpur Howrah-711102

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

PARTICULARS	AMOUNT(Rs.)	As at 31.03.2013	As at 31.03.2012
A CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit Before Tax		777,033.99	28769.69
Adjustments for:			
Preliminary Expenses w/off	40,000.00		-
Provision for Standard Assets	230,200.00		24,210.00
Profit on sale of Shares			
Dividend Income	-	270,200.00	-
Operating Profit before Working Capital Changes		1,047,233.99	52,979.69
Adjustments for:			
Increase in Short Term Advances	(105,756,589.00)		(54,168.00)
Decrease in Receivables	200,202.53		316,937.47
Increase in Short Term Borrowings	6,480.00		74,930.00
Increase/(Decrease) in Payables	(3,400.00)	(105,553,306.47)	(52,138.00)
Cash generated from operations		(104,506,072.48)	338,541.16
Income Tax paid		122,548.00	19,069.00
Net Cash flow from Operating activities		(104,628,620.48)	319,472.16
B CASH FLOW FROM INVESTING ACTIVITIES		-	-
Net Cash used in Investing activities		-	-
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Issue of Equity Share	105,000,000.00		-
Expense for Increase in Authorised Capital	(200,000.00)		-
Net Cash used in financing activities		104,800,000.00	
Net increase in cash & Cash Equivalents		171,379.52	319,472.16
Opening Cash and Cash equivalents		1,024,970.51	705498.35
Closing Cash and Cash equivalents		1,196,350.03	1,024,970.51
Cash & Cash Equivalents			
Cash in Hand		845,067.69	1043287.69
Cash at Bank		351,282.34	(18,317.18)
Cash & Cash equivalents as stated		1,196,350.03	1,024,970.51

FOR ASHOK KUMAR NATWARLAL & CO
CHARTERED ACCOUNTANTS

For, Associated Cereals Limited

A. K. Agarwal

Ashok Kumar Agarwal
Proprietor

Membership No. : 56189

Firm Reg. No.: 322307E

Place:- Kolkata

Dated The 31st Day of May 2013

Shrish Tapuriah
Shrish Tapuriah
Director

Binod Chand Kankaria
Binod Chand Kankaria
Director

Anant Bhagat
Anant Bhagat
Director

ASSOCIATED CEREALS LTD.

Arihant Enclave, Ground Floor, G.T.Road(South) Shibpur Howrah-711102

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note : 1 Share Capital

Sr. No	Particulars	AS AT MARCH 31, 2013		AS AT MARCH 31, 2012	
		Nos.	Amount	Nos.	Amount
1	AUTHORIZED CAPITAL Equity Shares of Rs. 10/- each.	13,200,000	132,000,000.00	9,200,000	92,000,000.00
		13,200,000	132,000,000.00	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	12,692,690	126,926,900.00	9,192,690	91,926,900.00
	Total Issued, Subscribed & Paid Up-Capital	12,692,690	126,926,900.00	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
-	Ultraplus Housing Estate Pvt Ltd	6,869,620	54.12	6,869,620	74.73

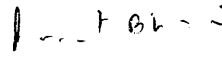
(b) Reconciliation of the Number of Shares and Amount Outstanding as at the Beginning and at the End of the Year

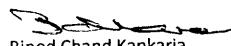
Sr. No	Equity shares	Number	Amount	Number	Amount
1	Outstanding at the Beginning of the Year	9,192,690	91,926,900.00	9,192,690	91,926,900.00
2	Issued During the Year	3,500,000	35,000,000.00	-	-
3	Outstanding at the End of the Year	12,692,690	126,926,900.00	9,192,690	91,926,900.00

(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.


Shrish Tapuriah
Director


Anant Bhagat
Director


Binod Chand Kankaria
Director



ASSOCIATED CEREALS LTD.

Arihant Enclave, Ground Floor, G.T.Road(South) Shibpur Howrah-711102

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note : 2 Reserve & Surplus

Sr. No	Particulars	AS AT MARCH 31, 2013		AS AT MARCH 31, 2012	
1	Securities Premium				
	Opening Balance				
	Add:- Addition During the year	70,000,000.00			
	Closing Balance		70,000,000.00		
2	General Reserve:				
	Opening Balance	58,215,100.00		58,215,100.00	
	Add: Addition during the Year				
	Closing balance		58,215,100.00		58,215,100.00
3	Surplus (Profit & Loss Account):				
	Opening Balance	35,715,053.57		35,720,102.88	
	Add: Surplus in the Statement of Profit & Loss	358,847.99		(5049.31)	
			36,073,901.56		35,715,053.57
	Transfer to General Reserve		71,770.00		
	Closing balance		36,002,131.56		35,715,053.57
4	Reserve Fund (RBI):				
	Opening Balance	9,624,950.00		9,624,950.00	
	Add: Addition during the Year	71,770.00			
	Closing balance		9,696,720.00		9,624,950.00
	Total		173,913,951.56		103,555,103.57

Note : 3 Short Term Borrowings

Sr. No	Particulars	AS AT MARCH 31, 2013		AS AT MARCH 31, 2012	
1	Others		81,410.00		74,930.00
	Total		81,410.00		74,930.00

Note : 4 Other Liabilities

Sr. No	Particulars	AS AT MARCH 31, 2013		AS AT MARCH 31, 2012	
1	The Lakshmi Vilas Bank Ltd		-		20,423.18
2	Audit Fees Payable		10,000.00		10,000.00
3	P D Randar & Co.		500.00		5,000.00
4	Professional Tax Payable		1,100.00		-
	Total		11,600.00		35,423.18

Note : 5 Short Term Provisions

Sr. No	Particulars	AS AT MARCH 31, 2013		AS AT MARCH 31, 2012	
1	Others				
	Provision for standard Assets		735,410.00		505,210.00
	Provision for Fringe benefit Tax		5,003.00		5,003.00
	Provision for Taxation		351,362.00		55,724.00
	Total		1,091,775.00		565,937.00

Shrish Tapuria
Shrish Tapuria
Director

Anant Bhagat
Anant Bhagat
Director

Binod Chand Kankaria
Binod Chand Kankaria
Director



ASSOCIATED CEREALS LTD.

Arihant Enclave, Ground Floor, G.T.Road(South) Shibpur Howrah-711102

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note : 6 Long Term Loans and Advances

Sr. No	Particulars	₹	
		AS AT MARCH 31,2013	AS AT MARCH 31,2012
	Advance agaist land/ Flat	3,800,000.00	3,800,000.00
	Total	3,800,000.00	3,800,000.00

Note :7 Non- Current Investment

Sr. No	Particulars	₹			
		AS AT MARCH 31,2013		AS AT MARCH 31,2012	
		Nos.	Value	Nos.	Value
	Investment in Equity		-		-
	QUOTED				
	Econo Trade (India) Ltd.	27,800	2,229,009.76	27,800	2,229,009.76
	Rashel Agro	1	8.77	1	8.77
	R.M Financial Ltd.	20	20.00	20	20.00
	Purbanchal Steel Limited	40,500	103,275.00	40,500	103,275.00
	Rohtash Industries Limited	2,000	800.00	2,000	800.00
	Total		2,333,113.53		2,333,113.53

The Market Value of Shares is Rs. 56,33,523.77/- . In the absense of Market Value of some shares, Book Value is taken as Market Value.

Note :8 Miscellaneous Expenditure

Sr. No	Particulars	₹	
		AS AT MARCH 31,2013	AS AT MARCH 31,2012
	Share Issue Expenses	160,000.00	
	Total	160,000.00	-

Note :9 Trade Receivables

Sr. No	Particulars	₹	
		AS AT MARCH 31,2013	AS AT MARCH 31,2012
	Outstanding for less than Six Months		
	Others		
	a) Unsecured, Considered Good :	-	200,202.53
	Total	-	200,202.53

Shrish Tapuriah
Shrish Tapuriah
Director

Anant Bhagat
Anant Bhagat
Director

Binod Chand Kankaria
Binod Chand Kankaria
Director



ASSOCIATED CEREALS LTD.

Arihant Enclave, Ground Floor, G.T.Road(South) Shibpur Howrah-711102

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note : 10 Cash & Cash Equivalent

₹

₹

Sr. No	Particulars	AS AT MARCH 31,2013		AS AT MARCH 31,2012	
1	<u>Cash-in-Hand</u> Cash Balance		845,067.69		1,043,287.69
	Sub Total (A)		845,067.69		1,043,287.69
2	<u>Bank Balance</u> Corporation Bank The Laxmi Vilas Bank		2,106.00 349,176.34		2,106.00 -
	Sub Total (B)		351,282.34		2,106.00
	Total [A + B]		1,196,350.03		1,045,393.69

Note :11 Short Terms Loans and Advances

₹

₹

Sr. No	Particulars	AS AT MARCH 31,2013		AS AT MARCH 31,2012	
1	<u>Loans & Advances</u> a) Unsecured, Considered Good :		110,763,512.00		10,091,813.00
2	<u>Share Application Given</u>		183,600,000.00		178,600,000.00
3	<u>Others</u> Income Tax Refundable for A.Y. 2010-2011 Income Tax Refundable for A.Y. 2006-2007		- 172,661.00		(84,890.00) 172,661.00
	Total		294,536,173.00		188,779,584.00

Signature
Shrish Tapuriah
Director

Signature
Anant Bhagat
Director

Signature
Binod Chand Kankaria
Director

Signature

ASSOCIATED CEREALS LTD.

Arihant Enclave, Ground Floor, G.T.Road(South) Shibpur Howrah-711102

Notes Forming Part of Statement of Profit & Loss for the year ended 31st March, 2013

Note : 12 Revenue from Operations

Sr. No	Particulars	For the year ended March 31,2013	For the year ended March 31,2012
	Interest Received	1,334,081.00	103,213.00
	Interest on TDS	28,408.00	835.00
	Interest On Income Tax	-	-
	Commodity Profit	-	200,202.53
	Total	1,362,489.00	304,250.53

Note : 13 Employment Benefit Expenses

Sr. No	Particulars	For the year ended March 31,2013	For the year ended March 31,2012
1	Salaries, Bonus, PF & ESIC	120,000.00	144,000.00
	Total	120,000.00	144,000.00

Note :14 Financial Cost

Sr. No	Particulars	For the year ended March 31,2013	For the year ended March 31,2012
1	Interest paid on Loan	6,480.00	2,930.00
	Total	6,480.00	2,930.00

Note : 15 Depreciation & Amortised Cost

Sr. No	Particulars	For the year ended March 31,2013	For the year ended March 31,2012
1	Preliminary Expenses W/O	40,000.00	-
	Total	40,000.00	-

Shrish Tapuriah
Shrish Tapuriah
Director

Anant Bhagat
Anant Bhagat
Director

Binod Chand Kankaria
Binod Chand Kankaria
Director



ASSOCIATED CEREALS LTD.

Arihant Enclave, Ground Floor, G.T.Road(South) Shibpur Howrah-711102

Notes Forming Part of Statement of Profit & Loss for the year ended 31st March, 2013

Note : 16 Other Expenses

Sr. No	Particulars	₹ For the year ended March 31,2013	₹ For the year ended March 31,2012
a	Administrative Expenses:		
1	Advertisement & Publicity	5,280.00	8,225.00
2	Bank Charges	4,496.01	31,971.84
3	CDSL fees	23,464.00	16,632.00
4	Compliance Fees	1,100.00	-
5	Filing Fees	3,500.00	5,000.00
6	General Expenses	7,940.00	1,251.00
7	Interest paid to professional tax	-	1,816.00
8	Interest on delayed TDS	-	39.00
9	Listing Fees	60,000.00	-
10	NSDL fees	33,708.00	16,545.00
11	Postage & Telegram	2,890.00	1,268.00
12	Printing & Stationery	5,720.00	3,458.00
13	Professional Fees	1,000.00	1,000.00
14	Professional Tax	-	4,285.00
15	Trade Licences	1,850.00	1,850.00
16	Travelling & Conveyance	6,720.00	-
17	Registrar Expense	20,107.00	-
18	Payment for Internal Audit Fees	1,000.00	1,000.00
b	Payment to Statutory Auditors:		
18	Audit Fees	10,000.00	10,000.00
	Total	188,775.01	104,340.84

Note : 17 Provisions & Contingencies

Sr. No	Particulars	₹ For the year ended March 31,2013	₹ For the year ended March 31,2012
1	Provision against Standard Assets	230,200.00	24,210.00
	Total	230,200.00	24,210.00

Note: 18 Earning Per Share

Sr. No	Particulars	For the year ended March 31,2013	For the year ended March 31,2012
	Profit after Tax	358,847.99	(5,049.31)
	Weighted Average No. of Shares	9,585,840.00	9,192,690.00
	$9192690 \times \frac{324}{365} + 12692690 \times \frac{41}{365}$		
	35,00,000 Shares are allotted on 19/02/2013		
	Earning Per Share	0.04	(0.001)

Shrish Tapuria
Shrish Tapuria
Director

Anant Bhagat
Anant Bhagat
Director

Binod Chand Kankaria
Binod Chand Kankaria
Director

ASSOCIATED CEREALS LTD.

Arihant Enclave, Ground Floor, G.T.Road(South) Shibpur Howrah-711102

Break-up of Notes Items appearing in Balance Sheet as at 31st March, 2013

Note- 19 Related Party Disclosures

Key Management Personnel

Mr. Binod Chand Kankaria
Mr. Anant Bhagat
Mr. Shrish Tapuriah

Relative of Key Management Personnel

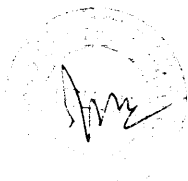
Mr. Chandrakant Kankaria (Son of Sri Binod Chand Kankaria)
Mr. Subhash Chand Kankaria (Brother of Sri Binod Chand Kankaria)

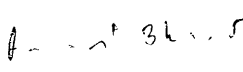
Enterprise in which key management personnel or relative of key management personnel exercise Significant

Tapp Chennai Holdings Private Limited
Olympia Real Estate Chennai Pvt Ltd
Sripanchanan Complex Pvt Ltd
Brilliant Dealers Pvt Ltd
ABN Infratech Pvt Ltd
Opaline Hotels Pvt Ltd
Jaishree Centre Pvt Ltd
Yashobridhi Properties Pvt Ltd
Pawan Complex Pvt Ltd
M K Construction

Particulars	Key Management Personnel	Relative of Key Management	Enterprise in which Key Management Personnel Exercise Significant Influence	Total(Rs.)
Share Application Given Tapp Chennai Holdings Private Limited			5,000,000.00 (P.Y.- Nil))	5,000,000.00 (P.Y. - Nil)
Repayment of Advances ABN Infratech Pvt Ltd			2,000,000.00 (P.Y.- Nil))	2,000,000.00 (P.Y.- Nil))
Loan Given Brilliant Dealers Pvt Ltd			20,000,000.00 (P.Y.- Nil))	20,000,000.00 (P.Y.- Nil))
Opaline Hotels Pvt Ltd			84,950,000.00 (P.Y.- Nil))	84,950,000.00 (P.Y.- Nil))
Repayment of Loans Given Brilliant Dealers Pvt Ltd			10,500,000.00 (P.Y.- Nil))	10,500,000.00 (P.Y.- Nil))
Yashobridhi Properties Pvt Ltd			330,556.00 (P.Y.- Nil))	330,556.00 (P.Y.- Nil))


Shrish Tapuriah
Director




Anant Bhagat
Director


Binod Chand Kankaria
Director


ASSOCIATED CEREALS LTD.

Arihant Enclave, Ground Floor, G.T.Road(South) Shibpur Howrah-711102

Break-up of Notes Items appearing in Balance Sheet as at 31st March, 2013

Particulars	Key Management Personnel	Relative of Key Management	Enterprise in which Key Management Personnel Exercise Significant Influence	Total(Rs.)
Interest Income				
Brilliant Dealers Pvt Ltd			181,481.00 (P.Y. - Nil)	181,481.00 (P.Y. - Nil)
Jai-shree Centre Pvt Ltd			16,362.00 (P.Y. - Nil)	16,362.00 (P.Y. - Nil)
Opaline Hotels Pvt Ltd			1,029,938.00 (P.Y. - Nil)	1,029,938.00 (P.Y. - Nil)
Pawan Complex Pvt Ltd			18,000.00 (P.Y. - Nil)	18,000.00 (P.Y. - Nil)
Yashobridhi Properties Pvt Ltd			33,565.00 (P.Y Rs. 33750/-)	33,565.00 (P.Y Rs. 33750/-)
Balance Receivable				
Map Chennai Holdings Pvt Ltd			(P.Y Rs.)	183,100,000.00 178,100,000.00
Olympia Real Estate Chennai Pvt Ltd			(P.Y. Rs.)	2,400,000.00 2,400,000.00
Sri Panchanan Complex Pvt Ltd (advance against Property)			(P.Y. Rs.)	3,800,000.00 3,800,000.00
ABN Infratech Pvt Ltd			(P.Y. Rs.)	55,205.00 2,055,205.00
M K Construction			(P.Y. Rs.)	200,000.00 200,000.00
Brilliant Dealers Pvt Ltd			(P.Y. Rs.)	9,663,333.00 Nil
Opaline Hotels Pvt Ltd			(P.Y. Rs.)	85,876,944.00 Nil
Pawan Complex Pvt Ltd			(P.Y. Rs.)	166,200.00 150,000.00
Yashobridhi Properties Pvt Ltd			(P.Y. Rs.)	Nil 303,348.00
Jai-shree Centre Pvt Ltd			(P.Y. Rs.)	151,074.00 136,348.00


Shrish Tapuriah
Director


Anant Bhagat
Director


Binod Chand Kankaria
Director



ASSOCIATED CEREALS LIMITED

TE : 20

ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2013 AND PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON THAT DATE

SIGNIFICANT ACCOUNTING POLICIES

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.

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.

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.

Investments

Non Current Investment are valued at cost.

Miscellaneous Expenditure

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

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.

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.



ASSOCIATED CEREALS LIMITED

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. **Contingent Liability**

Contract remain to be executed on capital A/c and not Provided for Rs. 26,00,000/- (P.Y Rs. 26,00,000/-) Net of Advance.

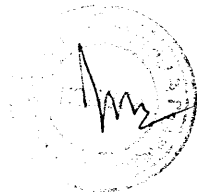
- 11 Previous year figures has been re-arranged or re-cast wherever necessary, however the same are not strictly comparable with that of the current year as the previous year.
- 12 The Company Operates Solely in one Geographic Segment and hence no separate information for Geographic segment wise disclosure is required.

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

Dated The 31st Day of May 2013

For, Ashok Kumar Natwarlal & Co.
Chartered Accountants

Ashok Kumar Agarwal
Proprietor
Membership No. 56189
Firm Rgn No. 322307E



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

Amu

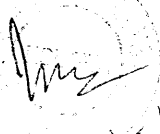
Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	2845.09	2845.09
© Other related parties	NIL	1.99	1.99
2. Other than related parties	NIL	128.92	128.92
Total	NIL	2976	2976

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	56.33	23.33
Total	56.33	23.33

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


31/5/2013