

**30<sup>th</sup>**  
**ANNUAL REPORT**  
**2011-2012**

**SAGAR SOYA PRODUCTS LIMITED**

**SAGAR SOYA PRODUCTS LIMITED**  
**ANNUAL REPORT 2010-2011**

<b>BOARD OF DIRECTORS</b>	: Mr. Arvindbhai C Patel      Chairman & CEO Mr. Gaurav D Patel      Director & CEO Mr. Chandrakant Patel      Independent Non-Executive Director Mr. Arun Kumar Sharma      Independent Non-Executive Director
<b>REGISTERED OFFICE</b>	: C.J. Complex, Mahatama Gandhi Road Sagar – 470002 Madhya Pradesh
<b>AUDITORS</b>	: O. T. Gandhi & Co. Chartered Accountants,
<b>BANKERS</b>	: HDFC Ltd, Parkota Ward, Sagar State Bank of India, M.G. Road Branch, Sagar
<b>SHARES LISTED AT</b>	: <b>The Bombay Stock Exchange Limited,</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001  <b>Madhya Pradesh Stock Exchange Limited,</b> 201, 'Palika Plaza', Phase-II, M.T.H. Compound, Indore - (MP) 452 001  <b>The Ahmedabad Stock Exchange Limited,</b> Kamdhenu Complex, Opp Shahajanand College, Panjara Pole, Ahmedabad – 380 015

<b>30<sup>th</sup> ANNUAL GENERAL MEETING</b>	
<b>Date</b>	: 28 <sup>th</sup> September, 2012
<b>Day</b>	: Friday
<b>Time</b>	: 1.00 p.m.
<b>Place</b>	: C.J. Complex, Mahatama Gandhi Road Sagar – 470002, Madhya Pradesh

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**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE **30<sup>th</sup> ANNUAL GENERAL MEETING** OF THE MEMBERS OF **SAGAR SOYA PRODUCTS LIMITED** WILL BE HELD ON **FRIDAY THE 28<sup>th</sup> DAY OF SEPTEMBER, 2012 AT 1.00 P.M.** AT THE **REGISTERED OFFICE** OF THE COMPANY SITUATED AT C.J. COMPLEX, MAHATAMA GANDHI ROAD, SAGAR – 470002, MADHYA PRADESH, TO TRANSACT THE FOLLOWING BUSINESS.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited accounts for the year ended 31<sup>st</sup> March 2012 along with notes and schedules thereon as on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Chandrakant Patel, Director of the Company who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint auditors of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass, with or without modifications, the following Resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** Mr. Arun Kumar Sharma who was appointed as an Additional Directors on 16<sup>th</sup> January, 2012 by the Board of Directors of the Company pursuant to Section 260 of the Companies Act, 1956 and Articles of Association of the Company and who holds office only up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member pursuant to provisions of Section 257 of the Act proposing his candidature for the office of Director be and is hereby appointed as Directors of the Company who is liable to retire by rotation.”

“**RESOLVED FURTHER THAT** any Director of the Company be and is hereby severally authorized to do all such deeds, action and things as may be necessary for effecting the above resolution.”

5. To consider and if thought fit to pass, with or without modifications, the following resolution as a **Special resolution:**

“**RESOLVED THAT** in accordance with the provisions of Sections 198, 269, 309, 314, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), (hereinafter referred to as “the said Act”) the consent of the Company is hereby accorded for the Appointment of Mr. Gaurav Patel as Managing Director of the Company for a period of 3 (Three) years with effect from January 16, 2012 on honorary basis.”

By Order Of the Board  
**FOR SAGAR SOYA PRODUCTS LIMITED**

Date : 30<sup>th</sup> May, 2012  
Place : Sagar

Sd/-  
Director

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.
2. **The Proxy Form to be effective should be deposited with the company not less than 48 hours before the time fixed for the commencement of the meeting.**
3. The Register of Members and Share Transfer Register shall remain closed from Saturday, the **22<sup>nd</sup> Day of September, 2012** to Friday, the **28<sup>th</sup> September, 2012** (both days inclusive).
4. As a measure of economy, copies of the Annual Reports and Accounts will not be distributed at the Meeting. Members are therefore, requested to bring their copies to the meeting.
5. Members/Proxies are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
6. Members who are holding shares in identical order or names in more than one folio are requested to write to the company to enable the company to consolidate their holdings in one folio.

## **SAGAR SOYA PRODUCTS LTD**

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### **EXPLANATORY STATEMENT**

#### **As required by Section 173 (2) of the Companies Act, 1956.**

##### **Item No. 4**

Mr. Arun Kumar Sharma was appointed as an Additional Director by the Board of Directors of the Company at their meeting held on 16<sup>th</sup> January, 2012.

By virtue of provisions of Section 260 of the Companies Act, 1956, he would hold office only up to the date of this Annual General Meeting of the Company. The Company has received notice pursuant to section 257 of the Companies Act, 1956, proposing the candidature of Mr. Arun Kumar Sharma as Director of the Company.

The resolution for appointing him as a Director of the Company is put forward to you to be passed as an Ordinary Resolution.

None of the Directors except Mr. Arun Kumar Sharma are interested in the above resolution.

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

As recommended by the Remuneration Committee and approved by the Board of Directors of the Company, at its meeting held on January 16, 2012, Mr. Gaurav Patel, is Appointed as an Managing Director of the Company for a period of 3 (Three) years with effect from January 16, 2012 on a honorary basis.

Mr. Gaurav Patel will serve as a Managing Director on the Board of the Company from January 16, 2012.

The terms & conditions proposed to be entered into by the Company with Mr. Gaurav Patel, in respect of his appointment, inter alia, contains the following terms and conditions:

#### **MAJOR TERMS OF REMUNERATION OF MR GAURAV PATEL, MANAGING DIRECTOR:**

##### **I. TERMS & CONDITIONS:**

###### **General Terms**

Name of Director	:	Mr. Gaurav Patel
Designation	:	Managing Director
Date of Appointment	:	Appointment w.e.f. January 16, 2012
Period	:	3 (Three) years.
Salary (p.m)	:	On honorary basis

- II. The Managing Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.
- III. The Managing Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.
- IV. The terms and conditions of the said appointment and/or may be altered and varied from time to time by the board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII the Companies Act, 1956, or any amendment hereafter in that regard.

None of the Directors of the company, except Mr. Gaurav Patel and Mr. Arvindbhai C Patel are considered to be interested or concerned in this resolution.

These Terms & Conditions of appointment may be treated as abstracts between the company & Mr. Gaurav Patel, Managing Director.

In the beneficial interest of the Company, your Directors recommend the resolution for your approval.

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**DIRECTORS' REPORT**

To,  
The Members  
Sagar Soya Products Limited

Your Directors have great pleasure in presenting **30<sup>TH</sup> ANNUAL REPORT** along with the Audited Balance Sheet and Profit And Loss Account, for the year ended 31<sup>ST</sup> March, 2012.

**1. FINANCIAL RESULTS**

The financial Results are briefly indicated below:

PARTICULARS	(Amt in `)	
	YEAR ENDED	
	31.03.2012	31.03.2011
Total Income	519,453.44	1083639.90
Total Expenditure	1,063,139.00	1204932
Profit/(Loss) before Taxation	(543,685.56)	(121,292.10)
Profit/(Loss) after Taxation	(543,685.56)	(121,292.10)
Profit/(Loss) Brought Forward	(124145735.18)	(124,024,443.08)
Balance carried to Balance Sheet	(124,689,420.74)	(124,145,735.18)

**2. REVIEW OF OPERATIONS**

The Company has incurred losses of ` **543,685.56/-** during the financial year. Your Directors expects to achieve better performance in the future and are taking maximum efforts to control the costs and optimize the results in the coming years.

**3. DIVIDEND**

In view of losses your Directors do not recommend any dividend as such.

**4. DEPOSITS**

The company has not accepted any deposits from the Public therefore provisions of Section 58A and Companies (Acceptance of Deposits) Rules 1975 are not applicable to the Company.

**5. PARTICULARS OF EMPLOYEES**

There were no employees during the whole or part of the year who were in receipt of remuneration in excess of limits as set out in terms of the provisions of section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975 as amended.

**6. DIRECTORS**

During the year Mr. Arun Kumar Sharma was appointed as an Additional Independent Director and Mrs. Naina Ben Patel and Mr. Umesh Richharia resigned from Directorship with effect from 16<sup>th</sup> January, 2012.

Mr. Gaurav Patel is appointed as Managing Director with effect from 16<sup>th</sup> January, 2012 for a period of three years. The resolution for the appointment of the Managing Director is placed before you in the Annual General Meeting. The Directors recommend his appointment.

Mr. Chandrakant Patel, Director is retiring by rotation in terms of provisions of Companies Act, 1956 and is eligible for re-appointment. The resolution for appointment of Director is placed before you in the Annual General Meeting.

**7. SUBSIDIARIES:**

Since the Company has no subsidiaries, provision of section 212 of the Companies Act, 1956 is not applicable.

**8. DIRECTOR'S RESPONSIBILITY STATEMENT**

The Board of Directors hereby confirms:

## SAGAR SOYA PRODUCTS LTD

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- i. That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. That 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 the company at the end of the financial year and of the Profit or Loss of the Company for that period.
- iii. That the Directors have taken proper and sufficient care for the maintenances of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors have prepared the Annual accounts on a going concern basis.

### 9. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Information in accordance with the provisions of Section 217 (1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the Annexure and marked as 'Annexure A' forming part of this report.

### 10. FOREIGN EXCHANGE EARNINGS AND OUTGO.

During the year under review, besides the transactions reported elsewhere, there were no other Foreign Exchange transactions.

### 11. AUDITORS

**M/s O.T. Gandhi & Co., Chartered Accountants, Indore**, Statutory Auditors of your company holds office until the conclusion of the forthcoming Annual General Meeting. They have signified their willingness to accept re-appointment as Statutory Auditors of the Company and further have confirmed their eligibility under Section 224 (1B) of the Companies Act, 1956.

### 12. AUDITORS REPORT:

Since notes to account are self explanatory, no further explanation is given by the Board as such.

### 13. COMMITTEES OF THE BOARD

Pursuant to Section 292A of the Companies Act, 1956 and clause 49 of Listing Agreement the Company has formed Audit Committee. Besides this the Company has also formed Shareholder / Investor Grievance Committee to redress investors' complaint, if any.

### 14. CORPORATE GOVERNANCE REPORT

The Company has obtained Corporate Governance Report from **HS Associates, Company Secretaries** and is annexed hereto and forming part to this Report. A separate section of Corporate Governance as complied by the Company is annexed hereto marked as Annexure B and forming part of this report.

### 15. ACKNOWLEDGEMENTS

Your Company wishes to sincerely thank all the customers, commercial banks, financial institution, creditors etc. for their continuing support and co-operation.

Your Directors express their appreciation for the dedicated and sincere services rendered by the employees of the company and also sincerely thank the shareholders for the confidence reposed by them in the company and from the continued support and co-operation extended by them. .

By Order Of The Board  
For **SAGAR SOYA PRODUCTS LIMITED**

Sd/-

**ARVIND C. PATEL**  
CHAIRMAN

Date : 30<sup>th</sup> May, 2012  
Place : Sagar

**ANNEXURE-"A" to the Report of Board of Directors**

- A. Conservation of Energy
- Company is using power connection obtained from MPEB. However your company has taken steps like optimization of outputs, controlling idle running of machine etc. to conserve the energy consumption.
  - Additional investments and proposal, if any being implemented for reduction of consumption of energy are not proposed at this stage, as it is not feasible economically.
  - Impact of above measures:  
There has been reduction in the cost of production as batches of production could be undertaken in shorter period.
  - Total energy consumption per unit of production as per Form-A is given hereunder.
- B. Form-B regarding Research and development and technology absorption is not enclosed due to the fact that there is at present no scope for R&D and absorbing any new technology in view of type of product which is accepted by the customers. However, your company shall certainly go for it in future if any new development in technology takes place.
- C. Foreign exchange earning and outgo:

Earnings	Earnings	Outgo	Outgo
C.Y.	P.Y.	C.Y.	P.Y.
-	-	-	-

By Order Of The Board  
For **SAGAR SOYA PRODUCTS LIMITED**  
Sd/-  
**ARVIND C. PATEL**  
CHAIRMAN

Date : 30<sup>th</sup> May, 2012

Place : Sagar

**ANNEXURE  
FORM-A (See rule 2)**

Disclosure of particulars with respect to conservation of energy

- A. Power & Fuel Consumption

<b>Electricity</b>		<u>Current Year</u>	<u>Previous Year</u>
a	Purchased Units	-	-
	Total Amount	-	339573
b	<b>Diesel</b> :		
	Units	-	-
	Amount	-	-
c	<b>Hexagane</b> :		
	Units	-	-
	Amount	-	-
d	<b>Gas</b> :		
	Units	-	-
	Total Amount	-	-
	Rate/Unit	-	-
e	<b>Coal</b> :		
	Quantity(MT)	-	-
	Total cost	-	-
	Amount	-	-
f	<b>Furnace oil</b> :		
	Quantity	-	-
	Total cost	-	-
	Average rate	-	-
g	<b>Others/internal generation</b> :		
	Total cost	-	-
	Cost /unit	-	-

By Order Of The Board  
For **SAGAR SOYA PRODUCTS LIMITED**  
Sd/-  
**ARVIND C. PATEL**  
CHAIRMAN

Date : 30<sup>th</sup> May, 2012

Place : Sagar

## SAGAR SOYA PRODUCTS LTD

### ANNEXURE B TO THE DIRECTORS REPORT

#### COMPANY'S PHILOSOPHY:

The Corporate Governance code as introduced by Security and Exchange Board of India (SEBI) in pursuance of clause 49 of Listing Agreement is became applicable to the company by December 2005. The same has been implemented by the Company from December 2005.

The Company believes in maximum utilization of resources at minimum cost and attaining maximum long-term shareholders value.

#### BOARD OF DIRECTORS:

The Board of the Company comprises of 4 (Four) Directors, out of which 2 (Two) Directors are Executive Directors and 2 (Two) are Independent Non Executive Directors of the Company. There is no nominee or Institutional Directors in the Company.

None of Directors has pecuniary or Business relationship with the Company other than as mentioned elsewhere in Annual Report. No Director of the Company is either member in more than 10 (Ten) committees and/or Chairman of more than 5 (Five) committees across all Companies in which he is Director.

During the year, there were in total **9 (Nine)** Board Meetings were held. The time gap between the two meetings was not more than 4 months. All the information required to be furnished to the Board was made available to them along with detailed Agenda notes. The dates on which the Board Meeting was held are as follows:

**26.04.2011; 29.07.2011; 12.08.2011; 20.08.2011; 28.10.2011; 14.11.2011; 16.01.2012; 27.01.2012; 15.02.2012.**

The following table gives the attendance of the Directors at Board Meetings of the Company and also other Directorship in other Companies and Chairmanship/Membership in Board Committees of public limited companies:

Sr. No.	Name of Director	Category	No. of Board meetings Attended	Attendance at Last AGM	No. Of Other Directorship	No. of Other Committee membership in other Companies
1.	Mr. Arvindbhai C Patel	Chairman	9	Yes	3	Nil
2.	Mr. Gaurav D Patel	Managing Director	9	Yes	Nil	Nil
3.	Mr. Chandrakant Patel	Independent Non Executive Director	9	Yes	Nil	Nil
4.	Mr. Arun Kumar Sharma	Additional Independent Non Executive Director	2	No	4	2

None of the Non-executive Directors are paid any remuneration as defined as per the provisions of Companies Act, 1956.

A brief Resume of Director seeking appointment/re-appointment at the forthcoming Annual General Meeting in pursuance of Clause 49 VI (IA) of the Listing Agreement is given hereunder:

#### Resume of Mr. Chandrakant Patel

Name of Director : Mr. Chandrakant Patel  
Age : 57 years  
Qualification : Undergraduate  
Expertise in functional Area : Marketing & Procurement of Commodity items  
Directorship in other Indian Public Limited  
Companies and other firms as on 31<sup>st</sup> March, 2012. : Nil



**Resume of Mr. Arun Kumar Sharma**

Name of Director	: Mr. Arun Kumar Sharma
Age	: 48 years
Qualification	: B. Com, FCA and LLB
Expertise in functional Area	: Experience for more than two decades in finance
Directorship in other Indian Public Limited Companies and other firms as on 31 <sup>st</sup> March, 2012.	: Sharma Advisory Services Pvt. Ltd. Sagar Samrat Caplease Pvt. Ltd. Cistro Telelink Limited Rockland Thermionics Limited Partner in Agarwal Sangneria & Co. (Chartered Accountants)
Shareholdings	: Nil

**COMMITTEES OF THE BOARD:**

**A. Audit Committee**

Pursuant to the provisions of section 292(A) of the Companies Act, 1956 & Clause 49 of Listing Agreement, an Audit Committee comprising of 3 Directors as members and two – third of whom being Non -Executive Directors has been constituted as under:

Mr. Chandrakant Patel	Chairman
Mr. Arvindbhai C Patel	Member
Mr. Arun Kumar Sharma	Member

During the year, there were in total 5 (Five) Audit Committee Meetings were held on **26.04.2011; 12.08.2011; 20.08.2011; 14.11.2011 and 15.02.2012**

The following table gives the attendance of the members at Audit Committee Meetings of the Board of Directors of the Company:

Name of the Member	Status	No. of Meeting held	No. of Meetings attended
Mr. Chandrakant Patel	Chairman	5	5
Mr. Arvindbhai C Patel (inducted as member w.e.f. 16.01.2012)	Member	5	1
Mrs. Naina Ben Patel (resigned on 16.01.2012)	Chairman	5	4
Mr. Umesh Richharia (resigned on 16.01.2012)	Member	5	4
Mr. Arun Kumar Sharma (appointed on 16.01.2012)	Member	5	1

**B. Shareholders/Investors Grievance Committee**

The Shareholders/Investors Grievance Committee comprises of **3 (Three)** Members, majority of whom are Non Executive Directors. As required by clause 49 of Listing Agreement, the Chairman of the Shareholder/ Committee is Independent, Non Executive Director. The composition of the Shareholders/Investors Grievance Committee as on 31<sup>st</sup> March, 2012 is as follows:

Mr. Chandrakant Patel	Chairman
Mr. Arun Kumar Sharma	Member
Mr. Arvindbhai C Patel	Member

During the year, there were in total 4 (Four) Shareholders/Investors Grievance Committee Meetings were held on **26.04.2011; 12.08.2011; 14.11.2011 and 15.02.2012**

## SAGAR SOYA PRODUCTS LTD

The following table gives the attendance of the members at Shareholders/Investors Grievance Committee Meetings of the Board of Directors of the Company:

Name of the Member	Status	No. of Meeting held	No. of Meetings attended
Mr. Chandrakant Patel	Chairman	4	4
Mr. Umesh Richharia (resigned on 16.01.2012)	Member	4	3
Mr. Arvindbhai C Patel	Member	4	4
Mr. Arun Kumar Sharma (appointed on 16.01.2012)	Member	1	1

### **GENERAL BODY MEETINGS:**

Details of last 3 (**Three**) Annual General Meetings are given below:

FinancialYear	Date	Time	Venue	Special Resolution(s)
2010-2011	30.09.11	1.00 p.m	Registered Office	No
2009-2010	30.09.10	1.00 p.m	Registered Office	No
2008-2009	30.09.09	1.00 p.m	Registered Office	No

### **DISCLOSURES:**

During the year under review, besides the transactions reported elsewhere, there were no other related party transactions of material nature with the promoters, Directors, the management or their subsidiaries or relatives during the year that may have potential conflict with the interest of the company at large.

### **MEANS OF COMMUNICATION:**

The yearly/quarterly results were duly approved by the Board of Directors of the Company; however some of them could not be submitted to BSE within the stipulated time. The Company also developed its website named as [www.sagarsoyaproducts.com](http://www.sagarsoyaproducts.com).

No presentation was made during the year either to Institutional Investors or to the analysts.

Management Discussion & Analysis Report is attached herewith forming part of the Annual Report.

### **GENERAL SHAREHOLDERS INFORMATION:**

- i. The Annual General Meeting is scheduled to be held on Friday, the 28<sup>th</sup> September, 2012 at 1.00 p.m. at the Regd. Office of the Company.
- ii. The Financial year of the company is from April to March. The financial calendar is as per following.

First quarter results (30 <sup>th</sup> June)	End of July
Mailing of Annual Reports	By Mid August
Annual General Meeting	28 <sup>th</sup> September, 2012
Second quarter results (30 <sup>th</sup> September)	By Mid November
Third quarter results (31 <sup>st</sup> December)	By Mid February
Fourth quarter / Annual Results	By Mid May – If Un-Audited By End of May – If Audited
- iii. Book Closure dates are from **Saturday, the 22<sup>nd</sup> Day of September, 2012 to Friday, the 28<sup>th</sup> September, 2012** (both days inclusive).
- iv. The Board of Directors has not proposed any dividend for the current financial year.
- v. The company's shares are listed at Bombay Stock Exchange, Ahmedabad Stock Exchange and Madhya Pradesh Stock Exchange. The trading of its securities on the said Exchange(s) has been suspended due to non-compliance of the Listing Agreements. The Board is in process of complying with the same and revocation of suspension.

- vi. The Stock Exchange, Mumbai  
Security in Physical Form No. BSE- 507663  
Electronic Form No. Nil  
Scrip Name: SAGRSOY-B
- The Ahmedabad Stock Exchange,  
Security in Physical Form ASE - 51110  
Electronic Form No. Nil  
Scrip Name: SAGAR SOYA PRODUCTS LTD.
- The Madhya Pradesh Stock Exchange  
Security in Physical Form No. 1363  
Electronic Form No. Nil  
Scrip Name: SAGAR SOYA PRODUCTS LTD.
- vii. Market price data:  
Since the Company Shares were suspended for trading the market price data is not available.
- viii. Share Transfer System  
The Company has appointed **M/s Purva Sharegistry (India) Private Limited** as its Registrar and Transfer Agent. The Shareholders can directly communicate with them for requesting transfer of shares or any other like purposes. The address for communication is given hereunder:  
**M/s Purva Sharegistry (India) Private Limited**  
9, Shiv Shakti Industrial Estate,  
Sitaram Mills Compound,  
J R Boricha Marg,  
Opp Kasturba Hospital,  
Lower Parel (East), Mumbai 400011  
Tel: 23016761  
Email: busicomp@vsnl.com
- ix. Dematerialization of securities  
The company's shares currently are in physical mode but the Company is in the process of dematerialization of shares.
- x. Company has not issued either ESOP or any GDRs/ADRs/Warrants/Convertible instrument.
- xi. Distribution of Shareholding as on 31st March, 2012:
- | No. of shares  | No. of Share-holders | % of Share-holders | Share-holding(Rs.) | % of Share-holding |
|----------------|----------------------|--------------------|--------------------|--------------------|
| Up to 5000     | 11638                | 82.17              | 24268770           | 36.24              |
| 5001 – 10000   | 1609                 | 11.36              | 11359010           | 16.96              |
| 10001 – 20000  | 659                  | 4.65               | 8929430            | 13.33              |
| 20001 – 30000  | 116                  | 0.82               | 2959230            | 4.42               |
| 30001 – 40000  | 62                   | 0.44               | 2215500            | 3.31               |
| 40001 – 50000  | 25                   | 0.18               | 1117750            | 1.67               |
| 50001– 100000  | 25                   | 0.18               | 1743000            | 2.60               |
| 100001 & above | 29                   | 0.20               | 14374500           | 21.46              |
| <b>TOTAL</b>   | <b>14163</b>         | <b>100.00</b>      | <b>66967190</b>    | <b>100.00</b>      |
- xii. Address for correspondence:  
Shareholders of the company can send correspondence at the Regd. office of the company situated at following address:  
C.J. Complex,  
Mahatama Gandhi Road  
Sagar – 470002  
Madhya Pradesh

**SAGAR SOYA PRODUCTS LTD**

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**CERTIFICATE ON CORPORATE GOVERNANCE BY  
PRACTICING COMPANY SECRETARY**

To,  
The Shareholders,  
**SAGAR SOYA PRODUCTS LIMITED**  
C.J. Complex,  
Mahatama Gandhi Road  
Sagar – 470002  
Madhya Pradesh

We have reviewed the implementation of Corporate Governance produced by the company during the year ended on 31<sup>st</sup> March, 2012 with the relevant records and documents maintained by the company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The Compliance of the conditions of the Corporate Governance is the responsibility of the Management. Our examination is neither an audit nor an expression of opinion on the financial statements of the company.

On the basis of the above and according to the information and explanations given to us, in our opinion, the Company has complied with Clauses 49 of the Listing Agreement except compliance of clause 49(I)(D) of the Listing Agreement, however the Company has complied same as on date of this Certificate.

We further state that our examination of 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.

**For HS Associates,  
Company Secretaries**

**DATE: 30<sup>th</sup> May, 2012  
PLACE: Mumbai**

**SD/-  
Hemant Shetye  
Partner  
FCS: 2827  
COP: 1483**

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**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**A) INDUSTRY STRUCTURE AND DEVELOPMENT:**

The Industry is showing some improvement & your Directors are expecting better Industrial Development in the coming years.

**B) SEGMENTWISE PERFORMANCE:**

The Company is manufacturing Soya and Soya Products and this may be considered as the only segment. Therefore the requirement of segment wise reporting is not applicable.

**C) OPPORTUNITIES / OUTLOOK:**

The company is taking maximum efforts to capitalize on business opportunities & further expect a better outlook in the coming years.

**D) THREATS:**

The major threats for the company are competition from the Govt. Policies.

**E) RISKS AND CONCERNS:**

Your company is taking adequate measures to safeguard against Risks & Concerns.

**F) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

Your Company has been maintaining an adequate internal control system commensurate with the size & nature of its business.

**G) HUMAN RESOURCES POLICIES:**

Your company considers its human resources as its most valuable assets, among all other assets of the Company. It has been the policy of the company to actuate the talent by providing opportunities to develop themselves within the organization. The company continued to have maintained very cordial & harmonious relations with its employees.

**H) CAUTIONARY STATEMENT:**

Due to unfavorable market conditions your company is facing profitability problems however, your management is making optimum efforts to minimize the overheads & cost reduction.

By Order Of The Board  
**For SAGAR SOYA PRODUCTS LIMITED**

Sd/-

DATE : 30<sup>th</sup> May, 2012  
PLACE : Sagar

ARVIND PATEL  
CHAIRMAN

**SAGAR SOYA PRODUCTS LTD**

**DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT**

In terms of the requirements of the Clause 49 of the listing Agreement, Code of Conduct as approved by the Board of Directors of the Company, all the members of the Board and the senior management personnel had affirmed compliance with the Code for the period 31<sup>st</sup> March, 2012

By Order of the Board  
**SAGAR SOYA PRODUCTS LIMITED**  
Sd/-  
**GAURAV PATEL**  
DIRECTOR

**DATE** : 30<sup>th</sup> May, 2012  
**PLACE** : Sagar

**CEO/CFO Certificate**

To,  
The Board of Directors,  
**Sagar Soya Products Limited**  
C.J. Complex,  
Mahatama Gandhi Road  
Sagar – 470002  
Madhya Pradesh

We, Mr. Gaurav Patel, CEO and Mr. Arvindbhai Patel, CFO of the Company does hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that 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 statement that might be misleading;
  - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) 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.
- (c) We accept responsibility for establishing and maintaining internal controls 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.
- (d) 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 that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we are become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

**DATE** : 30<sup>th</sup> May, 2012  
**PLACE** : Sagar

<b>FOR SAGAR SOYA PRODUCTS LTD</b>	<b>FOR SAGAR SOYA PRODUCTS LTD</b>
Sd/-	Sd/-
<b>Mr. Gaurav Patel</b>	<b>Mr. Arvindbhai Patel</b>
<b>(CEO)</b>	<b>(CFO)</b>

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**AUDITOR'S REPORT**


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To  
The Members  
M/s SAGAR SOYA PRODUCTS LTD.  
SAGAR.

1. We have audited the attached Balance Sheet of **M/s SAGAR SOYA PRODUCTS LTD., SAGAR (M.P.)** as at **31st March 2012** and the Profit & Loss Account of the company for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentations. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) order 2003 (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 the said order.
4. Further to our comments in the Annexure referred in paragraph 3 above we report that:
  - (a) ***No manufacturing activity is carried out during this year and there is substantial doubt that it will be able to continue as a going concern. Consequently adjustments may be required to recorded assets amount and clarification of liabilities. The Financial Statement (and notes thereon) does not disclose this fact;***
  - (b) We have obtained all the information & explanation, which to the best of our knowledge & belief were necessary for the purpose of our audit;
  - (c) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examinations of those books;
  - (d) In our opinion, accumulated losses of the company at the end of financial year are more than fifty percent of its net worth. The Company has incurred cash losses in the current financial year covered by our audit and in the immediately preceding financial year also
  - (e) The Company's the Balance Sheet and Profit & Loss Account dealt with by this Report are in agreement with the books of account;
  - (f) We draw reference to
    1. Note No.1.12 regarding Overdue Debts considered good by the management in respect of which we are unable to form an opinion as to the extent of reliability at this stage.
    2. In our opinion and to the best of our information and according to the explanation given to us the said accounts read together with the notes thereon regarding non provision of depreciation on the Fixed Assets as required by 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.
    3. The accounts of the company have been prepared on Going Concern basis, However due to suspension of the Manufacturing and Other Activities of the Company we are unable to express our opinion on its ability to continue as a going concern in the event not being held to be a going concern and various Assets & Liabilities being consequently adjusted with respect their realizable value the impact thereof has not been ascertained and therefore, cannot be commented upon by us.
    4. The Company has not complied with the Accounting Standard 15 in respect of Gratuity liability to the employees (Vide Note No. 1.7 of notes to accounts).
  - (g) Save our above observations, in our opinion, the Balance Sheet and Profit and Loss Account complies with the Accounting Standards referred to Section 211 of the Companies Act, 1956;
  - (h) **On the basis of written representations received from the Directors and taken on records by Board of Directors, we report that none of the directors is disqualified as on March 31,2011, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;and**

## SAGAR SOYA PRODUCTS LTD

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- (i) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes there on, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- I. In the case of the Balance Sheet of the state of affairs of the company as at 31st March 2012.
  - II. In the case of the Profit & Loss Account of the **Loss** for the year ended on that date.
  - III. In the case of Cash Flow statement of the Cash flow for the year ended on that date.

**For O.T.GANDHI & CO**  
Chartered Accountants  
**Firm Registration Number: 001120C**  
Sd/-

PLACE : INDORE  
DATED : 30<sup>th</sup> May, 2012

**SAMEEP GANDHI**  
Partner  
**M.NO.411107**

### **ANNEXURE TO THE AUDITORS REPORT** **Annexure referred to in paragraph 3 of our report of even date**

1. (a) According to information and explanations given to us the Company has lost its Fixed Assets Register and the company is in the process of preparing the new Fixed Assets Register to show full particulars including quantitative details and situation of its Fixed Assets.  
(b) According to information given to us, the major portion of fixed assets has been physically verified by the management during the year. We are informed that no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.  
(c) No substantial part of fixed assets has been disposed off during the year.
2. (a) The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion the frequency of verification is reasonable.  
(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.  
(c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material.
3. (a) The Company has taken loans from Nine persons covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount involved during the year was ` 539.38 lakhs and the year ended Balance Sheet of the loans taken from such persons was ` 539.38 lakhs. The Company has not granted any loans to the Companies firms or other parties listed in the register maintained u/s 301 of the Companies Act, 1956.  
(b) In our opinion the other terms and conditions on which loan has been taken from the Companies listed in the register maintained u/s 301 of the Companies Act, 1956 are not prima facie, prejudicial to the Interest of the Company.  
(c) The company is regular in repaying the principal amount as stipulated.  
(d) There is no overdue amount in respect of loans taken from a company listed in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to the purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls.
5. (a) In our opinion and according to the information and explanations given to us, transactions that need to be entered into a register in pursuance of section 301 of the Companies Act, 1956 have been so entered.  
(b) In our opinion and according to the information and explanations given to us, these transactions have been made at prices, which are reasonable having regard to prevailing market price at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not complied with the provisions of Section 58 A and 58 AA of the Companies Act, 1956 and rules framed thereunder with regard to the deposits from the public.



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7. In our opinion, the Company doesn't have system of internal audit commensurate with its size and nature of its business;
8. According to the information and explanations given to us, we are of the opinion that no cost records maintenance has been prescribed by the Central Govt. under section 209 (1) (b) of the Companies Act, 1956.
9. a) According to the information and explanations given to us the undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues which has not been deposited are as under :-
- (b) According to the information and explanations given to us and there is no undisputed amount payable in respect of income tax, sales tax, wealth tax, custom duty, excise duty, and cess were in arrears, as at the last day of the financial year concerned for a period of more than six months from the date they become payable except reported in forgoing Para.
- (c) According to the information and explanations given to us, the disputed amount payable in respect of income tax, sales tax, wealth tax, custom duty, excise duty, and cess, which has not been deposited on account of any dispute are as under:

S. No.	Name of the Statute	Year	Nature of Dues	Forum where dispute is pending	Amount (₹)
1	Sales-tax Act	2000-01	Sales-tax / Commercial Tax / Entry-tax	Supreme Court /	5756471/-

10. In our opinion, accumulated losses of the company at the end of financial year are more than fifty percent of its net worth. The company has incurred cash losses in the current financial year covered by our audit and in the immediately preceding financial year also.
11. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to the financial institution and banks.
12. According to the information and explanation given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debenture and other securities.
13. As the company is not a Nidhi/Mutual Benefit Fund/Society, the reporting requirements under this point are not applicable to the company.
14. The Company is not dealing or trading in shares, securities, debentures and other investments:
15. According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from the banks and financial institutions.
16. In our opinion, the term loans have been applied for the purpose for which they were obtained.
17. According to the information and explanation given to us and on an overall examination of the Books of Accounts and Balance Sheet of the company, we report that funds raised on short-term basis have not been used for long term investment. No long-term funds have been used to finance short-term assets.
18. The company has not made any preferential allotment of shares to the parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. The company has not issued debentures to the raise the funds.
20. The company has not raised any funds by Public Issue during the year.
21. According to the information and explanations given to us, we report that there is no fraud on or by the company has been noticed or reported during the course of our audit.

**For O.T.GANDHI & CO**  
Chartered Accountants  
**Firm Registration Number: 001120C**  
Sd/-

PLACE : INDORE  
DATED : 30<sup>th</sup> May, 2012

**SAMEEP GANDHI**  
Partner  
**M.NO.411107**

**SAGAR SOYA PRODUCTS LTD****BALANCE SHEET AS AT 31st MARCH 2012**

	Notes	31 March 2012 In `	31 March 2011 In `
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	60,291,515.00	60,291,515.00
(b) Reserves and surplus	3	(61,947,490.74)	(61,403,805.18)
		<u>(1,655,975.74)</u>	<u>(1,112,290.18)</u>
<b>Non-current liabilities</b>			
Unsecured Loans	4	53,938,352.50	53,938,352.50
<b>Current liabilities</b>			
(a) Other current liabilities	5	2,969,433.99	3,249,433.99
(b) Short-term provisions		-	-
<b>TOTAL</b>		<u><b>55,251,810.75</b></u>	<u><b>56,075,496.31</b></u>
<b>Assets</b>			
<b>Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	6	27,748,041.27	27,748,041.27
(b) Investments	7	3,044,128.20	2,989,211.76
(c) Advance for Capital Goods		1,010,000.00	1,010,000.00
		<u>31,802,169.47</u>	<u>31,747,253.03</u>
<b>Current assets</b>			
(a) Inventories	8	4,765,577.00	4,765,577.00
(b) Trade receivables	9	15,397,517.97	15,397,517.97
(c) Cash and cash equivalents	10	1,426,440.69	2,268,725.69
(d) Loans and Advances	11	1,777,756.62	1,883,628.62
(e) Income Tax T.D.S.		82,349.00	12,794.00
		<u>23,449,641.28</u>	<u>24,328,243.28</u>
<b>TOTAL</b>		<u><b>55,251,810.75</b></u>	<u><b>56,075,496.31</b></u>
<b>Significant accounting policies and notes to accounts</b>	1-18		

AS PER OUR REPORT OF EVEN DATE ATTACHED

**FOR O.T. GANDHI & CO.**  
CHARTERED ACCOUNTANTS

FRN: 001120C

**SAMEEP GANDHI**  
PARTNER

M.NO. 411107

PLACE : INDORE (M.P.)

DATED : 30<sup>th</sup> May, 2012

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-  
(ARVINDBHAI C. PATEL) DirectorSd/-  
(GAURAV D. PATEL) Director

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012**

Particulars	Notes	31 March 2012 In `	31 March 2011 In `
<b>Income</b>			
Revenue From Operations	12	-	458,265.00
Other income	13	519,453.44	625,374.90
<b>Total Revenue (I)</b>		<b><u>519,453.44</u></b>	<b><u>1,083,639.90</u></b>
<b>Expenses</b>			
(Increase)/Decrease in Finished Goods Jobwork	14	-	-
Employee benefits expense	15	401,221.00	399,407.00
Other expenses	16	661,918.00	802,525.00
<b>Total (II)</b>		<b><u>1,063,139.00</u></b>	<b><u>1,201,932.00</u></b>
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA) (I)-(II)</b>		<b>(543,685.56)</b>	<b>(118,292.10)</b>
Finance costs	17	-	3,000.00
Depreciation expense	18	-	-
<b>Profit before tax</b>		<b><u>(543,685.56)</u></b>	<b><u>(121,292.10)</u></b>
<b>Tax expense</b>			
(1) Current tax		-	-
(2) Deferred tax		-	-
<b>Total Tax Expense</b>		<b><u>-</u></b>	<b><u>-</u></b>
<b>Profit for the period</b>		<b><u>(543,685.56)</u></b>	<b><u>(121,292.10)</u></b>
<b>Earnings per equity share</b>	19	-0.08	-0.02
<b>Significant accounting policies and notes to accounts</b>	1-18		

AS PER OUR REPORT OF EVEN DATE ATTACHED

**FOR O.T. GANDHI & CO.**  
 CHARTERED ACCOUNTANTS  
 FRN: 001120C

**SAMEEP GANDHI**  
 PARTNER  
 M.NO. 411107

PLACE : INDORE (M.P.)  
 DATED : 30<sup>th</sup> May, 2012

FOR AND ON BEHALF OF BOARD OF DIRECTORS

**Sd/-**  
**(ARVINDBHAI C. PATEL)** Director

**Sd/-**  
**(GAURAV D. PATEL)** Director

## SAGAR SOYA PRODUCTS LTD

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### Notes to financial statements for the year ended 31 March 2012

#### 1. Significant accounting policies

The following disclosure of accounting policies is made in pursuance of the Recommendations of the Accounting Standards Boards of the Institute of Chartered Accountants of India on "Disclosures of Accounting Policies".

##### 1.1 General

- i. The accounts are prepared on the historical cost basis and on the accounting Principles of going concern.
- ii. Accounting policies not specifically referred to otherwise are consistent in consonance with generally accepted accounting principles.

##### 1.2 Revenue Recognition

Expenses and incomes considerable payable and Receivable respectively are accounted on accrual basis except dividend income and telephone expenses, which are accounted for on cash basis.

##### 1.3 Inflation

Assets and Liabilities are recorded at historical cost. These costs are not adjusted to reflect the changes in the purchasing power of money.

##### 1.4 Valuation of Inventories

Raw materials, stores and spares are valued at cost or a net realizable value whichever is lower; cost is arrived at an average price method basis after considering all incidental expenses and provisions for wastages etc.

##### 1.5 Investment

Long Term Investments are stated at Cost. When there is a decline in the value of any investment, which is not considered to be temporary, then the same is provided for by crediting the value of the investment and charging the same to Profit & Loss Account.

##### 1.6 Depreciation

Depreciation on fixed assets was provided on straight-line method on pro rata basis, in accordance with the provisions of schedule XIV of the Companies Act, 1956. During the year company has not charged depreciation as in past being a non functional company.

##### 1.7 Retirement Benefit

No Gratuity expenses accounted for during the year.

##### 1.8 Treatment of Contingent Liabilities

Contingent Liabilities are not provided for and are disclosed in notes to accounts.

##### Contingent liabilities not provided for

- a) Contingent liabilities on Account of Income tax are not ascertainable.
- b) Contingent liabilities on Account of Sales tax if any are not ascertainable by us.
- c) Contingent liabilities on Account of capital goods if any are not ascertainable by us.
- d) Contingent liabilities on Account of fiscal status if any are not ascertainable by us.

##### Demand Appeal and Litigations

Demand raised by Sales-tax department of ` 1790261/- against Entry-tax ` 3156994/- against M.P. Commercial Tax, Provident Fund Demand of ` 795231/- is under appeal before the respective authorities and pending for disposal. For which no liability has been created as the management is confident to get the relief for the same hence no provision has been made the profit of the company and general reserve of the company would have been lower by ` 65,51,802/-

##### 1.9 Amortization of miscellaneous expenditure

Preliminary expenses including Public Issue Expenses and Right Issue expenses , if any would be amortized over a period of ten years.

##### 1.10 Based on the legal advice

No provision for taxation has been provided in view of carried forward losses of the company.

**1.11 Few Bank Balances are subject to reconciliation and confirmation.**

- a) The Company does not possess information as to which of its suppliers are Ancillary industrial undertaking / small scale industrial undertaking holding permanent registration certificate issued by the Directorate of Industries of State or Union Territory, consequently the liability, if any, of interest which would be payable under "The Interest on Delayed payments to small scale and Ancillary industrial Undertaking Act, 1992 cannot be ascertained. However, the Company has not received any claims in respect of Interest.
- b) As stated in note (a) above the company does not possess information as to which of suppliers are small-scale industrial undertakings. Accordingly the information regarding total outstanding dues to small scale Industrial Undertakings as at the end of the year and that regarding the names of small scale Industrial to whom the company owes more than ` 1.00 lacs and outstanding for more than 30 days not been complied and hence not disclosed by the company.

**1.12 The company has involvement in certain parties as under: -**

- a) Sundry Debtors include ` 1,03,68,628.00 Under litigation.
- b) In view of the management there is reasonable certainty that amount of other debts which is capable of recovery, However due to suspension of manufacturing and other activities debts has become long overdue and could not be realized confirm by the respective parties. However efforts for realization of this debt continue.

**1.13 Depreciation**

Depreciation in respect of Fixed Assets had been provided on straight line method at the rates applicable as per Companies Act, 1956. Depreciation in respect of year 2009-10, 2010-11, 2011-12 has not been provided for in the accounts as company suspended the operation of manufacturing and other activities throughout the year.

**1.14 Segment information**

The Company deals in single business segment i.e. of Soyabean. Hence AS-17 on Segment Reporting is not applicable to the Company.

- 1.15 In the opinion of the management and to the best of their knowledge and belief, the aggregate value of the current assets, loans and advances have their value on realization in ordinary course of business, at least equal to the value at which they are stated in the balance sheet.
- 1.16 Balance under the main heads, Current Liabilities, Sundry Debtors and Loans and Advances (including balance with Government and other authorities), unsecured loans and others are subject to confirmation / reconciliation by the respective parties. Adjustments, if any will be accounted for as and when reconciled / confirmed.
- 1.17 Director's remuneration has not been charged in view of losses.
- 1.18 The Company has given ` 5.5 lacs as advances for purchase of residential house for the staff, for which the title is yet to be transferred in name of the company.

**1.19 Taxes on Income**

No virtual certainty that sufficient further taxable income in the view of management will be available therefore deferred tax assets (net) accumulated up to the current year according to AS-22 Accounting for taxation on income, issued by the Institute of Chartered Accountants of India have not been recognized.

**1.20 Related party disclosure**

**Names of related parties and related party relationship**

**Related parties having control and significant influence**

Names of Related Parties	Relationship
Gaurav Bhai Patel	Key Management Personnel (KMP)
Arvind bhai Patel	Key Management Personnel (KMP)
Dakshaben Patel	Relative of KMP
Dineshbhai T.Patel ( H.U.F.)	Relative of KMP
Divya Grain co.	Relative of KMP
Gainex Products	Relative of KMP
Meghana Patel	Relative of KMP
Naina Ben Patel	Relative of KMP
Shiv Trading co.	Relative of KMP
Arvind Foods Ltd.	KMP having significant influence over the co.

- 1.21 The Company does not have any borrowing for purchase of assets; hence AS-16 disclosure requirements are not applicable.
- 1.22 Figures for the previous years have been regrouped and rearranged, wherever necessary.

**SAGAR SOYA PRODUCTS LTD**
**NOTES FORMING PART OF BALANCE SHEET**
**NOTE - 2 : SHARE CAPITAL**

Share Capital	31 March 2012		31 March 2011	
	Number	In `	Number	In `
<b>Authorised</b>				
Equity Shares of ` 10/- each	10,000,000.00	100,000,000.00	10,000,000.00	100,000,000.00
<b>Issued</b>				
66,96,719 Equity Shares of ` 10/- each	6,696,719.00	66,967,190.00	6,696,719.00	66,967,190.00
<b>Subscribed &amp; fully Paid up</b>				
Equity Shares of ` 10/- each	6,696,719.00	66,967,190.00	6,696,719.00	66,967,190.00
(Of the above 1161370 Equity Shares have been issued as Bonous Shares, by way of capitalisation of part of Share Premium Account.)				
<b>Less: Calls in Arrears</b>		(6,675,675.00)		(6,675,675.00)
<b>Total</b>	<b>6,696,719.00</b>	<b>60,291,515.00</b>	<b>6,696,719.00</b>	<b>60,291,515.00</b>

**Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period**

Particulars	Equity Shares			
	31 March 2012		31 March 2011	
	Number	In `	Number	In `
Shares outstanding at the beginning of the year	6,696,719.00	66,967,190.00	6,696,719.00	66,967,190.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	6,696,719.00	66,967,190.00	6,696,719.00	66,967,190.00
<b>Name of Shareholder</b>	<b>Equity Shares</b>			
	31 March 2012		31 March 2011	
	<b>No. of Shares held</b>	<b>% of Holding</b>	<b>No. of Shares held</b>	<b>% of Holding</b>
<b>Arvind Foods Pvt. Ltd.</b>	<b>464610</b>	<b>6.94</b>	<b>464610</b>	<b>6.94</b>
<b>Total</b>	<b>464610</b>	<b>6.94</b>	<b>464610</b>	<b>6.94</b>

**NOTE - 3 : RESERVE & SURPLUS**

Securities Premium		
As per last Balance Sheet	62,741,930.00	62,741,930.00
Addition during the year	-	-
<b>Sub-total</b>	<b>62,741,930.00</b>	<b>62,741,930.00</b>
Surplus i.e. Balance in the Statement of Profit & Loss		
As per last Balance Sheet	(124,145,735.18)	(124,024,443.08)
Addition during the year	(543,685.56)	(121,292.10)
Allocations & Appropriations		
Transfer to Reserves		
<b>Sub-total</b>	<b>(124,689,420.74)</b>	<b>(124,145,735.18)</b>
<b>Total</b>	<b>(61,947,490.74)</b>	<b>(61,403,805.18)</b>

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	31 March 2012	31 March 2011
	In `	In `
<b>NOTE- 4 : NON CURRENT LIABILITIES</b>		
Unsecured Loans		
Arvind Bhai Patel	4,610,000.00	4,610,000.00
Dakshaben Patel, Sagar	7,002,500.00	7,002,500.00
Dineshbhai T. Patel (H.U.F.), Sagar	4,176,045.00	4,176,045.00
Divya Grain Co., Sagar	6,591,943.00	6,591,943.00
Gainex Product, Sagar	5,000,000.00	5,000,000.00
Gaurav Bhai Patel	2,830,000.00	2,830,000.00
Meghana Patel	2,450,000.00	2,450,000.00
Naina Ben Patel	14,777,864.50	14,777,864.50
Shiv Trading Co., Sagar	6,500,000.00	6,500,000.00
<b>Total</b>	<b>53,938,352.50</b>	<b>53,938,352.50</b>

### NOTE- 5 : CURRENT LIABILITIES

Other Current Liabilities (For Expenses)		
Amar Broker, Sagar	19,511.00	19,511.00
Amit Broker, Sagar	1,086.00	1,086.00
Balaji Trading Corporation, Sagar	10,750.00	10,750.00
Gupta Coal India Ltd., Bhopal	13,438.00	13,438.00
Industrial Fules & Chemicals Co., Nagpur	919,942.00	919,942.00
Katare Electro System Pvt., Gwalior	6,779.00	6,779.00
Kesharwani & Co., Sagar	12,194.00	12,194.00
Laci Impect, Indore	20,633.00	20,633.00
Nagpal Coal Traders, Gwalior	108,090.00	208,090.00
Nema Traders, Bhopal	65,678.00	65,678.00
O.T. Gandhi & Co., Indore	213,499.00	193,499.00
Pritibha Malaiya, Sagar	36,000.00	36,000.00
Ramesh Kumar Kabirbanthi, Sagar	11,158.82	11,158.82
S.S. Mercantile, Indore	12,939.00	12,939.00
Sagar Shri Canvassers, Sagar	42,737.00	42,737.00
Saheb Industries Delhi	207,040.00	207,040.00
Sanjay Trading Co., Katni	1,167,189.55	1,367,189.55
Santosh Kumar Kabirpanthi, Sagar	20,982.00	20,982.00
Sekhar Trading Co., Jablapur	4,990.00	4,990.00
Shri Arihant Canvassers, Damoh	50,523.00	50,523.00
Sonia Dyes & Pigments, Ujjain	13,797.62	13,797.62
Swatantra Brothers, Damoh	8,802.00	8,802.00
Subhash Yadav, Sagar	1,675.00	1,675.00
<b>Total</b>	<b>2,969,433.99</b>	<b>3,249,433.99</b>

Note- 6 : Fixed Assets

S. No.	Particulars	(In `)								
		Gross Block				Depreciation			Net Block	
		Cost As On 01.04.11	Additions During The Year	Sale / Disposal During The Year	Total As On 31.03.12	Upto 01.04.11	For Adjust- ment The Year	Upto 31.03.12	Net Carrying Amount As On 31.03.12	Net Carrying Amount As On 31.03.12
1	Leasehold-Land	276,000	-	-	276,000	-	-	-	276,000	276,000.00
2	Buildings	11,749,257	-	-	11,749,257	6,826,698	-	6,826,698	4,922,559.00	4,922,559
3	Plant & Equipment(M/c)	70,670,059	-	-	70,670,059	48,502,214	-	48,502,214	22,167,845	22,167,845
4	Furniture & Fixtures	335,919	-	-	335,919	333,941	-	333,941	1,978	1,978
5	Office Equipment	1,107,498	-	-	1,107,498	729,169	-	729,169	378,329	378,329
6	Vehicle	1,474,052	-	-	1,474,052	1,474,052	-	1,474,052	-	-
7	Fire Fighting Equipment	15,087	-	-	15,087	15,087	-	15,087	-	-
8	Laboratory Equip.	188,025	-	-	188,025	186,695	-	186,695	1,330	1,330
9	Cycle	715.00	-	-	715	715	-	715	-	-
	<b>Total</b>	<b>85,816,612</b>	<b>-</b>	<b>-</b>	<b>85,816,612</b>	<b>58,068,571</b>	<b>-</b>	<b>58,068,571</b>	<b>27,748,041</b>	<b>27,748,041</b>
	Previous Year	85,816,612	-	-	85,816,612	58,068,571	-	58,068,571	27,748,041	27,748,041

**SAGAR SOYA PRODUCTS LTD**

	31 March 2012	31 March 2011
	In `	In `
<b>NOTE 7 : INVESTMENTS</b>		
In Government securities		
Unquoted National Saving Food Depit. (As Security Deposit)	26,500.00	26,500.00
Equity Shares		
(a) 91200 Shares of ` 10/- each of M/s Ceejay Finance Ltd., (received on Amalgamation with Heritage Packaging Ltd., Ahemadabad of Ceejay Finance Ltd.)	912,000.00	912,000.00
(b) 104400 Shares of ` 10/- each of M/s Ceejay Finance Ltd., Nadiad Reliance Liquid Fund (Note: Market value of the Investments AS ON 31.03.2007 has not been provided to us)	1,044,000.00 1061628.2	1,044,000.00 1006711.76
<b>Total</b>	<b>3,044,128.20</b>	<b>2,989,211.76</b>
<b>NOTE 8 : INVENTORIES</b>		
Coal	289,293.00	289,293.00
Hexane	3,142,254.00	3,142,254.00
Deasel	42,196.00	42,196.00
Spare Parts	1,111,218.00	1,111,218.00
Chemicals	180,616.00	180,616.00
<b>Total</b>	<b>4,765,577.00</b>	<b>4,765,577.00</b>
<b>NOTE 9 : TRADE RECEIVABLE</b>		
More than six months	15,397,517.97	15,397,517.97
Less than six months	-	-
<b>Total</b>	<b>15,397,517.97</b>	<b>15,397,517.97</b>
<b>NOTE 10 : CASH AND CASH EQUIVALENT</b>		
Balances with banks		
Bank Of Baroda, Sagar	24,303.75	24,303.75
Canara Bank Overseas Branch, Mimbai	30,865.62	30,865.62
HDFC Bank Ltd., Sagar	211,334.23	966,439.23
SBI, Civil Line, Sagar	15,682.00	15,682.00
State Bank of Indore, Sagar	35,159.12	5,890.12
Union Bank of India, Bombay	46,745.95	46,745.95
Fixed Deposits	25,875.00	25,875.00
<b>Cash on hand</b>	<b>1,036,475.02</b>	<b>1,152,924.02</b>
<b>Total</b>	<b>1,426,440.69</b>	<b>2,268,725.69</b>
<b>NOTE 11 : LOANS &amp; ADVANCES</b>		
Unsecured		
Advance Salary	120,422.45	120,422.45
Dr. Anil Khare, Sagar	482,000.00	482,000.00
Interest Accoured	24,413.17	24,413.17
Sita Ram Maheshwari & Co., Sagar	2,287.00	2,287.00
Godown Rent Receivable	-	59,130.00
Deposits ( With Government & Others)		
Krishi Upaj Mandi Samiti, Sagar	41000.00	41000.00
M.P. Stock Exchange, Deposit, Sagar	1045233.00	1045233.00
Sales Tax Department, Sagar	4500.00	4500.00
Telephone & Telex (Deposit), Sagar	25665.00	25665.00
Krishi Upaj Mandi Samati, Sagar (Fdr Ubi)	15000.00	15000.00
M.P. Warehousing & Logistic Corp.Sagar	17236.00	-
Mppkvv Company Ranghua	0.00	15,000.00
Advance payment of Taxes		
Asst Year 2010-2011	-	48,978.00
<b>Total</b>	<b>1,777,756.62</b>	<b>1,883,628.62</b>



### 30TH ANNUAL REPORT 2011-12

	31 March 2012 In `	31 March 2011 In `
<b>NOTE 12 : REVENUE FROM OPERATION</b>		
Sales of Goods	-	458,265.00
Total	-	458,265.00
<b>NOTE 13 : OTHER INCOME</b>		
Interest Received	-	5,814.00
Dividend Income	200,740.44	207,959.90
Godown Rent	301,883.00	411,601.00
Income Tax Refund	16,830.00	-
Total	519,453.44	625,374.90
<b>NOTE 14 : DETAILS OF CHANGES IN INVENTORY</b>		
Finished Jobwork at the end of the year		
As at 31st March 2012	4,765,577.00	-
As at 31st March 2011	4,765,577.00	4,765,577.00
As at 31st March 2010	4,765,577.00	-
Increase/ decrease	-	-
<b>NOTE 15 : EMPLOYEE BENEFITS EXPENSES</b>		
(a) Salaries and incentives		
Factory Salary & Wages	158,016.00	219,903.00
Wages	221,682.00	-
(b) Contributions to -		
(i) Provident Fund	21,523.00	29,504.00
(ii) E.S.I	-	-
(c) Staff welfare expenses	-	150,000.00
Total	401,221.00	399,407.00
<b>NOTE 16 : OTHER EXPENSES</b>		
Payments to the Auditor		
Auditor	20,000.00	22,472.00
Total	20,000.00	22,472.00
Other Expenses		
Factory Expenses	78,138.00	64,410.00
Lease Rent	4,000.00	8,000.00
Plant Maintainance	11,030.00	15,858.00
Fule & Power	-	339,573.00
Building Repair & Maintainance	98,136.00	24,314.00
Electricity Expenses	50,105.00	-
Fees & Taxes	116,715.00	55,510.00
Leagal Expenses	235,900.00	233,730.00
Office Expenses	1,740.00	2,749.00
Postage Telegram & Telephone	3,194.00	2,685.00
Printing & Stationery	13,519.00	4,017.00
Telephone Exp.	7,904.00	8,155.00
Travelling & Convenance	6,732.00	19,519.00
Vehicle Expenses	14,805.00	1,533.00
Total	641,918.00	780,053.00
<b>NOTE 17 : FINANCE COST</b>		
Bank Charges	-	3,000.00
Total	-	3,000.00
<b>NOTE-18 : EARNING PER SHARE</b>		
Profit attributable to equity shareholders	(543,685.56)	(121,292.10)
No. of shares	6,696,719.00	6,696,719.00
Earning Per Share-basic & Diluted	(0.08)	(0.02)

**SAGAR SOYA PRODUCTS LTD****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012**

	31 March 2012 In `	31 March 2011 In `
<b>Cash Flow From Operating Activities</b>		
Profit/(Loss) before tax & Extraordinary items	(543,685.56)	(121292.10)
Adjustments for:		
- Depreciation	-	-
- Interest Income	-	-
- Extra Ordinary Item	-	-
- Dividend	(200,740.44)	-
Operating profit before working capital changes	<b>(744,426.00)</b>	<b>(121,292.10)</b>
Movements in Working Capital :		
(Increase) /decrease in Inventories	-	-
(Increase)/decrease in Sundry Debtors	-	1,018,649.00
(Increase) /decrease in Other Current Assets	-	(125,490.00)
(Increase) /decrease in TDS	(69,555.00)	-
(Increase)/decrease in Loans & Advance	105,872.00	-
Increase /(decrease) in Trade payables	(280,000.00)	10,185.00
Cash generated from /(used in) operations	(988,109.00)	782,051.90
Direct Taxes paid( Net of refunds )	-	-
<b>Net Cash flow from/(used in) Operating activities ( A )</b>	<b>(988,109.00)</b>	<b>782,051.90</b>
<b>Cash Flow From Investing Activities</b>		
Sale of Fixed Assets	-	-
Sale of Investment	-	37,864.00
Purchase of Fixed Assets	-	-
Purchase of Investments	(54,916.44)	-
Dividend received	200,740.44	-
<b>Net Cash flow from / (used in ) Investing activities ( B )</b>	<b>145,824.00</b>	<b>37,864.00</b>
<b>Cash Flows From Financing Activities</b>		
Increase in Share Capital	-	-
Increase/(Decrease) in Share Premium	-	-
Proceeds from Long terms & Short term	-	-
Dividends Paid	-	-
<b>Net cash flow from /(used in ) in financing activities ( C )</b>	<b>-</b>	<b>-</b>
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	(842,285.00)	819,915.90
Cash & Cash equivalents at beginning of the year	2,268,725.69	1,448,809.69
<b>Cash &amp; Cash equivalents at the end of the year</b>	<b>1,426,440.69</b>	<b>2,268,725.59</b>

**Note : Previous year figures have been rearranged / regrouped wherever necessary**

Place : Indore  
Dated : 30th May, 2012

For and on behalf of the Board of Directors  
**SAGAR SOYA PRODUCTS LTD.,**  
Sd/ Sd/-  
A.C.Patel N.A.Patel

**AUDITORS CERTIFICATE**

We have verified the above Cash Flow Statement with the books and record maintained by by Sagar Soya Products Ltd. and certify that, in our opinion and openion and according to the information and explanations given to us,the above statement is in according there with.

As per our Report annexed  
**For O.T.GANDHI & CO**  
Chartered Accountants  
By the hands of  
Sd/-  
**SAMEEP GANDHI**  
Partner  
**M.NO.411107**

PLACE : INDORE  
DATED : 30th May, 2012

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**SAGAR SOYA PRODUCTS LIMITED**  
Regd. Office : C.J. Complex, Mahatama Gandhi Road,  
Sagar – 470002 Madhya Pradesh

**ATTENDANCE SLIP**

Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the **30<sup>th</sup> Annual General Meeting** of the Company at the **Regd. Office** of the company on Friday, the **28<sup>th</sup> September, 2012** at **1.00 p.m.**

\_\_\_\_\_  
Name of the Shareholder

\_\_\_\_\_  
Signature

Folio No. \_\_\_\_\_

\_\_\_\_\_  
(Full name of Proxy)

**Note:** No Duplicate Attendance Slip will be issued at the meeting hall. You are requested to bring your copy of Annual Report to the Meeting.

\_\_\_\_\_  
(TEAR)\_\_\_\_\_

**SAGAR SOYA PRODUCTS LIMITED**  
Regd. Office : C.J. Complex, Mahatama Gandhi Road,  
Sagar – 470002 Madhya Pradesh

**PROXY FORM**

I/We.....of.....  
in the district of ..... being a member/members of the above named Company hereby appoint  
..... of ..... in the district  
of..... or failing him ..... of  
..... In the district of ..... as my / our proxy to  
vote for me/us on my our behalf at the **30<sup>TH</sup> ANNUAL GENERAL MEETING** of the Company to be held at **Regd. Office**  
of the company, on Friday, **the 28th September, 2012** and at any adjournment thereof.

Signed this..... day of ....., 2012.

Reg. Folio No.....

No. of Shares .....

Affix  
Signature  
Revenue  
Stamp

**Note:**

This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

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Book - Post

To

*If undelivered, please return to*  
**SAGAR SOYA PRODUCTS LIMITED**  
Regd. Office :  
C.J. Complex, Mahatama Gandhi Road,  
Sagar – 470002  
Madhya Pradesh

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