

**58TH
ANNUAL REPORT
2011-2012**



VEGETABLE PRODUCTS LIMITED

BOARD OF DIRECTORS

D.S. Jain
S. L. Bachhawat
V K Pachisia

AUDITORS

Tiwari & Co.
107/1, Park Street,
Kolkata-700 016
Ph: 2226-9217/9275

PRINCIPAL BANKERS

HDFC Bank Ltd
The Dhanalakshmi Bank Ltd.
The Vysya Bank Ltd.
State Bank of India (Belgharia)
ICICI Bank Ltd

REGISTERED OFFICE

5&6, Fancy Lane
Kolkata-700 001.
Ph. Nos.: 22100266
Fax: 22100266
E-Mail: vpical@cal2.vsnl.net.in

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NOTICE TO MEMBERS

Notice is hereby given that the 58th Annual General Meeting of the Members of VEGETABLE PRODUCTS LIMITED will be held at: Old Nimta Road, Belgaria, Kolkata-700 083, on Thursday, 27th day of September, 2012 at 10.00 a.m. to transact the following business:-

1. To receive, consider and adopt Audited Balance Sheet and Profit & Loss Account of the Company for the financial year ended 31st March, 2012 and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Sri S L Bachhawat who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Vivek Kumar Pachisia who was appointed as an Additional Director of the Company by the Board of Directors under the Articles of Association of the Company and Section 260 of the Companies Act, 1956 and who holds Office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing, proposing his candidature for the office of Director, under Section 257 of the Companies Act, 1956 and who is eligible for appointment to the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation".

Registered Office:
5 & 6, Fancy Lane
Kolkata -700 091.
6th August, 2012

By Order of the Board
Vegetable Products Limited
S L Bachhawat
Director

NOTE:

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 the proxy need not be a Member of the Company.
2. Proxies in order to be effective must reach at the Registered Office of the Company not less than 48 hours before the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 25th September, 2012 to 27th September, 2012 (both days inclusive)
4. As a measure of economy, copies of the Annual Report will not be distributed at the Meeting Members are, therefore, requested to bring the copies of Annual Report.
5. Members are requested to notify immediately any change in their address to the Company.

Registered Office:
5 & 6, Fancy Lane
Kolkata -700 091.
6th August, 2012

By Order of the Board
Vegetable Products Limited
S L Bachhawat
Director

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

Item No. 4

Shri Vivek Kumar Pachisia, a commerce graduate having over 10 years of experience in corporate sector and corporate governance was appointed as an Additional Director of the Company with effect from 6th August, 2012. Accordingly, in terms of Section 260 of the Companies Act, 1956 (the Act) he will hold office upto the date of this Annual General Meeting. The Company has received a notice in writing under Section 257 of the Act, from a member proposing the appointment of Shri Pachisia as a Director of the Company at this Annual General Meeting and he has consented to act as such, if so appointed.

The Board recommends appointment of Shri Vivek Kumar Pachisia as a Director liable to retire by rotation.

None of the Directors of the Company other than Shri Pachisia has any concern or interest in the proposed resolution.

Registered Office:
5& 6, Fancy Lane
Kolkata -700 091.
6th August, 2012

By Order of the Board
Vegetable Products Limited
S L Bachhawat
Director

REPORT OF THE DIRECTORS:

Your Directors have pleasure in presenting the 58th Annual Report together with Audited Statements of Account of the Company for the year ended on 31st March, 2012.

FINANCIAL RESULTS

Rs.in Lakh

	Year ended 31 st March, 2012	Year ended 31 st March, 2011
Sales & Other Income	1657.81	3817.65
Profit before Int. & Dep.	105.01	77.08
Interest	7.43	8.03
Depreciation	24.89	28.57
Profit /(Loss) before Tax	72.69	40.48
Provision for Tax	6.58	-
Deferred Tax Assets	(7.92)	(20.48)
Profit after Tax	74.03	20.00

REVIEW OF OPERATIONS & PROSPECTS:

Your Company has recorded a profit of Rs.74.03 Lakhs during the year under review as compared to profit of Rs.20.00 earned in the previous year. The company's turnover during the year has sharply decreased because of discontinuance of production since July, 2011. In spite of this the company could achieve this growth because of continuous effort in other areas of business. The company's vanaspati plant is still not operating and your directors are hopeful of getting the orders from prospective buyers in near future, so that the operation of its vanaspati plant can resume. However, looking to the present scenario, your directors could not foresee a glimpse of bright future. Your directors are putting their full efforts to bring the company in a sustainable position in this competitive market through all possible measures.

Your Company is making all out endeavor to rise to the market expectations to protect and achieve enhanced value for all its stakeholders i.e. shareholders, employees, consumers and society in general.

DIVIDEND

In view of the marginal profits made by the Company your Directors regret their inability to recommend any Dividend for the year 2011-2012.

REDEMPTION OF PREFERENCE SHARES

Your Company during the year under review has made redemption of 60000 ¼ % cumulative redeemable preference shares of Rs. 100 each and paid dividend at the rate of 0.5% per annum on 1,55,000 Redeemable Preference Shares of Rs. 100 each of the Company for the period from 1st October, 2010 to 31st March, 2012, aggregating to Rs. 5,03,750/-to those Preference shareholders whose names were appeared on the Company's books as on 31st March, 2012 or to their mandatees."

DEMATERIALIZATION OF EQUITY SHARES

The Securities and Exchange Board of India (SEBI) has made it mandatory for promoters of all listed companies to hold shares in the Demat form only. Companies will have to comply with the new norms before the end of September. Accordingly Your Company has appointed M/s. C B Management Services (P) Ltd., as Registrar & Share Transfer Agents for both Physical and Demat modes of securities of the Company. Your Company has also decided to made necessary arrangements with National Securities Depository Ltd., and Central Depository Services (India) Ltd., whereby Shareholders will have an option to dematerialize their shares with either of the depositories.

ACCOUNTING POLICIES:

The major accounting policies of the Company are annexed to the Accounts.

DEPOSITS

Your Company has not accepted any deposits during the year within the meaning of Section 58A & 58AA of the Companies Act, 1956 and the Rules made there under.

CASH FLOW STATEMENT

In accordance with the requirement of Clause 32 of the Listing Agreement of the Stock Exchange, Cash Flow statement duly verified by the Auditors is annexed herewith.

STATUTORY DISCLOSURES

None of the Directors of the Company are disqualified as per the provisions of Section 274(1) (g) of the Companies Act, 1956.

DIRECTORS

Shri J S Jain, Director of the Company had tendered his resignation from the Board with effect from 6th August, 2012. The members of the Board place on record their appreciation of the valuable services rendered and guidance provided by him during his long association with the Company.

Shri Vivek Kumar Pachisia appointed as Additional Directors of the Company with effect from 6th August, 2012 and will hold their offices upto the date of this Annual General Meeting of the Company. The Company has received notice under Section 257 of the Companies Act, 1956 from a member of the Company proposing his appointment as Director of the Company at the Annual General Meeting of the Company and he has also consented to act as such, if so appointed.

Shri S L Bachhawat retires from the Board by rotation at the ensuing Annual General Meeting and offers himself for reappointment.

DIRECTOR'S RESPONSIBILITY:

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

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation relating to material departures;
- (ii) appropriate accounting policies have been selected 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 the affairs of the Company as at 31st March, 2012 and of the Profit and Loss of the Company for the said period;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis.

PERSONNEL

Industrial Relations in the Company continued to be satisfactory throughout the year under review.

There are no employees in the Company who are in receipt of salary of Rs. 60, 00,000/- p.a. or Rs.5, 00,000/- p.m., if employed for part of the year. Hence the Statement of particulars of employees as required under Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended till date is not attached.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO.:

The information pursuant to the 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 relating to Conservation of Energy and Technology absorption are given by way of Annexure-1.

COST AUDITOR:

M/s. A Bhattacharya & Associates, Cost Accountants, pursuant to the direction of the Central Government, Govt. of India, was appointed as Cost Auditor of the Company for conducting cost Audit of the Company for the financial year ended 31st March, 2012.

AUDITORS:

Messrs. Tiwari & Co., Chartered Accountants, Statutory Auditors of the company retire at the ensuing Annual General Meeting and are eligible for re-appointment until the conclusion of the next Annual General Meeting of the Company.

AUDITORS' REPORT:

The observations as have been made and taken in the Auditors Report in the light with the Notes on the Accounts are self explanatory and do not require any further clarification.

COMPLIANCE CERTIFICATE

As required under section 383A of the Companies Act, 1956 the company has appointed a Company Secretary in whole-time practice and has obtained necessary certificate from her. A copy of the same is attached with this report.

ACKNOWLEDGEMENT

Your Directors like to place on record their appreciation for the unstinted support and assistance received by the Company from the Central and State Governments and its Bankers.

Your Directors are thankful to the Company's esteemed customers for their continued support as well their deep appreciation of the hard work, dedication and enthusiastic support by all the employees of the Company and also thank the shareholders for their unstinted support to the Company.

On behalf of the Board
D.S. Jain - Director
S. L. Bachhawat - Director

Place : Kolkata
Date : 6th August, 2012

Annexure-1 to Directors' Report

Information required under section 217(1) (e) of the Companies Act, 1956.

A) CONSERVATION OF ENERGY:

- a) Time to time Suggestions have been taken from leading consultants for proper utilization and efficient management of steam generation for reduction of energy cost and accordingly they have been implemented wherever possible.
- b) The above measures will restrict the energy cost of per ton of production in future in spite of increase in power cost.

c) Total energy consumption and energy consumption per unit of production:

a)	POWER & FUEL CONSUMPTION :	01.04.2011- 31.03.2012	01.04.2010- 31.03.2011
1	ELECTRICITY(Purchased)		
	Total (KWH)	415092	982080
	Total Amount (Rs)	4252285	7222198
	Rate per Unit (Rs.)	10.24	7.35
2	D.G.SET		
	Quantity (Ltrs)	9510	23400
	Total Amount (Rs)	391440	896661
	Average Rate (Rs)	41.16	38.31
3	COAL		
	Quantity (M/T)	601.635	2727.338
	Total Cost (Rs)	3543211	9680343
	Average Rate (Rs)	5889	3549.37
b)	CONSUMPTION PER UNIT OF PRODUCTION:		
	Electricity per M.T. of Production	203.18	143.40
	Diesel per M.T. of Production	4.655	3.41
	Coal per M.T. of Production	0.29	0.40
B)	<u>TECHNOLOGY ABSORPTION:</u>		
	The Company has not taken any steps in specific areas of R&D.		

SECRETARIAL COMPLIANCE CERTIFICATE

CIN	: L01122WB1953PLC021090
Nominal Capital	: Rs. 4,50,00,000/-
Paid Up Capital	: Rs. 2,25,00,000/-

To,
The Members
Vegetable Products Ltd.
5 & 6, Fancy Lane,
Kolkata -700 001

We have examined the registers, records, books and papers of Vegetable Products Limited there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March, 2012. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in the Annexure 'A' to this certificate as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate with the Registrar of Companies, as prescribed under the Act and rules made there under. However, the Company was not required to file any Form with regional Director, Central Government, Company Law Board or Other Authorities during the Year under Scrutiny.
3. The company being Public Limited Company, has the minimum prescribed paid up Capital.
4. The Board of Directors duly met 6 times on 28.04.2011; 29.07.2011; 25.08.2011; 31.10.2011; 31.01.2012 and 20.03.2012 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its register of members from 23.09.2011 to 24.09.2011 and necessary compliance of section 154 of the Act has been made.

6. The Annual General meeting for the financial year ended on 31.03.2011 was held on 24.09.2011 after giving due notice to the members of the company and the resolutions passed there at were duly recorded in the Minutes Book maintained for the purpose.
7. No extra-ordinary general meeting was held during the financial year.
8. The company has not advanced any loan to its directors and/or persons or firms or companies as referred in section 295 of the Act.
9. The company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 301 of the Act, the Company has not taken any approval from the Board of Directors, members or the Central Government as the case may be.
12. The company has not issued any duplicate share certificates during the financial year.
13.
 - i) the company has delivered all certificates on lodgment of securities for transfer thereof in accordance with the provisions of the Act;
 - ii) the Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year;
 - iii) the company has not posted any dividend warrants to the members of the company as no dividend was declared during the financial year;
 - iv) There is no amount pending unpaid dividend account application money due for refund, mature deposits, mature debentures and the interest accrued thereon which have remain unclaimed or unpaid for a period of seven years which are required to be transferred to investor education and protection fund duly compiled with the requirement of section 217 of the Act;
 - v) The company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There was no appointment of additional directors, alternate directors or directors to fillup Casual vacancies during the Financial Year.

15. The company has not appointed any managing director, whole time director/manager during the financial Year.
16. The company has not appointed any sole selling agents during the financial year.
17. The company has not required to obtain any approvals of the Central government. Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any Shares, Debentures or any other securities during the financial year.
20. The company has not bought back any shares during the financial Year.
21. The company has made redemption of 60000 ½% cumulative redeemable preference shares of Rs. 100 each during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividends rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The company has not borrowed any amount from members, public, financial institution and others during the year.
25. The company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.

29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its Articles of Association during the financial year.
31. There were no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The company was generally regular in depositing both employees and employers contribution towards provident fund with the appropriate authorities pursuant to section 418 of the Act.

Place : Kolkata

Date : 29th May, 2012

For Acharya S.K. & Associates

SUBRAT KUMAR ACHARYA
(Proprietor) C.P. No.5903

ANNEXURE -A

Company has maintained the following register under the Companies Act 1956

- | | |
|---|----------|
| 1. Register of Investment | U/S49 |
| 2. Register of Deposits under (deposit rules 1975) | U/S 58 A |
| 3. Register of Charges | U/S 143 |
| 4. Register of Members | U/S 150 |
| 5. Minutes of General Meeting & Board of Directors Meeting | U/S 193 |
| 6. Books of Accounts | U/S 209 |
| 7. Register of Contracts in which Directors are interested | U/S 301 |
| 8. Register of Directors, Managing Directors/Manager/Secretary | U/S 303 |
| 9. Register of Directors Shareholding | U/S 307 |
| 10. Index of Member | U/S 151 |
| 11. Register of Investments or Loans made, Guarantee or Security Provided | U/S 372A |
| 12. Other Registers | |
| a. Register of Transfer | |
| b. Share Application Register | |
| c. Share Allotment Register | |
| d. Board/General Meeting Attendance Register | |
| e. Share Script Register | |

ANNEXURE -B

Forms and returns as filed by the company with the Registrar of Companies, West Bengal during the financial year ending on 31st March, 2012.

REGISTRAR OF COMPANIES (01.04.2011 to 31.03.2012)

Sl.No.	Form No./ Return	Filed U/s.	Doc. Date	Filing Date	Whether Filed within Due Date	If Failed, Late Additional Fees Paid	Remark (ROC Receipt No.)
1.	23AC&ACAXbrl	220	31.03.11	29-11-11	Yes	No	P81467003
2.	20B	159	31.03.11	19-11-11	Yes	No	P79672234
3.	66	383A	31.03.11	26-09-11	Yes	No	P70980370
4.	CAR 1	233B(4)	31.03.11	16-11-11	Yes	No	B24949877
5.	23C	233B(2)	31.03.11	30-05-11	Yes	No	S05129150

Central Government	Regional Director	Other Authorities
Nil	Nil	Nil

AUDITORS' REPORT

TO
THE MEMBERS OF
VEGETABLE PRODUCTS LIMITED

1. We have audited the attached Balance Sheet of M/s **VEGETABLE PRODUCTS LIMITED** as at 31st March, 2012 and also the Profit and Loss Account of the Company for the year ended on that date and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order
4. We report that:
 - 1) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - 2) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - 3) The Balance Sheet and Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account.

- 4) In our opinion the Balance Sheet and Profit & Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standard as referred to in sub-section (3) (C) of section 211 of the Companies Act, 1956 **except note no 32 regarding non-confirmation of certain balances, note no.33 regarding nonpayment of installment of soft loan including interest thereon payable to Govt. of West Bengal and capitalization of "Advance against Plant & Machinery" of Rs. 331000 against which no certificate of installation produced .**
- 5) As per the information and confirmation received by the Company from the Directors, which have been taken on record by the Board of Directors we are to state that none of the Directors is disqualified as on 31.03.2012 to be appointed as Director in terms of Sub Clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- 6) In our opinion and to the best of our information and according to explanations given to us the said accounts read together with schedules and notes to the accounts give the information as required by the Companies Act, 1956 in the *manner so required except note no 32 regarding non-confirmation of certain balances, note no.33 regarding nonpayment of installment of soft loan including interest thereon payable to Govt. of West Bengal of Schedule 20 and capitalization of "Advance against Plant & Machinery" of Rs. 331000 ,against which no certificate of installation produced, gives a true and fair view in conformity with the accounting principles generally accepted in India:*
- i) In the case of Balance Sheet of the state of affairs of the Company as at 31st March, 2012.
 - ii) In the case of Profit and Loss Account the Profit of the Company for the year ended on that date and.
 - iii) In the case of Cash Flow Statement of the Cash Flows for the year ended on that date.

For Tiwari & Company

Chartered Accountants

Firm Reg. No. 309112E

Partner

(K.K.Bandyopadhyay)

M.No: 015958

Place: Kolkata

Dated: 29th May, 2012

Annexure to the Auditor's Report

Annexure referred to in paragraph 3 of the Auditors' Report to the Members of M/s. VEGETABLE PRODUCTS LIMITED on the accounts for the year ended 31st March, 2012.

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets but the records are yet to be updated.

b) The management has physically verified fixed assets of the Company at reasonable intervals as we have been informed which is reasonable in our opinion having regard to the size of the Company and the nature of business. We are unable to comment on discrepancies, if any, as books are yet to be updated.

c) During the year substantial part of the Fixed Assets have not been disposed off by the Company.
2. a) The inventories which include finished goods stores, raw materials and work in progress have been physically verified by the management at reasonable intervals.

b) The procedure of physical verification of the inventories followed by the management is reasonable and adequate in relation to the size of Company and nature of its business.

c) On the basis of our examination of inventory records in our opinion the Company is maintaining the proper record of inventories, the discrepancies noticed on such physical verification as compared to book records were not material and have been properly dealt with in the books of account.
3. The Company has neither granted / taken any secured or unsecured loans to / from companies, firms nor other parties as covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly the clauses (iii) (b) to (iii) (d) and (iii) (e) to (iii) (g) of paragraph 4 of the order are not applicable.
4. There has been an adequate internal control procedure commensurate with the size of the Company and nature of its business for the purchase of inventories and fixed assets and also for sale of goods. Further during the course of our audit we have neither come across nor have we been informed of any instances of continuing failure to correct major weaknesses in the aforesaid internal control procedures.
5. According to the information and explanations given to us there were no transactions in pursuance to contracts or arrangements which are required to be entered in the register maintained under section 301 of the Act.

6. The Company has not accepted any deposit from the Public within the meaning of Section 58A & 58AA of the Companies Act, 1956 and the rules framed there under.
7. The Company has an internal audit system which is commensurate with the size and nature of its business.
8. As explained the Company has maintained cost record and accounts as prescribed by the Central Government under Section 209 sub-section (1) of clause (d) of the Companies Act, 1956. However, we have not carried out detailed examination of such accounts and records.
9. a) According to information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues in respect of Income Tax, Wealth Tax, Customs Duty, Excise Duty, Cess, Provident Fund, ESI and other statutory dues as applicable with the appropriated authorities and there are no undisputed outstanding statutory dues exceeding 6 months.

b) According to the information and explanations given to us there have been no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty and Cess which have not been deposited on account of any dispute except the dues as given below:

<u>Sl.No.</u>	<u>Name of The Statute</u>	<u>Nature of the dues</u>	<u>Nature of (Rs. In lacs)</u>	<u>Amount to which the amt.</u>	<u>Period of dispute is Pending relates</u>	<u>Forum where</u>
1	The Central Excise Act	Excise Duty	7.43	1983-84		Central Excise Commissioner Appeal
2	West Bengal Sales Tax Act, 1994	Sales Tax	82.38	2004-05		Deputy Commissioner of Commercial Taxes

10. There is accumulated loss as at 31st March, 2012 amounting to Rs. 4,36,25,860/- and the Company has not incurred cash loss during the financial year under review but had incurred Cash Loss in immediate preceding financial year.
11. Neither the Company has taken any funds from Financial Institutions nor from Banks or by issuing the debentures during the year. However, the Company has one soft loan of Rs.101.43 lacs under rehabilitation package sanctioned by the BIFR from Government of West Bengal.

12. The Company has not granted any loans and advances on the basis of society or by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit funds / nidhi / mutual benefit fund / societies are not applicable to the Company.
14. According to the information and explanations given to us the Company is not dealer or trader in securities.
15. The Company has not given any guarantee to bank or financial institutions in favor of other companies or other parties as per explanation and information offered to us.
16. The Company has not taken any term loan from bank or financial institutions during the year under review.
17. Based on the information and explanations given to us and on overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on short term which have been used for long term investment or vice versa.
18. The Company has not made any preferential allotment of shares to parties and companies in the register maintained under section 301 of the Companies Act, 1956.
19. No debenture has been issued by the Company during the year under review.
20. The Company has not raised any money by the public issue during the period.
21. During the course of our examination of the books of accounts carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed such case by the management.

For Tiwari & Company
Chartered Accountants
Firm Reg. No. 309112E

Partner
(K.K.Bandyopadhyay)
M.No: 0159858

Place: Kolkata
Dated: 29th May, 2012

VEGETABLE PRODUCTS LIMITED

Balance Sheet as at 31st March, 2012

EQUITY AND LIABILITIES	Notes	As at 31.03.2012	As at 31.03.2011
A. Shareholder's Funds			
Share Capital	2	22,500,000	28,500,000
Reserves & Surplus	3	<u>23,955,897</u>	<u>17,537,699</u>
		<u>46,455,897</u>	<u>46,037,699</u>
B. Non - Current Liabilities			
Long term borrowings	4	10,143,000	10,143,000
Other Long Term Liabilities	5	752,800	752,800
Long Term Provisions	6	<u>2,906,000</u>	<u>3,038,000</u>
		<u>13,801,800</u>	<u>13,933,800</u>
C. Current Liabilities			
Trade Payables	7	19,380,303	40,154,164
Other Current Liabilities	8	11,031,794	14,261,523
Short Term Provisions	9	<u>299,364</u>	<u>-</u>
		<u>30,711,461</u>	<u>54,415,687</u>
		<u>90,969,158</u>	<u>114,387,186</u>
TOTAL			
		<u>90,969,158</u>	<u>114,387,186</u>
ASSETS			
A. Non - Current Assets			
Fixed Assets			
Tangible Assets	10	62,510,054	65,067,230
Intangible Assets	11	1,000	1,000
Capital Work-in-Progress		12,705,024	12,705,024
Deferred Tax Assets	12	2,597,778	1,805,654
Long Term Loans and Advances	13	200,719	200,719
Other non-current assets	14	<u>3,345,237</u>	<u>3,047,472</u>
		<u>81,359,812</u>	<u>82,827,099</u>
B. Current Assets			
Inventories	15	4,152,173	22,814,114
Trade Receivables	16	36,000	2,931,903
Cash and Cash Equivalents	17	618,442	764,587
Short Term Loans and Advances	18	<u>4,802,731</u>	<u>5,049,483</u>
		<u>9,609,346</u>	<u>31,560,087</u>
		<u>90,969,158</u>	<u>114,387,186</u>
TOTAL			
		<u>90,969,158</u>	<u>114,387,186</u>
Notes to financial statements	1		

In terms of our report of even date
For **TIWARI & CO.**

Chartered Accountants

Registration No. : 309112E

VEGETABLE PRODUCTS LIMITED**Statement of profit and loss for the year ended 31st March, 2012**

	Notes	Year ended <u>31.03.2012</u>	Year ended <u>31.03.2011</u>
INCOME			
Revenue from Operations (Net)	19	145,686,013	371,361,330
Other Income	20	20,095,322	10,403,538
Total Revenue (I)		<u>165,781,335</u>	<u>381,764,868</u>
EXPENDITURE			
Consumption of Raw Material	21	114,393,896	327,421,078
Consumption of Stores & Spares	22	2,321,621	3,145,872
Consumption of Packing Material	23	5,658,129	19,761,154
Power and Fuel		8,186,936	17,799,202
(Increase)/Decrease in Stock	24	17,195,095	(2,093,674)
Employee Benefit Expense	25	4,887,012	5,657,832
Other Expenses	26	2,637,771	2,365,699
Depreciation expense	27	2,488,410	2,857,417
Finance cost	28	743,369	802,726
Total (II)		<u>158,512,239</u>	<u>377,717,306</u>
Profit/(Loss) before Tax		7,269,096	4,047,562
Tax expenses			
Current Tax		(657,785)	-
Deferred Tax		792,124	(2,047,699)
Profit for the year		<u>7,403,435</u>	<u>1,999,863</u>
Earning per share			
(a) Basic		5.69	1.54
(b) Diluted		5.69	1.54

Notes to financial statements

In terms of our report of even date

For TIWARI & CO.

Chartered Accountants

Registration No. : 309112E

Partner

Membership No.

Place : Kolkata

Date : 29.05.2012

VEGETABLE PRODUCTS LIMITED

**ANNEXURE TO CLAUSE 32 OF THE LISTING AGREEMENT
CASH FLOW STATEMENT FOR THE YEAR FROM 01.04.2011 TO 31.03.2012
(INDIRECT METHOD)**

	2011-2012	2010,2011
<u>A. Cash Flow From Operating Activities:</u>		
Profit/(Loss) before Tax & Extra Ordinary Items:	7,269,096	4,047,563
Adjustments :		
Depreciation	2,488,410	2,857,417
Interest Paid	690,652	777,670
Interest Received	(348,803)	(234,995)
Operating Profit before Working Capital change	10,099,355	7,447,655
Increase/Decrease in Inventories	18,661,941	13,366,898
Increase/Decrease in Trade Receivables	2,895,903	(1,342,324)
Increase/Decrease in Short Term Loans and Advances	17,674	(3,099,427)
Increase/Decrease in Other Non Current assets	(297,763)	(513,709)
Increase/Decrease in Trade Payables	(20,773,861)	(13,613,954)
Increase/Decrease in Other Current Liability	(3,914,381)	(3,149,267)
Increase/Decrease in Long Term Provisions	(132,000)	-
Cash generated from Operations	6,556,866	(904,128)
Direct Tax Paid/Recovered	(211,064)	(213,448)
Net Cash from Operating Activities	6,345,802	(1,117,576)
<u>B. Cash flows from investing activities:</u>		
Purchase of Fixed Assets incl.Capital Work-in-Progress	(331,000)	(111,523)
Interest Received	348,803	234,995
Interest Paid	(690,652)	(777,670)
Net Cash from Investing Activities	(672,849)	(654,198)
<u>C. Cash flows from financing activities:</u>		
Increase of Secured Loan	684,652	684,652
Increase of Un-Secured Loan	-	(800,000)
Preference Dividend Paid	(503,750)	-
Redemption of Preference Shares	(6,000,000)	-
Net Cash from Financing Activities	(5,819,098)	(115,348)
Net Changes In Cash and Cash Equivalent (A+B+C)	(146,145)	(1,887,122)
Opening Cash and Cash Equivalents	764,587	2,651,709
Closing Cash and Cash Equivalents	618,442	764,587

For TIWARI & CO.
Chartered Accountants

Partner
107/1, Park Street,
Kolkata-700 016.

Dated:

For and on behalf of the Board

D S Jain -Director

S L Bachhawat - Director

VEGETABLE PRODUCTS LIMITED
Notes to the financial statements for the year ended 31st March, 2012

1 NOTES TO FINANCIAL STATEMENTS

Significant Accounting Policies

a Accounting Policies

The financial statements have been prepared in accordance with generally accepted accounting principles and Accounting Standards issued by I.C.A.I. and the relevant provisions of the Companies Act, 1956.

b Basis of Accounting :

The accounts are prepared on the historical cost convention following the accrual system of Accounting except leave encashment to the employees

c Revenue Recognition:

1. Sales are exclusive of sales tax/excise duty and net of returns and are taken into account on passing of the title of goods, Sales on consignment and expenses thereof are being accounted for in the year of receipt of Account Sales from respective consignees.

2 Other income and expenses are accounted for on accrual basis except mentioned above

d Fixed Assets :

All fixed assets are stated at cost including incidental expenses thereto. Revalued assets are stated at the values determined on revaluation.

e Depreciation

1. Depreciation on fixed assets including revalued assets have been provided on written down value method at the rates prescribed in Schedule XIV to the Companies Act, 1956 and Depreciation on additions/deletions is being provided on pro-rata basis from the date of such additions/deletions,

2. Depreciation on Revalued Assets is adjusted with Revaluation Reserve

f Investments:

Investments of long term in nature are stated at cost. No diminution in the value is recognised, if the same is not permanent in nature.

g Valuation of Inventories

Finished Goods : Lower of cost or market realizable value
Raw Materials : At cost
Packing Materials : At cost
Stores & Spares : At cost
Work in Process : At estimated cost (which includes Cost of Raw Materials, Labour & relevant overheads)

h Retirement Benefits :

1. Definite Contribution:

The company contributes to Provident Fund and ESI which are charged to Profit & Loss Account

2. Definite Benefit Obligation

Gratuity is not funded and is provided for in the accounts on the basis of actuarial valuation under projected accrued benefit method

i Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

j Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit/ loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

k Provisions, Contingent Liabilities and Contingent assets

A provision is recognized when an enterprise has a present obligation as a result of past event; 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 are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

2 SHARE CAPITAL

a Authorised, Issued, Subscribed and paid-up share capital and par value per share

Particulars	As at 31.03.2012	As at 31.03.2011
Authorised Share Capital		
10,000 6% Free of Income Tax Cumulative Preference Shares of Rs. 100/- each	1,000,000	1,000,000
3,00,000 1/2% Redeemable Preference Shares of Rs. 100/- each	30,000,000	30,000,000
14,00,000 Equity Shares of Rs. 10/- each	14,000,000	14,000,000
	<u>45,000,000</u>	<u>45,000,000</u>
Issued, Subscribed & Paid up :		
13,00,000 Equity Shares of Rs. 10/- each (Out of which 1,40,000 Equity Shares of Rs. 10/- each issued as fully paid up bonus shares by capitalisation of reserves)	13,000,000	13,000,000
95,000 (Previous year - 1,55,000) 1/2% Redeemable Preference Shares of Rs. 100/- each.	9,500,000	15,500,000
	<u>22,500,000</u>	<u>28,500,000</u>

b Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31.03.2012	As at 31.03.2011
Equity Shares Outstanding at the beginning - In Numbers	1300000	1300000
Add :		
Equity Shares issued during the year	-	-
Less :		
Equity Shares bought back during the Year	-	-
Equity Shares Outstanding at the end - In Numbers	1300000	1300000

c Reconciliation of number of preference shares outstanding at the beginning and at the end of the year

Particulars	As at 31.03.2012	As at 31.03.2011
Preference Shares Outstanding at the beginning - In Numbers	155000	155000
Add :		
Preference Shares Issued during the year	-	-
Less :		
Preference Shares redeemed during the Year	60000	-
Preference Shares Outstanding at the end - In Numbers	95000	155000

d 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 share is entitled to one vote per share.

e Shareholders Holding more than 5% Shares

Sl No.	Name of the shareholders	As at 31.03.2012		As at 31.03.2011	
		No. of Shares	% of holding	No. of Shares	% of holding
1	Kanta Management Services Pvt Ltd.	175465	13.50	175465	13.50
2	Rachna Baid	70000	5.38	70000	5.38
3	Chandra Kala Bachhawat	75000	5.77	75000	5.77
4	Gautam Jain	76300	5.87	76300	5.87

3 RESERVES & SURPLUS

Particulars	As at 31.03.2012	As at 31.03.2011
Capital Redemption Reserve		
Balance as per last financial statements	14,500,000	14,500,000
Add : Addition during the year	6,000,000	-
Less : Deduction during the year	-	-
Balance as at the end of the year	<u>20,500,000</u>	<u>14,500,000</u>
Revaluation Reserve		
Balance as per last financial statements	47,481,523	47,939,396
Add : Addition during the year	-	-
Less : Deduction during the year	399,766	457,873
Balance as at the end of the year	<u>47,081,757</u>	<u>47,481,523</u>
Surplus /(deficit) in the statement of Profit and Loss		
Balance as per last financial statements	(44,443,824)	(46,443,688)
Profit for the year	7,403,435	1,999,884
Less : Appropriations		
Transfer to capital redemption reserve	6,000,000	-
Dividend on preference shares (amount per share Rs.3.25 (31st March, 2011 : Rs. NIL))	503,750	-
Tax on distributed Preference Dividend	81,721	-
Balance as at the end of the year	<u>(43,625,860)</u>	<u>(44,443,824)</u>
Total Reserves and Surplus	<u>23,955,897</u>	<u>17,537,699</u>

4 LONG TERM BORROWINGS

Particulars	As at 31.03.2012	As at 31.03.2011
Secured Loan		
Soft Loan from West Bengal Government	10,143,000	10,143,000
	<u>10,143,000</u>	<u>10,143,000</u>

Soft loan from West Bengal Government is secured against residuary charges on the fixed assets of the company which carries interest @ 6.75% p.a. The above loan is repayable in eight equal annual instalments commencing from 31.12.2000. There is continuing default in repayment of above loan on the reporting date. The company has disputed the liability against the above loan.

5 OTHER LONG TERM LIABILITIES

Particulars	As at 31.03.2012	As at 31.03.2011
Security Deposit	752,800	752,800
	<u>752,800</u>	<u>752,800</u>

6 LONG TERM PROVISIONS

Particulars	As at 31.03.2012	As at 31.03.2011
Provision for Gratuity	2,906,000	3,038,000
	<u>2,906,000</u>	<u>3,038,000</u>

7 TRADE PAYABLES

Particulars	As at 31.03.2012	As at 31.03.2011
Trade Payables	19,380,303	40,154,164
	<u>19,380,303</u>	<u>40,154,164</u>

8 OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2012	As at 31.03.2011
Interest accrued and due on borrowings	10,269,766	9,585,134
Other Payables	686,554	2,059,516
TDS Payable	7,541	13,895
Service Tax Payable	67,813	98,549
Advance from Customers	-	2,500,000
Excise Duty Payable	-	4,429
	<u>11,031,794</u>	<u>14,261,523</u>

9 SHORT TERM PROVISIONS

Particulars	As at 31.03.2012	As at 31.03.2011
Provision for Taxation	295,473	-
Provision for Dividend Distribution Tax	3,891	-
	<u>299,364</u>	<u>-</u>

VEGETABLE PRODUCTS LIMITED

10. FIXED ASSETS - TANGIBLE

Particulars	Gross Block (At cost)			Depreciation			Net Block			
	As at 31.03.2011	Additions	Deductions	As at 31.03.2012	Upto 31.03.2011	For the year	Deductions	Upto 31.03.2012	As at 31.03.2012	As at 31.03.2011
OWNED ASSETS										
Land	44,662,500	-	-	44,662,500	-	-	-	-	44,662,500	44,662,500
Building	21,301,666	-	-	21,301,666	15,703,515	559,815	-	16,263,330	5,038,336	5,598,151
Plant & Equipment	100,401,600	331,000	-	100,732,600	85,775,845	2,295,632	-	88,071,477	12,661,123	14,625,755
Furniture & Fixtures	2,043,864	-	-	2,043,864	1,863,040	32,729	-	1,895,769	148,095	180,824
Total	168,409,630	331,000	-	168,740,630	103,342,400	2,888,176	-	106,230,576	62,510,054	65,067,230
Previous year	168,298,107	111,523	-	168,409,630	100,027,110	3,315,290	-	103,342,400	65,967,230	

Depreciation for the year Rs.28,88,176/- includes depreciation on revalued assets Rs.399,766/- . Hence net depreciation of Rs.24,88,410/- is shown in the Profit & Loss Account.

11. FIXED ASSETS - INTANGIBLE

Particulars	Gross Block (At cost)			Depreciation			Net Block			
	As at 31.03.2011	Additions	Deductions	As at 31.03.2012	Upto 31.03.2011	For the year	Deductions	Upto 31.03.2012	As at 31.03.2012	As at 31.03.2011
OWNED ASSETS										
Goodwill	1,000	-	-	1,000	1,000	-	-	1,000	1,000	1,000
Total	1,000	-	-	1,000	1,000	-	-	1,000	1,000	1,000
Previous year	1,000	-	-	1,000	1,000	-	-	1,000	1,000	

12 DEFERRED TAX ASSETS

Particulars	As at 31.03.2012	As at 31.03.2011
Deferred Tax Assets		
Carried Forward Losses and Unabsorbed Losses	3,173,364	2,624,536
Gratuity Provision	897,854	938,742
	<u>4,071,318</u>	<u>3,563,278</u>
Deferred Tax Liabilities		
Timing Difference in depreciable assets	1,473,540	1,757,624
	<u>1,473,540</u>	<u>1,757,624</u>
Deferred Tax Liabilities/(Assets) (Net)	<u>2,597,778</u>	<u>1,805,654</u>

13 LONG TERM LOANS AND ADVANCES

Particulars	As at 31.03.2012	As at 31.03.2011
Security Deposits	200,719	200,719
	<u>200,719</u>	<u>200,719</u>

14 OTHER NON CURRENT ASSETS

Particulars	As at 31.03.2012	As at 31.03.2011
Non current bank balances with original maturity period exceeding 12 months	3,039,720	1,892,133
Interest accrued on fixed deposits	305,517	1,155,339
	<u>3,345,237</u>	<u>3,047,472</u>

Non current bank balance includes Rs.18,91,350/- (previous year Rs.18,91,350/-) given as margin money for obtaining bank guarantee in favour of West Bengal State Electricity Distribution Company Ltd.

15 INVENTORIES

Particulars	As at 31.03.2012	As at 31.03.2011
(At cost : as taken, valued & certified by the management)		
Work In Progress	3,131,202	7,444,848
Finished Goods	212,893	13,094,342
Stores & Spares	573,887	619,289
Packing Material	137,960	1,364,325
Power and Fuel	96,231	391,440
	<u>4,152,173</u>	<u>22,914,144</u>

16 TRADE RECEIVABLES

Particulars	As at 31.03.2012	As at 31.03.2011
(Unsecured, considered good)		
Debts exceeding six months from due date	36,000	-
Other Debts	-	2,931,903
	<u>36,000</u>	<u>2,931,903</u>

17 CASH & CASH EQUIVALENT

Particulars	As at 31.03.2012	As at 31.03.2011
Balance with Banks on :		
Current Account	20,270	506,231
Cash in Hand (As certified by the management)	598,172	258,356
	<u>618,442</u>	<u>764,587</u>

18 SHORT TERM LOANS AND ADVANCES

Particulars	As at 31.03.2012	As at 31.03.2011
Loans and Advances		
(Unsecured, considered good)		
Advances receivable in cash or in kind	201,670	875,704
Other Loans & Advances		
Advance Income Tax including tax deducted at source	322,875	551,953
Vat Input Receivable	4,270,344	3,613,976
Central Excise/ CENVAT	7,842	7,850
	<u>4,802,731</u>	<u>5,049,483</u>

10 REVENUE FROM OPERATIONS

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Revenue from operations		
Sale of Products		
Finished Goods	143,313,588	367,601,645
By- Products	988,950	4,147,990
Raw Materials	1,475,825	-
	<u>145,778,363</u>	<u>371,749,635</u>
Revenue from operations (gross)	145,778,363	371,749,635
Less : Excise Duty	92,350	388,305
Revenue from operations (Net)	<u>145,686,013</u>	<u>371,361,330</u>

Details of goods sold

Finished goods sold		
Vanaspati	143,313,588	367,601,645
By- Products	988,950	4,147,990
Raw Materials	1,475,825	-
	<u>145,778,363</u>	<u>371,749,635</u>
	<u>145,778,363</u>	<u>371,749,635</u>

20 OTHER INCOME

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Interest Received	348,803	234,995
Compensation received	7,579,000	-
Miscellaneous Receipt / Excise Refund	9,463,931	9,027,794
Liabilities no longer required, written back	2,703,588	1,140,749
	<u>20,095,322</u>	<u>10,403,538</u>

21 CONSUMPTION OF RAW MATERIAL

Particulars	Year ended	Year ended
	31.03.2012	31.03.2011
	Amount	Amount
Vanaspati		
Opening Stock		
RBD Palmolein	-	15,091,740
Refined Palm Oil	-	-
	<u>-</u>	<u>15,091,740</u>
Add: Purchases		
Refined Palm Oil	111,728,304	305,490,281
Til Oil	1,499,064	4,314,786
Refine Oil	1,168,528	2,524,271
	<u>114,393,896</u>	<u>312,329,338</u>
Less: Closing Stock		
Crude Palm Oil	-	-
	<u>-</u>	<u>-</u>
Total	<u><u>114,393,896</u></u>	<u><u>327,421,078</u></u>

22 CONSUMPTION OF STORES & SPARES

	Amount	Amount
Opening Stock		
Sundry Items	619,259	672,783
	<u>619,259</u>	<u>672,783</u>
Add: Purchases		
Sundry Items	2,276,249	3,092,348
	<u>2,276,249</u>	<u>3,092,348</u>
Less: Closing Stock		
Sundry Items	573,887	619,259
	<u>573,887</u>	<u>619,259</u>
Total	<u><u>2,321,621</u></u>	<u><u>3,145,872</u></u>

23 CONSUMPTION OF PACKING MATERIALS

	Amount	Amount
Opening Stock		
Poly Jar (Different Size)	238,336	142,836
Sundry Items	1,025,889	1,459,012
	<u>1,264,225</u>	<u>1,601,848</u>
Add: Purchases		
Poly Jar (Different Size)	626,462	3,766,882
Sundry Items	3,905,402	15,656,649
	<u>4,531,864</u>	<u>19,423,531</u>
Less: Closing Stock		
Poly Jar (Different Size)	7,524	238,336
Sundry Items	130,436	1,025,889
	<u>137,960</u>	<u>1,264,225</u>
Total	<u><u>5,658,129</u></u>	<u><u>19,761,154</u></u>

24 INCREASE/(DECREASE) IN STOCK

Particulars	Year ended 31.03.2012		Year ended 31.03.2011	
Opening Stock				
Finished Goods	13,094,342		5,802,595	
Work In Progress	<u>7,444,848</u>	20,539,190	<u>12,642,921</u>	18,445,516
Less : Closing Stock				
Finished Goods	212,893		13,094,342	
Work In Progress	<u>3,131,202</u>	3,344,095	<u>7,444,848</u>	20,539,190
		<u>17,195,095</u>		<u>(2,093,674)</u>

Details of Inventory

Closing stock of Finished Goods		
Vanaspathi	200,858	13,062,425
By Products	12,035	31,917
	<u>212,893</u>	<u>13,094,342</u>
Closing stock of Work - In - progress	3,131,202	7,444,848
	<u>3,131,202</u>	<u>7,444,848</u>

25 EMPLOYEE BENEFIT EXPENSE

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Salary, Wages & Bonus	3,928,588	4,585,063
Contribution to P.F & E.S.I etc.	590,371	603,639
Gratuity	345,143	439,060
Staff Welfare	21,910	30,070
	<u>4,887,012</u>	<u>5,657,832</u>

26 OTHER EXPENSES

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Rent	213,870	297,870
Insurance Charges	168,074	421,234
Repairs and Maintenance		
Plant and Equipment	195,364	361,407
Building	790,417	61,927
Others	26,660	-
Telephone Charges	80,813	139,877
Travelling and Conveyance	72,214	18,585
General Expenses	7,032	86,706
Electricity	39,528	41,062
Security Expenses	593,620	417,445
Advertisement	16,694	17,667
Listing Fees	11,582	11,582
Auditors Remuneration		
For Statutory Audit	33,708	33,090
For Tax Audit	3,750	3,750
For Other Services	5,000	12,170
Printing & Stationery	30,328	14,327
Filing Fees	1,710	3,090
Penalty	848	101,899
Legal & Professional Charges	123,781	24,880
Rates & Taxes	222,598	299,131
	<u>2,637,771</u>	<u>2,365,699</u>

27 DEPRECIATION EXPENSE

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Depreciation expense	2,488,410	2,857,417
	<u>2,488,410</u>	<u>2,857,417</u>

28 FINANCE COST

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Interest Paid	690,652	777,670
Bank Charges & Commission	52,717	25,056
	<u>743,369</u>	<u>802,726</u>

29 Contingent Liabilities not provided for

- a) Excise Duty(Under Appeal) Rs.7.43 Lacs for the year 1983-84
b) Demand under West Bengal Sales Tax Act for the year 2004-05 of Rs 82.38 Lacs is under appeal.

30 Capital commitment remaining to be executed as on 31st March 2012 (Net of advances) Rs.Nil

31 Excise Duty is applicable only on Fatty Acid and Acid Oil

32 Sundry Debtors, Loans & Advances and Sundry Creditors are subject to confirmation/reconciliation and consequential adjustments if any

33 The company's Sales Tax dues amounting Rs1,01,43,000/- was converted into a soft loan carrying interest @ 8.75% p.a. by the Government of West Bengal the above liability is repayable in eight equal instalment commencing from 31/12/2000. The Principal and interest has not been paid by the Company, through the liability for interest has been accounted for as per agreement,

34 The company's production during the year have discontinued with effect from 15th July,2011 The company could not continue its production due to non-renewal of licence from respective authority.Hence figures of the current year are not comparable with previous year

35 Gratuity liability(non funded) as on 31/03/2012 is Rs.2906000/- as per actuarial valuation against which provision has been made in accounts.

RETIREMENT BENEFITS	2011-12 (Rs.in Lacs)	2010-11 (Rs.in Lacs)
The details of the Company's defined benefit plans for its employees are given below:		
Amount recognised in the Balance Sheet in respect of Gratuity		
Present value of the defined obligation at the end of the period	30.38	30.38
Fair Value of plan assets		
Net Liability/Assets	30.38	30.38
Amount recognised in Profit & Loss Account in respect of Gratuity		
Current Service Cost	1.54	1.52
Interest on Defined Benefit Obligations	2.24	2.16
Expected Return on Plan Assets	-	-
Net Actuarial(Gain)/loss recognised during this period	-0.33	0.71
Net Gratuity Cost	3.45	4.39
Actual on Plan Assets		
Expected Return on Plan Assets	0.33	(0.71)
Actuarial Gain/Loss on Plan Assets		
Actual Return on Plan Assets	0.33	(0.71)
Reconciliation of present values of the obligations and the fair value of the plan assets:		
Opening defined Benefit Obligation	30.38	28.80
Current Service cost	1.54	1.52
Interest Cost	2.24	2.16
Actuarial(Gain)/Loss	-0.33	0.71
Benefit Paid	(4.77)	(2.81)
Closing Defined Obligation	29.06	30.38
Change in Fair Value Plan Assets		
Opening Fair Value of the Plan Assets		
Expected Return on Plan Assets		
Actuarial Gain/(Loss)		
Benefits paid	(4.77)	(2.81)
Closing Fair Value of the Plan Assets	(4.77)	(2.81)
Principal Actuarial assumptions at the Balance Sheet Date:		
Discount Rate	8.60%	8.00%
Mortality table		LIC(1984-96)
Estimated rate of return on Plan Assets		-

36 As required on Segmental Reporting under AS-17 issued by the Institute of Chartered Accountants of India the Company manufactures Vanaspati and Edible Oil, Acid Oil and Fatty Acid are coming out of from the same manufacturing process and as such no further expenses are incurred for these products. Hence segmental reporting is not applicable

37 As regards related party disclosures as per AS 18 issued by the Institute of Chartered Accountants of India:

1. Key Management personnel :

- Mr D S Jain, Director
- Mr S L Bachhawat, Director
- Mr J S Jain, Director

2. Related Party transaction during the year Rs. Nil (Previous year Rs. Nil)

38 Earning per Share under AS-20 issued by the Institute of Chartered Accountants of India as follows :

	2011-12	2010-11
Profit after Tax	7403435	1999863
Weighted average Number of Equity Shares	1300000	1300000
Basic and diluted earning per share	5.69	1.54
Nominal value of each equity share Rs.	10	10

39 No amount is due to Micro, Small and Medium Enterprises (Identified on the basis of information made available during the year by such enterprises to the company). No interest in terms of Micro, Small and Medium Enterprises Development Act, 2006 has been either paid or accrued during the year.

40 Regarding Impairment of Assets under AS-28 issued by the ICAI the Company has undertaken a systematic process to find out the realisation value of the assets . Impairment if any, will be considered in the Accounts in the year in which it is ascertained.

41 Regarding provision of contingent liabilities and assets under AS29 issued by the I.C.A.I the company is in process to ascertain the value of contingent liabilities and assets and suitable provisions will be made as soon as figures are ascertained.

42 Value of Import of C.I.F.Basis Rs. Nil (Previous year Rs. Nil)

43 Value of Export on F.O.B.Basis] Rs. Nil (Previous year Rs. Nil)

44 Expenditure in Foreign Currency : Rs. Nil (Previous year Rs. Nil)

45 Earning in Foreign Currency : Rs. Nil (Previous year Rs. Nil)

46 Till the year ended 31st March 2011, the company was using pre-revised Schedule VI to the Companies Act 1956, for preparation and presentation of its financial statements. During the year ended 31st March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the Company. The Company has reclassified previous years figures to conform to this year's classification. It significantly impacts presentation and disclosures made in the financial statements, particularly presentation of Balance Sheet.

In terms of our report of even date

For TIWARI & CO.

Chartered Accountants

Registration No. : 309112E

Partner

Membership No.

Place : Kolkata

Date : 29.05.2012



VEGETABLE PRODUCTS LIMITED

Regd. Office :

5 & 6, Fancy Lane, 1st Floor, Kolkata - 700 01

ADMISSION SLIP

(To be handed over at the entrance of the Meeting Hall)

I hereby record my presence at the 57th Annual General Meeting of the Company being held at Old Nimta Road, Belgharia, Kolkata - 700 083 on Saturday, 24th September, 2011 at 10.00 A.M.

.....
NAME OF THE ATTENDING MEMBER [IN BLOCK LETTERS]

.....
NAME OF THE PROXY [IN BLOCK LETTERS] if the Proxy attends instead of the Member

.....
SIGNATURE OF THE MEMBER / PROXY

Member's Folio Number :

No. of Shares held

DP ID*

Client ID*

Note : Shareholders / Proxy holders are requested to bring duly filled in and signed Attendance Slip for the meeting and hand it over at the entrance.



VEGETABLE PRODUCTS LIMITED

Regd. Office :

5 & 6, Fancy Lane, 1st Floor, Kolkata - 700 01

PROXY FORM

I/We
of
being a member / members of Vegetable Products Limited, hereby appoint
..... of

..... or failing him

..... of
as my / our Proxy to attend and vote for me/us on my/our behalf at the 57th Annual General Meeting of the Company being held at Old Nimta Road, Belgharia, Kolkata - 700 083 on Saturday, 24th September, 2011 at 10.00 A.M. and at any adjournment thereof.

Signed this day of 2011

Member's Folio Number :

DP ID*

No. of Shares held

Client ID*

- Note :
1. Proxy need not be a member.
 2. The Proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the schedule time of the meeting.

Applicable only in case of investors holding shares in Electronic Form.

BOOK POST
(Printed Matter)

If undelivered, please return to :

VEGETABLE PRODUCTS LIMITED
5 & 6, Fancy Lane, Kolkata - 700 001
Phone : 2210-0266, Fax : 2210-0266