

**The Ravalgaon Sugar Farm Ltd.**  
**77th Annual Report**

BOARD OF DIRECTORS	Mr. HARSHAVARDHAN B. DOSHI <i>(Chairman &amp; Managing Director)</i> Mr. NIHAL H DOSHI <i>(Executive Director)</i> Mr. Y. P. DANDIWALA Mr. M. B. BHIDE Mr. M. Y. FAZALBHOY Mr. A. S. ASHTEKAR
AUDITORS	M/s. V. SANKAR AIYAR & CO. Chartered Accountants
SOLICITORS	M/s. MULLA & MULLA & CRAIGIE BLUNT & CAROE
BANKERS	DENA BANK BANK OF BARODA
REGISTERED OFFICE	Ravalgaon – 423 108, Taluka Malegaon, Dist. Nasik, Maharashtra Tel Nos.: (02554) 270274 / 270238, Fax no.:(02554) 270284
CORPORATE OFFICE	Showroom No. 10, Arcade, Ground Floor, World Trade Centre, Cuffe Parade, Mumbai 400 005. Tel Nos.: (022) 22184291/ 22186479, Fax No.: (022) 22184294
FACTORY	Ravalgaon – 423 108, Taluka Malegaon, Dist. Nasik, Maharashtra. Tel Nos.: (02554) 270274 / 270238, Fax No : (02554) 270284
REGISTRAR & SHARE TRANSFER AGENT	M/s Freedom Registry Ltd. Plot no. 101/102, 19th street, MIDC Industrial Area, Satpur, Nasik-422001. Tel.(0253)2354032. Fax (0253)2351126.

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**ANNUAL GENERAL MEETING: at 10:30 A.M. on Thursday, 29th September 2011 at Krida Mandal Hall, Ravalgaon - 423 108, Taluka Malegaon, Dist. Nasik, Maharashtra.**

The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued as a measure of economy. Members are, therefore, requested to bring their copies of the Annual Report to the Meeting.

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# The Ravalgaon Sugar Farm Ltd

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## **NOTICE**

NOTICE is hereby given that the **77th** Annual General Meeting of the Company will be held as scheduled below,

DATE : Thursday, 29th September 2011 TIME: 10:30 A.M.  
PLACE : Krida Mandal Hall, Ravalgaon – 423 108,  
Taluka Malegaon, Dist. Nasik, Maharashtra.

To transact the following business :

### **ORDINARY BUSINESS:**

- 1 To consider and adopt the Audited Balance Sheet as at 31st March 2011 and Profit and Loss Account for the year ended 31st March 2011 alongwith the reports of the Auditors and the Board of Directors.
- 2 To declare dividend on equity shares of the company.
- 3 To appoint a Director in place of Mr. Y.P.Dandiwala who retires by rotation and, being eligible, offers himself for reappointment.
- 4 To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary resolution.

### **Ordinary Resolution**

“RESOLVED THAT M/s V Sankar Aiyar and Co, Chartered Accountants, (Regn. No. 109208W), be and are hereby appointed as Auditors of the company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company on such remuneration as shall be fixed by the Board of Directors of the company”

By Order of the Board,

**HARSHAVARDHAN B. DOSHI**  
Chairman & Managing Director

Dated : 25th July 2011

**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. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- 2 The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 21st September 2011 to Thursday, 29th September 2011 (both days inclusive).
- 3 Members holding shares in physical form are requested to notify immediately details of any change/ correction in their address, bank particulars etc. to the Company's Registrars and Share Transfer Agents. Members holding shares in demat account (electronic form) may notify any change to the Depository Participant.
- 4 i) The dividend for the financial years ended 30th September, 1997, 30th September, 1998, 30th September, 1999, 30th September, 2000, 30th September, 2001, 30th September 2002 and 30th September 2003 which remained unclaimed for 7 years from the date of declaration have been transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the Companies Act, 1956.  
 iii) Shareholders are requested to note that no claim shall lie against the Company or the said Investor Education and Protection Fund after the transfer of unclaimed dividend to the fund.
- 5 The shares of the Company are under compulsory demat list of SEBI and therefore trading in equity shares can be done only in demat form. In case you have not demated your shares, you may do so by opening an account with any Depository Participant and completing the dematerialisation procedure.
- 6 Details of Directors seeking Re-appointment at the forthcoming Annual General Meeting in pursuance of Clause 49 of the Listing Agreement.

1	<b>Name of Director</b>	<b>Mr. Y. P. Dandiwala</b>
2	Date of Birth	10th November 1950
3	Experience in Specific Functional area and Position held	Vast experience in the profession of law
4	Qualification	B.Sc., L.L.B., Solicitors' degree
5	Directorship in other Companies (Excluding foreign Companies)	Yes
6	Shareholding	Nil

On behalf of the Board of Directors

**HARSHAVARDHAN B. DOSHI**  
Chairman and Managing Director

Registered Office:  
Ravalgaon – 423 108, Taluka Malegaon,  
Dist. Nasik, Maharashtra,

Dated : 25th July 2011

## DIRECTORS' REPORT

To,  
The Members of  
**THE RAVALGAON SUGAR FARM LTD.**

Your Directors present the **77th** Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March 2011

<b>FINANCIAL RESULTS:</b>	Year Ended 31st March 2011 (Rs. in Lacs)	Year Ended 31st March 2010 (Rs. in Lacs)
Net Profit /(Loss) after providing for	3.33	614.74
i) Depreciation	225.56	225.16
ii) Prior Period Items	0.23	0.53
iii) Provision for Taxation (including Deferred Tax)	8.14	269.28
Add: Surplus brought forward	1156.78	663.51
Amount available for appropriation	<b>1160.11</b>	<b>1278.25</b>
<u>Appropriations:</u>		
Proposed Dividend	51.00	51.00
Tax on Proposed Dividend	8.27	8.47
Transfer to General Reserve	1.00	62.00
<b>Balance carried to Balance Sheet</b>	<b>1099.84</b>	<b>1156.78</b>

## DIVIDEND:

Your Directors have recommended Dividend of 150% (Rs. 75/- per equity share on 68,000 equity shares of Rs 50/- each) for the year ended 31st March 2011. The dividend, if declared at AGM, will be paid to those shareholders whose names appear in the Register of Members of the Company on 29th September 2011 or on the Register of Beneficial Owners maintained by the Depositories as per the details furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd. for the purpose of payment of dividend.

## OPERATIONS:

### SUGAR :

The following table gives the comparative figures of sugarcane crushed, sugar bags produced and the rate of recovery for the financial year under review and previous financial year.

	<b>Current Year</b>	<b>Previous Year</b>
Sugarcane crushed in MT	149938	28416
Sugar MTs	15557	2425
Recovery	10.47%	8.53%

Late monsoon reduced the availability of sugarcane for the season 2010-11. This resulted in low area under Sugar cane plus low yields per acre.

### CANDY SUGAR:

The unhealthy competition from unorganized sector poses problems for candy sugar business. The company is taking steps to use the candy plant for production of high-grade sugar. Production of Candy sugar and Bura was Nil during the financial year.

### CONFECTIONERY:

Production of confectionery was 2569 MT during the financial year under review as compared to 3219. MT during the previous year. The Company concentrated on brands such as Pan Pasand, Mango Mood, Coffee Break, etc.

**POLLUTION, ENVIRONMENT AND SAFETY:**

Various equipments are installed as an anti-pollution measure for the protection of environment at your factory. The norms prescribed by the Government are also adhered to. Necessary industrial safety measures have also been taken at your factory, which has resulted in better protection of workers and no major accident has taken place in the factory.

**FIXED DEPOSITS:**

The total amount of Fixed Deposits as at 31st March 2011 was Rs 530.17 Lacs. There are no overdue deposits except unclaimed deposits amounting to Rs.10.80 Lacs as on 31st March 2011 out of which, deposits amounting to Rs. 2.90 Lacs have since been repaid / renewed..

**DIRECTORS' RESPONSIBILITY STATEMENT:**

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

- a) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed with explanatory notes relating to material departures.
- b) Appropriate accounting policies have been selected and applied consistently and judgements and estimates that are made are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss account of the Company for that period.
- c) Proper and sufficient care has been taken for maintaining adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Annual Accounts have been prepared on a going concern basis.

**CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS:**

Pursuant to clause 49 of the Listing Agreement with the Stock Exchange, a "Management Discussion and Analysis" and a report on "Corporate Governance" are given as Annexure 'A' and 'B' respectively to the report. A certificate from the Statutory Auditors of the Company regarding compliances of conditions of Corporate Governance is also annexed thereto.

**SECRETARIAL COMPLIANCE CERTIFICATE:**

A Secretarial Compliance Certificate pursuant to Section 383A of the Companies Act, 1956 is annexed herewith as Annexure "C".

**AUDITORS' REPORT:**

Auditors in their report have made observations in respect of non-provision for the present value of accrued gratuity liability and non-provision of Excise Duty on closing stock of finished goods. Suitable explanations have been provided by way of notes 10 and 7 respectively in Schedule N (B) forming part of the Accounts. These notes should be considered as explanation by Directors as part of their report.

**PARTICULARS REGARDING EMPLOYEES:**

The information required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, as amended, forms part of this Report. However, as per the provisions of Section 219(1) (b) (iv) of the Companies Act, 1956, the Report and Accounts are being circulated to all the shareholders excluding the aforesaid information. Shareholders, interested in obtaining this information, may write to the Company at its Registered Office.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Statement giving particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo as required under Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988 is annexed to and forms part of this Report, as per Annexure 'D'.

**DIRECTORS:**

Mr. Y.P. Dandiwala, director retires by rotation under Article 152 of Articles of Association and being eligible offers himself for re-appointment.

**AUDITORS:**

You are requested to appoint Auditors for the current financial year 2011-12 and authorise the Board to fix their remuneration. The retiring Auditors, M/s. V. Sankar Aiyar & Co, being eligible, offer themselves for re-appointment.

**ACKNOWLEDGEMENTS:**

Your Directors take this opportunity to place on record their sincere appreciation for the timely assistance and cooperation extended by Financial Institutions, Company's Bankers and various Government Agencies / Bodies and look forward to receive their continuous support.

Your Directors also wish to place on record their appreciation for the co-operation extended / services rendered by the workmen, staff, executives, dealers, customers and all others concerned.

Your Directors also express thanks to the shareholders for their support to and confidence reposed in the Company.

For **THE RAVALGAON SUGAR FARM LTD.**

**HARSHAVARDHAN B. DOSHI**  
Chairman & Managing Director

**Registered Office:**  
Ravalgaon - 423 108 Taluka Malegaon,  
District Nasik, Maharashtra,

Dated : 25th July 2011

**ANNEXURE "A" TO DIRECTORS' REPORT****MANAGEMENT DISCUSSION AND ANALYSIS****INDUSTRY STRUCTURE AND DEVELOPMENT:**

The Company is engaged in the manufacture of Sugar and various Confectionery Products. It has manufacturing facility at Ravalgaon (Maharashtra) and Corporate Office in Mumbai.

**BUSINESS OUTLOOK:**

The Sugar Industry in India comes under The Essential Commodities Act, 1955 and therefore is regulated by the Government. Being an agro based industry, performance is largely dependant on weather and rainfall in the area of operation.

As regards availability of sugarcane there has been improvement and further improvement is expected due to better monsoon and resultant increase in plantation areas. However the prices of sugar have been very unfavourable. The sales of confectionery division was affected by various factors like competition, increase in costs, etc.

**OPPORTUNITIES AND RISKS:**

There is good demand for the products of the Company. Efforts are made to improve its operating efficiency by taking various steps like installing balancing equipments, more efficient use of the available resources, etc. The products of the Company have been well accepted in the market.

Sugar Industry by nature is a seasonal industry, dependent on the sugarcane crop. Sugarcane needs good rainfall. This year the rainfall was not satisfactory resulting in lower availability of sugar cane.

More so the sugar prices have also been volatile and have been very unfavorable. These are not controlled by any single player due to large number of units in the country. Prices are also affected by the sales allocations made by the Government of India on a monthly basis as well as stocks held by the sugar mills.

Uncertainties in Government policies and regulations governing sugar industry in India also continues to pose risk to the sugar industry. The price for sugarcane to be paid to farmers by a manufacturer is also decided by the Government policy from time to time. The Company is therefore vulnerable to the changes in Government Policy and climatic conditions.

As regards confectionery, the competition from outside sources has been increasing. The competition and increase in costs, mainly material costs affect the sales and margins.

**HUMAN / INDUSTRIAL RELATIONS:**

The Company believes that manpower is the most valuable resource for its growth. Industrial relations have been very cordial. The Company has recruited competent managerial personnel at various levels and personnel policies aim to ensure strengthening the involvement of all in the development of company.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company maintains adequate internal control systems and makes need based suitable changes therein to strengthen the same. The system provides among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of Company's assets.

**CAUTIONARY STATEMENT:**

Statements made in Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, finished goods prices, raw material availability and costs thereof, change in Government regulations, tax structure, economic developments within India .

The Company assumes no responsibility in respect of forward-looking statements which may be amended or modified in future on the basis of subsequent developments, information or events.

**ANNEXURE "B" TO DIRECTORS' REPORT****REPORT ON CORPORATE GOVERNANCE**

This report on Corporate Governance forms part of the Directors' Report. This report besides being in compliance of the mandatory requirement of the Listing Agreement gives an insight into the process of functioning of the Company.

## CORPORATE GOVERNANCE

### Company's Philosophy on Code of Corporate Governance.

The Company's Corporate Governance principles have a strong pedigree of fairness, transparency, ethical processes and good practices. The core values of the organization include Quality, Trust, Leadership and Excellence. At RSFL, Governance has been a journey and we are continuously benchmarking our governance standards to global practices. These efforts give us the confidence of having put in place the right building blocks for future growth in a prudent and sustained manner. This emanates from our strong belief that sound governance is integral to creating value on a sustainable basis.

Company complies with the requirements as laid down in Clause 49 of the Listing Agreement with the Stock Exchanges.

#### 1 Governance Structure

- i) **Board of Directors** - The Members of the Board are free to bring up any matter for discussions at the Board Meetings and the functioning is democratic. The Board is equipped to perform its role of business assessment through inputs from time to time. Directors are fully briefed on all business related matters, risk assessment and minimization procedures and new initiatives proposed by the company. The Board thus plays a key role in framing policies for ensuring and enhancing good governance. Besides its primary role of setting corporate strategies and goals and monitoring corporate performance, the Board directs and guides the activities of the Management towards achieving corporate goals, seeks accountability with a view to achieve sustained and consistent growth aimed at adding value for its stakeholders.
- ii) **Committees of Directors** - The Board has constituted the following committees viz. Audit Committee, Remuneration Committee and Shareholders / Investors Grievance Committee. Each of the Committee has been mandated to operate within a given framework.

#### 2 Board of Directors

##### Composition of Board of Directors

The Board of Directors consists of professionals drawn from diverse fields, who bring in a wide range of skills and experience to the Board. The Board is broad-based and consists of eminent individuals drawn from management, technical, financial and marketing fields. The Company is managed by the Board of Directors in coordination with the senior management team. The day-to-day operations of the Company are conducted by the Chairman and Managing Director, subject to overall supervision and control of the Board of Directors. The Non-Executive Directors and Independent Directors bring external and wider perception and independence in the decision making process. The composition of the Board of Directors, meets with the requirements of Clause 49 (I) (A) of the Listing Agreement. None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees (as specified in Clause 49), across all companies in which they are Directors.

### BRIEF PROFILE :

Brief resume of all the Directors, nature of their expertise in the specific functional areas and also the numbers of other companies in which they hold directorships, memberships/chairmanships of Board Committees and their shareholding in the company is given hereunder.

#### 1 Mr. Harshavardhan B. Doshi – Chairman & Managing Director

Mr. Harshavardhan B Doshi is a science graduate from University of Mumbai. He is son of late Mr. Bharat Gulabchand Doshi, one of the Founder Members of the company. He joined the Board in 1984. He has been associated with Sugar industry for over three decades.

Mr. Harshavardhan B Doshi is also Chairman of Acrow India Limited.

Mr. Harshavardhan B Doshi is the promoter of the company and holds 2070 shares of the company in his name as on 31st March 2011.

#### 2 Mr. Yazdi P. Dandiwala – Director

Mr. Yazdi P Dandiwala is a senior partner of M/s Mulla & Mulla & Craigie Blunt & Caroe, a leading firm of Advocates and Solicitors in Mumbai. He has been in practice for over three decades and has vast experience in the legal field and in particular on matters relating to corporate laws, banking and taxation.

Mr. Yazdi P Dandiwala joined the Board in 1991.

Mr. Dandiwala is a member of the Audit Committee. He is also member of the Shareholders / Investors Grievance Committee and Remuneration Committee.

Mr. Dandiwala is Non Executive Independent Director of the company and he does not hold any shares of the company in his name as on 31st March 2011.



**3 Mr. Moorad Fazalbhoj – Director**

Mr. Moorad Fazalbhoj, is B.A (Hons) from York University, Toronto. He has been associated with the company since 1992. He has held several senior positions in his career including Chairman and Managing Director of Photophone Limited and Chairman of Photophone Comel Private Limited.

Mr. Moorad Fazalbhoj is a member of Audit Committee and member of Remuneration Committee.

Mr. Moorad Fazalbhoj is Non Executive Independent Director of the company and he does not hold any shares of the company in his name as on 31st March 2011.

**4 Mr. Manohar B. Bhide – Director**

Mr. Manohar Bhide is a Mechanical and Electrical Engineer having passed with distinction and has secured 2nd rank in the Pune University. He is fellow of the Institution of Engineers of India. Mr. Bhide had a long tenure with Walchandnagar Industries Limited before he retired as General Manager (Marketing).

Mr. Bhide also worked as Resident Director in Sugar Corporation of Uganda for two and half years.

Mr. Bhide is Chairman of Audit committee of the company and member of Remuneration Committee.

Mr. Bhide is Non Executive Independent Director of the company and he does not hold any shares of the company in his name as on 31st March 2011.

**5 Mr. Nihal H. Doshi. – Executive Director**

Mr. Nihal Doshi joined the Board of Directors in 2008. Prior to joining Ravalgaon on an executive basis in 2011, Mr. Doshi was an Associate at Quadrangle Group, a private equity firm headquartered in New York, USA, focused on investments in media, communications and information services. Prior to joining Quadrangle Group, Mr. Doshi worked for Credit Suisse in the Mergers and Acquisitions group.

Mr. Doshi graduated with a Bachelor of Science, magna cum laude, in economics from the Wharton School at the University of Pennsylvania.

Mr. Nihal Doshi is son of Mr. H B Doshi. He does not hold any shares of the company in his name as on 31st March 2011.

**6 Mr. Ashok S. Ashtekar – Director**

Mr. Ashok Ashtekar joined the Board in October 2009. He is an Engineer.

Mr. Ashok Ashtekar is Non Executive Independent Director of the company and he does not hold any shares of the company in his name as on 31st March 2011. He is a member of the Audit Committee.

**ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING.**

Four Board of Directors Meetings were held during the financial year ended 31st March 2011 on:

21st April 2010, 27th July 2010, 28th October 2010 and 25th January 2011.

The details in regard to attendance of Directors at Board Meetings/shareholders meetings, the number of Directorship(s) held in Indian public limited companies and the position of Membership/Chairmanship of Audit Committees and shareholders' investors grievance committees in such Indian public limited companies are given below

Name of the Director	Category	No of Board Meetings attended	Attendance at the last AGM	Directorships in other Public Ltd. companies	No of Board Comitees positions held in other companies	
					Chairman	Member
Mr. H. B. Doshi	Promoter	4	Yes	2		
Mr. M. B. Bhide	Independent	3	No	2	1	3
Mr. Y. P. Dandiwala	Independent	2	No	2		
Mr. Moorad Fazalbhoj	Independent	3	No	1		2
Mr. Ashtekar	Independent	3	Yes	1		
Mr. Nihal H Doshi	Promoter	1	No	2		

**Note:** \*This excludes directorships in Foreign Comapnies, Private Companies, Companies formed under section 25 of the Companies Act, 1956, Govt Bodies and Directorship in The Ravalgaon Sugar Farm Ltd.

It is to be noted that the non executive Independent Directors of the company have no stake in the shareholding of the company.

## Board Procedures

The Board generally meets once in a quarter to review the quarterly business and financial performance of the Company. These Meetings are scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. All the items on the Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial/business plans, financial results and the same are tabled at the meeting.

The Agenda and the relevant notes are sent in advance separately to each Director and only in exceptional cases, the same is tabled at the meeting. The Minutes of the Board Meetings are also circulated in advance to all Directors and confirmed at subsequent Meeting. The Board reviews the performance of the Company every quarter vis-à-vis the targets set by them and helps in the major strategic decisions and policy formulations. The Members of the Board are also free to recommend the inclusion of any matter for discussion in consultation with the Chairman.

The Board members are briefed at every Board Meeting, on the overall performance of the Company, with presentations by Business Heads and Senior Management. The performance vis-à-vis budgets are also presented to the Members of the Board. The information as specified in Annexure (I) (A) to Clause 49 of the Listing Agreement is regularly made available to the Board. The Minutes of Audit Committee and other Committees of the Board are circulated in advance to all Directors, regularly placed before the Board and noted by the Board.

## Audit Committee :

The composition, quorum, powers, role, review of information, scope, etc., of the Audit Committee is in accordance with the Section 292A of the Companies Act, 1956 and the provisions of Clause 49 II. (A), (B), (C), (D) and (E) of the Listing Agreement. The Audit Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors. The Audit Committee inter-alia provides assurance to the Board on the adequacy of the internal control systems and financial disclosures. The Terms of Reference of the Audit Committee are as per the provisions and requirements of the Listing Agreement with the Stock Exchanges and in accordance with Section 292A of the Companies Act, 1956. These broadly include approval of Annual Internal Audit Plan, review of financial reporting system, internal controls system, discussion on quarterly, half-yearly and annual financial results, interaction with Statutory and Internal Auditors, In-camera meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory and Cost Auditors and fixing their remuneration, appointment and remuneration of Internal Auditors, Review of Business Risk Management Plan, Management Discussions & Analysis, Review of Internal Audit Reports, significant related party transactions. The Company has framed the Audit Committee Charter for the purpose of effective compliance of Clause 49 of the Listing Agreement. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice. Additionally, the following terms of reference were issued to the Audit Committee by the Board of Directors:

- a) to consider and recommend to the Board the following:
  - (i) investment guidelines for treasury operations;
  - (ii) Capital expenditure for enhancement of production capacity (excluding capital expenditure for normal maintenance /repairs /replacements).
- b) to review the Annual Budget.
- c) to take note of the significant decisions taken, or important developments considered at the Management Committee/ Working Board Meetings.
- d) to carry out any other duties that may be delegated to the Audit Committee by the Board of Directors from time-to-time.

The Audit Committee, while reviewing the Annual Financial Statements also reviewed the applicability of various Accounting Standards (AS) referred to in sub-section (3C) of Section 211 of the Companies Act, 1956. Compliance of the Accounting Standards as applicable to the Company has been ensured in the preparation of the Financial Statements for the year ended 31st March 2011. The Company has appointed a firm of Chartered Accountants as Internal Auditors to review the internal control systems of the Company and to report thereon. The report of the Internal Auditors is reviewed by the Audit Committee.

## The Members of the Audit Committee comprised of the following:

Name	Designation	Category & Status	Qualification required to be a member
Mr. M. B. Bhide	Chairman	Non-Executive Independent Director	He has requisite accounting and managerial expertise
Mr. Y. P. Dandiwala	Member	Non-Executive Independent Director	He has requisite accounting and managerial expertise
Mr. M. Y. Fazalbhoy	Member	Non-Executive Independent Director	He has requisite accounting and managerial expertise
Mr. A.S. Ashtekar	Member	Non-Executive Independent Director	He has requisite accounting and managerial expertise

Mr. A.S. Ashtekar was appointed on the Audit committee on recommendation of the Board of Directors w.e.f 25th April 2011.

**Meetings and Attendance:**

During the year 2010-2011 four meetings of the Audit Committee were held on the dates mentioned hereinafter viz 21st April 2010, 27th July 2010, 28th October 2010, 25th January 2011.

The attendance of the Members at the Audit Committee Meetings are as under :

Name of the Audit Committee Member	No of meetings held	No. of Audit Committee Meetings Attended
Mr. M. B. Bhide	4	3
Mr. Y. P. Dandiwala	4	2
Mr. Moorad Fazalbhoj	4	3
Mr. A. S. Ashtekar	-	-

**Remuneration Committee :****Terms of Reference**

The terms of reference of the Remuneration Committee are:

- (1) Reviewing the overall compensation policy, service agreements and other employment conditions of Managing / Whole Time Director(s).
- (2) Reviewing the performance of the Managing/Whole time director(s) and recommending to the Board the quantum of annual increments and annual commission.

**Composition, Meetings and Attendance**

The Remuneration committee comprises of 3 directors, all of whom are Independent Non Executive Directors. The Chairman of the committee is an Independent Non Executive Director nominated by the Board.

The Composition of the Remuneration Committee is as follows.

Name of Director	Designation	Status
Mr. Y. P. Dandiwala	Chairman	Independent, Non Executive
Mr. M. B. Bhide.	Member	Independent, Non Executive
Mr. Moorad Fazalbhoj	Member	Independent, Non Executive

During the year 2010-11, the committee met on 28th December, 2010.

**Remuneration Policy****a) Remuneration to Non-executive Directors**

The Non Executive Directors are paid sitting fees @ Rs 2000/- for each meeting of the Board or any committee thereof attended by them.

The compensation of Non Executive Directors is approved unanimously by the Board. None of the Non Executive Directors has any material pecuniary relationship or transactions with the company.

**b) Remuneration to Chairman and Managing Director and Whole Time Director(s)**

The appointment of Chairman and Managing Director and Whole Time Director(s) is governed by resolutions passed by the Board of directors and shareholders of the company, which covers the terms of such appointment and remuneration read with service rules of the company. Payment of remuneration to Chairman and Managing Director and Whole Time Director(s) is governed by the respective agreements executed between them and the company. Remuneration paid to Chairman and Managing Director and Whole Time Director(s) is recommended by the Remuneration committee, approved by the Board and is within the limits set by the shareholders at the Annual General Meetings.

The remuneration package of Chairman and Managing Director and Whole Time Director(s) comprises of salary, perquisites and allowances, commission and contribution to Provident and other retirement benefit funds as approved by the shareholders at the Annual General Meetings. Annual increments are linked to performance and are decided by the Remuneration Committee and recommended to the Board for approval thereof.

The remuneration policy is directed towards rewarding performance, based on review of achievements, it is aimed at attracting and retaining high caliber talent.

There is no separate provision for payment of severance fees under the resolutions governing the appointment of Chairman and Managing Director and Whole Time Director(s).

# The Ravalgaon Sugar Farm Ltd.

Presently the company does not have a scheme for grant of stock options or performance-linked incentives for its Directors.

## Remuneration to Directors

Details of remuneration paid to the Chairman & Managing Director, Mr. H. B. Doshi, and Executive Director, Mr. Nihal H. Doshi, for the financial year ended on 31st March 2011 are as follows:

Particulars	Current Year Rs. in Lacs	Previous Year Rs. In lacs
Salary and Allowances	36.75	27.00
Perquisites	1.78	8.79
Contribution to Superannuation and Provident Fund	3.24	6.28
<b>Total Remuneration</b>	<b>41.77</b>	<b>42.07</b>

- a) Severance fees –not applicable .b) Service contract for three years. c) Notice period 6 months.  
No remuneration was paid to any non-executive director.
- b) Sitting fees aggregating Rs.44,000/- for attending the Board Meetings and Committee Meetings.

	Rs.
Mr..Y.P.Dandiwala	10000
Mr..M.B.Bhide	14000
Mr..Moorad Fazalbhoj	14000
Mr. Ashtekar	6000
<b>Total</b>	<b>44000</b>

## Shareholders / Investors Grievance Committee:

As a measure of good Corporate Governance and to focus on the investors' grievances and to expedite the transfer process in the physical segment, the Board has constituted a Shareholders / Investors Grievance Committee which comprises of three non-executive Directors Mr. Y. P. Dandiwala, Mr. A.S. Ashtekar and Mr..M.B.Bhide.

During the year only one complaint was received from Shareholders / Investors. The letters relating to dividend warrant, etc. were also attended to promptly. On periodical basis a report on share transfers and complaints were submitted to the Committee Members. No complaints were pending at the end of the year 31st March 2011.

## Compliance Officer

Mr. Pritesh Shah, Compliance Officer resigned with effect from 31st May 2011. The Board has designated Mr. Sanjay Patil as the Compliance Officer in his place.

## DETAILS OF SHAREHOLDERS' COMPLAINTS RECEIVED, NOT SOLVED AND PENDING SHARE TRANSFERS.

Number of Shareholders complaints received during the year	Nil
Number of complaints not solved to the satisfaction of shareholders	Nil
Number of pending share transfer: (Except those rejected on technical grounds)	Nil

## RISK MANAGEMENT

The Company has set in motion a system for management of risks associated with the orderly functioning of the Company. The audit committee has been mandated the accountability for integration of risk management practices into day to day activities.

**General Body Meetings :**

The details of Annual General Meetings held in last five years are as follows:

AGM	Day	Date	Time	Venue
72nd	Saturday	30.09.2006	03.00 p.m.	Krida Mandal Hall, Ravalgaon – 423 108, Taluka : Malegaon, Dist. Nasik, Maharashtra
73rd	Saturday	29.09.2007	10.00 a.m.	
74th	Thursday	14.08.2008	09.00 a.m.	
75th	Tuesday	29.09.2009	11:30 a.m.	
76th	Thursday	30.09.2010	10:00 a.m.	

During the Financial Year ended March 2006, an Extra Ordinary General Meeting (EOGM) was held on 13th June 2005 wherein a Special Resolution was passed for approval of appointment of Mr. H B Doshi as CMD for a period of three years from 16th January 2005 to 15th January 2008.

During the Financial Year ended 31st March 2009, an Extra Ordinary General Meeting was held on 21st April 2008 for extending the appointment of Mr. H B Doshi as CMD for further period of three years from 16th January 2008 to 15th January 2011.

During the Financial Year ended 31st March 2011, an Extra Ordinary General Meeting was held on 31st March 2011 for re appointment of Mr. H B Doshi as Chairman and Managing Director for 3 years from 16th Jan 2011 and Mr. Nihal H. Doshi as Executive Director for 5 years from 1st Jan 2011.

**SUBSIDIARIES**

There are no subsidiaries of the company.

**DISCLOSURES**

During the last three years, no penalty or strictures have been imposed on the Company by the Stock Exchange/SEBI/Statutory Authorities on matters related to capital markets.

There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large, except as reported elsewhere in the report/accounts.

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments during the year and there are no such instruments, which are outstanding as of the date of this Report.

The Company has complied with the mandatory requirements and has not adopted any non-mandatory requirement of Clause 49 of the Listing Agreements.

**INSIDER TRADING**

The Compliance Officer designated by the Board is responsible for ensuring compliance with Insider Trading Regulations.

**CODE OF CONDUCT**

The Board of Directors have adopted a Code of Business Conduct and Ethics for Directors and Senior Management. The said code has been communicated to the directors and Senior Management. The code is also uploaded on the company's website [www.ravalgaonindia.com](http://www.ravalgaonindia.com)

**Means of Communication**

The approved financial results are forthwith sent to the Listed Stock Exchange and are published in the leading national newspapers namely Free Press Journal and Navshakti (Marathi) within forty-eight hours of approval thereof. These results and other official releases are also available at the company's website [www.RSFLindia.com](http://www.RSFLindia.com) and of the Bombay Stock Exchange Ltd, Mumbai at [www.bseindia.com](http://www.bseindia.com).

(Management Discussions and Analysis Report forms part of this Annual Report.)

**Compliance Certificate of the Auditors**

The Statutory Auditors' Certificate, as stipulated in clause 49 of the listing agreement with Stock Exchanges, that the company has complied with the conditions of Corporate Governance is annexed to the Report of the Directors and Management Discussion and Analysis.

The certificate will be sent to the stock exchange where company's shares are listed.

# The Ravalgaon Sugar Farm Ltd.

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## General Shareholder Information :

Date, time and venue of AGM	: Thursday, 29th September 2011 at 10:30 A.M. : Krida Mandal Hall, Ravalgaon – 423 108,
Taluka	: Malegaon, Dist. Nasik
Accounting Year	: April to March
Dates of Book Closure	: Wednesday, 21st September 2011 to Thursday, 29th September 2011 (both days inclusive)
Listing on Stock Exchanges	: The Stock Exchange, Mumbai
Listing Fees	: Paid the Listing fee to the Stock Exchange, Mumbai
Demat Arrangement	: With NSDL and CDSL
ISIN NO.	: INE 615 A01017
Registered Office	: P.O. Ravalagaon, Taluka- Malegaon, Dist. Nasik, Ravalgaon – 423 108.
Company's E-Mail ID	: accounts.factory@ravalgaon.in
Compliance Officer	: Mr. Sanjay Patil

Exclusive Email ID for redress of investor complaints :  
in terms of clause 47(f) of the Listing Agreement following email address is exclusive for shareholders complaints :  
rsflconf@ravalgaonindia.com

## Share Price on Mumbai Stock Exchange :

High / Low during the last Financial Year 2010-2011: High Rs.9345 / Low Rs.5802

Month	Share Price (Rs)	
	High	Low
April, 2010	7850	6932
May, 2010	7640	6401
June, 2010	7350	6700
July, 2010	8400	6880
August, 2010	8690	6910
September, 2010	9345	7822
October, 2010	9144	8000
November, 2010	8944	7200
December, 2010	7939	7095
January, 2011	7820	6503
February, 2011	6788	6000
March, 2011	6225	5802

## Shareholding Pattern as on 31st March 2011 :

Category	% of Shareholding	No. of shares held
Promoters & Persons acting in concert	52.88	35956
NRI & Foreign Institutional Investors	0.46	314
Nationalised Banks, Financial Institutions & Insurance Cos.	0.06	44
Indian Public	46.60	31686
<b>Total</b>	<b>100.00</b>	<b>68000</b>

**Distribution of Shareholding as on 31st March 2011 :**

No. of Equity Shares	Number of Shareholders	% of Shareholders	No. of Shares	% of Shares
1 – 500	4448	99.91	30386	44.69
501 – 1000		0.00		0.00
1001 – 2000	1	0.02	1345	1.98
2001 – 3000	1	0.02	2883	4.24
3001 – 4000		0.00		0.00
4001 – 5000		0.00		0.00
5001 – 10000	1	0.02	5020	7.38
10001 – and above	1	0.02	28366	41.71
<b>Total</b>	<b>4452</b>	<b>100.00</b>	<b>68000</b>	<b>100.00</b>

**Additional Shareholders Information :****77th ANNUAL GENERAL MEETING**

DAY, DATE & TIME : Thursday, 29th September 2011 at 10:30 A.M.  
 PLACE : Krida Mandal Hall, Ravalgaon – 423 108, Taluka Malegaon, Dist. Nasik, Maharashtra.

**BOOK CLOSURE :**

The dates of book closure are from Wednesday, 21st September 2011 to Thursday 29th September 2011 (both days inclusive)

**Calendar for Financial results : Financial Year April 2011 to March 2012**

First quarter results : Second week of Aug, 2011  
 Second quarter and half yearly results : Last week of October, 2011  
 Third quarter results : Last week of January, 2012  
 Fourth quarter results : Last week of April, 2012  
 Yearly results : Last week of July, 2012

**LISTING AND STOCK CODES :**

The Company's equity shares are listed on The Stock Exchange, Mumbai (BSE). The stock code at the said Stock Exchange is 507300.

**PLANT LOCATIONS :**

The Ravalgaon Sugar Farm Ltd.  
 P.O. Ravalgaon - 423 108, Taluka Malegaon, Dist. Nasik, Maharashtra

**ADDRESS FOR CORRESPONDENCE :****Registered Office :**

The Ravalgaon Sugar Farm Ltd.  
 P.O. Ravalgaon - 423 108,  
 Taluka Malegaon, Dist. Nasik, Maharashtra  
 Tel : (02554) 270238 / 270274, Fax ; (02554) 270284  
 Email : accounts.factory@ravalgaon.in

**Registrars & Share Transfer Agents :**

Freedom Registry Ltd.  
 Plot No.101/102, 19th Street  
 MIDC Industrial Area, Satpur, Nasik - 422 007, Maharashtra  
 Tel : (0253) 2354032. Fax : (0253) 2351126  
 Email : amtrac\_nsk@sancharnet.in

**Declaration on compliance of the Company's Code of Conduct :**

It is hereby confirmed that all the non-executive directors, executive directors & senior management personnel of the Company have affirmed due observance of the Code of Conduct in so far as it is applicable to them and there is no non-compliance thereof for the financial year ended 31st March 2011.

For **The Ravalgaon Sugar Farm Limited**

Mumbai  
 Dated : 25th July 2011.

**HARSHAVARDHAN B. DOSHI**  
 Chairman & Managing Director

## **ANNEXURE "C" TO DIRECTORS' REPORT**

### **To**

The Members,

**The Ravalgaon Sugar Farm Limited**

P.O Ravalgaon - 423108

Taluka – Malegaon, Dist Nasik, Maharashtra

CIN L01110MH1933PLC001930

Nominal Capital Rs. 6.00 CRORES

We have examined the registers, records, books and papers of THE RAVALGAON SUGAR FARM LIMITED (the company) as required to be maintained under the Companies Act, 1956 (the Act) and rules made there under and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31st March 2011. 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, agents, we certify that in respect of the financial year ended on 31st March 2011.

1. The company has kept and maintained all the 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 the 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, Regional Director, Central Government, Company Law Board, or other authorities within the time prescribed under the Act and the rules made there under.
3. The company is a public limited company and has paid up capital of Rs 34,00,000/ (Rupees Thirty Four Lacs only) as on 31st March 2011.
4. The Board of Directors duly met 4 times on 21st April 2010, 27th July 2010, 22nd October 2010 and 25th January 2011 and in respect of such meetings proper notices was given and proceedings were properly recorded and signed.
5. The company closed its Register of Members from Wednesday, 15th September 2010 to Thursday, 30th September 2010.
6. The Annual General Meeting for the financial year ended 31st March 2010 was held on 30th September 2010 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes book maintained for the purpose.
7. One Extra Ordinary General Meeting was held during the financial year on 31st March 2011 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
8. The company has not advanced any loans to its Directors or persons or firms or companies referred to under section 295 of the Act.
9. The company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section
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 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or the Central Govt.



12. The company has issued duplicate share certificates during the financial year after complying with the provisions laid down in the Act.
13. During the financial year ended 31st March 2011, the Company has:
  - (i) Delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act. The company has not made any allotment of securities during the financial year.
  - (ii) Deposited the amount of dividend declared in a separate Bank account in accordance with the provisions of the Act.
  - (iii) Posted warrants for dividends to all the members within a period of 30 (thirty) days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to Unpaid dividend account of the company within the stipulated time.
  - (iv) Transferred the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid to Investor Education and Protection Fund/Central Govt in accordance with the provisions of the Act.
  - (v) Duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. No appointment of additional director was made during the year. There was no appointment of Alternate Directors and Directors to fill casual vacancies during the financial year ended March 31, 2011.
15. The appointment of Chairman and Managing Director has been made in compliance with provisions of the Act read together with schedule XIII. The approval of the Central Government is awaited to Form No 25A filed by the company on 31st May 2011.
16. The company has not made any appointment of sole selling agents during the year.
17. The company has sought approval of the Central Govt. for reappointment and payment of remuneration to Chairman and Managing Director.
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/other securities during the financial year.
20. The company has not bought back any shares during the financial year.
21. There was no redemption of preference shares/debentures during the financial year.
22. There was no transaction necessitating the company to keep in abeyance the right to dividend, 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 amount borrowed by the company from directors, members, public, financial institutions, banks and others during the financial year ending 31st March 2011 is within the borrowing limits of the company.

## The Ravalgaon Sugar Farm Ltd.

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25. The company has given loans and made investments in other bodies corporate in compliance with the provisions of section 372A and has made necessary entries in the register kept for that 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 any of the provisions of its Articles of Association during the year under scrutiny.
31. There were no prosecutions initiated against or show cause notices received by the company and no fines or penalties or any other penalties or punishments were imposed on the company during the financial year for any of the offences under the Act.
32. The company has not received any money as security from its employees during the year under certification.
33. The company has deposited both employees' and employer's contribution to Provident Fund with the prescribed authority pursuant to section 418 of the Companies Act, 1956

Place    Mumbai  
Date: July 25, 2011

Signature:

Name: BIPIN RAJE  
C.P No 6147

**ANNEXURE A**

- (1) Register of Members u/s 150 of the Act
- (2) Register of Directors shareholding u/s 307 of the Companies Act, 1956
- (3) Register of Directors, Managing Director, Manager and Secretary u/s 303 of the Companies Act, 1956
- (4) Books of accounts and cost records u/s 209(1) of the Act
- (5) Register of Particulars of Contracts in which Directors are interested u/s 301
- (6) Register of Directors Attendance
- (7) Minutes of the General Meetings and Board Meetings u/s 193 of the Act
- (8) Register of charges u/s 143 of the Act
- (9) Register of Fixed Deposits u/s 58A of the Companies Act, 1956

**ANNEXURE B**

Forms and Returns as filed by the Company with the Registrar of Companies, Maharashtra, Mumbai during the financial year ending on 31st March 2011

Form No/ Return	Filed Under Section	Purpose	Date of Filing	Whether filed In time	Requisite late filing fees In case of delay in Filing
1 Annual Return Form No 20B	159	Annual Return for the Financial Year ended 31st March 2010 - SRN P60200540	19th November 2010	Yes	NA
2 Balance Sheet Form No 23AC and 23ACA	210	For the Year Ended 31st March 2010 - SRN P566608714	26th October 2010	Yes	NA
3 Compliance certificate Form No 66	383 A	Compliance Certificate for the year ended 31st March 2010 - SRN P53838975	07th October 2010	Yes	NA
4 Transfer of Unpaid Deposits/Dividends	205C	A83502740	23rd April 2010	Yes	NA
5 Return of Deposits Form No 62	58A	For the Financial Year ended 31st March 2010 - SRN A87917225	28th June 2010	Yes	NA
6 Return of Deposits Form 62	58A	For the Financial Year ended 31-03-2011 - SRN B15185994	29th June 2011	Yes	NA
7 Form No 8		Creation of Charge - SRN A83613265	25th April 2010	No	Yes
9 Form No 8		Creation of charge - SRN B12276507	17th May 2011	Yes	NA
10 Transfer of Unclaimed FD		- B08194508	19th March 2011	Yes	NA
11 Form 1INV		- B12647038	23rd May 2011	No	Yes
12 Form 25A		Application to Central Govt. for approval for increase in remuneration of Mr H B Doshi Chairman and Managing Director - B13225198	31st May 2011	Yes	NA
13 Form 1		Submission of Cost Audit Report for March 2009 - A82515149	09th April 2010	Yes	NA
14 Form 1		Submission of Cost Audit Report for March 2010 - B15329071	30th June 2011	Yes	NA
15 Form 23C		Approval of Central Govt for Appointment of Cost Auditor for March 2011 - S05431994	29th June 2011	Yes	NA
16 Form 23C		Approval of Central Govt for Appointment of Cost Auditor for March 2012 - S 05530373	19th July 2011	Yes	NA

\*Arrangement is not in Chronological Order

**ANNEXURE "D" TO DIRECTORS' REPORT**

**1) Disclosure of Particulars with respect to Conservation of Energy**

	Current Year	Previous Year
<b>A. Power and Fuel Consumption :</b>		
1) <b>Electricity:</b>		
(a) Purchased (from M.S.E.B.)		
Units (KWH in lacs)	15.08	16.6
Rate/Unit (Rs.)	5.75	5.47
Total amount (Rs. in lacs)	86.71	90.8
(b) Own Generation		
i) Diesel Generator		
Units (KWH in lacs)	1.92	2.95
Units (KWH) per litre of Diesel Oil	3.29	3.46
Cost/per Unit (Rs.)	12.11	10.14
ii) Steam Turbine / Generator		
Unit (KWH in lacs)	29.28	5.33
Unit (KWH) per M.T. of Bagasse	166.56	177.71
Cost / per Unit (Rs.)	10.81	6.75
2) <b>Coal :</b>		
Quantity (MTs)	Nil	Nil
Total cost (Rs in lacs)	Nil	Nil
Rate per MT (Rs)	--	--
3) <b>Furnace Oil :</b>		
Quantity (MTs)	Nil	Nil
Total cost (Rs in lacs)	Nil	Nil
Rate per MT (Rs)	--	--
4) <b>Others / Internal Generation :</b>		
i) Fire wood consumed:		
Quantity (M.T.)	205.6	173.51
Total Cost (Rs. in lacs)	6.49	4.2
Rate / Per M.T. (Rs.)	3,155.14	2,419.13
ii) Bagasse / Maka buds		
Quantity (M.T.)	1,053.54	1,574.55
Total Cost ( Rs. in lacs)	25.58	25.72
Rate per M.T. (Rs.)	2,428.57	1,633.52
<b>B. Consumption per Unit of Production : (Electricity / Power in KWH)</b>		
Sugar (per M.T.)	22.77	52.7
Confectionery (per M.T.)	317.48	254.87

**2) Disclosure of Particulars with respect to Technology Absorption :**

A. Research and Development (R&D) :

1. Specific areas in which R&D carried out by the Company
  - a. Production & process improvement / development
  - b. Development of new products and improvement in existing products.
2. Benefits derived as a result of above R & D
  - a. Quality improvement of existing products
  - b. Development of new products
3. Future Plan of action :

The ongoing programme of R&D will continue for development of new products processes and improvement of existing products and processes.
4. Expenditure on R&D :

There is no capital expenditure on account of R&D and the recurring expenditure is not significant as compared to total turnover.

B. Technology Absorption, Adaptation and Innovation :

The Company did not enter into any foreign collaboration for the purpose of technical assistance and technology was not imported for the purpose of product improvement, development of new products or new process.

**3) Foreign Exchange Earning and Outgo :**

During the year there are no export sales. Details of Foreign Exchange outgo are given in Schedule N note no.15 C (Notes to the Accounts).

**AUDITOR'S REPORT**

The Shareholders

**The Ravalgaon Sugar Farm Limited,**

1. We have audited the attached Balance Sheet of The Ravalgaon Sugar Farm Limited as at March 31, 2011, and the Profit & Loss Account and Cash Flow Statement for the year ended on that date. 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 ("The Act"), as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 on the basis of the information and explanation given to us, and on the basis of such checks as we considered appropriate, we give in the Annexure, hereto a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above we report that:
  - a. We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our Audit.
  - b. In our opinion, proper Books of Account as required by Law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet and Profit & Loss Account referred to in this report are in agreement with the Books of Account.
  - d. On the basis of written representation received from the Directors of the Company as at March 31, 2011 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2011 from being appointed as Director in terms of clause {g} of sub section {1} of section 274 of the Companies Act, 1956.
  - e. In our opinion, the Balance Sheet, Profit and Loss Account and Cash flow statement dealt with by this report comply with the mandatory Accounting Standards referred to in sub – section (3C) of section 211 of the Companies Act, 1956 **except for the accounting standard relating to employee benefits referred in para 4(f) below.**
  - f. **No provision has been made for the present value of the accrued Gratuity liability (net of adhoc partial provision of Rs. 34 Lacs made during the year and funds lying with LIC of India) and valued actuarially by a independent actuary as at March 31, 2011 amounting to Rs. 388.93 Lacs as detailed in Note 13 of Schedule N of financial statements. Therefore the profit for the year is over stated by Rs.50.72 lacs and the Reserves and Surplus of the company as at March 31, 2011 are higher by Rs. 388.93 lacs.**
  - g. **No provision has been made for excise duty payable amounting to Rs.164.64 lacs on the closing stock of finished goods held in the factory as at the close of the year. The same is being accounted for at the point of sale/transfer of goods as detailed in note no.7 of Schedule N. This accounting treatment is not in accordance with the Guidance note on Accounting for Excise Duties issued by the Institute of Chartered Accountants of India. However, this accounting treatment does not have any impact on the Profit for the year, but the closing value of the finished goods inventory would have been higher by Rs.164.64 lacs and other liabilities which include Provision for Excise Duty payable would have been higher by like amount.**
  - h. Subject to the effect of matters contained in Para 4 (f) (g) above, In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - i In so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March 2011

- ii In so far as it relates to the Profit and Loss Account, of 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 of the Company for the year ended on that date.

For V.Sankar Aiyar & Co.  
Chartered Accountants  
Firm Regn No: 109208W

Arvind Mohan  
Partner  
Membership No.124082

Place : Mumbai  
Dated : July 25, 2011

## Annexure to Auditors' Report

Referred to in Paragraph 3 of our report of even date

1. In respect of its fixed assets:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b. As explained to us, the fixed assets have been physically verified by the management as per the phased programme of physical verification of fixed assets. As informed to us programme is such that all the Fixed assets will get physically verified in two years time which in our opinion is reasonable having regard to the size of the Company and the nature of its Fixed assets. The reconciliation between assets and physically verified and books of account is in progress and not material discrepancies have been noticed.
  - c. In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of inventory;
  - a. The stock of finished goods and raw material has been physically verified during the year by the Management. The Company has a perpetual inventory system in respect of stores and spare parts. In our opinion, the frequency of verification is reasonable.
  - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and nature of its business.
  - c. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company.
3.
  - a. The company has not granted any loans secured or unsecured to any party covered in the register maintained under section 301 of the Act. Therefore, the requirements of Clause 4(iii) (b), (c) and (d) of the Order are not applicable to the Company.
  - b. During the year, the company has taken interest-bearing loan of Rs. 140 Lacs from three companies covered in register maintained under section 301 of Companies Act, 1956. The existing unsecured loans have an outstanding balance of Rs. 240 Lacs as on March 31, 2011 and maximum balance of Rs. 240 Lacs during the year.
  - c. The rate of interest and other terms and conditions of loan taken are not prima-facie prejudicial to the interest of the Company.
  - d. The company is regular in repayment of the principal amount of loan taken and interest as stipulated.

## The Ravalgaon Sugar Farm Ltd.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventories, fixed assets and also for the sale of goods and services. During the course of audit, we have not observed any other continuing failure to correct major weaknesses in the internal control.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:
  - a. In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956, have been entered in the register required to be maintained under that section.
  - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of aforesaid contracts or arrangements in excess of Rs.5 lacs in respect of any party, have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has complied with the provisions of Section 58A, 58AA or any other relevant provisions of the Act and the rules framed under for deposits Accepted from public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
7. In our opinion, the company has an internal audit system commensurate with its size and the nature of its business. However, there is a need to strengthen the same by increasing its scope and coverage of areas of fixed assets.
8. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the rules made by the Central Government for the maintenance of the Cost records under Section 209(1)(d) of the Act and we are opinion that prima-facie, the prescribed accounts and records have been made and maintained.
9. In respect of the statutory dues:
  - a. According to the records of the Company, undisputed statutory dues including, Investor Education and Protection Fund, Income Tax, Wealth Tax, Service Tax, Customs Duty, Excise duty, cess and other material statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2011 for a period of more than six months from the date of becoming payable.

Nature of dues	Amount not deposited in Rs. In lacs	Period to which the amount relates	Forum where dispute is pending
Sugarcane Purchase Tax Act. Sugarcane Purchase tax payable on harvesting and transport charges.	60.92	1995 to 1999.	High Court Mumbai
The Bombay Electricity Duty Act,1958. Electricity duty on own generation.	76.33	April,2005 to March,2009.	High Court Mumbai
The Central Excise Act,1944.	136.36	March,2002 to October, 2006	Customs, Excise and Service Tax Appellate Tribunal and Commissioner (Appeals)
Income Tax Act,1961	4.20 6.58 14.95	A.Y 2005-06 A.Y 2006-07 AY 2008-09	I.T.A.T (Mumbai) CIT Appeals (Mumbai) CIT Appeals (Mumbai)

- b. According to the information and explanations given to us, there are no disputed dues towards Wealth Tax, Service Tax and Customs Duty outstanding as on March 31, 2011. The following disputed statutory dues on account of Excise duty, Purchase tax and Income Tax have not been deposited with the appropriate authorities;
10. The Company had does not have accumulated losses as per the Balance Sheet as the end of the financial year and has not incurred any cash loss during the year and during the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks.



12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a Nidhi / mutual benefit fund / society. Accordingly, clause 4(xiii) of the Order does not apply.
14. The Company has not traded in securities, debentures and other investments. Accordingly, clause 4(xiv) of the Order does not apply.
15. In our opinion and according to information and explanations provided to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
16. In our opinion and according to the information and explanation given to us, the term loans were applied for the purpose for which they were raised.
17. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the company, funds raised on short-term basis have, prima facie, not been used during the year for making long-term investments.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures during the year. Accordingly, clause 4(xix) of the Order does not apply.
20. The Company has not raised any money by way of public issue during the year. Accordingly clause 4(xx) of the Order does not apply.
21. According to the information and explanations given to us, and based on audit procedures performed and representations obtained from the management, we report that no material fraud on or by the Company, has been noticed or reported during the year under audit.

For **V. Sankar Aiyar & Co.**  
Chartered Accountants  
Firm Regn. No: 109208W

**Arvind Mohan**  
Partner  
Membership No. 124082

Place: Mumbai  
Dated: July 25, 2011

# The Ravalgaon Sugar Farm Ltd.

## BALANCE SHEET AS AT 31ST MARCH 2011

		As At 31-Mar-2011 Rs in Lacs	As At 31-Mar-2010 Rs in Lacs
Schedule			
<b>I. SOURCES OF FUNDS :</b>			
<b>1. Shareholders' Funds</b>			
Share Capital	<b>A</b>	34.00	34.00
Reserves & Surplus	<b>B</b>	3344.60	3400.54
		3378.60	3434.54
<b>2. Loan Funds</b>			
Secured Loans	<b>C</b>	2512.18	740.56
Unsecured Loans	<b>D</b>	1024.74	1010.20
		3536.92	1750.76
<b>3. Deferred Tax Liability (Net)</b>		377.05	399.70
		<b>7292.57</b>	<b>5585.00</b>
<b>II. APPLICATION OF FUNDS :</b>			
<b>1. Fixed Assets:</b>	<b>E</b>		
Gross Block		7178.78	5996.09
Less : Depreciation		4119.36	3893.87
Less : Impairment		32.90	32.90
Net Block		3026.52	2069.32
Capital Work-in-Progress		0.26	3.07
		3026.78	2072.39
<b>2. Investments</b>	<b>F</b>	372.99	2377.73
<b>3. Current Assets, Loans &amp; Advances</b>			
<b>Current Assets</b>	<b>G</b>		
Inventories		4310.37	939.73
Sundry Debtors		206.83	196.88
Cash & Bank Balances		168.19	336.68
Loans & Advances		499.40	311.82
		5184.79	1785.11
<b>Current Liabilities &amp; Provisions</b>	<b>H</b>		
Current Liabilities		1177.60	482.96
Provisions		114.39	167.27
		1291.99	650.23
Net Current Assets		3892.80	1134.88
		<b>7292.57</b>	<b>5585.00</b>
<b>Significant Accounting Policies and Notes to Accounts</b>	<b>N</b>		

As per our report of even date

**For V. SANKAR AIYAR & CO.**

Chartered Accountants  
Firm Registration # 109208W

For and on behalf of the Board of Directors

**HARSHAVARDHAN B.DOSHI**      **NIHAL H. DOSHI**  
Chairman and Managing Director      Executive Director

**ARVIND MOHAN**

Partner  
Membership No : 124082  
Place : Mumbai  
Dated : 25-Jul-2011

**MOORAD FAZALBHOY**

Director

**A. S. ASHTEKAR**

Director

Place : Mumbai  
Dated : 25-Jul-2011

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

	Schedule	Year Ended 31-Mar-2011 Rs in Lacs	Year Ended 31-Mar-2010 Rs in Lacs
<b>INCOME</b>			
Gross Sales		2912.40	6406.33
Less: Excise Duty		<u>165.12</u>	<u>273.16</u>
Net Sales		2747.28	6133.17
Other Income	<b>I</b>	287.62	177.81
Increase/(Decrease) in Stocks	<b>J</b>	<u>3268.32</u>	<u>-1616.88</u>
		<b>6303.22</b>	<b>4694.10</b>
<b>EXPENDITURE</b>			
Manufacturing & Other Expenses	<b>K</b>	5884.83	3476.43
Duties & Taxes	<b>L</b>	24.73	9.65
Interest & Finance Charges	<b>M</b>	156.40	98.31
Depreciation		<u>225.56</u>	<u>225.16</u>
		<b>6291.52</b>	<b>3809.55</b>
<b>(Excess) / Short Provision for earlier years :</b>			
Cane Price for earlier Seasons		-	-
Other Expenses for earlier years		<u>0.23</u>	<u>0.53</u>
		<b>0.23</b>	<b>0.53</b>
<b>Profit/Loss (-) Before Taxation</b>		<b>11.47</b>	<b>884.02</b>
<b>Taxation :</b>			
Provision for Current Tax		3.70	325.00
Provision for Deferred Tax		-22.65	-20.30
Provision for Wealth Tax		1.40	1.25
Short provision for Taxes for earlier years provided		<u>25.69</u>	<u>-36.67</u>
		<b>8.14</b>	<b>269.28</b>
<b>Profit/Loss (-) After Taxation</b>		<b>3.33</b>	<b>614.74</b>
Balance Brought Forward		<u>1156.78</u>	<u>663.51</u>
Amount Available for Appropriation		<b>1160.11</b>	<b>1278.25</b>
Proposed Dividend		51.00	51.00
Dividend distribution tax		8.27	8.47
Transferred to General Reserve		<u>1.00</u>	<u>62.00</u>
<b>Surplus Carried to Balance Sheet</b>		<b>1099.84</b>	<b>1156.78</b>
<b>Earnings Per Share (Basic &amp; Diluted) (in Rs.)</b>		<b>4.90</b>	<b>904.03</b>
For face value of Rs. 50/- per share fully paid up			

### Significant Accounting Policies and Notes to Accounts **N**

As per our report of even date

**For V. SANKAR AIYAR & CO.**

Chartered Accountants  
Firm Registration # 109208W

**ARVIND MOHAN**

Partner

Membership No : 124082

Place : Mumbai

Dated : 25-Jul-2011

For and on behalf of the Board of Directors

**HARSHAVARDHAN B.DOSHI**  
Chairman and Managing Director

**NIHAL H. DOSHI**  
Executive Director

**MOORAD FAZALBHOY**

Director

**A. S. ASHTEKAR**

Director

Place : Mumbai

Dated : 25-Jul-2011

# The Ravalgaon Sugar Farm Ltd.

## SCHEDULES FORMING PART OF THE BALANCE SHEET

	As At 31-Mar-2011 Rs in Lacs	As At 31-Mar-2010 Rs in Lacs
<b>SCHEDULE 'A': SHARE CAPITAL:</b>		
<b>Authorised :</b>		
3,00,000 Preference Shares of Rs. 100/- each (Previous Year 3,00,000 Preference Shares of Rs.100/- each)	300.00	300.00
6,00,000 Equity Shares of Rs.50/- each (Previous Year 6,00,000 Equity Shares of Rs.50/- each)	300.00	300.00
	<u>600.00</u>	<u>600.00</u>
<b>Issued, Subscribed &amp; Paid up :</b>		
68,000 (P.Y. 68,000) Equity Shares of Rs.50/- each Fully Paid-up Note:Out of the above shares, 16,000 Equity Shares are allotted as fully paid up Bonus Shares by capitalisation of Reserves	34.00	34.00
	<u>34.00</u>	<u>34.00</u>
<b>SCHEDULE 'B': RESERVES &amp; SURPLUS</b>		
Capital Redemption Reserve	20.00	20.00
Cash Subsidy Reserve	20.00	20.00
General Reserve	2203.76	2141.76
Add : Transfer from Profit & Loss Account	1.00	62.00
	2204.76	2203.76
Profit & Loss Account	1099.84	1156.78
	<u>3344.60</u>	<u>3400.54</u>
<b>SCHEDULE 'C' : SECURED LOANS:</b>		
<b>Term Loan from Government of India</b>		
Under Sugar Development Fund for modernisation of Sugar Mill. (Secured Against First charge on Fixed Assets and Payable in 5 equal instalments. Due within one year Rs 21.16 lacs. Previous year Rs 21.16 lacs)	21.16	42.32
<b>Term Loan from State Government</b> (Secured by bank guarantee, which in turn is secured by residual charge on fixed assets) Due within one year Rs 7.56 lacs. Previous year Rs 7.56 lacs)	37.82	37.82
<b>Loans from Banks :</b> (Secured by residuary charge on Fixed Assets. Repayable within 1 year Rs. 314.21 lacs, Previous Year Rs. 342.77 lacs)	314.21	656.99
<b>Other Term Loans</b> (Against hypothecation of Office property and Guarantee given by the company. Installment due within one year Rs. 68.33 lacs. Previous year Rs. Nil.)	837.98	-
<b>Vehicle Loans from Banks :</b> (Secured by hypothecation of specific vehicles.Installment due within one year Rs.Nil. Previous year Rs 1.34 lacs)	-	1.34
<b>Cash Credit from Banks</b> (Against hypothecation of Raw materials, Stores, Spares, Stock-in-trade, Receivables etc. and second charge on fixed assets)	1301.01	2.09
	<u>2512.18</u>	<u>740.56</u>
<b>SCHEDULE 'D': UNSECURED LOANS:</b>		
Fixed Deposits	530.17	615.25
Inter Corporate Deposits	240.00	100.00
Loan from Sicom (Sales Tax Deferment Loan)	254.57	294.95
	<u>1024.74</u>	<u>1010.20</u>
(Repayable within one year Rs 561.44 lacs. Previous year Rs 307.54 lacs)		

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

**Schedule "E" : FIXED ASSETS**

Rs in Lacs

Particulars	Gross Block		Deductions during the year	Gross Block		Depreciation		Impairment of Assets		Net Block		
	As at 01-Apr-2010	Additions during the year		As at 31-Mar-2011	As at 01-Apr-2010	For the Year	Deductions	As at 31-Mar-2011	As At 01-Apr-2010	During the year	As At 31-Mar-2011	As at 31-Mar-2010
Freehold Land	5.10	-	-	-	-	-	-	-	-	-	5.10	5.10
Buildings & Godowns	905.68	1058.83	-	323.84	26.45	-	350.29	-	-	-	1614.22	581.84
Plant & Machinery	4801.88	106.55	-	3399.87	182.74	-	3582.61	32.90	-	32.90	1292.92	1369.11
Furniture & Fixtures	131.74	16.18	-	74.68	6.36	-	81.04	-	-	-	66.88	57.06
Vehicles	106.42	-	-	68.16	8.18	-	76.34	-	-	-	30.08	38.26
Office Equipment	45.27	1.69	0.56	27.32	1.83	0.07	29.08	-	-	-	17.32	17.95
<b>Total</b>	<b>5996.09</b>	<b>1183.25</b>	<b>0.56</b>	<b>3893.87</b>	<b>225.56</b>	<b>0.07</b>	<b>4119.36</b>	<b>32.90</b>	<b>-</b>	<b>32.90</b>	<b>3026.52</b>	<b>2069.32</b>
Capital Work-in-Progress											0.26	3.07
<b>Grand Total</b>	<b>5996.09</b>	<b>1183.25</b>	<b>0.56</b>	<b>3893.87</b>	<b>225.56</b>	<b>0.07</b>	<b>4119.36</b>	<b>32.90</b>	<b>-</b>	<b>32.90</b>	<b>3026.78</b>	<b>2072.39</b>
Previous Year	5942.88	74.40	21.19	3687.88	225.16	-	3893.87	32.90		32.90	2072.39	

# The Ravalgaon Sugar Farm Ltd.

## SCHEDULES FORMING PART OF THE BALANCE SHEET

	As At 31-Mar-2011 Rs in Lacs	As At 31-Mar-2010 Rs in Lacs
<b>SCHEDULE 'F' : INVESTMENTS</b>		
<b>A. LONG TERM INVESTMENTS - Shares (Fully paid up)</b>		
<b>Quoted :</b>		
The Scindia Steam Navigation Co.Ltd. 2,419 Equity Shares of Rs.20/- each	0.20	0.20
Dena Bank 15,101 Equity Shares of Rs.10/- each	4.51	4.51
Acrow India Limited 17,600 Equity Shares of Rs.10/- each	8.80	8.80
<b>Unquoted :</b>		
Carina Finvest Limited 36,190 Equity Shares of Rs.10/- each fully paid up	18.61	18.61
Rural Electification Bonds 5.5 % 500 Bonds of Rs.1000/-each	-	50.00
<b>B. Current Investments : Mutual Funds</b>		
ICICI Prudential Liquid Growth Plan ( Nil units. Previous year 25139.559 units)	-	54.98
ICICI PrudentialFlexi daily Dividend ( Nil units. Previous year 99254.453 units)	-	104.97
ICICI Prudential Short Term Firthnightly ( Nil units. Previous year 1755695.947 units)	-	213.35
ICICI Prudential Short Term Monthly (43849.16 units. Previous year 2183809.51 units)	5.31	265.44
HDFC Short Term (52096.54 units. Previous year 3952096.546 units)	5.38	408.00
HDFC Equity Mutual Fund ( Nil units. Previous year 140766.549 units)	-	50.00
HDFC Treasury Advantage Plan (6254.51 units. Previous year 519758.204 units)	0.64	52.14
J P Morgan China growth Fund ( Nil units. Previous year 498777.506 units)	-	51.00
Kotak Floater daily Div (Nil units. Previous year 3206298.340 units)	-	323.19
Kotak Quaterly Interval Plan ( Nil units. Previous year 3500000 units)	-	350.00
Kotak Quaterly Int Plan series 6 ( 10,00,000 units)	100.00	-
Kotak Quaterly Int Plan series 7 ( 22,85,095.491 units)	228.52	-
Releince Short Term (5395.576 units. Previous year 3964867.466 units)	0.57	422.30
UTI Bond Fund. (54684.378 units. Previous year 52849 units)	6.17	5.96
	<b>378.71</b>	<b>2383.45</b>
Less: Provision for Doubtful / Dimishing value of Investments	-5.72	-5.72
	<b>372.99</b>	<b>2377.73</b>
<b>NOTES :</b>		
1) Aggregate of Quoted Investments : At cost	13.51	13.51
Market value	37.33	41.47

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### SCHEDULES FORMING PART OF THE BALANCE SHEET

	As At 31-Mar-2011 Rs in Lacs	As At 31-Mar-2010 Rs in Lacs
<b>SCHEDULE 'G' : CURRENT ASSETS, LOANS &amp; ADVANCES :</b>		
<b>Inventories : At lower of cost or net realisable value</b>		
Stores, Spares and Packing Materials	351.68	368.03
Raw Materials	169.23	50.56
Finished Goods	3727.61	518.74
Work-in-progress/process	61.85	2.40
	<b>4310.37</b>	<b>939.73</b>
<b>Sundry Debtors (Unsecured -Considered Good )</b>		
Over six months	7.89	6.96
Others	198.94	189.92
	<b>206.83</b>	<b>196.88</b>
<b>Cash and Bank Balances :</b>		
Cash in Hand	0.62	1.31
With Scheduled Banks :		
In Fixed Deposit Account	121.67	161.62
In Current Accounts	40.84	169.74
Unclaimed Dividend Accounts	5.06	4.01
	<b>168.19</b>	<b>336.68</b>
<b>Loans &amp; Advances (Unsecured and considered good unless otherwise stated) :</b>		
Advances recoverable in cash or in kind or for value to be received (Net of Doubtful Advances Rs 5.56 lacs. Previous year Rs. 5.56 lacs)	86.09	75.02
Balance with Excise Department	1.46	1.31
Other Deposits	185.30	169.62
Prepaid Expenses	7.53	5.05
Advance Tax (Net of Provision of Rs. 946.02 lacs. Previous Year Rs. 639.46 lacs.)	219.02	60.82
	<b>499.40</b>	<b>311.82</b>
	<b>5184.79</b>	<b>1785.11</b>

# The Ravalgaon Sugar Farm Ltd.

## SCHEDULES FORMING PART OF THE BALANCE SHEET

	As At 31-Mar-2011 Rs in Lacs	As At 31-Mar-2010 Rs in Lacs
<b>SCHEDULE 'H': CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>Current Liabilities :</b>		
Sundry Creditors (*)	114.36	96.55
(*) No dues towards Micro Small and Medium Enterprises		
Bills Payable	39.89	22.35
Advance from Customers	21.71	13.85
Unclaimed Dividends *	5.06	4.01
Unclaimed Fixed Deposits *	10.80	6.31
Interest on Unclaimed Fixed Deposits *	1.60	1.64
* No amount is due to Investor Education and Protection Fund.		
Cane Liabilities	556.24	31.67
Material Liabilities	3.29	1.54
Other Liabilities	237.39	181.05
Sundry Deposits	134.56	82.81
Interest Accrued But Not Due	52.70	41.18
	<b>1177.60</b>	<b>482.96</b>
<b>Provisions :</b>		
Proposed Dividend	51.00	51.00
Tax on Proposed Dividend	8.27	8.47
Provision For Leave Encashment	21.12	32.80
Provision for Gratuity	34.00	75.00
	<b>114.39</b>	<b>167.27</b>
	<b>1291.99</b>	<b>650.23</b>

## SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	Year Ended 31-Mar-2011 Rs in Lacs	Year Ended 31-Mar-2010 Rs in Lacs
<b>SCHEDULE 'I' : OTHER INCOME</b>		
Interest & Dividend (Gross) :		
Dividend Received	93.23	66.25
(Long Term - Rs 0.88 lacs. Previous Year Rs 0.62 lacs)		
(Current - Rs 92.35 lacs. Previous Year Rs 65.63 lacs)		
Interest Received	10.28	12.50
(T.D.S. Rs. 0.82 lacs. Previous Year Rs.0.94 lacs)		
	<b>103.51</b>	<b>78.75</b>
Miscellaneous Income	119.14	48.82
Sales Tax set off	24.75	15.30
Profit on Sale of Investments	29.92	3.98
Profit on Sale of Assets		1.90
Provisions / Liabilities written back	10.30	29.06
	<b>287.62</b>	<b>177.81</b>
<b>SCHEDULE 'J' : CHANGE IN STOCKS</b>		
<b>Stocks at commencement :</b>		
Finished Products	518.74	2121.01
Work-in-Progress/Process	2.40	17.01
	<b>521.14</b>	<b>2138.02</b>
<b>Less : Stocks at close :</b>		
Finished Products	3727.61	518.74
Work-in-Progress/Process	61.85	2.40
	<b>3789.46</b>	<b>521.14</b>
	<b>3268.32</b>	<b>-1616.88</b>



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<b>SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT</b>	<b>Year Ended 31-Mar-2011 Rs in Lacs</b>	<b>Year Ended 31-Mar-2010 Rs in Lacs</b>
<b>SCHEDULE 'K' : MANUFACTURING &amp; OTHER EXPENSES :</b>		
Raw Materials & Components Consumed	3859.46	1612.56
Stores, Spares, Packing Materials & LooseTools Consumed	588.69	350.32
Employees' Remuneration & Benefits		
Salaries, Wages & Bonus	560.33	558.73
Contribution to Provident & Other Funds (Including Provision for Gratuity Rs 34 lacs. Previous year Rs.75 lacs )	96.36	155.84
Welfare Expenses	<u>18.91</u>	<u>17.12</u>
	675.60	731.69
Power & Fuel	112.57	121.34
Repairs & Maintenance :		
Plant & Machinery	39.50	27.45
Buildings	11.26	13.89
Others	<u>39.32</u>	<u>22.58</u>
	90.08	63.92
Freight & Forwarding Expenses	137.48	166.54
Insurance	5.55	5.96
Rent	43.89	56.10
Rates & Taxes	16.50	19.02
Postage & Telephone	12.17	11.82
Printing & Stationery	8.83	7.16
Travelling & Conveyance	166.93	143.27
Other Manufacturing Expense	41.78	28.61
Miscellaneous Expenses	60.86	55.86
Legal & Professional Charges	28.91	35.61
Directors' Fees	0.44	0.44
Advertisement, Publicity & Selling Expenses	19.51	32.42
Commission & Discount	14.27	16.63
Donation	1.08	10.62
Loss on Sale of Assets	0.23	1.02
Provision for diminution in value of Investments	-	5.52
	<b><u>5884.83</u></b>	<b><u>3476.43</u></b>
<b>SCHEDULE 'L' : DUTIES &amp; TAXES</b>		
Excise duty & Sugar Cess	20.32	4.58
Sales Tax	<u>4.41</u>	<u>5.07</u>
	<b><u>24.73</u></b>	<b><u>9.65</u></b>
<b>SCHEDULE 'M' : INTEREST &amp; FINANCE CHARGES</b>		
Interest on Cash Credit	33.75	3.04
Interest on Term Loan	24.27	3.08
Interest on others	78.52	63.24
Finance Charges	<u>19.86</u>	<u>28.95</u>
	<b><u>156.40</u></b>	<b><u>98.31</u></b>

## SCHEDULE "N"

### A SIGNIFICANT ACCOUNTING POLICIES:

#### 1 Basis of accounting :

The Financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting to comply with the accounting standards prescribed in the Companies (Accounting Standards ) Rules, 2006 and with the relevant provisions of the Companies Act, 1956

#### 2 Use of estimates :

The preparation of financial statements, in conformity with generally accepted accounting principles (GAAP) in India, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements.

#### 3 Revenue Recognition :

- a) The Company recognises revenue from sale of products upon dispatch/delivery of the goods coupled with transfer of title to the customers.
- b) Revenue from service is recognised on rendering of services to customers
- c) Dividend Income is recognised when the right to receive payment is established.
- d) Interest Income is recognised on the time proportion basis.

#### 4 Excise Duty :

- a) Liability on manufactured goods lying in the factory premises is not provided for and also not included in the valuation of stock-in trade.
- b) Cenvat received on capital goods and input material is reduced from the cost of respective capital goods and input materials.

#### 5 Employee Benefits :

- a) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss Account for the year in which the related service is rendered
- b) In respect of Post employment benefits viz Gratuity, the Company has a master policy with LIC under Group Gratuity Scheme for its employees. The Company provides / contributes to LIC-Group Gratuity Scheme for future payments of retirement gratuity to the employees as determined by Management
- ) Other Long-term benefits viz. Leave Encashment are recognised as an expense in the Profit and Loss Account for the year in which the employee has rendered service. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses are charged to the Profit and Loss account.
- d) Company's contribution paid / payable to defined contribution schemes such as Provident Fund, Superannuation are charged to Profit and Loss account.

#### 6 Fixed Assets :

Fixed assets are carried at cost of acquisition or construction, less accumulated depreciation. The cost of fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties freight and other incidental expenses related to the acquisition and installation of respective assets. Interest on borrowed funds directly attributable to the qualifying assets up to the period such assets are put to use, is included in the cost.

#### 7 Depreciation :

- a) Depreciation on assets as on 31st March, 1993 is charged in the accounts on the Written Down Value Method in accordance with Schedule XIV of the Companies Act, 1956.
- b) Depreciation on additions to Fixed Assets from 1st April, 1993 is charged in the Accounts on the Straight Line Method in accordance with the Schedule XIV of the Companies Act, 1956.
- c) Depreciation in respect of each individual item of asset costing up to Rs.5000/- is provided @100% in the year of purchase.

**8 Impairment of Assets :**

At each balance sheet date the management reviews the carrying amount of its assets and goodwill included in each cash generating unit to determine whether there is any indication that those assets where impaired. If any such indication exists the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount of an asset is the higher of an assets net selling price and value in use. In assessing value in use, the estimated future cash flows from the continuing use of asset and from its disposal are discounted to their present value using pre-tax discount rate that reflects the current market assessments of time value and the risk specific to the asset. Reversal of impairment loss is recognized immediately as income in the profit & loss account.

**9 Valuation of Investment :**

Long Term Investments are valued at cost. Provision for diminution in the value of investments is made if, in the opinion of the management the diminution is of a permanent nature. Current Investments are valued at lower of cost or fair value.

**10 Inventory Valuation :**

- a) Stores, spares, packing materials, loose tools and raw materials are valued at cost or net realisable value whichever is lower, by applying the First In First Out (FIFO) Method.
- b) Finished goods are valued at Cost or Net Realisable Value whichever is lower.
- c) Work-in-progress/process is valued at lower of cost or net realisable value.
- d) Estimated quantities of saleable by-products i.e. Molasses, Bagasse and Treated Dry Press mud are valued at estimated Net Realisable value.

**11 Lease Accounting**

Lease rentals on assets taken on operating lease are recognised as expense in the Profit and Loss Account on an accrual basis over the lease term.

**12 Transactions in foreign Exchange :**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange difference arising on foreign exchange transactions settled during the year are recognised in the Profit and Loss Account of the year.

Monetary assets and liabilities denominated in foreign currencies, which are outstanding as at the year end are translated at the closing exchange rate and the resultant exchange differences are recognised in the Profit and Loss Account.

**13 Provision for Taxation :**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961. Deferred Tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognised and carried forward only to the extent there is reasonable certainty / if the Company has unabsorbed depreciation or carry forward tax, losses, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profit.

**14 Provisions & Contingencies :**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the Notes to Accounts. Contingent assets are neither recognised nor disclosed in the financial statements.

**15 Earnings per share :**

The Basic & Diluted Earnings Per Share ( " EPS " ) is computed by dividing the net profit after tax for the year by weighted average number of equity shares outstanding during the year.

**16 Cane Price :**

Purchases of Sugarcane for the season are accounted for on an estimated basis as per the Sugarcane price policy announced by the Company. The difference in price, if any, is adjusted in the books of account in the year the final price is determined by the Company, as and when it crystallise and in certain cases at a fixed price as agreed upon.

**B NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st March 2011.**

	<b>Current Year Rs. Lacs</b>	<b>Previous Year Rs. Lacs</b>
1	<b>CONTINGENT LIABILITIES:</b>	
a.	45.97	45.97
b.	60.92	60.92
c.	Nil	Nil
d.	136.36	138.07
e.	76.33	76.33
f.	25.73	25.08
g.	Unascertained	Unascertained
2	<b>Legal and Professional Charges includes Auditors' Remuneration:</b>	
a.	1.65	1.65
b.	0.55	0.55
c.	1.24	1.10
	<b>Total</b>	<b>3.30</b>
3	<b>MANEGERIAL REMUNERATION: (*)</b>	
a.	36.75	27.00
b.	3.24	6.28
c.	1.78	8.80
	<b>Total</b>	<b>42.08</b>
(*) Mr. Nihal H. Doshi has been appointed as Executive Director w.e.f. 1st Jan 2011		

The Managing Director's remuneration is within the limits as approved by Central Government vide letter dated 22nd May 2008 for the period from 16.01.2008 to 15.01.2011. The remuneration for the subsequent period is subject to Central Govt approval for which an application has already been made

- 4 There are no dues to micro and small enterprises as at 31st March 2011. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.
- 5 The total loan amount outstanding from Sicom (Sales Tax Deferment Loan) is Rs. 254.57 Lacs out of which Rs. 93.80 lacs is repayable from April 2011 to April 2014 and the balance amount to be repaid within 5 years from the date of completion of the assessment of the relevant years..
- 6 Cane, Transport and Harvesters advances and liabilities, Debtors and Creditors balances are subject to confirmation and reconciliation.
- 7 As per the accounting practice followed by the Company, excise duty is accounted for at the point of Sales/Transfer of goods and no Excise Duty is provided for in respect of the Finished Goods not sold or transferred. The estimated excise duty on closing stock of finished goods, as at 31st March 2011 as per prevailing rates is Rs 164.64 Lacs (Previous Year Rs.17.70 lacs). However, this will have no impact on the profit for the year.
- 8 In the opinion of the board, current assets, loans and advances have a value on realisation in the ordinary course of the business at least equal to the amount at which they are stated.

- 9 Major Components of Deferred Tax Assets and Liabilities arising on account of timing difference as at 31st March 2011 are:  
(Figures in Rs. Lacs)

Particulars	Current Year	Previous Year
<b>Deferred Tax Liability</b>		
Depreciation	418.44	432.01
<b>Total</b>	<b>418.44</b>	<b>432.01</b>
<b>Deferred Tax Asset</b>		
Unabsorbed Depreciation/ Business Loss	0.00	0.00
Disallowance under Section 43B of the Income Tax Act, 1961	41.39	32.31
Others	0.00	0.00
<b>Total</b>	<b>41.39</b>	<b>32.31</b>
<b>Net deferred Tax Liability</b>	<b>377.05</b>	<b>399.70</b>

Deferred tax assets on account of unabsorbed Depreciation/Loss have been recognised as the Company is of the opinion that there is virtual certainty of realisation of the same.

10 **AS 15 - Employee benefits :**

- a) The present value of accrued Gratuity liability as determined by an Actuary as at 31st March 2011 was Rs.485.24 lacs (Previous Year Rs.444.16 lacs ).The balance lying in the contributory fund with the Life Insurance Corporation of India (LIC) as at 31st March 2011 is Rs.62.31 lacs (Previous year Rs.32.16 lacs).The net liability of Rs.388.93 lacs as at year end (previous year Rs.337.00 lacs ) has not been recognised in the Accounts as required under the Accounting Standard -15 i.e. Employee Benefits, notified by Companies Accounting Standards Rules, 2006. Consequently as against the charge to the profit and loss account of Rs.34.00 lacs (Previous year Rs.75.00 lacs), the expense determined by the Actuarial Valuation is Rs.84.72 lacs (previous year credit Rs.79.73 lacs) However the Company expects to meet this liability in due course with enhanced funding of the Contribution to L.I.C. or upon actual payment to employees as has been done in earlier years.
- b) Subject to above, however the disclosure required under AS 15 "Employee Benefits" notified in the Companies (Accounting Standard) Rules 2006, are given below:

**I. General description :**

- (i) **Gratuity :** The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn) for each completed year of service. The Scheme is funded with Insurance Company in the form of qualifying insurance policy.
- (ii) **Leave Wages :** The leave wages are payable to all eligible employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement on attaining superannuation age.

**II. Defined Benefit plan :**

The employees' Gratuity Fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

**III Defined Contribution plan :**

Contribution to defined contribution plan is recognized and charged off for the year as under:

Particulars	2010-11	2009-10
Employer's Contribution to Provident Fund	54.78	71.80
Employer's Contribution to Superannuation Fund	2.73	3.57

# The Ravalgaon Sugar Farm Ltd.

Sr. No.		Gratuity Funded		Leave Encashment (Unfunded)	
		Current Year	Previous Year	Current Year	Previous Year
<b>IV</b>	<b>Expense to be recognised in the Statement of Profit &amp; Loss for the year ended 31st March 2011</b>				
1	Current Service Cost	21.55	18.53	12.53	11.07
2	Interest Cost	35.53	31.22	2.62	2.14
3	Expected return on plan assets	(2.57)	(4.16)		
4	Past Service Cost	5.69			
5	Net Actuarial (Gains)/ Losses	24.52	34.14	(24.59)	5.10
6	Total Expense	84.72	79.73	(9.44)	18.31
<b>V</b>	<b>Net Assets/ (Liability) to be recognised in the Balance Sheet as at 31st March 2011</b>				
1	Present Value of Defined Obligation as at 31st March 2011	485.24	444.16	21.12	32.80
2	Fair Value of plan assets as at 31st March 2011	62.31	32.16		
3	Funded Status [Surplus / (Deficit)]	(422.93)	(412.00)	(21.12)	(32.80)
4	Provision made	34.00	75.00		
5	Net Assets/ (liability) as at 31st March 2011	(388.93)	(337.00)	(21.12)	(32.80)
<b>VI</b>	<b>Change in Obligation during the Year ended 31st March 2011</b>				
1	Present value of defined Benefit Obligation at the beginning of the year	444.16	406.70	32.80	18.84
2	Current Service Cost	21.55	18.53	12.53	11.07
3	Interest Cost	35.53	31.22	2.62	2.14
4	Post Service Cost	5.69			
5	Actuarial (Gains) / Losses	26.39	32.61	(24.59)	5.10
6	Benefits Payments	(48.08)	(44.90)	(2.24)	(4.35)
7	Present value of Defined Benefit Obligation at the end of the year	485.24	444.16	21.12	32.80
<b>VII</b>	<b>Change in the Assets during the year ended 31st March 2011</b>				
1	Fair Value of Plan Assets at the beginning of the year	32.16	10.90		
2	Expected return on Plan assets	2.57	4.16		
3	Contribution by Employer	73.79	63.53		
4	Actual benefits paid	(48.08)	(44.90)		
5	Actuarial Gains / (Losses) on Plan Assets	1.87	(1.53)		
6	Fair Value of Plan Assets at the end of the year	62.31	32.16	0.00	0.00
	Category of Plan assets: Insurer managed fund. 100%.		NA		NA
<b>VIII</b>	<b>Balance Sheet Reconciliation</b>				
1	Opening Net Liability	412.00	395.80	32.80	18.84
2	Expenses as above	84.72	79.73	(9.44)	18.31
3	Employers Contribution	(73.79)	(63.53)	(2.24)	(4.35)
4	Provision made	(34.00)	(75.00)	0.00	0.00
5	Amount to be Recognised in Balance Sheet	388.93	337.00	21.12	32.80
<b>IX</b>	<b>Actuarial Assumptions as at 31st March 2011</b>				
	Discount rate	8%	8%	8%	8%
	Rate of return on Plan Assets	8%	8%	0%	0%
	Salary escalation rate	5%	5%	5%	5%

**11 Segment Reporting:**

- a) The Company has disclosed Business segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisation structure and internal reporting system.
- b) The Company's operations predominantly relate to manufacture of Sugar and Confectionery.
- c) The Company mainly caters to the needs of the domestic market. As such there are no reportable geographical segments.
- d) Inter Segment Transfer Pricing Policy: The Sugar supplied to Candy & Confectionery division and Bura supplied to Confectionery division is based on market price. All other Inter segment transfers are at cost.

**Segment information for the year ended 31st March 2011**

(Rs. in Lacs)

	Sugar		Confectionery		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>1 External Sales (Net of Excise)</b>						
a. Domestic	522.57	3536.69	2224.71	2596.48	2747.28	6133.17
b. Exports					0.00	0.00
<b>Total Sales</b>	<b>522.57</b>	<b>3536.69</b>	<b>2224.71</b>	<b>2596.48</b>	<b>2747.28</b>	<b>6133.17</b>
c. Add.: Other Income	40.20	57.35	18.13	16.07	58.33	73.42
d. Add.: Inter Segmental Sales	497.87	321.97			497.87	321.97
	<b>1060.64</b>	<b>3916.01</b>	<b>2242.84</b>	2612.55	<b>3303.48</b>	<b>6528.56</b>
e. Less.: Eliminations	497.87	321.97	0.00	0.00	497.87	321.97
<b>Total Segment Revenue</b>	<b>562.77</b>	<b>3594.04</b>	<b>2242.84</b>	<b>2612.55</b>	<b>2805.61</b>	<b>6206.59</b>
<b>2 Profit / (Loss) before Interest &amp; Corporate Expenses</b>						
a Segment Result	(71.13)	929.55	370.11	286.75	298.98	1216.30
b Less : Unallocated Corporate Expenses					361.31	337.83
<b>c Operating Profit</b>					<b>(62.33)</b>	<b>878.47</b>
d Less : Cane price and Other expenses for Earlier years					0.23	0.53
e Less : Interest Expenses					156.40	98.31
f Add : Other Income (including Dividend)					230.43	104.39
g Less : Taxes paid / provided						
i Current Tax					3.70	325.00
ii Deferred Tax (Net)					(22.65)	(20.30)
iii Wealth Tax					1.40	1.25
iv Tax Provision for Earlier Years					25.69	(36.67)
<b>Net Profit / ( Loss )</b>					<b>3.33</b>	<b>614.74</b>

# The Ravalgaon Sugar Farm Ltd.

	Sugar		Confectionery		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>3. Other Information :</b>						
Segmental Assets	5689.72	2626.17	722.83	518.06	6412.55	3144.23
Unallocated Corporate Assets					2173.15	3090.99
<b>Total Assets</b>					<b>8585.70</b>	<b>6235.22</b>
Segmental Liabilities	794.61	201.36	269.63	238.64	1064.24	440.00
Unallocated Corporate Liabilities					169.47	210.00
<b>Total Liabilities</b>					<b>1233.71</b>	<b>650.00</b>
Capital Expenditure	106.62	63.30	0.00	7.65	106.62	70.95
Unallocated Corporate Capital Expenditure					1076.63	3.45
<b>Total Capital Expenditure</b>					<b>1183.25</b>	<b>74.40</b>
Depreciation & Impairment	175.66	172.31	29.34	36.66	205.00	208.97
Unallocated Corporate Depreciation					20.56	16.19
<b>Total Depreciation</b>					<b>225.56</b>	<b>225.16</b>
Total Assets Exclude						
- Investments					372.99	2377.73
- Advance Tax (Net)					219.02	60.82
Total Liabilities Exclude						
- Deferred Tax (Net)					377.05	399.70
- Secured Loans					2512.18	740.56
- Unsecured Loans					1024.74	1010.20



## 12 Related Party Disclosures:

		Name of the Related Party	Nature of Relationship
A	Associate Companies	Lanica Financial Services Pvt. Ltd. Carina Finvest Ltd. Acrow India Ltd.	Associate Company Associate Company Associate Company
B	Key Management Personnel	Mr. Harshavardhan B. Doshi Mr Nihal H Doshi	Chairman & Managing Director Executive Director w.e.f 1st Jan 2011
C	Relative of key managerial personnel	Mrs. Lamy H Doshi Miss Carina H Doshi	Spouse of Chairman & Managing Director Daughter of Chairman & Managing Director

		(Figures in Rs.Lacs)					
		Associate Companies		Key Management Personnel		Relative of Director	
		Current Year	Previous Period	Current Year	Previous Period	Current Year	Previous Period
1	Purchase of Good / Spares	3.81	1.93	--	--	--	--
2	Sale of Goods	--	--	--	--	--	--
3	Rendering of Services	5.70	5.13	--	--	--	--
4	Receiving of Services	13.32	5.15	--	--	--	--
5	Purchase of Fixed Assets	--	22.50	--	--	--	--
6	Sale of Fixed Asset	--	0.00	--	--	--	--
7	Reimbursement of Expenses	1.11	0.23	--	--	--	--
8	Amount received towards Deputation of Staff	51.33	48.66	--	--	--	--
9	Royalty received	--	--	--	--	--	--
10	Rent received	0.55	0.50	--	--	--	--
11	Rent paid	27.80	32.62	--	--	--	--
12	Outstanding balance in Current Assets, & Loan & Advance	134.85	113.99	--	--	--	--
13	Bank/Financial Institution Guarantee outstanding at the end of the period.	--	--	--	--	--	--
14	ICD received during the period	140.00	0.00	--	--	--	--
15	ICD repaid during the period	--	165.00	--	--	--	--
16	ICD balance at the end of the period	240.00	100.00	--	--	--	--
17	Interest paid on ICDs during the period	16.85	16.96	--	--	--	--
18	Dividend paid during the period	25.04	25.04	1.55	1.21	--	--
19	Dividend Received	0.88	0.62	--	--	--	--
19	Remuneration paid	NIL	NIL	41.77	42.08	1.19	1.18

## 13 Lease Rentals :

- Future lease rentals payable within one year in respect of premises taken on lease Rs 24.93 Lacs. (Previous Year Rs.27.29 Lacs)
- Rent includes payment of lease rent in respect of premises of Rs 24.93 Lacs. (Previous Year Rs.27.29 Lacs)
- General Description of Lease Terms:  
Lease rentals are recognised on the basis of agreed terms.  
Assets are taken on lease for a period of 12 / 33 / 60 months.

# The Ravalgaon Sugar Farm Ltd.

## 14 Earnings per Share (EPS)

	2010-11	2009-10
a) Profit computation for both Basic & diluted Earnings Per Share of Rs.50/- each Net Profit / (Loss) as per Profit & Loss Account available for Equity Shareholders.	3.33	614.74
b) Weighted Average number of Equity Shares for EPS computation (for Basic & Diluted EPS)	68,000	68,000
c) EPS (Weighted Average in Rs.) (Basic & Diluted)	4.90	904.03

15 Additional information pursuant to the provisions of paragraphs 3, 4C & 4D of Part II of Schedule VI of the Companies Act, 1956 as certified by the Managing Director.

<b>A. Particulars in respect of Licensed Capacity, Installed Capacity, Opening Stock, Production, Turnover, Closing Stock as at 31st March 2011</b>									
Particulars	Licensed Capacity	Installed Capacity	Opening Stock	Value	Production	Turnover	Value	Closing Stock	Value
	Tonnes per day	Tonnes per day	Quantity in M.T.	Rs.in Lacs (c)	Quantity in M.T.	Quantity in M.T.	Rs.in Lacs (d)	Quantity in M.T.	Rs.in Lacs (c)
Sugar (a)	<b>2,000</b> 2,000	<b>2,000</b> 2,000	<b>1,945</b> (16,909)	<b>410.02</b> (1897.81)	<b>15,557</b> (2,425)	<b>1,606</b> (16,045)	<b>355.35</b> (3421.04)	<b>13,886</b> (1,945)	<b>3434.34</b> (410.02)
Candy Sugar			<b>1.00</b> (1)	<b>0.00</b> 0.00	<b>0.00</b> 0.00	<b>0.00</b> 0.00	<b>0.00</b> 0.00	<b>1.00</b> (1.00)	<b>0.00</b> 0.00
Confectionery (b)	<b>20</b> (20)	<b>20</b> (20)	<b>75</b> (255)	<b>41.72</b> (125.70)	<b>2,569</b> (3,219)	<b>2,428</b> (3,399)	<b>2220.09</b> (2596.48)	<b>216</b> (75)	<b>142.67</b> (41.72)
Molasses			<b>1,675</b> (1,950)	<b>67.00</b> (97.50)	<b>6,466</b> (1,675)	<b>4,000</b> (1,950)	<b>149.25</b> (106.17)	<b>4,141</b> (1,675)	<b>137.28</b> (67.00)
Bagasse, Press mud and Treated Dry Press mud			<b>N.A.</b>	<b>0.00</b> 0.00	<b>N.A.</b>	<b>N.A.</b>	<b>22.59</b> (9.48)	<b>N.A.</b> N.A.	<b>13.32</b> 0.00
<b>TOTAL</b>				<b>518.74</b> (2121.01)			<b>2747.28</b> (6133.17)		<b>3727.61</b> (518.74)

- Net of Internal Transfer of 2010 M.T. (Previous Year 1344 M.T.)
- Confectionery turnover including samples % damages Nil M.T. (Previous year Nil M.T.)
- Excise Duty on closing stock Rs. 164.64 lacs (Previous Year Rs. 17.70 lacs ) not considered.
- Turnover shown are net of Excise duty.
- Previous year figures are shown in brackets.

<b>B. Details of Raw Materials and Components consumed</b>	<b>Current Year</b>		<b>Previous Year</b>	
	Tonnes	Rs. Lacs	Tonnes	Rs. Lacs
Sugarcane	149,938	3252.01	28,416	672.70
Liquid Glucose	942	214.82	1,207	208.53
Wrapping Papers	105	212.80	131	251.83
Other Items		179.83		479.50
<b>Total</b>		<b>3859.46</b>		<b>1612.56</b>

	Current Year	Previous Year
	Rs. Lacs	Rs. Lacs
<b>C. a) Value of Imports on CIF Basis :</b>		
i) Raw Materials	0.00	0.00
ii) Stores and Spares	6.12	4.54
iii) Capital Goods	0.00	0.00
<b>Total</b>	<b>6.12</b>	<b>4.54</b>
<b>C. b) Expenditure in Foreign Exchange</b>		
i) Travelling	19.80	12.66
ii) Subscription	0.19	0.19
iii) Others	5.48	0.00
<b>Total</b>	<b>25.47</b>	<b>12.85</b>

	Current Year		Previous Year	
	Rs in Lacs	%	Rs in Lacs	%
<b>C. c)</b>				
i) Value of Raw Materials and Components consumed				
Indigenous	3859.46	100.00	1612.56	100.00
Imported	0.00	0.00	0.00	0.00
<b>Total</b>	<b>3859.46</b>	<b>100.00</b>	<b>1612.56</b>	<b>100.00</b>
ii) Value of Stores and Spares consumed				
Indigenous	582.57	98.96	345.78	98.70
Imported	6.12	1.04	4.54	1.30
<b>Total</b>	<b>588.69</b>	<b>100.00</b>	<b>350.32</b>	<b>100.00</b>

	Current Year	Previous Year
<b>C. d)</b>		
i) Amount remitted in Foreign currencies on account of Dividends	0.00	0.00
ii) Number of Non-resident Shareholders	23	26
iii) Shares held by them	314	216
iv) Year to which the Dividends is Related	2009-10	2008-09

16 Previous Year figures have been regrouped / rearranged wherever necessary so as to conform to Current Year's grouping.

As per our report of even date

For and behalf of the Board of Directors

For **V. Sankar Aiyar & Co.**

Chartered Accountants  
Firm Regn. No. 109208W

**HARSHAVARDHAN B. DOSHI**  
Chairman and Managing Director

**NIHAL H. DOSHI**  
Executive Director

**ARVIND MOHAN**

Partner  
Membership No. 124082

**MOORAD FAZALBHOY**  
Director

**A. S. ASHTEKAR**  
Director

Mumbai : Dated 25th July 2011

Mumbai : Dated 25th July 2011

# The Ravalgaon Sugar Farm Ltd.

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## Balance Sheet Abstract and Company's General Business Profile

### I. Registration Details :

Registration No.	30 of 1932-33	
Balance Sheet Date	31-Mar-2011	State Code: 11

### II. Capital revised during the year :

Public Issue:	Nil	Rights Issue:	Nil
Bonus Issue:	Nil	Private Placement:	Nil

### III. Position of Mobilization and Deployment of Funds (\* Amount in '000)

Total Liabilities: *	Rs 729,257	Total Assets: *	Rs 729,257
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#### Sources of Funds:

Paid up Capital: *	Rs 3,400	Reserves & Surplus :	Rs 334,460
Secured Loans: *	Rs 251,218	Unsecured Loans: *	Rs 102,474
Deferred Tax Liability (Net) *	Rs 37,705		

#### Application of Funds:

Net Fixed Assets: *	Rs 302,678	Investments: *	Rs 37,299
Net Current Assets: *	Rs 389,280		

### IV. Performance of Company :

Turnover *	Rs 274,728	Profit Before Tax *	Rs 1,147
Other Income *	Rs 28,762	Profit After Tax *	Rs 333
Total Expenditure *	Rs 302,343	Earning Per Share	Rs 4.90

### V. Generic Names of Principal Products of Company (as per monetary terms)

(A) Item Code No.:	170111 00
Product Description:	Sugar
(B) Item Code No.:	170490 00
Product Description:	Confectionery

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For and on behalf of the Board of Directors

**HARSHAVARDHAN B.DOSHI**  
Chairman and Managing Director

**NIHAL H. DOSHI**  
Executive Director

**MOORAD FAZALBHOY**  
Director

**A. S. ASHTEKAR**  
Director

Place : Mumbai  
Dated : 25-Jul-2011

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**Cash Flow statement for Year ended 31st March 2011**

Rs. in Lacs

In accordance with the requirement under Clause - 32 of the listing agreement with Mumbai Stock Exchange

	Year Ended 31-Mar-2011	Year Ended 31-Mar-2010
<b>A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>Profit Before Taxation</b>	<b>11.47</b>	<b>884.02</b>
Depreciation	225.56	225.16
Provision for diminution on investments	Nil	5.52
(Profit ) / Loss on sale of assets / investments	-29.69	-4.86
Interest / Dividend Received	-103.51	-78.75
Interest Charged	156.40	98.31
<b>Operating Profit Before Working Capital Changes</b>	<b>260.23</b>	<b>1129.40</b>
<b>Working Capital Changes</b>		
<u>Adjustments for :</u>		
Trade & Other Receivables	-39.33	209.10
Inventories	-3370.64	1696.05
Trade Payables	629.39	-231.13
<b>Cash Generated from Operations</b>	<b>-2520.35</b>	<b>2803.42</b>
Direct Taxes Paid	-197.46	-247.67
<b>Net Cash from Operating Activities</b>	<b>-2717.81</b>	<b>2555.75</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES :</b>	<b>957.99</b>	<b>-2287.42</b>
Purchase of Fixed Assets	-1180.44	-77.47
Sale of Fixed Assets	0.26	6.88
Sales / (Purchase) of Investments	2034.66	-2295.58
Interest / Dividend Received	103.51	78.75
<b>C) CASH FLOW FROM FINANCING ACTIVITIES :</b>	<b>1591.33</b>	<b>-95.65</b>
Interest Paid	-144.88	-93.74
Proceeds from Borrowings	1786.16	47.72
Dividend	-49.95	-49.63
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalent</b>	<b>-168.49</b>	<b>172.68</b>
Cash & Cash Equivalent at beginning of the year	336.68	164.00
Cash & Cash Equivalent at close of the year:	168.19	336.68

Note: Previous period figures have been regrouped / recast wherever necessary.

As per our report of even date

**For V. SANKAR AIYAR & CO.**Chartered Accountants  
Firm Registration # 109208W**ARVIND MOHAN**  
Partner  
Membership No : 124082Mumbai  
Dated 25-Jul-2011

For and on behalf of the Board of Directors

**HARSHAVARDHAN B.DOSHI**  
Chairman and Managing Director**NIHAL H. DOSHI**  
Executive Director**MOORAD FAZALBHOY**  
Director**A. S. ASHTEKAR**  
DirectorPlace : Mumbai  
Dated : 25-Jul-2011

# The Ravalgaon Sugar Farm Ltd.

## Financial Snapshot

Rs in Lacs

	Equity	Reserves & Surplus	Fixed Assets		Sales	Net Profit	Dividend	
			Gross	Net			Amount	%
1994-95	34.00	1003.29	3373.43	2618.16	4406.48	248.00	13.60	40%
1995-96	34.00	1254.18	3576.56	2638.94	7042.19	301.89	17.00	50%
1996-97 [18 months]	34.00	1282.22	3646.24	2484.62	12507.82	46.75	17.00	50%
1997-98	34.00	1605.86	3678.64	2355.72	8749.39	342.33	17.00	50%
1998-99	34.00	1965.98	3931.38	2413.07	9345.84	358.99	17.00	50%
1999- 2000	34.00	2509.95	4224.84	2507.43	10241.07	585.45	34.00	100%
2000-01	34.00	2671.94	4879.78	2917.06	10083.86	199.46	34.00	100%
200 1-03 [18 months]	34.00	1694.41	5089.23	2675.78	11411.74	-488.87	Nil	Nil
2003-04	34.00	1771.85	5126.97	2469.09	5879.17	96.62	17.00	50%
2004-05	34.00	2187.16	5176.01	2298.69	6572.65	454.08	34.00	100%
2005-06	34.00	2388.14	5174.84	2102.97	4531.93	239.75	34.00	100%
2006-07	34.00	2083.90	5344.62	2126.54	4776.34	-304.25	Nil	Nil
2007-08	34.00	2211.76	5399.19	1904.80	6691.18	167.64	34.00	100%
2008-09	34.00	2845.26	5942.88	2222.10	9189.03	693.17	51.00	150%
2009- 10	34.00	3400.54	5996.09	2069.32	6133.17	614.74	51.00	150%
2010- 11	34.00	3344.60	7178.78	4119.36	2747.28	3.33	51.00	150%

**The Ravalgaon Sugar Farm Ltd.**

Regd.office: Ravalgaon 423108, Taluka Malegaon, Dist.Nasik, Maharashtra

**ATTENDANCE SLIP**

77TH ANNUAL GENERAL MEETING ON THURSDAY, 29TH SEPTEMBER 2011

Folio No./DPID/Client ID No.....

Shri/Smt.....

am a registered shareholder / proxy for the registered shareholder of the Company.

I hereby record my presence at the 77th ANNUAL GENERAL MEETING of the Company held at Krida Mandal Hall, Ravalgaon 423108, Taluka Malegaon, Dist.Nasik, Maharashtra on Thur 29th September 2011 at 10.30 A.M.

Proxy's Name.....

(In BLOCK Letters)

Member's/Proxy's Signature

NOTE: Please fill in this attendance slip and hand it over at the ENTRANCE OF THE MEETING HALL

**The Ravalgaon Sugar Farm Ltd.**

Regd.office: Ravalgaon 423108, Taluka Malegaon, Dist.Nasik, Maharashtra

**FORM OF PROXY**

1/We..... of .....in the district of .....

being a member / members of the above named Company herby appoint.....

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

or failing him.....

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

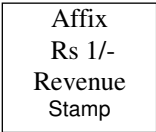
or failing him.....

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

as my/our Proxy to vote for me/us on my/our behalf at the 77th ANNUAL GENERAL MEETING of the Company to be held on Thursday , 29th September,2011 at 10.30 A.M.and at any adjourned thereof.

Signature.....

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



**NOTES:**

- a. Revenue Stamp of Rupee 1/- is to be affixed on this form.
- b. The form should be signed across the stamp as per specimen signature registered with the Company.
- c. The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.
- d. A Proxy need not be a member.