

***IHSEDU ITOH GREEN CHEMICALS MARKETING PVT.LTD.***

***ANNUAL REPORT***

***2010- 2011***

# **IHSEDU ITOH GREEN CHEMICALS MARKETING PVT. LTD.**

"Akhandanand", 38 Marol Co-op Indl. Estate, Off. M.V.Road, Sakinaka,  
Andheri (East), Mumbai- 400 059.

Tel: 91-22-40271300 Fax: 40271399 email:jaol@vsnl.net

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## **NOTICE**

NOTICE IS HEREBY GIVEN THAT THE FIRST ANNUAL GENERAL MEETING OF IHSEDU ITOH GREEN CHEMICALS MARKETING PRIVATE LIMITED WILL BE HELD AT 'AKHANDANAND', 38, MAROL CO-OP IND. ESTATE, OPP M.V. ROAD, SAKINAKA, ANDHERI (EAST), MUMBAI - 400 059 ON TUESDAY, 26<sup>th</sup> JULY, 2011 AT 3.00 P.M. TO TRANSACT THE FOLLOWING BUSINESS:

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### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011, Profit & Loss Account for the period on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint Auditors to hold office from conclusion of this meeting until conclusion of the next Annual General Meeting and to fix their remuneration.

### **SPECIAL BUSINESS:**

3. **Alteration of the Memorandum of Association of the Company:**

To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution.

"RESOLVED that pursuant to Sec.94 (1)(a) of the Companies Act, 1956, and other applicable provisions of the Act, if any, the Authorised Capital of the Company be increased from Rs.10,00,000/- (Rupees Ten Lac only ) divided into 1,00,000 (One Lac) Equity Shares of Rs.10/- (Ten) each to Rs. 1,50,00,000/- (Rupees One Crore Fifty Lac only) divided into 15,00,000 (Fifteen Lac) Equity Shares of Rs. 10/- (Rupees Ten ) each by creating 14,00,000 (Fourteen Lac) Equity Shares of Rs.10/- (Rupees Ten) each., ranking pari-passu in all respects with the existing Equity Shares of the Company and that the existing Clause V of the Memorandum of Association of the Company be altered as under :-

"Clause V. The Authorised Capital of the Company is Rs. 1,50,00,000/- (Rupees One Crore Fifty Lac) divided into 15,00,000 (Fifteen Lac) Equity Shares of Rs. 10/- (Rupees Ten ) each. The Company has power from time to time, to increase or reduce its capital and to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, deferred, qualified or special rights as determined by or in accordance with the Articles of Association of the Company and to vary, modify other special rights, privileges, conditions or restrictions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or aggregate any such right, privilege or conditions or restrictions in such manner as may be for the time being permitted by the Act or provided by the Articles of Association of the Company or the legislative provisions for the time being in force in that behalf ".

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4. **Alteration of the Articles of Association of the Company:**

To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution.

"RESOLVED THAT Article 7 of the Articles of Association of the Company be and is hereby altered to read as under.

"The Authorised Capital of the Company is Rs. 1,50,00,000/- (Rupees One Crore Fifty Lac) divided into 15,00,000 (Fifteen Lac) Equity Shares of Rs. 10/- (Rupees Ten ) each. The Company has power from time to time, to increase or reduce its capital and to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, deferred, qualified or special rights as determined by or in accordance with the Articles of Association of the Company and to vary, modify other special rights, privileges, conditions or restrictions as may be determined by or in accordance with the Articles of Association of the Company and to vary modify or aggregate any such right, privilege or conditions or restrictions in such manner as may be for the time being permitted by the Act or provided by the Articles of Association of the Company or the legislative provisions for the time being in force in that behalf ".

By Order of the Board

  
Dr. Subhash V. Udeshi  
Director

**REGISTERED OFFICE:**  
AKHANDANAND,  
38, MAROL CO-OP IND. ESTATE,  
OPP. M.V. ROAD, SAKINAKA,  
ANDHERI (EAST)  
MUMBAI - 400 059

Date: 26<sup>th</sup> July, 2011

Place: Mumbai

**Notes:**

1. A member entitled to attend and vote is entitled to appoint a proxy and vote instead of himself and the Proxy need not be a member of the Company. Proxies should be received by the Company at its registered office, not less than 48 hours before the Meeting.
2. An Explanatory Statement pursuant to Section 173 to the Companies Act, 1956 which sets out details relating to Item No. 3 & 4 is annexed hereto.

**IHSEDU ITOH GREEN CHEMICALS MARKETING PVT. LTD.**

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**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS AS REQUIRED  
UNDER SECTION 173 OF THE COMPANIES ACT, 1956.**

**ITEM NO. 3 & 4**

As the Company proposes to commence its business activities, it will be necessary to increase the capital base. Accordingly, the present authorised Capital of Rs.10,00,000/- (Rupees Ten Lac only) is proposed to be increased to Rs.1,50,00,000/- (Rupees One Crore Fifty Lac only) by creating additional 14,00,000 (Fourteen Lac) Equity Shares of Rs.10/- each.

Consequently, it would be necessary to amend Clause V of the Memorandum of Association of the Company by Ordinary Resolution, and also Article 7 of the Articles of Association of the Company by Special Resolution. Shareholders are requested to accord their approval for increase in share capital.

None of the directors is interested in the proposed resolutions

Regd Office:  
Akhandanand,  
38, Marol Co-op. Ind. Estate  
Off. M.V.Road, Sakinaka  
Andheri (East)  
Mumbai – 400 059.

By Order of the Board of Directors of  
Ihsedu Itoh Green Chemicals Marketing Pvt.Ltd



**Dr. Subhash V. Udeshi**  
**DIRECTOR**

Place : Mumbai  
Date : 26<sup>th</sup> July, 2011

**IHSEDU ITOH GREEN CHEMICALS MARKETING PVT. LTD.**

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**DIRECTORS' REPORT**

To,  
The Shareholders,

Your Directors have pleasure in presenting their **FIRST ANNUAL REPORT** together with the Audited Accounts of the Company for the period ended on 31st March, 2011.

**1. FINANCIAL RESULTS:**

The Company was incorporated on 25<sup>th</sup> June 2010. The Company has not commenced any activity, the company undertook preparatory work for start of activity of the company. The company has incurred a loss of Rs. 84,210/- in respect of administrative expenses.

**2 COMPANY STATUS:**

On incorporation the Company's paid up Equity Share Capital was Rs. 1,00,000/- comprising of 10,000 Equity Shares of Rs.10/- each fully paid up. Thereafter, the Company has allotted on 28<sup>th</sup> December, 2010, 90,000 Equity Shares of Rs. 10/- each to Jayant Agro Organics Limited. Hence ,the paid up Equity Share Capital of the Company has increased to Rs. 10,00,000/- (Rupees Ten Lac) comprising of 1,00,000 Equity Shares of Rs. 10/- each and the Company has become a subsidiary Company of Jayant Agro Organics Limited with effect from 28<sup>th</sup> December, 2010.

**3. FIXED DEPOSITS:**

The Company has not accepted any Fixed Deposits during period under review.

**4. PARTICULARS OF EMPLOYEES:**

Particulars of employees as required under Section 217(2A) of the Companies Act, 1956 are Nil.

...2/-

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

~~There is no business activity conducted by the Company for the period ended 31<sup>st</sup> March, 2011 and hence, the same is not applicable.~~

During the period under report, the Company has not earned any foreign exchange nor has there been any outgo.

**6. AUDITORS:**

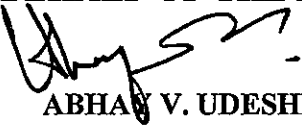
You are requested to appoint Auditors for the Current year and authorise the Board to fix their remuneration. It is proposed to re-appoint T.P.Ostwal & Associates, Chartered Accountants as the Statutory Auditors of the Company.

**7. DIRECTORS' RESPONSIBILITY STATEMENT:**

As required under Section 217(2AA) of the Companies Act, the Directors hereby confirm that:

- 1) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 2) the Directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at 31<sup>st</sup> March,2011 and loss of the Company for the said period..
- 3) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities to the best of their knowledge and ability;
- 4) the Directors have prepared the annual accounts on a going concern basis.

**FOR AND ON BEHALF OF THE BOARD**

  
**ABHAY V. UDESHI**  
CHAIRMAN

**PLACE:** Mumbai  
**DATED:** 26<sup>th</sup> July, 2011

# T.P. Ostwal & Associates (Regd.)

CHARTERED ACCOUNTANTS.

Bharat House, 4<sup>th</sup> Floor, 104, Mumbai Samachar Marg, Fort, Mumbai 400 001.

☎ +91 22 4069 3939 ☎ Fax: 91-22-40693999,

Web: <http://www.tpostwal.in>, E-mail: [fca@vsnl.com](mailto:fca@vsnl.com)

## AUDITORS' REPORT

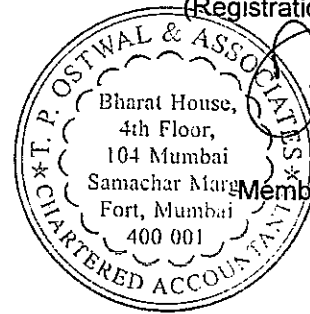
To  
The Members of  
**Ihsedu Itoh Green Chemicals Marketing Private Limited**

1. We have audited the attached Balance Sheet of **IHSEDU ITOH GREEN CHEMICALS MARKETING PRIVATE LIMITED** as at 31<sup>st</sup> March, 2011, Profit and Loss Account and also the Cash Flow Statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on 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 (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraph 4 and 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, Profit and Loss Account and also Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, Profit and Loss Account and also Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of the Section 211 of the Companies Act, 1956;
  - e. on the basis of the written representations received from the directors of the Company, taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
  - f. in our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:



- (i) in the case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2011;
- (ii) in the case of the Profit and Loss Account, of the Loss for the period ended on that date;  
and;
- (iii) in the case of the Cash Flow Statement, the cash flows of the Company for the period  
ended on that date.

For T.P. Ostwal & Associates(Regd.)  
Chartered Accountants  
(Registration No. 124444W)



T. P. Ostwal  
(Partner)  
Membership No: 30848

Place: Mumbai.

Date: 26 JUL 2011



## ANNEXURE TO THE AUDITORS' REPORT

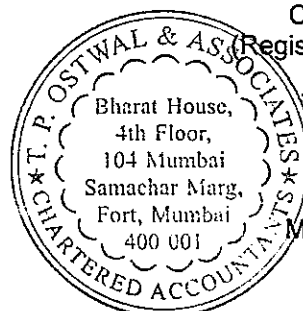
Referred to in paragraph (3) of our report of even date on the financial statements for the period ended 31<sup>st</sup> March, 2011 of Ihsedu Itoh Green Chemicals Marketing Private Limited. On the basis of such checks as we considered appropriate and in terms of the information and explanation given to us, we state that:

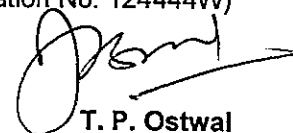
- i. According to the information and explanations given to us, the Company does not possess any fixed assets. Hence the provisions of sub-clause (a), (b) and (c) of clause 4(i) of the Order, are not applicable to the Company.
- ii. According to the information and explanations given to us, the Company does not have any inventory. Accordingly, the provisions of sub-clause (a), (b) and (c) of clause 4(ii) of the Order are not applicable to the Company..
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted/taken any loans, secured or unsecured, to/from companies, firms or other parties, covered in the register maintained under Section 301 of the Companies Act, 1956.
- iv. 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. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control systems.
- v. In our opinion and according to the information and explanations given to us, there are no contracts or arrangements, the particulars of which need to be entered into the register maintained under Section 301 of the Companies Act, 1956. Accordingly, provision of clause 4(v) of the Order is not applicable.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public. Accordingly provisions of Paragraph 4(vi) of the Order are not applicable.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. According to the information and explanations given to us, maintenance of the cost records has not been prescribed by the central government under section 209(1) (d) of the Companies Act, 1956. Accordingly the provisions of Paragraph 4 (viii) of the Order is not applicable to the Company.
- ix. In respect of Statutory dues:
  - (a) According to the information and explanations given to us and on the basis of the records of the Company as examined by us, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Service Tax, Cess and other Statutory dues have been generally 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 31<sup>st</sup> March, 2011 for a period more than six months from the date of becoming payable.
  - (b) According to the information and explanations given to us and on the basis of the records of the Company as examined by us, there are no dues of Income tax and other material statutory dues which have not been deposited with the appropriate authority on account of any dispute.
- x. Since this being the first year of operation of the Company, the provision of Paragraph 4(x) of the order is not applicable to the Company



- xi. According to the information and explanations given to us, the Company has not taken any loan from banks or financial institutions and accordingly provisions of this clause or the Order are not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debenture or any other securities. Accordingly the provision of Paragraph 4(xii) of the order is not applicable to the Company.
- xiii. In our opinion, the Company is not a chit fund or a Nidhi or a mutual benefit fund/society. Accordingly, the provision of clause 4(xiii) of the said Order is not applicable to the Company.
- xiv. As per records of the Company as examined by us and on the basis of information and explanations given to us, Company is not dealing or trading in shares, securities and debentures and other investments. Accordingly the provision of Paragraph 4(xiv) of the order is not applicable to the Company.
- xv. Since this being the first year of operation of the Company, the provision of Paragraph 4(xv) of the order is not applicable to the Company.
- xvi. After verification of records of the Company, and according to the information & explanation given to us, the Company has not accepted any loans from financial institutions or banks or raised any money through issue of debentures.
- xvii. In our opinion and according to the information and explanations given to us, and on an overall examination of the books of accounts of the Company, we report that no funds raised on a short-term basis, have been used for long-term investment.
- xviii. According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
- xix. In our opinion and according to the information and explanations given to us, the Company has not issued any secured debentures during the year covered under audit. Accordingly, the provisions of Paragraph 4(xix) of the Order are not applicable to the Company.
- xx. During the year under review, the Company has not raised any money by way of public issue.
- xxi. According to the information and explanations given by the management, we report that no material fraud on or by the Company has been noticed or reported, during the course of our audit.

For T.P. Ostwal & Associates(Regd.)  
Chartered Accountants  
(Registration No. 124444W)



  
T. P. Ostwal  
(Partner)

Membership No. 30848

Place: Mumbai.

Date: 26 JUL 2011

# Ihsedu Itoh Green Chemicals Marketing Private Ltd.

BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2011

	Schedule	As at 31.03.2011 ₹
<b>SOURCES OF FUNDS</b>		
<b>Shareholders' Funds</b>		
Share Capital	[1]	1,000,000
<b>Deferred Tax Liability</b>		
<b>TOTAL</b>		<b>1,000,000</b>

## APPLICATION OF FUNDS

### Current Assets, Loans and Advances

Cash and Bank Balances		926,820
		<u>926,820</u>
<b>Less: Current Liabilities and Provisions</b>		
Current Liabilities		11,030
Provisions		-
		<u>11,030</u>
<b>Net Current Assets</b>		<b>915,790</b>

### Miscellaneous Expenditure (To the extent not written off)

Debit Balance in Profit and Loss A/c		84,210
<b>TOTAL</b>		<b>1,000,000</b>

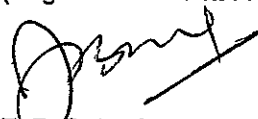
Significant Accounting Policies [2]  
Notes on Accounts [3]

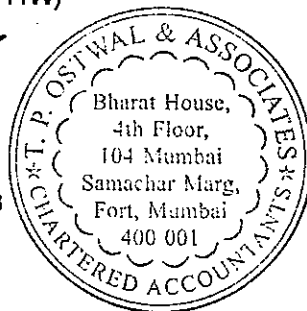
As per our report of even date attached

For T. P. Ostwal & Associates (Regd.)

Chartered Accountants


(Registration No: 124444W)

  
T. P. Ostwal  
Partner  
Membership No: 30848



For and on behalf of the Board

  
Abhay Udeshi  
Director

  
Subhash Udeshi  
Director

Place: Mumbai

Date: 26 JUL 2011

# Ihsedu Itoh Green Chemicals Marketing Private Ltd.

## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2011

Schedule	For the year ended 31.03.2011 ₹
<b>INCOME</b>	
Sales and Services	-
<b>TOTAL</b>	<b>-</b>
<b>EXPENDITURE</b>	
Preliminary Expenses written off	73,180
Audit Fees	11,030
<b>TOTAL</b>	<b>84,210</b>
Loss before Taxation	84,210
Less : Provision for Income Tax	-
Loss After Tax	<b>84,210</b>
Add : Balance in Profit & Loss Account brought forward	-
<b>TOTAL</b>	<b>84,210</b>

Significant Accounting Policies [2]

Notes on Accounts [3]

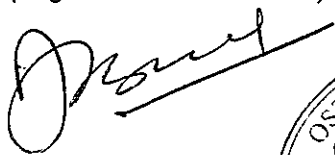
As per our report of even date attached

For T. P. Ostwal & Associates (Regd.)

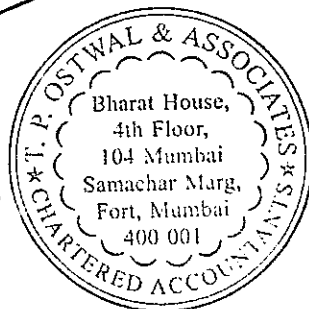
Chartered Accountants

(Registration No: 124444W)

For and on behalf of the Board



T. P. Ostwal  
Partner  
Membership No:30848




Abhay Udeshi  
Director



Subhash Udeshi  
Director

Place: Mumbai


Date: 26 JUL 2011

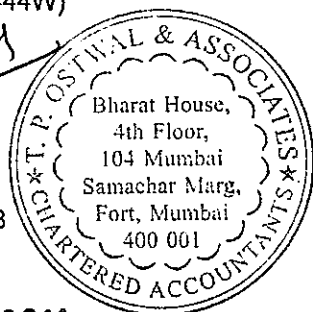
# Ihsedu Itoh Green Chemicals Marketing Private Ltd.

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2011

	For the year ended 31.03.2011 ₹
<b>A Cash Flow from Operating Activities</b>	
Net Profit/(Loss) before tax	(84,210)
Provision for Audit fees	11,030
Operating profit before working capital charges	(73,180)
Adjusted for :- Increase/(Decrease) in Payables & Other Liabilities	-
	<u>(73,180)</u>
<b>B Cash Flow from Investing Activities</b>	
Net Cash from /(used in) Investing Activities	-
<b>C Cash Flow from Financing Activities</b>	
Share Capital	1,000,000
Net Cash from/(used in) Financing Activities	<u>1,000,000</u>
Net Increase/(Decrease) in cash equivalents	926,820
<b>Cash &amp; Cash equivalent</b>	
At the beginning of the year	-
At the end of the year	926,820


As per our report of even date attached  
For **T. P. Ostwal & Associates** (Regd.)  
Chartered Accountants  
(Registration No: 124444W)

  
**T. P. Ostwal**  
Partner  
Membership No:30848



Place: Mumbai  
Date: 26 JUL 2011

For and on behalf of the Board

  
**Abhay Udeshi**  
Director

  
**Subhash Udeshi**  
Director

# Ihsedu Itoh Green Chemicals Marketing Private Ltd.

SCHEDULES FORMING PART OF THE BALANCE SHEET

As at  
31.03.2011  
₹

**SCHEDULE 1  
SHARE CAPITAL:**

**Authorised**

100,000 Equity Shares of ₹ 10/- each

1,000,000

**Issued, Subscribed and Paid up capital**

100,000 Equity Shares of ₹ 10/- each fully paid

1,000,000

(Of the above 90,000 equity shares of ₹ 10/- each are held by  
the holding Company. Jayant Agro-Organics Limited).

**TOTAL** 1,000,000



# Ihsedu Itoh Green Chemicals Marketing Private Limited

Schedules annexed to and forming part of Accounts

## SCHEDULE 2: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

### Significant Accounting Policies

#### 1. Basis of Accounting

The Financial statements are prepared under historical cost convention, on the accrual basis of accounting and under the going concern assumption, in accordance with the generally accepted accounting principles in India and comply with the Accounting Standards notified in the Companies (Accounting Standard) Rules 2006, (as amended) issued by the Central Government, in consultation with National Advisory Committee on Accounting Standard ('NACAS') and relevant provisions of Companies Act, 1956 ('the act'), to the extent applicable.

#### 2. Use of Estimates

The preparation of financial statements required management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual results and estimates are recognized in the period in which they materialize.

#### 3. Fixed Assets

Fixed assets are carried at the original cost of acquisition and include all incidental expenses related to acquisition and installation of the concerned Assets.

#### 4. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition of qualifying asset are capitalized for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

#### 5. Depreciation

- (a) Depreciation on assets is provided on straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956.
- (b) Depreciation on additions/deletions of assets during the year is provided on a pro-rata basis.
- (c) Leasehold Land is amortized over the period of lease.

#### 6. Research and Development

Revenue expenditure on research and development is recognized as an expense in the year in which it is incurred and the expenditure on capital assets is depreciated on straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

#### 7. Investments

Trade investments are the investments made to enhance the Company's business interests. Investments are either classified as current or long-term based on Management's intention at the time of purchase. Current investments are carried at the lower of cost and fair value. Long term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is not temporary in the opinion of the management.



# Ihsedu Itoh Green Chemicals Marketing Private Limited

## 8. Inventories

- (a) Inventories are valued at lower of cost or net realisable value except for scrap and by-products which are valued at net realisable value.
- (b) Cost of inventories of finished goods and work-in-process includes material cost, cost of conversion and other costs.
- (c) Cost of inventories of raw material and material cost of finished goods and work-in-process is determined on First In First Out (FIFO) basis except Chemicals, Packing Materials, stores and spare parts which are valued at weighted average cost.

## 9. Revenue Recognition

~~Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection.~~ Turnover includes sale of goods, services, scrap, export incentives and are net of sales tax/Value Added Tax and Excise Duty. Dividend income is recognised when right to receive the payment is established by the Balance Sheet Date. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable. Exports are accounted on CIF basis.

## 10. Accounting of Claims

- (a) Claims receivable are accounted at the time when such income has been earned by the Company depending on the certainty of receipts. Claims payable if any, are accounted at the time of acceptance.
- (b) Claims raised by Government Authorities regarding taxes and duties, which are disputed by the Company, are accounted based on the merits of each claim.
- (c) Central Sales Tax claims and duty drawback claims which are accounted on accrual basis.

## 11. Foreign Currency

- (a) Transactions denominated in foreign currencies and not covered by foreign exchange forward contracts are recorded at the exchange rate prevailing at the time of the transaction.
- (b) Foreign currency transactions covered by foreign currency contracts are recorded at the contracted rates.
- (c) Monetary items denominated in foreign currency are translated at the rates prevailing at the end of the year and losses and gains, if any, on translation are recognized as expenditure or income of the current year, as the case may be.
- (d) Non monetary items which are carried in terms of historical costs denominated in foreign currency, are reported using the exchange rate on the date of the transaction.

## 12. Sundry Debtors

Sundry debtors are stated after writing off debts which are not recoverable. Adequate provision is made for debts if considered doubtful.

## 13. Employee Benefits

### Defined Contribution Plan

- (a) Retirement Benefits in the Provident Fund and Family Pension Fund, which are defined contribution schemes, are charged to the Profit and Loss account of the year when contributions accrue.
- (b) Annual contribution towards Gratuity Liability is funded with the Life Insurance Corporation of India in accordance with their Gratuity scheme and is absorbed in the Accounts. The Company does not retain an obligation to pay further amounts if insurer does not pay all future employee benefits so the plan is not treated as defined benefit plan.





# Ihsedu Itoh Green Chemicals Marketing Private Limited

- (c) Entitlements to annual leave and sick leave are recognised when they accrue to the employees. Sick leave can only be availed when annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. Provision for Leave Encashment is based on year end leave balance.

## **14. Taxes on Income**

### **Current Tax**

Current Tax is determined as the amount of tax payable in respect of taxable income for the year.

### **Deferred Taxation**

Deferred tax reflects the tax effects of timing differences between accounting income and the taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognized only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets, if any, are reviewed as at each Balance Sheet date to reassess realization.

## **15. Earnings Per Share (EPS)**

A basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues, including for changes effected prior to the approval of the financial statements by the Board of Directors.

## **16. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## **17. Impairment of Assets**

At each Balance Sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset.



# Ihsedu Itoh Green Chemicals Marketing Private Limited

## 18. Provisions and Contingent Liabilities

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

## 19. Proposed Dividend

Dividend recommended by the Board of Directors is provided for in the accounts, pending approval at the Annual General Meeting.

## SCHEDULE 3: NOTES ON ACCOUNTS

### 1. PAYMENTS TO AUDITOR:

(Amount in ₹)

Particulars	For Year ended March 31,2011
Statutory Audit Fees	11,030
<b>Total</b>	<b>11,030</b>

### 2. Related Party Disclosures:

(As identified by the Management)

Related party disclosures as required by Accounting Standard 18, "Related Party Disclosures", issued by the Institute of Chartered Accountants of India are given below :-

#### a) List of related parties

##### i. Holding Company :

Jayant Agro-Organics Ltd.

##### ii. Fellow Subsidiary:

Ihsedu Agrochem Private Ltd.

Ihsedu Coreagri Services Private Ltd.

Ihsedu Speciality Chemicals Private Ltd.

##### iii. Enterprises Controlled by directors/relatives :

Jayant Finvest Limited.

Gokulmani Real Estate Development Private Limited.

Enlite Chemical Industries Limited.

Gokuldas K. Udeshi Investments Pvt. Ltd.

Kalyan Impex Pvt. Ltd.

Varun Leasing & Finance Pvt. Ltd.

Innovative Micro Systems Pvt. Ltd.

##### iv. Key Management Personnel :

Name	Designation
Mr. Abhay V. Udeshi	Director
Dr. Subhash V. Udeshi	Director



# Ihsedu Itoh Green Chemicals Marketing Private Limited

b) Details relating to parties referred to in items above :

(₹ in Lacs)

Particulars	Holding Company	Controlled by Directors & Relatives	Fellow Subsidiary	Key Management Personnel
Subscription to Share Capital	9.00	-	-	-

3. The company was incorporated on 25<sup>th</sup> June, 2010. This being first financial period, the Financial Statements are for the period commencing from date of incorporation (i.e. 25<sup>th</sup> June, 2010) to 31<sup>st</sup> March, 2011, and hence there are no comparative figures for previous financial year.

For and on behalf of the Board

Place: Mumbai

Date: 26 JUL 2011

  
Abhay V. Udeshi  
Director

  
Subash V. Udeshi  
Director



**Ihsedu Itoh Green Chemicals Marketing Private Ltd.**  
**SCHEDULE FORMING PART OF BALANCE SHEET AS TA 31<sup>ST</sup> MARCH, 2011**  
**Statement pursuant to Part IV of Schedule VI to the Companies Act, 1956.**

**Balance Sheet Abstract and Company's General Business Profile : (Part IV)**

**I Registration Details**

Registration No. : 11-124048  
 State Code : 11  
 Balance Sheet Date : 31.03.2011

(Amount in ₹ '000)

**II Capital raised during the year (Amount in ₹)**

Private Issue : 1,000

**III Position of Mobilisation and deployment of Funds  
(Amount in ₹)**

Total Liabilities : 1,000  
 Total Assets : 1,000

**IV Sources of Funds :**

Paid up Capital : 1,000  
 Reserve & Surplus : -  
 Secured Loans : -  
 Deffered Tax Liability : -

**V Application of Funds**

Net Fixed Assets : -  
 Investments : -  
 Net Current Assets : 916

**VI Performance of Company (Amount in ₹)**

Turnover / Total Income : -  
 (Including other income and inventories)  
 Total Expenditure : 84  
 Profit/Loss Before Tax : 84  
 Profit/Loss After Tax : 84  
 Earning per share in Rs. : -  
 Divident Rate % : -


**VII Generic Names of Three Principal Products/Services of Company  
(As per monetary Terms)**

Item Code No. (ITC Code) : 15153000  
 Product Description : Castor Oil Refined

**For and on behalf of the Board**



**Abhay Udeshi**  
Director



**Subash Udeshi**  
Director

Place: Mumbai

Date: 26 IIII 2011

