

## **ANKA INDIA LTD.**

**Registered Office :**

*VILLAGE & P.O. KHERKI DAULA,  
DISTT. GURGAON, HARYANA-122 001*



**15th Annual Report 2009**



### **BOARD OF DIRECTOR**

Shri Harpreet Singh Sethi

*(Chairman & Whole Time Director)*

Shri Arshdeep Singh Sethi

*(Joint Managing Director)*

Mrs. Paramjeet Kaur Sethi

*(Non Executive Director)*

Shri Sushil Pandey

*(Non Executive Independent Director)*

Shri Hari Upadhyay

*(Non Executive Independent Director)*

Shri Kamal Sanwal

*(Non Executive Independent Director)*

### **REGISTERED OFFICE & WORKS :**

Village & P.O. Kherki Daula

Disstt. Gurgaon-122 001 (Haryana)

### **Corporate Office :**

1308, Vikrant Tower,

Rajendra Place, New Delhi-110008

### **AUDITORS**

**M/s. V.K. Dhingra & Co.**

**Chartered Accountants**

E-1/15, Jhandewalan,

New Delhi-110055

### **INTERNAL AUDITORS**

**M/s. H. Kumar & Associates**

Chartered Accountants



## **NOTICE**

Notice is hereby given that the 15th Annual General Meeting of the members of Anka India Ltd., will be held on Monday, 28<sup>th</sup> December 2009 at Village & P.O. Kherki Daula, Distt. Gurgaon, Haryana-122001 at 9.30 A.M. to transact the following business.

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet for the period ended on 30<sup>th</sup> June, 2009 Together with the Profit & Loss Account on that date alongwith the Auditors & Directors Report thereon.
2. To appoint a Director in place of Mr. Srihari Upadhayay, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration, M/s. V.K. Dhingra & Co., Chartered Accountants, New Delhi who retire's at this Annual General Meeting and being eligible, offer themselves for reappointment and to pass , with or without modifications, the following resolution, which will be proposed to pass as an ordinary resolution

**"RESOLVED THAT M/s V.K.Dhingra & Co, Chartered Accountants , be and are hereby re- appointed as Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and the Audit Committee of the Board of Directors of the Company be and is hereby authorized to determine the remuneration payable to the Companies Auditors".**

### **SPECIAL BUSINESS**

- 4.To consider, and if thought fit to pass with or without modifications the following resolution as **ORDINARY RESOLUTION**

**REOLVED THAT** Mrs Pramjit Kaur Sethi , who was appointed as the Additional Director of the Company in accordance with provisions of Section 260 of the Companies Act ,1956 and who can hold office as Director till the conclusion of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member of the Company alongwith a deposit of Rs 500 under Section 257 of the Companies Act,1956 proposing her appointment as Director , be and is hereby appointed as a Director of the Company , whose period of the office shall be liable to determination by retirement of Directors by rotation."

### **5. RESTRUCTURING OF AUTHORISED SHARE CAPITAL OF THE COMPANY**

To consider, and if thought fit to pass with or without modifications the following resolution as **SPECIAL RESOLUTION**

**"RESOLVED** that pursuant to the guidelines issued by the BIFR ( Board of Industrial & Fiancial Reconstruction) and subject to the approvals, consents permissions as may be necessary from the concerned authorities,the Authorised share Capital of the Comprising of 1,20,00,000 ( One Crore Twenty LAC Only ) Equity Shares of Rs.10 each aggregating to Rs 12,00,00,000 ( Twelve Crore Only )be and is hereby restructured by canceling 40,00,000 (Forty Lacs) Equity Shares of Rs. 10 each and in lieu of that to add 4,00,000 (Four Lac Only) Cumulative Convertible Preference Shares of Rs 100 each.

**FURTHER RESOLVED THAT** consequent upon the instructions given by the Hon,ble BIFR the nominal value of the equity share of the company be and is hereby reduced from Rs. 10/- each to Rs. 5/- each (Fully Paid)

**ALSO RESOLVED** that existing clause V of the Memorandum of association of the company be and is hereby altered and substituted by the following clause:



The Authorised Share Capital of the Company is **Rs. 12,00,00,000/- (Rupees Twelve Crores ) divided in to 1,60,00,00,000 (One Crore Sixty Lacs Equity Shares equity shares of Rs. 5/- (Rupees Five each) and 4,00,000 ( Four Only Lacs Cumulative Convertible Preference Shares of Rs 100 each.**

#### 6. ALTERATION IN THE CLAUSE 5 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY

To consider, and if thought fit to pass with or without modifications the following resolution as **SPECIAL RESOLUTION**

**“RESOLVED THAT** Pursuant to the provisions of Section 31 of the Companies Act ,1956 and in terms with the instructions given by the Hon,ble BIFR the Article No. 5 of the Articles of Association of the Company be altered by substituting it with the following new Clause:

5. The Authorised Share Capital of the Company is Rs. 12,00,00,000/- (Rupees Twelve Crores ) divided in to 1,60,00,00,000 (One Crore Sixty Lacs equity shares of Rs. 5/- (Rupees Five each) and 4,00,000 ( Four Lacs Cumulative Convertible Preference Shares of Rs 100 each. with a power of Company to increase, reduce or modify the Capital and to divide all or any of the shares in the capital of the Company , for the time being, and to classify and reclassify such shares from shares of one class into shares of other or classes and to attach thereto respectively such preferential , deferred, qualified or other special rights, privileges or restrictions as may be determined by the company in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges, conditions or restrictions, in such manner and by such persons as may, for the time being ,be permitted under the provisions of the Articles of Association of the Company or legislative provisions for the time being in force in that behalf.

By the Order of Board

Place Gurgaon  
Date : 2<sup>nd</sup> December, 2009.

(HARPREET SINGH SETHI)  
Chairman & Whole Time Director

#### NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. The Register of Members and the Share Transfer Books of the Company shall remain closed from 28/12/2009 to 2/01/2010 (both days inclusive).
3. Members attending the meeting are requested to bring their own copy of the Annual Report and attendance slips sent herewith duly filled and signed.
4. Members are requested to notify change in address, if any, to the Company at its Registered Office, quoting correct folio number(s).
5. In the case of Joint holders, if more than one holder intend to attend the meeting they must obtain additional admission slips on request from the Registered Office of the Company.
6. Details under Clause 49 of the Listing Agreement with the Stock Exchanges in Respect of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting is separately annexed hereto.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT,1956****ITEM NO. 4**

On October 1, 2008 the Board of Directors of the Company Appointed Mrs. Paramjit Kaur Sethi as the Additional Director of the Company. According to the provisions of Section 260 of the Companies Act, 1956 she can hold office as director only upto the date of the ensuing General Meeting. As required by section 257 of the Act, a notice has been received from a member signifying his intention to propose the appointment of Mrs Sethi as Director of the Company along with a deposit of Rs 500. Taking into account the services rendered to the Company by Mrs Sethi and her experience, the Board recommends the appointment of Mrs. P.K.Sethi as a director liable to retire by rotation.

The information relating to the directors containing the requisite disclosures is given at the end of this notice.

None of the Directors except Mrs P.K.Sethi and Mr. H.S.Sethi & Mr. A.S.Sethi are interested in this resolution.

**ITEM NO. 6**

As the members are aware that the Company is a Sick Industrial undertaking and is duly registered as Sick Company with the BIFR (Board of Industrial & Financial Reconstruction). On 5th May, 2009 the Honble BIFR approved the rehabilitation Scheme of the Company and in terms of the sanctioned scheme the paid up share capital of the Company was reduced by 80 % and after reduction, every five equity shares of Rs 2 each fully paid-up shall be consolidated into two equity shares of Rs 2.00 each fully paid-up. Accordingly this resolution is being passed to give effect to the approved Scheme of the BIFR and to also to make corresponding amendments in the Clause V of the Memorandum of Association and Article No. 5 of the Article of Association of the Company. Further as it is quite evident from the facts that consequent upon the reduction of the share capital of the Company the paid up share capital of the company reduced to Rs. 1688640 resulting into a significant gap between the Authorised and paid up share capital of the Company. In view of this the Board of Directors recommends to cancel the unissued /unutilized portion of the Share capital and to incorporate the 4,00,000 (Four Lacs only). Preference Shares aggregating to Rs 4,00,00,000 ( Four Crore Only) by doing this the Company will save significant amount of money to be paid in increasing the Authorised Capital of the Company.

The Board of Directors is of the opinion that the aforesaid reduction and alteration in the Memorandum and Articles of Association of the Company, is in the best interest of the Company and its members and hence recommends the passing of the resolutions.

A copy of the Memorandum and Articles of Association of the Company showing proposed alterations is available for inspection at the Registered Office of the Company from 10.A.M. TO 12.P.M. on any working day upto the date of the Annual General Meeting.

The Directors of the Company may be deemed to be concerned or interested in the Resolution only to the extent of their respective shareholding, if any, in the Company to the same extent as that of every other member of the Company.



**Details of the Directors seeking appointment/ re-appointment in Annual General Meeting fixed on 28th December, 2009. (In Pursuance of Clause 49 of the Listing Agreement)**

<b>Name of Directors</b>	<b>Mr. Shrihari Upadhayay</b>
Date of Birth	01/01/1973
Date of Appointment	28/12/2001
Expertise in specific Functional area	10 Years Personnel & Administration
Qualifications	Graduate
Lists of Outside Directorship held	NIL
Chairman /Member of the committee of the Board of Directors of the company	Share Transfer Committee (Member)
<b>Name of Directors</b>	<b>Mrs P.K. Sethi</b>
Date of Birth	05/06/1940
Date of Appointment	01/10/08
Expertise in specific Functional area	25 Years Personnel & Administration
Qualifications	Graduate
Lists of Outside Directorship held	NIL
Chairman /Member of the committee of the Board of Directors of the company.	NIL



## **CEO / CFO CERTIFICATION IN TERMS OF CLAUSE 49(V) OF THE LISTING AGREEMENT**

**To the Board of Directors  
Anka India Ltd  
Village & P.O.  
Kherki Daula, Distt. Gurgaon  
Haryana-122001**

Dear Sir,

1. I Harpreet Singh Sethi, Chairman & Whole Time Director of the Company hereby certify that I have reviewed the Balance Sheet, Profit & Loss Account and all its Schedules and Notes and Accounts as well the Cash Flow Statement made as at 30<sup>th</sup> June 2009 and certify that to the best of our knowledge and belief:
  - 1) These Statements do not contain any materially untrue statement or omit any Material fact or contain any Statement that might be misleading :
  - 2) These Statements read together present a true and fair view of Companies affair and are in Compliance with existing Accounting Standards ,applicable laws and regulations.
2. We further certify that, to the best of our knowledge and belief , no transactions have been entered into by the company during the year under review which are fraudulent, illegal or voliative of the Company's Code of Conduct.
3. We are responsible for establishing and maintaining disclosure control s and procedures and internal controls over financial reporting for the Company and we have:
  - 4a) Designed such disclosure controls and procedures to ensure that material information relating to the Company is made known to us by others within the Company, particularly during the period in which this report is being prepared.
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision , to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.
  - c) Evaluated the effectiveness of the Company's disclosures, controls and procedures.
  - d) disclosed in the report any change in the Company's internal control over financial reporting that occurred during the Company's most recent financial year that has materially affected ,or is reasonably likely or materially affect, the Company's internal control over financial reporting.
5. We have disclosed based on our most recent evaluations, wherever applicable, to the Company's auditors and the Audit Committee of The Company 's Board (and performing the equivalent functions )
  - a) all deficiencies in the design or operation of the internal controls , which could adversely affect the Company's ability to record ,process ,summaries and report financial data, and have identified for the Company's auditors, any material weakness in internal controls over financial reporting including any corrective actions with regard to deficiencies.
  - b) Significant changes in internal controls during the year covered by this report.
  - c) All the significant changes in accounting policies during the year , if any. And that the same have been disclosed in the notes to the financial statements.
  - d) Instances of significant fraud of which we are aware, that involve management or other employees who have a significant role in the Company's internal controls system.

Place: New Delhi  
Date:18<sup>th</sup>November 2009.

**Harpreet Singh Sethi**  
Chairman & Whole Time Director



**LEKHRAJ & ASSOCIATES**

COMPANY SECRETARIES  
203/10178, 2<sup>ND</sup> FLOOR, RAVINDER PLAZA,  
ABDUL AZIZ ROAD, W.E.A  
KAROL BAGH, NEW DELHI-110005

**CERTIFICATE OF CORPORATE GOVERNANCE**

**To the Members of  
ANKA INDIA LTD**

1. We have examined the compliance of conditions of Corporate Governance by ANKA INDIA LTD for the period ended on 30<sup>th</sup> June, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.
2. The Compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and Implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor expression of opinion on the financial statement of the company.
3. Although, Sub-clause (A) of the clause 49 of Listing Agreement requires that all the members of the Audit Committee should be non-executive directors, and majority of its members should be independent and at least one of its members should have financial and accounting background, but the Audit Committee of the Board of Directors of the Company has two executive directors and one of the members of Audit Committee were independent and one of its members has financial and accounting background.
4. Subject to para (3) above, in our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the mentioned Listing Agreements.
5. We state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the Shareholders Grievance –cum- Share Transfer Committee.
6. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**LEKHRAJ & ASSOCIATES**  
(Company Secretaries)

Place : Delhi  
Date : 22/ 08 / 2006

( Lekhraj)  
C.P. No. :3716





## CORPORATE GOVERNANCE REPORT OF ANKA INDIA LTD for the year ended 30<sup>th</sup> June, 2009 .

### 1. Philosophy of Corporate Governance

The Company philosophy of Corporate Governance is to enhance the long term shareholders value, achieve operational efficiencies and business results in all areas of company's operations, with compliance of all statutory and regulatory provisions .The believes in transparency, openness and disclosure of information consistent with the business environment in which the company operates .

### 2. Composition of Board

The Board of Directors of the Company consists of 6 (Six) Director out of which 2 are Executive Director, 3 Non-executive Independent Directors and 1 Non Executive Director. The Composition of the Board of Directors of the Company as on 30th June 2009 was as under: -

S.NO.	NAME	STATUS	Other Directorship
1	Sh.Harpreet Singh Sethi	Chairman & Whole Time Director	Darsh Polymers (P) Ltd
2	Sh.Arshdeep Singh Sethi	Jt. Managing Director	Darsh Polymers (P) Ltd Bhavya Promoters (P) Ltd
3	Sh. Sushil Pandey	Non Executive Independent Director	NIL
4	Sh. Shri Hari Upadhyay	Non Executive Independent Director	NIL
5	Sh. Kamal Sanwal	Non Executive Independent Director	DTG India (P) Ltd
6.	Ms Paramjit kaur	Non Executive Director	NIL

**As mandated by the revised clause 49, all the independent Directors on the Company's Board are Non-Executive and:**

Do not have any material pecuniary relationships or transactions with the Company , its promoters, its Directors, its senior management and associates , which may affect independence of the Directors.

Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.

Have not been Executive of the company in the immediately preceding three Financial years of the Company.

Are not partner or executive of the or were not partner or executive of the Statutory Audit Firm or the Internal Audit Firm and legal Firms, Consulting Firms, which have association with the Company.

Are not material suppliers, services providers or customers or lessor or lessees of the Company, which may affect independence of the Directors

Are not substantial shareholders of the Company i.e. do not own two percent or more of the block of voting shares.

### (a) Directors Attendance at Board Meetings

Nine Board Meetings were held during the period of fifteen Months ending on 30th June 2009

These Meetings were held on 30<sup>th</sup> April, 2008, 30<sup>th</sup> July 2008, 4<sup>th</sup> September 2008, 1<sup>st</sup> October, 2008, 30<sup>th</sup> October, 2008, 30<sup>th</sup> January 2009, 5<sup>th</sup> March, 2009, 30<sup>th</sup> April, 2009, 15<sup>th</sup> June, 2009



above meetings was as following:-

Name	No. of Board Meetings Attended	Attended Last AGM
Sh. Harpreet Singh Seth	09	YES
Sh. Arshdeep Singh Sethi	09	YES
Sh. Sushil Pandey	09	YES
Sh. Shri Hari Upadhyay	09	YES
Sh. Kamal Sanwal	09	YES
Ms Paramjit Kaur	05	No

## Board Committees

### 3. Audit Committee

The role and the powers of the Audit Committee are as per the provisions of the Companies Act, 1956 and the guidelines in the Listing Agreements with the Stock Exchanges. The Committee meets the statutory / Internal Auditors periodically and reviews the quarterly/ half yearly and Annual Auditors reports on Financial Statements and discusses their findings and suggestions and seeks clarifications thereon.

The Audit Committee comprises of three Directors. Namely Mr. Sushil Pandey, who is non-executive and independent Director and also the Chairman of the Audit Committee and Mr. Sri Hari Upadhyay, Independent Director & Mr. Kamal Sanwal, Independent Director are the Other Members of the Audit Committee. The Audit Committee met Six times during the period ended 30<sup>th</sup> June 2009 ie 30<sup>th</sup> April 2008, 30<sup>th</sup> July 2008, 4<sup>th</sup> September 2008, 30<sup>th</sup> October 2008, 30<sup>th</sup> January 2009 & 30<sup>th</sup> April 2009.

All the Members of the audit committee attended all Six meetings of Audit Committee.

The terms of reference of Audit Committee are in conformity with the requirements of the Clause 49 of the listing agreement and also Section 292A of the Companies Act, 1956.

### 4. Remuneration Committee

The Company has constituted a Remuneration Committee Which consists of three Directors namely Mr. Sushil Pandey who is non-executive and independent Director, is the Chairman of the Remuneration Committee and Mr Sri Hari Upadhyay & Mr. Kamal Sanwal are the other members of the committee.

The terms of reference of remuneration Committee consists of reviewing the compensation policy, service agreements and other employment conditions of the Managing Director.

The Remuneration Committee of the Company met only once during the year to consider the increment in the salaries of the Whole Time Director and Joint Managing Director of the Company but due to the ongoing Financial Crunch situation being faced by the Company the Committee decided to postpone the increment of the Executive Directors.

No remuneration is paid to any other Directors



The details of remuneration paid to Sh. Harpreet Singh Sethi and Sh. Arshdeep Singh Sethi during the Year ended on 30.06.2009 is given as follows.

NAME	ANNUAL SALARY	PERQUISITES
Sh. Harpreet Singh Sethi	Rs. 9,45,540/-	NIL
Sh. Arshdeep Singh Sethi	Rs. 9,45,540/-	NIL

No sitting fees was paid to any directors for attending the Board or any Committee Meetings.

## 5. Shareholders Grievances cum Share Transfer Committee

The investor / Shareholders grievances Committee deals with various matters relating to transfer / Transmissions of Shares, issues of duplicate share certificates, Exchange of new Certificates in lieu of old certificates and all other related matters, monitors expedition redressal of investors grievances and all other matters related to shares .

Mr. Shri Hari Upadhayay is the Chairman of the Shareholders Grievances Cum Share Transfer Committee. Mr. Harpreet Singh Sethi and Mr. Arshdeep Singh Sethi are the Other Members of the Committee. All the complaints have been disposed off to the satisfaction of the shareholders. Moreover, all the valid requests for share transfer received during the year have been processed within 30 days by the company and no such transfer is pending as on 30.06.2009. MR Harpreet Singh Sethi, Whole time Director of the Company is the Compliance Officer of the company. Lekhraj & Associates, practicing Company Secretary during the year 2008-2009 have carried out quarterly Secretarial Audit.

## 6. General Body Meeting

Location and time of last three Annual General Meetings are as under:

Year	Place	Date	Time	No.of Resolution
2008	Vill & Post Kherki Daula, Dist. Gurgaon (Haryana)	30.09.2008	9.30 A.M.	2
2007	Vill & Post Kherki Daula, Dist. Gurgaon (Haryana)	30.09.2007	9.30 A.M	2
2006	Vill & Post Kherki Daula, Dist. Gurgaon (Haryana)	30.09.2006	9.30 A.M.	NIL

A) Whether Special Resolution were put through postal ballot last year ? No

B) Is Special Resolution put through Postal Ballot this year? No

## 7. Disclosures:

1. No transaction was entered by the Company with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the company at large.
2. There has not been any non-compliance by the Company and no penalties or structures have been imposed on the company by the stock exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
3. Listing Fee of Mumbai Stock Exchange has been paid till the Financial year 2009-2010.



## 8. MEANS OF COMMUNICATION

The Company is not sending half-yearly report to each household of shareholders. The quarterly, half yearly and annual results are generally published by the Company in MELLINIUM POST & MELLINIUM DARPAN Delhi edition. The Company does not have its own WEB Site. The Company does not display official news releases. The presentations to institutional investors or to the analysts is not applicable to the company. The Management Discussion and Analysis Report forms part of this report.

## 9. GENERAL SHAREHOLDER INFORMATION

### Annual General Meeting to be held:

Date and Time : Monday the 28th December 2009 at 9.30 A.M.  
Venue : Vill & Post Kherki Daula, Dist. Gurgaon (Haryana) 122001

## 10. Financial Calender 2009-2010 (tentative):

### (Unaudited Financial Results )

Results for the quarter ending 30 <sup>th</sup> June 2009	31st July, 2009
Results for the quarter ending Sep.30, 2009	Last week of October, 2009
Results for the quarter ending Dec 31, 2009	Last week of January, 2010
Results for the quarter ending March 31, 2010	Last week of April, 2010

**Book Closure Date :** 28<sup>th</sup> December, 2009 to 2<sup>nd</sup> January, 2010

**Dividend Payment Date :** No Dividend has been declared by the Board of Directors of the Company during the year under review.

### Listing on Stock Exchange:

The Company's share are listed on the Stock Exchange, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street , Mumbai-400 001

### Delisting Status

1. Delhi Stock Exchange Ass. Ltd :	Delisting Approval Awaited
2. The Stock Exchange, Chennai :	Do

**Market Price Data:** During the year under review the shares of the Company were not traded on any stock exchange.

**Performance in Comparison to BSE Sensex, CRISIL index:** Not Applicable

### Registrar and share Transfer Agent :

Alankit Assignment Ltd.  
RTA Division  
Alankit Assignment Ltd.  
Alankit House,  
2E/21, Jhandewalan Extension  
New Delhi-110055.



Share Transfer System : Alankit Assignment Ltd is the Common Share Transfer Agent for effecting transfer of Shares in both physical and electronic modes. The transfer of shares are done through them.

#### Distrubution Schdeule

SHARES HOLDING OF NOMINAL VALUE OF	SHAREHOLDE	OLDERS	SHARE AMOUNT		% TO TOTAL
RS	NUMBER	TO TOTAL(%)	IN RS	IN RS	TO TOTAL(%)
UPTO 2500	522	53.870	638800. 00	638800.00	3.791
2501 to 5000	313	32.301	1202400.00	1202400.00	7.137
5001 to 10,000	68	7.018	512400.00	512400.00	3.041
10001 to 20,000	31	3.199	459600.00	459600.00	2.728
20,001 to 30,000	10	1.032	246400.00	246400.00	1.462
30,001 to 40,000	15	1.548	564800.00	564800.00	3.352
40,001 to 50,000	0	0.000	00.00	00.00	0.00
50,001 to 1,00,000	2	0.206	121600.00	121600.00	0.722
100001 & Above	8	0.826	13102400.00	13102400	77.766
<b>TOTAL</b>	<b>969</b>	<b>100.00</b>	<b>16848400.00</b>	<b>16848400</b>	<b>100.00</b>

**Dematerialization:** The shares of the company are in compulsory de mat mode but only Central Depositories services Ltd (CDSL) has given the connectivity to the Company. The approval from the National Securities Depositories Ltd ( NSDL) is still awaited. The physical and electronic share transfer take place at our share transfer agent.

**Outstanding GDRs/ADRs/Warrants or any Convertible Instruments.:** Not Applicable

**Plant Location:** VILLAGE & P.O. KHERKI DAULA , DISTT. GURGAON – HARYANA – 122001.

**Address for Correspondence:**

The Investors may address their Communication/ Grievances /queries/suggestions to:

**Registered Office:** VILLAGE & P.O. KHERKI DAULA ,DISTT. GURGAON –HARYANA – 122001.

**Corporate Office** 1308, Vikrant Tower, Rajendra Place New Delhi, 110008

The above report was placed before the Board at its meeting held on 2nd December, 2009 and the same was approved unanimously.



## DIRECTORS' REPORT

**Dear Members, Your Directors are submitting their 15<sup>th</sup> Annual Report alongwith Audited Statement of Accounts for the period of 15 month ended on 30<sup>th</sup> June, 2009.**

### 1. FINANCIAL HIGHLIGHTS

	(Current Year) (15 Months)	(Rs. In lacs) (Previous Year) (12 Months)
NET SALES (Net of Returns)	175.83	328.47
PROFIT / (LOSS) FOR THE YEAR (BEFORE DEPRECIATION & INTEREST)	(-) 133.13	30.88
PRIOR PERIOD ADJUSTMENT	.96	17.41
Waiver Of Interest	247.14	-
INTEREST	4.39	10.75
DEPRECIATION	83.68	78.84
Impairment Loss	28.81	00.00
NET PROFIT / (LOSS) FOR THE YEAR (Includes prior period provisions of Liquidated damages & penal interest of IDBI)	257.99	(-)76.86

### 2. OPERATIONS

Due to continues acute liquidity crisis being faced by the Company in the last few Financial years the Company could not deliver the goods at its best . The Company has incurred a net Loss of Rs133.13as against the profit & loss of Rs 30.88 in the previous year .It was attributed to the number of factors like lack of working capital , the fierce competition with the unorganized sector , the slump in demand and recessional depressive economic conditions prevailing in the Market which have continued to bring the profit margin under pressure. Inspite of the continuing recessionary conditions the Company is quite hopeful of making a turn around in a time to come.

### 3. INSURANCE

All the Properties of the Company including its buildings, Plant & Machinery and stocks are adequately insured

### 4. BOARD OF DIRECTORS

In accordance with the provisions of the Companies Act ,1956 and the Articles Of Association of the Company Mr. Srihari Upadhayay, Director who will be retiring by rotation, being eligible offers himself for re-appointment.

During the Year under review the Board of Directors of the Company appointed Mrs P.K. Sethi as Additional Director of the Company w.e.f. 01.10.08 and who is seeking the mandate to be appointed as a Director, liable to retire by rotation in the ensuing Annual General Meeting .

Brief resume of the Director seeking re-appointment at this Annual Genearal Meeting , Nature of his/her expertise and other details as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges are given in the Annexure to the Notice Convening the 15<sup>th</sup> Annual General Meeting .

### 5. Audit Committee

The Audit Committee has been Functioning since January 2000 and the scope of the committee meets the requirements



of the Cause 49 of the Listing Agreement with the Stock Exchange and Section 292A of the Companies Act 1956 .

## 6. CORPORATE GOVERNANCE REPORT

Your Company has implemented the Corporate Governance Practice set out by the Securities Board of India ( SEBI) and as set out in Clause 49 of the Listing Agreement entered into with the Stock Exchanges alongwith the Auditors Certificate ( Practising Company Secretary) on its Compliance by the Company is included in this Annual Report.

## 7. DIRECTORS RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF THE COMPANIES ACT, 1956.

**On the basis of the compliance certificate received from the concerned executive of the Company, subject to the disclosures in the Annual Accounts and also on the basis of the discussions with the Statutory Auditors of the Company from time to time Your directors hereby confirm:**

- i) that in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for that period.

that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- iii) That the directors had prepared the annual accounts on a going concern basis.

## 9. FIXED DEPOSITS:

During the year under review the Company has not accepted / renewed . any Fixed Deposits with in the meaning of Section 58 A of the Companies Act ,1956 .

## 10. LISTING ON STOCK EXCHANGE

The Companies shares are listed on Mumbai Stock Exchange .

## 11. INTERNAL CONTROL SYSTEMS

The Company has an effective system of accounting and administrative controls which ensure that all assets of the company are safe guarded and protected against loss from unauthorized use or disposition . The Company has a well defined organizational structure with clear functional authority limits for the approval of all the transactions.

The company has a strong reporting system , which evaluates and forewarns the management on issues related to compliance . The performance is regularly reviewed by the Board of Directors to ensure that it is in keeping with the overall corporate policy and in line with the Companies objectives.

## 12. AUDITORS

M/s V.K. Dhingra & Co., Chartered Accountants, the Auditors of the Company hold office until the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The necessary certificate as required u/s 224 (2B) of the Companies Act, 1956 has been received from the above named auditors.



**14. AUDITORS' REPORT AND NOTES ON ACCOUNTS****Comments on the Auditors' Observations:****a. Reply to point no. 3 f (i) of the Auditors Report**

The Company obtains the confirmations in ordinary course of business from time to time and no major variations are found.

**b. Reply to point no. 3 f (ii) of the Auditors Report**

The Company manufactures Shoe Soles and styles and forms of the soles depends upon the style of the Shoes and styles of the shoes changes from time to time due to the change in fashion. In this respect some soles become out of fashion, which leads to the non use of certain moulds. It has also happened in past that some moulds were re used again. Now sometimes it becomes very difficult to assess or value the impairment loss of the Moulds on regular basis. As the Auditors have pointed out the company is making all the efforts to calculate on regular basis the impairment loss.

**c. Reply to point no.3f (iii) of the Auditors report**

The Company is continuously taking several measures for its revival, including settlement of the dues to the secured creditors on OTS basis and continues to carry on its operations in the normal course. Further the accounts have been prepared to comply in all material aspects with applicable accounting principles, the accounting standards issued by the Institute of Chartered Accountant of India and the relevant provisions of the Companies Act, 1956. Though the company is a sick industrial company as per the ( Sick Industrial (Special Provisions Act., 1985). The accounts have been prepared on the concept that the company will continue as a going concern.

**15. PARTICULARS OF EMPLOYEES U/S 217 (2A) OF THE COMPANIES ACT, 1956.**

During the year under review, no employee whether employed for the whole year or part of the year, was drawing remuneration exceeding the limits as laid down under section 217(2A) of the Companies Act, 1956. Therefore, the information as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is not required to be given.

**16. PERSONNEL**

The industrial relations scenario continued to be stable during the year under review. The Company has been taking various initiatives for the HR development and this continue in this ensuing year as well.

**17. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT-GO.**

The information pertaining to the captioned areas are briefed in the ANNEXURE to this report.

**18. CEO/CFO Certificate**

As required by the Clause 49 of the Listing Agreement, the CEO/CFO certificate on the accounts is attached and forms part of the Annual Report.

**19. APPRECIATION**

Your Directors wish to place on record their appreciation for the valued Co-operation and assistance extended by various Government Agencies, Bankers of the Company, IDBI, loyal & dynamic executive staff and other workers of the Company. The Board also takes this opportunity to express its deep gratitude for the continuous support received from the shareholders of the Company.

For and on behalf of the Board

Place : Gurgaon  
Date : 2nd December, 2009.

( HARPREET SINGH SETHI)  
Chairman & Whole Time Director





## ANNEXURE TO THE DIRECTORS' REPORT

Particulars as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of Directors' Report for the period ended 30<sup>th</sup> June, 2009

### 1. CONSERVATION OF ENERGY

The Company emphasizes optimization of energy consumption in every possible area in its units. Various avenues are explored at periodic intervals and after careful analysis, planning, measures are initiated to minimize the consumption of energy through the optimal utilization of energy consuming equipments. During the year under review the following measures were adopted for conservation and optimum utilization of energy :

- i) Preventive maintenance for machines to reduce frictional losses and thereby improving efficiency
- ii) Creating awareness amongst all workers/ staff members to make maximum use of natural light and sensible use electrical appliances like fans, airconditioners etc.
- iii) Reviewing on a periodic basis all the measures initiated /adopted for conservation of energy.
- iv) Reducing wastages of water by using better methods of distribution and use.
- v) Frequent cleaning of all lighting equipment's like bulbs, tubes etc.
- vi) Reducing wastage / spillage of fuel like diesel.

#### (b) Future proposal for energy conservation

The Company will take all necessary measures as may be required from time to time for conservation of energy.

#### © Impact of measures (a) & (b) above for reduction of energy consumption

The above measures will result in energy saving and consequent decrease in cost of production.

### 2. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

#### a) Research & Development

It has been the endeavor of the Company to respond to the needs of its customers in the market with concurrent commitment to improve quality and productivity. During the period under review, the company had undertaken the repairs of old mould and machinery. Thus, the Company has been able to save precious foreign exchange.

#### b) Technology Absorption Efforts

- a) Continuous adaptation of advanced technology and technical know-how are being made for improving the quality of the product
- b) New systems were implemented for developing high quality soles.

#### Benefits

- a) Development of sophisticated products and new materials.
- b) Exposure to new techniques for production.

### 3. FOREIGN EXCHANGE EARNINGS AND OUTGO (Rs.) Lacs

Particulars	Current Year	Previous Year
Foreign Exchange Earning	NIL	NIL
Foreign Exchange Outgo	NIL	1.21

For and on behalf of the Board

Place : Gurgaon  
Date : 2nd December, 2009.

( HARPREET SINGH SETHI)  
Chairman & Whole Time Director



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. Economic scenario and Business outlook.

The year 2008-2009 was an eventful year both nationally and internationally. The Sub prime crisis, rise in the prices of oil, gold and commodities had a telling effect on the stock market and investors across the globe. The runaway inflation remained a major worry for the Governments worldwide. During 2009, the global economy expanded 4.9%. In India the Growth of the GDP was placed at 8% to 9% as per the estimates of the Central Government Statistical Data Depts. Notwithstanding the slower growth rate during 2008-09 in comparison to the year before, India continued to be the one of the fast growing economy in the world. The forecast for the year 2008-09 is that the Country's GDP growth rate will be in the range of 8-8.5%.

The Indian Shoe Industry is itself growing at a 15 to 20% annually. The growth rate is expected to double in the next couple of years. Our company is primarily involved in the business of manufacturing of PU and TPR Shoe Soles. Buoyant economy and increased demands has led to massive expansion and entry of new players catering to general needs of the customers. Encouraged by the demands and future prospects not only the existing players in the footwear industry expanded their capacity, but a host of new entities entered the market both in organised and unorganised sector. The company has state-of-art manufacturing facility to manufacture quality PU and TPRs Shoe Soles at its plant in Gurgaon and expertise to manufacture designs as per the requirements of ever-changing customers' demands, it could not fully exploit and utilise its capacity. Further, more and more emphasis/ focus is being given to exploit the inherent capabilities of the Company.

### 2. Opportunities and threats

The Indian Shoe Manufacturing Industry is highly competitive both for PU & TPR. Your Company faces stiff competition both from the international as well as domestic manufacturers. The competition is increasing with the addition of new capacities and emergence of new global players especially from China, which could affect our market shares. Increased competition might lead price reduction of the Final products, decreased sales, lower profit margins thus adversely affecting the business and Financial conditions of the Company.

Despite growing competition which may cause downward pressure on prices and profit margins, the Company is expected to grow its sales and overall profits in future from its products and due to its excellent product quality, low cost of production, ability to offer competitive prices, aggressive marketing strategy and distribution network, innovative product structures for better suitability to its consumers in domestic market. The Company with its innovative skills and expertise and with the help of the state-of-art manufacturing facilities is well placed to produce and supply quality products of international standards to the optimum satisfaction of the customers. With high standard quality Shoe soles competitive prices, your Company expects much business opportunities in the years to come. Though the economy has started looking up but the footwear industry is yet to recover completely from the recessionary effects. Footwear industry in India is not going all out with their expansion and diversification plan, instead, there is a sign of restraints and wait. This trend and policy is not conducive and it does not augur well for the revival of the footwear Industry. The competition from the unorganised sector has also its adverse effect on the performance of the Company.

### 3. FUTURE OUTLOOK

The future of the industry looks bright, as the Government of India has several steps for developing this Industry. The Industry has sufficiently geared itself up for a considerable growth in production over next few years as the export demands escalate. The Shoe industry's future is very bright due to changing perceptions of the fashion & style. The Company is quite optimistic and buoyant about its performance and business opportunities in the years to come. The Steps initiated by the management have started yielding good results. This has also resulted in saving its cost of production and improvement in quality of products which in turn will add to the profitability of the company. Addition of new and latest series of moulds to the fullest satisfaction of the existing and new customers with better and



efficient means is the need of the day which the Company recognises and tries to adhere to. All these factors are expected to have positive impact on the performances of the company. Based on the above position the current outlook appears to be quite satisfactory.

#### 4. INTERNAL CONTROLS AND SYSTEMS.

The Company ensures existence of adequate internal control through policies and procedures to be followed by the executives at various levels in the organization. While operating Managers ensure compliance within the areas, Internal Auditors carry out extensive checks and tests and report non-compliance / weak ness, if, any, through Internal Audit Report and on the respective areas. These reports along with the reports on the compliance made thereafter are reviewed by the Audit committee of the Board. The Committee regularly reviews and discussions with the Auditors and the management regarding issues in the Audit Report and financial matters. It reinforces the impact of the internal controls in the company.

#### 5. COMPANY'S FINANCIAL PERFORMANCE & ANALYSIS

##### A. FIXED ASSETS

The composition of assets is as under:

Particulars	June 30,2009	(Rs in Lacs) March 31,2008
Land	21.12	21.12
Buildings	114.97	114.97
Plant & Machineries	499.56	1389.62
Electrical Fittings & Installations	9.02	8.76
Office Equipments	14.07	14.07
Furniture & Fixtures	12.62	13.64
Vehicles	11.20	11.20
Software (Intangible Assets)	-	-
Total	682.57	1573.38
Less Accumulated Depreciation	413.57	1006.87
Impairment	28.81	63.73
Add. CWIP		
Net Fixed Assets	240.19	502.78



## B. Results Of Operations

The summary of operating performance for the year is given below:

Particulars	Year ended 30 June, 2009 Amount (Rs.)	(Rs. In Lakhs) Year Ended 31 March, 2008 Amount (Rs.)
<b>INCOME</b>		
Sales & Job work(Net)	176.43	305.72
Other Income	13.95	36.01
Increase/ (Decrease) in Finished goods & work in progress	(-) 9.42	1.03
Total Income	180.96	342.76
<b>EXPENDITURE</b>		
Material cost	103.87	202.19
Other Manufacturing Expences	-	-
Payment & Benefits to Employees	23.10	23.44
Administrative ,Selling & Other Expenses	187.12	86.25
<b>OPERATIVE EXPENCES</b>		
Expenses Allocated to self Constructed assets	-	-
EBIDT	(-)133.13	30.88
Less Depreciation	83.68	78.84
Interest & Financial Charges	4.39	10.75
Earning Before Tax	(-)221.02	(-) 58.71

## 6. HUMAN RESOURCES DEVELOPMENT /INDUSTRIAL RELATIONS

The Company Human Resources philosophy is to establish and build a strong performance and competency driven culture with greater sense of accountability and responsibility. The company has taken pragmatic steps for strengthening organizational competency through involvement and development of employees as well as installing effective systems for improving the productivity / quality and accountability at all levels through company's training and upgradation of technical and management skills.

## 7. RISK MANAGEMENT

Macro economic conditions do affect the performance of the Company. Low demand ,Political Instability, crop failures , natural calamities may affect the business. Business therefore cannot be risk free. What is therefore important is to correctly access the risk area wise and to mitigate the risk before it becomes potential threat . General risk areas are statutory compliances ,economy,financial ,governments regulations and policies ,market related ,operational, products and technology ,intellectual property etc.

## 8. ENVIRONMENT, OCCUPATIONAL HEALTH & SAFETY

Your Company is committed to conducting its operations with due regard to the environment and providing a safe and



healthy work place for employees. The collective endeavor of your company 's employees at all levels is directed towards sustaining and continuously improving standards of environment ,occupational health and safety in a bid to attain and exceed international benchmarks.

PROOF



## AUDITORS' REPORT

TO  
THE MEMBERS

1. We have audited the attached Balance Sheet of **ANKA INDIA LIMITED**, as at 30th June 2009 and also the Profit & Loss Account and the Cash Flow Statement for the period from 1st April 2008 to 30th June 2009. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement 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 and on the basis of such checks of the books and records of the Company as we considered appropriate and the information and explanations given to us during the course of audit, we enclose in the Annexure a statement on the matters specified in paragraphs 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) subject to our comments in paragraph 4(g)(i) and 4(g)(ii) below, 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 & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the applicable Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
  - e) on the basis of written representations received from the directors of the Company as on 30th June, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 30th June, 2009 from being appointed as director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
  - f) Attention is invited to the Note No. 18 of Schedule 'L' regarding disposal of machines used in the production of PU Sole which is subject to necessary approvals.
  - g) in our opinion and to the best of our information and according to the explanations given to us and subject to:
    - i) **Note No. 3 of Schedule 'L' regarding non-confirmation / reconciliation of balances of debtors, creditors and other parties, the effect of which on accounts upon confirmations and reconciliation not ascertainable;**
    - ii) **Note No. 8(b) of Schedule 'L' regarding pendency of assessment of impairment loss, the effect of which on**



**accounts of the Company upon assessment not ascertained;**

**iii) Note No. (14) of Schedule 'L' regarding the accounts of the Company prepared on going concern basis; and read with other 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 the Balance Sheet, of the state of affairs of the Company as at 30th June, 2009
- ii) in the case of the Profit & Loss Account, of the profit for the period ended on that date; and
- iii) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

**for V.K.DHINGRA & CO.**  
CHARTERED ACCOUNTANTS

PLACE : NEW DELHI.  
DATED: DECEMBER 02, 2009

**(V.K. DHINGRA)**  
PARTNER  
M.No. : 14467

PROOF



**ANNEXURE TO THE AUDITORS REPORT****REFERRED TO IN PARAGRAPH (3) OF OUR REPORT OF EVEN DATE ON THE ACCOUNTS OF ANKA INDIA LIMITED FOR THE PERIOD ENDED ON 30th June, 2009**

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
b) As explained to us, physical verification of major portion of fixed assets was conducted by the management at the end of the PERIOD which in our opinion is reasonable having regard to the size of the Company and nature of its business. On the basis of explanations given to us, no discrepancies were noticed on the aforesaid verification.  
c) A substantial part of fixed assets has been disposed off during the period. According to the management, it has not affected the going concern. However, in our opinion, going concern is already affected in view of the negative networth of the company.
2. a) As per the information and explanation given to us, the inventories have been physically verified by the Management during the year. In our opinion, the frequency of physical 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 are, reasonable and adequate in relation to the size of the Company and the nature of its business.  
c) On the basis of our examination of the records of inventory and according to the information and explanations given to us, we are of the opinion that the Company has maintained proper records of inventory. As per information and explanation given to us no discrepancy was observed on physical verification.
3. (a) As per information and explanation given to us the company has not granted any loan to the companies, firms of other parties covered in the register maintained under section 301 of the Companies Act, 1956;  
(b) The company has taken an interest free unsecured loan aggregating to Rs. 87,79,748/- from three parties covered in the register maintained u/s 301 of the Companies Act, 1956 during the year. Maximum amount due to these parties at any time during the year was Rs. 2,21,12,826/-  
(c) In our opinion and according to the information and explanations given to us the terms and conditions of interest free loans taken during the year were not prima facie prejudicial to the interest of the company; and  
(d) In our opinion and according to the information and explanations given to us the payment of principal amount were regular as stipulated.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control systems.
5. a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the contracts and 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) No transactions were made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year to Rs.5,00,000/- or more in respect of each party.





6. The Company has not accepted any deposit from public during the year within the meaning of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed thereunder. As explained to us, no order was passed by the Board or National Company Law Tribunal or Reserve Bank of India or any court or any tribunal in this regard.
7. The Company has an internal audit system which in our opinion needs to be further strengthened to make it commensurate with the size of the Company and the nature of its business
8. We have been informed that the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for the product of the Company.
9. a) According to the records of the Company and the information and explanations given to us, the Company has made delays on various occasions in depositing, with appropriate authorities, undisputed statutory dues including Investor Education & Protection Fund, Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Custom Duty, Cess and other statutory dues. The undisputed statutory dues outstanding as at 30th June, 2009 for a period exceeding a period of six months from the date they became payable are as follows:-

S. No.	Nature of Dues	Period of Default	Amount (Rs.)
1.	Custom Duty	Prior to 01.04.03	3,15,664.27
2.	Central Sales Tax	2005-2006	33,518.00
		2006-2007	8,81,728.00
		2007-2008	2,85,904.00
		2007-2008	33,799.00
3.	Investor Education & Protection Fund ( Interest Payble on unclaimed Public Deposit)	2007-2008	10,820.44

- b) According to the information and explanations given to us, the details of dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty, Service Tax and Cess which have not been deposited on account of any dispute are given below:-

Name of Statute	Nature of Dues	Financial year to which the matter pertains	Amount (Rs.)	Forum where dispute is pending
Central Excise Act	Penalty	1997-98	195497/-	Additional Commissioner Central Excise

10. The Company has accumulated losses exceeding fifty percent of the net worth of the Company. The Company has not incurred cash losses during the period covered by our audit also immediately preceding financial year.



11. According to the information and explanation given to us, the Company has not defaulted in repayment of dues to financial institution and bank during the year. The company has not issued any debentures.
12. According to information and explanations given to us and based on the records produced to us, the Company has not granted loans and advances on the basis of securities by way of pledge of shares, securities, debentures and other investments.
13. In our opinion the Company is not a chit fund or Nidhi/mutual benefit fund/society.
14. In our opinion and according to the information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
15. In our opinion and accordingly to the information and explanation given to us, the Company has not guaranteed any loan taken by others from banks and financial institutions.
16. In respect of term loans raised in the earlier years we have been informed that the same were applied for the purpose for which they were obtained. No term loan has taken during the period.
17. In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis were used for long term investment.
18. In our opinion and according to the information and explanations give to us, the price at which the Company has made the preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956, during the period was not prima facie prejudicial to the interest of the company.
19. The Company did not have any outstanding debentures during the period.
20. The Company has not raised any money by a public issue during the period.
21. Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud on/or by the Company has been noticed or reported during the course of our audit for the period ended 30th June, 2009.

**for V.K.DHINGRA & CO.**  
CHARTERED ACCOUNTANTS

PLACE : NEW DELHI.  
DATED: DECEMBER 02, 2009.

**(V.K. DHINGRA)**  
PARTNER  
M.No. : 14467



## BALANCE SHEET AS ON 30th JUNE, 2009

PARTICULARS	SCHEDULE	AS AT 30.06. 2009	AS AT 31.03.2008
<b>SOURCES OF FUNDS</b>			
<b>1. SHARE HOLDER'S FUNDS</b>			
(a) Share Capital	"A"	20,943,200.00	55,530,000.00
(b) Reserves & Surplus	"B"	-	45,912,793.00
		20,943,200.00	101,442,793.00
<b>2. LOAN FUNDS</b>	"C"		
(a) Secured Loans		14,927,333.55	19,611,483.10
(b) Unsecured Loans		5,156,655.00	32,765,903.00
<b>TOTAL</b>		<b>41,027,188.55</b>	<b>153,820,179.10</b>
<b>APPLICATION OF FUNDS</b>			
<b>1. FIXED ASSETS</b>	"D"		
(a) Gross Block		68,257,842.72	157,338,426.99
(b) Less : Depreciation & Impairment		44,238,744.71	107,060,270.11
(c) Net Block		24,019,098.01	50,278,156.88
<b>2. CURRENT ASSETS, LOANS AND ADVANCES</b>	"E"		
- Inventories		259,634.00	20,551,11.16
- sundry Debtors		3,604,817.31	9,255,541.61
- Cash & Bank Balance		257,023.94	37,264.70
- Interest Accured on Fixred Deposit		1,764.00	1,149.97
- Loan and Advances		373,9542.40	3,095,427.41
		7,862,781.65	14,444,495.29
<b>Less : CURRENT LIABILITIES &amp; PROVISIONS</b>	"F"		
- Current Liabilities		39,025,893.30	77,733,754.64
- Provisions		6,554,13.00	785,276,36.64
		39681306.30	(64083141.35)
<b>3. PROFIT AND LOSS ACCOUNT</b>			
(As per Annexed Account)		488,266,15.19	167,625,163.57
<b>TOTAL</b>		<b>41,027,188.55</b>	<b>153,820,179.10</b>
NOTES ON ACCOUNTS	"L"		

Schedule "A" to "F" and "L" annexed to form integral part of this Balance Sheet.

In terms of our attached report of even date  
for V.K. DHINGRA & CO.  
CHARTERED ACCOUNTANTS

PLACE : NEW DELHI  
DATED : DECEMBER 02, 2009

(H.S. SETHI)  
CHAIRMAN & WHOLE TIME DIRECTOR

(A.S. SETHI)  
JOINT MANAGING DIRECTOR

(V.K. DHINGRA)  
PARTNER

**PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON 30th JUNE, 2009**

PARTICULARS	SCHEDULE	FOR THE PERIOD ENDED 30.06.2009 Rs.	FOR THE PERIOD ENDED 31.03.2008 Rs.
<b>INCOME</b>			
SALES( Inclusive of Excise Duty))		17,583,192.52	32,847,354.40
Less:- EXCISE DUTY		<u>1,238,812.44</u>	<u>2,578,837.00</u>
JOB WORK INCOME		1,298,333.50	303,400.00
OTHER INCOME	"G"	1,394,980.37	3,600,789.19
INCREASE/(DECREASE) IN STOCK OF FINISHED GOODS & WORK-IN-PROGRESS	"H"	(942,068.04)	1,03,155.68
<b>TOTAL</b>		<u>18,095,625.91</u>	<u>34,275,862.27</u>
<b>EXPENSES</b>			
MATERIAL CONSUMED	"I"	10,387,086.36	20,219,438.63
OTHER EXPENSES	"J"	21,022,016.82	10,968,592.66
FINANCIAL CHARGES	"K"	439,454.39	1,075,438.29
DEPRECIATION		<u>8,368,169.13</u>	<u>7,883,591.86</u>
<b>TOTAL</b>		<u>40,216,726.70</u>	<u>40,147,061.44</u>
NET LOSS BEFORE TAX		(22,121,100.79)	(58,71,199.17)
ADD : PROVISION FOR FRINGE BENEFIT TAX		38,148.65	73,463.35
NET LOSS BEFORE PRIOR PERIOD		(22,159,249.44)	(59,44,662.52)
ADJUSTMENT & EXTRA ORDINARY ITEMS			
PRIOR PERIOD ADJUSTMENT (NOTE '6' TO SCHEDULE 'L')		<u>(96,361.40)</u>	<u>(17,41,325.34)</u>
NET LOSS BEFORE EXTRA ORDINARY ITEMS		(22,255,610.84)	76,85,987.86
EXTRA ORDINARY ITEMS (NOTE 19 TO SCHEDULE 'L')		<u>48,054,566.22</u>	-
NET PROFIT AFTER EXTRA ORDINARY ITEMS		25,798,955.38	(7,685,987.86)
BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR		(167,625,163.57)	(159,939,175.71)
<b>TOTAL LOSS</b>		<u>(141,826,208.19)</u>	<u>(167,625,163.57)</u>
<b>APPROPRIATIONS</b>			
(Refer Note No. 19 of Schedule 'L')		(337,728,00.00)	-
-Transfer From Share Capital Account upon Reduction		(1,000,000.00)	-
-Transfer From Share Premium Account		(44,912,793.00)	-
-Transfer From Capital Reserve Account		(13,314,000.00)	-
-Transfer From Forfeited Share Account		<u>(48,826,615.19)</u>	<u>(167,625,163.57)</u>
BALANCE LOSS CARRIED OVER TO BALANCE SHEET		<u>(141,826,208.19)</u>	<u>(167,625,163.57)</u>
EARNING PER SHARE BEFORE EXTRAORDINARY ITEMS		(12.53)	(4.55)
EARNING PER SHARE BEFORE EXTRAORDINARY ITEMS		14.52	(4.55)

**NOTES TO ACCOUNTS**

"L"

Schedule "G" to "L" annexed to form integral part of this Profit & Loss Account

In terms of our attached report of even date  
for V.K. DHINGRA & CO.  
CHARTERED ACCOUNTANTS

PLACE : NEW DELHI  
DATED : DECEMBER,2 2009.

(H.S. SETHI)  
CHAIRMAN & WHOLE TIME DIRECTOR

(A.S. SETHI)  
JOINT MANAGING DIRECTOR

(V.K. DHINGRA)  
PARTNER



## SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 30th June 2009

PARTICULARS	AS AT 30.06.2009 Rs.	AS AT 31.03.2008 Rs.
<b>SCHEDULE "A" - SHARE CAPITAL</b>		
AUTHORISED		
24000000 Equity Shares of Rs. 5/- Each	<u>120,000,000.00</u>	<u>120,000,000.00</u>
(Previous Year 12000000 Equity Shares of Rs. 10 each)		
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
4188640 Equity Shares of Rs. 5/- Each fully paid up	<u>20943200.00</u>	<u>42,216,000.00</u>
(Previous Year 4221600 Equity Shares of Rs. 10/- each)		
(Refer Note No. 19 of Schedule 'L')		
ADD: Shares Forfeited	-	<u>13,314,000.00</u>
(Refer Note No. 19 of Schedule 'L')		
<b>TOTAL</b>	<u>20943200.00</u>	<u>55,530,000.00</u>
<b>SCHEDULE "B" - RESERVES &amp; SURPLUS</b>		
(a) Share Premium Account		
-Balance as per Last Account	<u>10,00,000.00</u>	<u>10,00,000.00</u>
Less : Transferred to Accumulated Losses	<u>10,00,000.00</u>	<u>10,00,000.00</u>
(Refer Note No. 19 of Schedule 'L')		
(b) Capital Reserve		
- Walver of long Term Loan	<u>44,912,793.00</u>	<u>44,912,793.00</u>
Less : Transferred to Accumulated Losses	<u>44,912,793.00</u>	<u>44,912,793.00</u>
(Refer Note No. 19 of Schedule 'L')		
<b>TOTAL</b>	<u>44,912,793.00</u>	<u>44,912,793.00</u>
<b>SCHEDULE "C" - LOAN FUNDS</b>		
<b>SECURED LOAN</b>		
(a) Car Loan from ICICI Bank Ltd.	<u>73327.23</u>	<u>328599.78</u>
(b) Working Capital Loan from Oriental Bank of Commerce	<u>621705.32</u>	<u>5050582.32</u>
(c) Term Loan From Darsh Polymers Pvt. Ltd.	<u>14,232,301.00</u>	<u>14,232,301.00</u>
<b>TOTAL (A)</b>	<u>14927333.55</u>	<u>19611483.10</u>
<b>UNSECURED LOANS</b>		
(a) From Directors	<u>3011481.00</u>	<u>15812102.00</u>
(b) From Others	<u>2145174.00</u>	<u>16953801.00</u>
<b>TOTAL (B)</b>	<u>5156655.00</u>	<u>32765903.00</u>
<b>GRAND TOTAL (A+B)</b>	<u>20083988.55</u>	<u>52377386.10</u>

## Notes :

- Secured Loan from Darsh Polymers Pvt. Ltd. is secured by a first charge and mortgage of all immovable properties both present and future and first charge by way of hypothecation of movable assets (except book debts), subject to prior charge in favour of the Company's Bankers for working capital loans, and guaranteed by a Non executive Director, a Whole time Director and Joint Managing Director of the Company and further secured by way of pledge of 683600 Equity Shares of Rs. 5/- each (Previous Year 1709000 Equity Shares of Rs 10/- each). Darsh Polymers Pvt. Ltd. has an option to convert 50% of the amount of loan into equity, subject to the approval of the shareholders of Anka India Ltd. and in accordance with the prevalent norms, policies and statutory provisions.
- Working Capital loan from Bank is secured by hypothecation of inventories and book debts and second charge on the fixed assets of the Company and guaranteed by a Director and Joint Managing Director of the Company.
- Loan from ICICI Bank Ltd. is taken in the name of one of the directors of the Company and is secured by way of Hypothecation of the Vehicle against which loan has been taken. (Refer note no 15 of Schedule "L")

(H.S. SETHI)  
CHAIRMAN & WHOLE TIME DIRECTOR

(A.S. SETHI)  
JOINT MANAGING DIRECTOR


**SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 30th JUNE 2009**
**SCHEDULE "D" - FIXED ASSETS**

PARTICULARS	GROSS BLOCK		DEPRECIATION			IMPAIRMENT			NET BLOCK	
	TOTAL AS ON 31.3.2008 Rs.	ADDITIONS (SALE/ADJUSTMENT) DURING THE PERIOD ON 31.3.2009 Rs.	TOTAL AS ON 31.3.2009 Rs.	UP TO ON 30.6.2008 Rs.	DEPRECIATION FOR THE PERIOD Rs.	ADJUST- MENTS Rs.	UP TO ON 30.6.2009 Rs.	IMPAIRMENT FOR THE PERIOD Rs.	AS ON 30.06.2009 Rs.	AS ON 31.03.2008 Rs.
LAND	2111880.00	-	2111880.00	-	-	-	-	-	2111880.00	2111880.00
BUILDING	11497292.31	-	11497292.31	4002000.26	479,748.94	-	4,481,749.20	-	7,015,543.11	7,495,292.05
PLANT & MACHINERY	138961931.83	95588.08	-	-	-	-	-	-	-	-
		(89100996.56)	49956523.35	93761804.90	7549472.86	67613554.87	33697722.89	2881304.95	13377495.51	38827214.92
ELECTRICAL EQUIPMENTS	875705.21	26000.00	901705.21	421032.60	51458.66	-	472491.26	-	429213.95	454672.61
FURNITURE & FIXTURE	1364069.15	-	-	-	-	-	-	-	-	-
		(101175.79)	1262893.36	1092948.99	86382.01	84532.60	1094798.40	-	168094.96	271120.16
OFFICE EQUIPMENT	1407138.49	-	1407138.49	1136109.70	70794.99	-	1206904.69	-	200233.80	271028.79
VEHICLES	1120410.00	-	1120410.00	273461.65	130311.67	-	403773.32	-	716636.68	846948.35
<b>TOTAL</b>	<b>157338426.99</b>	<b>(89080584.27)</b>	<b>68257842.72</b>	<b>100687358.10</b>	<b>8368169.13</b>	<b>67698087.47</b>	<b>41357439.76</b>	<b>2881304.95</b>	<b>24019098.01</b>	<b>50278156.88</b>
<b>PREVIOUS YEAR</b>	<b>158030453.40</b>	<b>(692026.41)</b>	<b>157338426.99</b>	<b>93904749.68</b>	<b>7883591.86</b>	<b>1100983.44</b>	<b>100687358.10</b>	<b>-</b>	<b>50278156.88</b>	<b>57752791.71</b>

\* One Car costing Rs. 10,98,570/- is registered in the name of one of the directors of the company (Refer note no 15 in the Schedule - "L").

(H.S. SETHI)  
CHAIRMAN & WHOLE TIME DIRECTOR

(A.S. SETHI)  
JOINT MANAGING DIRECTOR



## SCHEDULE ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 30th JUNE, 2009

PARTICULARS	AS AT 30.06. 2009 Rs.	AS AT 31.03.2008 Rs.
<b>SCHEDULE "E" - CURRENT ASSETS, LOANS AND ADVANCES</b>		
<b>CURRENT ASSETS</b>		
(a) Inventories (Taken, valued and certified by management)		
-Finished Goods	259634.00	5,85,080.00
-Raw Material	-	776555.96
-Goods in Transit/at port	5,04,641.72	5,04,641.72
-Work in progress	-	6,50,888.04
-Packing Material	-	42,587.60
	<u>764275.72</u>	<u>25,59,753.32</u>
Less: Provision	<u>504,641.72</u>	<u>504,641.72</u>
(b) Sundry Debtors		20,55,111.60
(Unsecured considered good)		
-Debts outstanding for a period exceeding six months	116,5705.47	2,810,108.84
-Other Debts	<u>2439111.84</u>	<u>64,45,432.77</u>
c) Cash and Bank Balances		
- Cash in hand	234,195.60	13,573.36
- Balance with scheduled Banks		
-In Current Accounts	10828.34	11691.34
-Fixed Deposits	<u>12,000.00</u>	<u>12,000.00</u>
(d) Interest accrued on Fixed Deposits		
<b>Loan &amp; Advances</b>		
(Unsecured considered good)		
(a) Advance recoverable in cash or in kind or for value to be received		
(b) Security Deposits		
(c) Advance Tax/TDS		
	<u>3069975.40</u>	<u>22,97,309.41</u>
	<u>6,23,288.00</u>	<u>6,23,288.00</u>
	<u>46279.00</u>	<u>1,74,830.00</u>
	<u>3739542.40</u>	<u>30,95,427.41</u>
<b>TOTAL</b>	<u>7862781.65</u>	<u>14,444,495.29</u>
<b>SCHEDULE "F" - CURRENT LIABILITIES AND PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
<b>Sundry Creditors</b>		
-Due to Micro & Small Enterprises	-	-
-Due to Others	12976304.70	39,451,724.23
<b>Other Liabilities</b>		
- Amount Due to Directors in Current Account	296900.73	1,01,553.73
-Unpaid Cheques	12,800,000.00	-
- Others	<u>8983386.52</u>	<u>98,34,951.21</u>
<b>Interest accrued but not due on Secured Loans</b>		
Oriental Bank of Commerce	-	-
<b>Investor Education &amp; Protection Fund shall be credited by*</b>		
-Interest Accrued on Matured Public Deposits	-	-
	<u>10820.44</u>	<u>10820.44</u>
	<u>39025893.30</u>	<u>77733754.64</u>
<b>PROVISIONS</b>		
For Gratuity	316965.00	4,17,488.00
For Leave Encashment	<u>338448.00</u>	<u>3,76,394.00</u>
	<u>655413.00</u>	<u>7,93,882.00</u>
<b>TOTAL</b>	<u>39681306.30</u>	<u>78,527,636.64</u>

\* Amount was due as on 30th June 2009 for deposit in Investor Education and Protection Fund which has been deposited subsequently.

(H.S. SETHI)  
CHAIRMAN & WHOLE TIME DIRECTOR

(A.S. SETHI)  
JOINT MANAGING DIRECTOR





## SCHEDULE ANNEXED TO AND FORMING PART OF THE PROFIT &amp; LOSS ACCOUNT FOR THE PERIOD ENDED ON 30th JUNE, 2009

	CURRENT PERIOD Rs.		PREVIOUS PERIOD Rs.
<b>SCHEDULE "G" - OTHER INCOME</b>			
Interest Earned (Gross)	15471.03		25,655.97
(TDS: Nil) (Previous Year:Rs.Nil)			
Scrap Sale	57910.00		57,989.50
Miscellaneous Income	7609.00		31,955.00
Unclaimed Liabilities Written Back	40000.00		33,59,750.78
Profit on Sale of Fixed Assets	1273990.34		125437.94
<b>TOTAL</b>	<b>1394980.37</b>		<b>3600789.19</b>
<b>SCHEDULE "H" - INCREASE/DECREASE IN STOCKS OF FINISHED GOODS AND WORK IN PROGRESS</b>			
<b>CLOSING STOCK</b>			
Finished Goods	259634.00	5,85,080.00	
Work in progress	-	6,50,888.04	12,35,968.04
<b>LESS: OPENING STOCK</b>			
Finished Goods	585080.00	6,30,510.00	
Work in progress	650888.04	1235968.04	11,36,272.36
		(976334.04)	99,695.68
<b>DECREASE/(INCREASE) IN EXCISE DUTY</b>		34266.00	3460.00
<b>NET INCREASE / (DECREASE)</b>		<b>(942068.04)</b>	<b>1,03,155.68</b>
<b>SCHEDULE "I" - MATERIAL CONSUMED</b>			
<b>RAW MATERIAL CONSUMED</b>			
Opening Stock	776555.96		5,75,346.98
Purchase and Expenses during the year	9610530.40		20,420,647.61
	10387086.36		20,995,994.59
Less : Closing Stock	-		7,76,555.96
<b>TOTAL</b>	<b>10387086.36</b>		<b>20,219,438.63</b>
<b>SCHEDULE "J" - OTHER EXPENSES</b>			
Salaries, Wages and Other Amenities to Employees	2107077.00		21,36,606.00
Contribution to Provident Fund	198559.00		1,98,666.00
ESI Contribution	4382.00		8,249.00
Staff Welfare	68816.00		52,108.00
Stores Consumed	17834.75		3,1948.25
Power and Fuel	2210843.00		2,517,271.00
Travelling and Conveyance	170764.20		1,08,866.60
Director's Remuneration	1800000.00		1,440,000.00
Audit Fees	127500.00		85,000.00
Rent	1397970.20		9,78,851.16
Jobwork Expenses	266549.00		3,01,402.00
Fee, Rates & Taxes	71371.00		67,179.00
Postage, Telegram & Telephone Expenses	345017.27		3,00,796.13
Insurance	46440.00		66,214.00
<b>Repair &amp; Maintenance</b>			
- Plant & Machinery	113621.10		2,86,372.15
- Others	37207.00		1,27,537.50
Miscellaneous Expenses	1468918.96		10,93,767.00
Selling & Distribution Expenses	548458.02		9,57,500.17
Bad Debts written off	9619.61		73,005.79
Loss on Fixed Assets Sold	10011068.71		1,37,252.91
<b>TOTAL</b>	<b>21022016.82</b>		<b>10,968,592.66</b>
<b>SCHEDULE "K" - FINANCIAL CHARGES</b>			
Interest and other charges paid to Banks & Financial Institutions	412963.38		9,68,327.07
Interest to Others	26491.01		1,07,111.22
<b>TOTAL</b>	<b>439454.39</b>		<b>10,75,438.29</b>

(H.S. SETHI)  
CHAIRMAN & WHOLE TIME DIRECTOR

(A.S. SETHI)  
JOINT MANAGING DIRECTOR



**SCHEDULE ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT AND PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 30th June 2009.****SCHEDULE 'L' – NOTES ON ACCOUNTS****1. SIGNIFICANT ACCOUNTING POLICIES****a) General**

- i) The accounts are prepared on historical cost basis and as a going concern. Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles as applicable in India.
- ii) Income and Expenditure are accounted for on accrual basis.

**b) Fixed Assets**

Fixed assets are stated at cost of acquisition, including freight, duties and other incidental expenses related to acquisition and installation less depreciation.

Cost of fixed assets borne by other parties is reduced from the carrying value of the respective fixed assets.

**c) Inventories**

Inventories are valued at lower of cost or net relisable value. Cost is arrived on FIFO basis and is inclusive of taxes and duties paid/incurred (other than those recovered /recoverable from taxing authorities). Adequate provision is made in respect of non-standard and obsolete items.

**d) Impairment of Assets**

The Company identifies impairable assets at the year end in accordance with the guiding principles of Accounting Standard 28, issued by the Institute of chartered accountants of india, for the purpose of arriving at impairment loss thereon being the difference between the book value and recoverable value of relevant assets. Impairment loss, when crystallizes, are charged against revenues for the year.

**e) Foreign Currency Translation**

- i) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction
- ii) Assets and Liabilities receivable/payable in foreign currencies are translated at the year end exchange rates.
- iii) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Account.

**f) Depreciation**

Depreciation has been provided on Straight Line Method at the rates prescribed under the Schedule-XIV of the Companies Act, 1956 on pro-rata basis.

**g) Sales**

Sales are accounted on dispatch of product and stated net of discounts, returns and sales tax.

**h) Excise Duty**

Excise Duty Payable on finished goods lying in the factory at the year end is provided. The same being an element of cost of manufacturing is included in the inventory of finished goods.

**i) Retirement and Other Employee Benefits****a) Defined Contribution Plan**

The Company makes defined contribution to Provident Fund which are recognized in the Profit and Loss Account on accrual basis. The Company's contribution to State Plan, viz. Employees' State Insurance scheme is recognized in the Profit & Loss Account on accrual basis.

**b) Defined Benefit Plan**

The Company's liabilities under Payment of Gratuity Act and compensated absences are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Actuarial gain and losses are recognized immediately in the Profit and Loss Account as income/expenses. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government Bonds.

**c) Short Term Employee Benefits**

Short term employee benefit obligations are measured on an undiscounted basis and charged to the Profit & Loss Account on accrual basis.



## 2. CONTINGENT LIABILITIES

	Current year Rs.	Previous year Rs.
a) Bank Guarantee issued on behalf of the Company	100000.00	100000.00
b) Other amounts for which the Company is contingently liable		
Disputed Demand from Central Excise Deptt.	195497.00	195497.00
Disputed Demand under Land Reform Act.	190000.00	190000.00
3. Balances standing to the debit and credit of the debtors, creditors, and other parties are subject to confirmation/reconciliation. Consequent impact on accounts upon confirmation/reconciliation is not ascertainable in the present circumstances.		
4. In the opinion of the Board, the value on realisation of current assets, loans & advances in the ordinary course of business shall not be less than the amount at which they are stated in the Balance Sheet and provision for all known liabilities have been made and contingent liabilities have been disclosed properly.		
5. a) Directors have waived off their right to sitting fee in respect of meetings of Board of Directors attended by them.		
b) Remuneration has been paid to the Joint Managing Director and a Whole Time Director as a minimum remuneration in accordance with the limits prescribed in Schedule-XIII of the Companies Act, 1956 and resolution passed by the members in the General Meeting as per details given hereunder :-		
Salary & Allowances :-	Rs. 18,00,000/- (Previous Year: Rs.14,40,000/-)	
Contribution to PF and other Funds :-	Rs.91,080/- (Previous Year: Rs.86400/-)	

## 6. Prior Period Adjustment includes:-

Particulars of Expenses/Income	Current Year		Previous Year	
	Debit Rs.	Credit Rs.	Debit Rs.	Credit Rs.
Printing & Stationery	6273.00	-	-	-
Staff Welfare	3384.00	-	-	-
Misc. Expenses	-	-	1820.00	-
Sales Return	14249.40	-	700126.91	-
Design & Development Charges	-	-	1209739.70	-
Freight Outward	2000.00	-	3854.00	-
Traveling	-	-	1375.00	-
Legal & Professional Charges	4300.000	-	14700.00	-
Business Promotion	-	-	2333.00	-
Freight Inward	6100.00	-	-	-
Postage, Telegram & Telephone	-	-	2197.00	-
Sales Tax	-	-	33799.00	-
Electricity Charges	60055.00	-	-	-
Fringe Benefit Tax	-	-	6118.73	-
Gratuity & Leave Encashment	-	-	-	234738.00
<b>TOTAL</b>	<b>96361.40</b>	<b>-</b>	<b>1976063.34</b>	<b>234738.00</b>
<b>NET DEBIT/(CREDIT)</b>	<b>96361.40</b>	<b>-</b>	<b>1741325.34</b>	<b>-</b>

7. The company has unabsorbed depreciation and carry forward losses under tax laws. In the absence of virtual certainty of sufficient future taxable income, net deferred tax asset has not been recognised on prudent basis in accordance with the Accounting Standard – 22 on “Accounting for Taxes on Income” Issued by the Institute of Chartered Accountants of India.
8. In the absence of complete assessment for determining impairment loss on other assets in accordance with the Accounting Standard – 28 issued by the Institute of Chartered Accountants of India, an impairment loss amounting to Rs. 28,81,304.95 on assets lying as on 30th June 2009 has been provided only to the extent of loss estimated as per the scheme sanctioned by the Board for Industrial and Financial Reconstruction (BIFR) during the current period. This amount has been charged to Profit & Loss Account under the head Extra Ordinary Items ( Refer Note No. 19).



9. The Company being engaged only in the business of manufacture/job-work of Shoes -Soles, separate segment reporting, in terms of Accounting Standard AS-17 on "Segment Reporting" issued by the Institute of Chartered Accountant of India, is not required.

# 10. RELATED PARTY DISCLOSURE :

Related party disclosure in accordance with the Accounting Standard (AS-18) on 'Related Party Disclosure' issued by the Institute of Chartered Accountant of India are as under:

## i) Related Parties :

### KEY MANAGEMENT PERSONNEL :

Mr. A.S. Sethi	-	Joint Managing Director
Mr. H.S. Sethi	-	Chairman & Wholetime Director and Brother of Joint Managing Director

### RELATIVES :

Mrs. Paramjeet Kaur Sethi	-	Director & Mother of Joint Managing Director & Chairman & Wholetime Director
Mrs. Gurpreet Kaur Sethi	-	Wife of Mr. H.S. Sethi Chairmn
Mrs. Pooja Sethi	-	Wife of Mr. A.S. Sethi Joint Managing Director
Mr. Dildeep Singh Sethi	-	Brother of Joint Managing Director & Chairman & Wholetime Director

### ENTERPRISES OVER WHICH ABOVE PERSON CAN EXERCISE SIGNIFICANT CONTROL

Jauss Polymers Ltd.  
Darsh Polymers Pvt. Ltd.  
DTG India Pvt. Ltd.

**Note:-** Related parties and their relationship are as identified by the management and relied upon by the auditors.

## ii) Summary of Transactions with related parties:

NATURE OF TRANSACTIONS	KEY MANAGEMENT PERSONNEL (Rs.)	RELATIVES (Rs.)	ENTERPRISES OVER WHICH ABOVE PERSON CAN EXERCISE SIGNIFICANT CONTROL (Rs.)	TOTAL (Rs.)
Director Remuneration	1891080.00 (1526400.00)	- (-)	- (-)	1891080.00 (1526400.00)
Salaries / Wages & Other amenities to staff	- (-)	960480.00 (960480.00)	- (-)	960480.00 (960480.00)
Fixed Assets Sold	- (-)	- (-)	21012.00 (380000.00)	21012.00 (380000.00)
Fixed Assets Purchased	- (-)	- (-)	- (200000.00)	- (200000.00)
Issue of Share	207500.00 (-)	12292500.00 (-)	- (-)	12500000.00 (-)
Loan Taken/(-)Repaid (Net)	(-)457621.00 (1703699.00)	(-)12343000.00 -	(-)1968627.00 (910101.00)	(-)14769248.00 (2613800.00)
Damages Paid	- (-)	- (-)	211300.00 (-)	211300.00 (-)
Security Deposit Received (Net)	- (-)	- (-)	- (173940.00)	- (173940.00)
Balance at the end of the year	-	-	21012.00	21012.00
-Amounts Receivable	(-)	(-)	(173940.00)	(173940.00)
-Amounts Payable	3308381.73 (3570655.73)	443720.0 (12443000.00)	14962475.00 (16931102.00)	18714576.73 (32944757.73)

**Note:** Figures in bracket represent previous year's figures.

iii) **Disclosure in respect of material transactions with related parties.**

Director's Remuneration		
- Mr. A.S. Sethi	Rs. 945540/-	(Rs. 763200/-)
- Mr. H.S. Sethi	Rs. 945540/-	(Rs. 763200/-)
Salaries/Wages & Other Amenities to Staff		
- Mrs. Gurpreet Kaur Sethi	Rs. 480240/-	(Rs. 480240/-)
- Mrs. Pooja Sethi	Rs. 480240/-	(Rs. 480240/-)
Fixed Assets Sold		
- Jauss Polymers Ltd.	Rs. 21012/-	(Rs. 380000/-)
Fixed Assets Purchase		
- Jauss Polymers Ltd.	NIL	(Rs. 200000/-)
Issue of Share		
- Mrs. Parmjeet Kaur Sethi	12292500	(-)
- Mr. H.S. Sethi	207500	(-)
Loans Taken/(Repaid) (Net)		
- Darsh Polymers (P) Ltd.	Rs. (-) 179927/-	(Rs. 910101/-)
- DTG India (P) LTD.	Rs. (-) 1788700/-	(-)
- Mrs Paramjeet Kaur Sethi	Rs. (-) 12343000	(-)
- Mr. A.S. Sethi	Rs. (-) 590247	(Rs. 18103/-)
- Mr. H.S. Sethi	Rs. 132626	(Rs. 1703699/-)
Damages Paid		
- DTG India (P) Ltd.	Rs. 211300	-

**11. EARNING PER SHARE :**

In accordance with Accounting Standard – 20 on 'Earning Per Share' issued by the Institute of Chartered Accountant of India, the earning per share has been computed as under:

		Year 2008 – 2009	Year 2007 – 2009
a) Net Profit / (Loss) for the Year. (After Prior Period Adjustment but before Extra ordinary items)	(Rs.)	(22255610.84)	( 7685987.86)
a) Net Profit / (Loss) for the Year. (After Prior Period Adjustment and Extra ordinary items)	(Rs.)	25798955.38	( 7685987.86)
b) Weight Average Number of Equity Shares*	(Nos)	1776359.00	1688640.00
c) Nominal value per Equity Shares	(Rs.)	5.00	5.00
d) Earning Per Share (Basic & Diluted)			
Before Extra ordinary items	(Rs.)	(12.53)	(4.55)
After Extra ordinary items	(Rs.)	14.52	(4.55)

\* There were no potential equity shares. Consequent to the change in Share Capital due to implementation of BIFR order, the number of shares and EPS for the previous year has also been restated in accordance with the Accounting Standard-20 issued by the Institute of Chartered Accountants of India.

**12. Additional information pursuant to the provisions of Paragraph 3 and 4 of part-II of Schedule VI to the Companies Act, 1956.**

	Current year Rs.	Previous year Rs.
a) <b>CIF value of Imports</b>		
- Capital Goods	NIL	NIL
- Raw Material	NIL	NIL
b) <b>FOB Value of Export</b>	NIL	NIL
c) <b>Expenditure in Foreign Currency</b>	NIL	NIL
- Travelling Expenses	90681	NIL

**d) Details of Installed Capacity and Actual Production :**

Class of Goods	Installed * Capacity (Pcs. In Pairs)	Actual Current Year	Production Previous Year
Shoe Soles-PU #	22,00,000	290224.50	394141.00
Shoe Soles-TPR ##	10,50,000	39961.00	80170.00
	<b>32,50,000</b>	<b>330185.50</b>	<b>474311.00</b>

\* As certified by the Management but not verified by the auditors being a technical matter.

# Including Shoe Sole P.U. 53926 (Previous Year 12136) pairs manufactured on Job Work basis.



## e) Particulars of Sales:-

	Current Year		Previous Year	
	Quantity (Pcs. In Pairs)	Value (Rs.)	Quantity (Pcs. In Pairs)	Value (Rs.)
Shoe-Soles				
-PU	250857.50	15138153.52	384103.50	27244394.11
-TPR	39961.00	2445039.00	80170.00	5602960.29
(Quantities include free of cost samples)				
<b>TOTAL</b>		<b>17583192.52</b>		<b>32845133.40</b>

## f) Particulars of Opening and Closing Stock

	Current Year		Previous Year	
	Quantity (Pcs. In Pairs)	Value (Rs.)	Quantity (Pcs. In Pairs)	Value (Rs.)
<b>Shoe-Soles-PU</b>				
-Opening Stock	27027.00	585080.00	29125.50	630510.00
-Closing Stock	12468.00	259634.00	27027.00	585080.00
<b>Shoe Soles - TPR</b>				
-Opening Stock	-	-	-	-
-Closing Stock	-	-	-	-

## g) Raw Material Consumed

	Current Year		Previous Year	
	Quantity (Kgs.)	Value* (Rs.)	Quantity (Kgs.)	Value* (Rs.)
PU	58962.87	6952820.05	112648.94	14397965.88
TPR	9933.00	875554.36	28850.00	2674218.95
Others*	-	2558711.95	-	3147253.80
<b>TOTAL</b>		<b>10387086.36</b>		<b>20219438.63</b>

\* In view of large number of items having different units of measurement quantities of other material not given.

## h) Consumption of Raw Material

	Current Year		Previous Year	
	%	Value (Rs.)	%	Value (Rs.)
Indigenous	100%	10387086.36	100%	20219438.63
Imported	-	-	-	-
<b>TOTAL</b>	<b>100%</b>	<b>10387086.36</b>	<b>100%</b>	<b>20219438.63</b>

## i) Consumption of Stores

	Current Year		Previous Year	
	%	Value (Rs.)	%	Value (Rs.)
Indigenous	100%	17834.75	100%	31948.25
Imported	-	-	-	-
<b>TOTAL</b>	<b>100%</b>	<b>17834.75</b>	<b>100%</b>	<b>31948.25</b>

**13. AMOUNT PAID/PAYABLE TO AUDITORS** (including Service Tax)

	Current Year (Rs.)	Previous Year (Rs.)
a) Audit Fee	137500.00	85000.00
b) Tax Audit Fee	15000.00	15000.00
c) Taxation Matters	11900.00	51900.00

14. Net Worth of the Company is in negative and the Company has no intention to discontinue its operations. Therefore, these accounts have been prepared on 'Going Concern Basis'.
15. Company, being unable to raise funds to purchase a car for official use, has purchased one Car for Rs.1098570/- during the F.Y. 2005-2006 in the name of one of its directors and taken the car loan from ICICI Bank Ltd. in the name of that director. Cost of car has been included in the Fixed Assets and outstanding loan account has also been included in Secured Loans in the Company's balance sheet.

**16. EMPLOYEES BENEFITS**

As per Accounting Standard 15 "Employee Benefits", the required disclosures of Employee Benefits to the extent applicable to the company are given below:

**Defined Contribution Plan**

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

(Amount in Rupees)

Employer's Contribution to Provident Fund	1,98,559.00
Employer's Contribution to Employees State Insurance Scheme	4382.00

**Defined Benefit Plan**

The present value of obligation for gratuity and compensated absences 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.

**I. Reconciliation of opening and closing balances of Defined Benefit obligation**

(Amount in Rupees)

	Current Period		Previous Period	
	Gratuity (Unfunded)	Leave Encashment (Unfunded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)
Defined Benefit obligation at beginning of the year	417488.00	376394.00	364809.00	342585.00
Current Service Cost	41641.00	41856.00	51,710.00	49,821.00
Interest Cost	29011.00	27181.00	28,619.00	26,438.00
Actuarial (gain)/loss	39436.00	84020.00	(13,515.00)	(18,224.00)
Benefits paid	(210611.00)	(191003.00)	(14,135.00)	(24,226.00)
Defined Benefit obligation at year end	316965.00	338448.00	4,17,488.00	3,76,394.00



## II. Reconciliation of fair value of assets and obligations

(Amount in Rupees)

	Current Period		Previous Period	
	Gratuity (Unfunded)	Leave Encashment (Unfunded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)
Fair value of plan assets	NIL	NIL	NIL	NIL
Present value of obligation	316965.00	338448.00	4,17,488.00	3,76,394.00
Amount recognized in Balance Sheet	316965.00	338448.00	4,17,488.00	3,76,394.00

## III. Expense recognized during the year (Under the head "Salary, Wages and Other Amenities to Staff – Refer Schedule 'J')

(Amount in Rupees)

	Current Period		Previous Period	
	Gratuity (Unfunded)	Leave Encashment (Unfunded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)
Current Service Cost	41641.00	41856.00	51,710.00	49,821.00
Interest Cost	29011.00	27181.00	28,619.00	26,438.00
Acturial (Gain)/Loss	39436.00	84020.00	(13,515.00)	(18,224.00)
<b>Net Cost</b>	<b>110088.00</b>	<b>153057.00</b>	<b>66,814.00</b>	<b>58,035.00</b>

## IV. Actuarial assumptions

	Current Period		Previous Period	
	Gratuity (Unfunded)	Leave Encashment (Unfunded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)
Mortality Table	LIC/1994-96 Ultimate	LIC/1994-96 Ultimate	LIC/1994-96 Ultimate	LIC/1994-96 Ultimate
Discount rate (per annum)	7.5%	7.5%	8%	8%
Rate of escalation in salary (per annum)	5%	5%	5%	5%

The estimates of rate of escalation in salary as considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in employment market. The above information is certified by the actuary.

17. The company has requested its suppliers to intimate whether they are registered under "The Micro, Small and Medium Enterprises Development Act 2006", No supplier has intimated to the company that they are registered under the said Act.
18. During the period covered under these accounts, the company has stopped the production of PU Soles and disposed off all the machineries and moulds used in its production. The same has been done as these machines were very old and not working properly and also the same were requiring high maintenance cost. At the same time these were consuming more power and the company was incurring huge losses in production of PU Soles. The company proposes to obtain shareholders approval in this regard in the ensuing annual general meeting and also the permission of the Board for Industrial & Financial Reconstruction is being sought.

In the meantime the company is exploring the viability of commencing the business of PU Soles again with the machines of latest technology.

19. Board for Industrial and Financial Reconstruction, vide its order dated 15.05.2009, has sanctioned a Rehabilitation Scheme (Sanc





tioned Scheme) for revival of the company under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985.

Pursuant to the directions given in the sanctioned scheme following adjustments have been made in these accounts :

- (a) Unsecured loans to the tune of Rs. 125 lacs received in earlier years have been converted into fully paid 25 lacs equity shares of Rs.5 each at par.
- (b) Amounts debited / credited in Profit & Loss Account under "Extra Ordinary Items" :-

	<b>Debit (Rupees in Lacs)</b>	<b>Credit (Rupees in Lacs)</b>
i) Sundry Creditors written back	—	273.74
ii) ROC Fee & Interest Payable written back	—	7.60
iii) Sundry Debtors written off	19.12	—
iv) Interest Accrued on Loan From OBC written back	—	247.14
v) Impairment Loss on assets	28.81	—
	<b>47.93</b>	<b>528.48</b>
<b>Net Credit (Extra Ordinary Items)</b>		<b>480.55</b>
Amounts credited to Profit & Loss Account under 'Appropriations' :-		
i) Reduction in Share capital transferred to Accumulated Losses (As per sanctioned scheme paid up share capital of the company has been reduced by 80% and after reduction, every five equity shares of Rs.2/- each fully paid up have been converted into two equity shares of Rs.5/- each fully paid up.)	—	337.73
ii) Share Premium Account transferred to Accumulated Losses	—	10.00
iii) Capital Reserve Account transferred to Accumulated Losses	—	449.13
iv) Forfeited Shares Account transferred to Accumulated Losses	—	133.14
	—	<b>930.00</b>
<b>Aggregate Net Credits to Profit &amp; Loss A/c</b>		<b>1410.55</b>

- (c) To give effect to the reduction in face value of paid up share capital from Rs.10 to Rs.5, the Authorised Capital of the company has also been restructured from 12000000 equity shares of Rs.10 each to 24000000 equity shares of Rs.5 each.

- (d) The company is in the process of giving effect to the other directions given in the sanctioned scheme the impact of which, if any, would be given after the completion of the process.

20. Unpaid Cheques in Schedule 'F', aggregating to Rs.128 lacs ( Previous Year : NIL), represent cheques issued against repayment of unsecured loan which are lying unpaid as at 30<sup>th</sup> June,2009.

21. These accounts are for an extended period of 15 months, hence the figures of current period may not be comparable with those of previous year.

22 Previous year's figures have been reclassified/rearranged wherever considered necessary to conform to this year's classification.

Signatures to Schedules 'A' to 'L'

**For V.K. DHINGRA & CO.  
CHARTERED ACCOUNTANTS**

PLACE : NEW DELHI  
DATED : DECEMBER,2 2009.

(H.S. SETHI)  
CHAIRMAN & WHOLE TIME DIRECTOR

(A.S. SETHI)  
JOINT MANAGING DIRECTOR

(V.K. DHINGRA)  
PARTNER



## STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30.06.2009

PARTICULARS	AMOUNT (Rs.) 2008-2009	AMOUNT (Rs.) 2007-2008
<b>A.Cash Flow from Operations</b>		
<b>Extra Ordinary items</b>		
Net profit / (Loss)	(22255610.84)	(7685987.86)
i Depreciation	8368169.13	7883591.86
ii Financial Charges	439454.39	1075438.29
iii Loss on sale of Fixed Assets	10011068.71	137252.91
iv Profit on sale of Fixed Assets	(1273990.34)	(125437.94)
v Provision for FBT	38148.65	9044308.47
	<u>17582850.54</u>	<u>73463.35</u>
	(4672760.30)	1358320.61
Less : Interest Income	15471.03	25655.97
CASH FROM OPERATIONS BEFORE WORKING CAPITAL CHANGES	(4688231.33)	1332664.64
I Inventories	1795477.60	(288462.47)
ii Trade & Other Receivables	2965752.48	(1471850.66)
iii Trade Payable & other Liabilities	899334.48	5660564.56
Cash Generated from Operations	972333.23	(5735452.43)
Less: Direct Taxes (Net)	55087.65	179375.10
<b>Net Cash from Operating Activities</b>	<u>1027420.88</u>	<u>(5556077.33)</u>
<b>B.Cash Flow from Investing Activities</b>		
i Purchase of Fixed assests/ Capital Advances Given / (Refunded)	(121588.08)	(1120172.00)
ii Interest Received	14857.00	24506.00
iii Sale of Fixed assets	6394094.50	699400.00
<b>Net Cash Flow from Investing Activities</b>	<u>6287363.42</u>	<u>(396266.00)</u>
<b>C.Cash Flow from Financing Activities</b>		
I Repayment of Secured Loan	(255272.55)	(183531.87)
ii Repayment of Working Capital Loan from Bank	(4428877.00)	(3473062.00)
iii Unsecured Loans Taken/ Repaid(Net)	(2309248.00)	9876203.00
iv Interest Paid	(101627.51)	(283563.30)
<b>Net Cash from / (Used In) Financing activites</b>	<u>(7095025.06)</u>	<u>5936045.83</u>
<b>Net Increase / (Decrease) in cash &amp; cash equivalents (A+B+C)</b>	<u>219759.24</u>	<u>(16297.50)</u>
Cash & Cash equivalents as at 01.04.2007	37264.70	53562.20
Cash & Cash equivalents as at 31.03.2008	257023.94	37264.70

I) Figures in bracket represents cash outflow

II) Previous Year figures have been recast/restated wherever necessary

III) Write backs/writeoffs as well as/ conversion of unsecured loans into equity as per BIFR do not invoice cash flow

In terms of our attached report of even date  
for **V.K. DHINGRA & CO.**  
**CHARTERED ACCOUNTANTS**

PLACE : NEW DELHI  
DATED : DECEMBER,2 2009.

(H.S. SETHI)  
CHAIRMAN & WHOLE TIME DIRECTOR

(A.S. SETHI)  
JOINT MANAGING DIRECTOR

(V.K. DHINGRA)  
PARTNER

# ANKA INDIA LIMITED

Registered Office : VILLAGE & P.O. KHERKI DAULA, DISTT. GURGAON, HARYANA-122 001

## ATTENDANCE SLIP

PLEASE FILL IN ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. Joint Shareholder may obtain additional Attendance Slip on request.

Name and address of the shareholders \_\_\_\_\_

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

No. of Shares held: \_\_\_\_\_

I hereby record my presence at the 15th Annual General Meeting of the Company held on Monday the 28th December, 2009 at 9.30 A.M at VILLAGE & P.O. KHERKI DAULA, DISTT. GURGAON, HARYANA - 122001

Signature of the shareholder or Proxy  
\_\_\_\_\_

# ANKA INDIA LIMITED

Registered Office : VILLAGE & P.O. KHERKI DAULA, DISTT. GURGAON, HARYANA-122 001

## PROXY FORM

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

I/WE \_\_\_\_\_

of \_\_\_\_\_ being a Member/Members

of ANKA INDIA LIMITED hereby appoint \_\_\_\_\_ of

\_\_\_\_\_ or

failing him \_\_\_\_\_

of \_\_\_\_\_

as my/our proxy to vote for me/us and on my/our behalf at the 15th Annual General Meeting of the Company to be held on Monday the 28th December, 2009 at 9.30 or at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2009 the said \_\_\_\_\_

Affix 1  
Rupee  
Revenue  
Stamp

**Note:** The Proxy must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.

**BOOK POST**

PROOF

**ANKA INDIA LTD.**

**Registered Office :**

*VILLAGE & P.O. KHERKI DAULA,  
DISTT. GURGAON, HARYANA-122 001*