



Rama Phosphates Limited

28TH ANNUAL REPORT 2012 – 2013

BOARD OF DIRECTORS

CHAIRMAN & MANAGING DIRECTOR

D. J. Ramsinghani

DIRECTORS

H. D. Ramsinghani

D. N. Singh

P. K. Srivastava

(Nominee Director of Bank of India)

(Upto 30/11/2012)

Mohan Lal Goyal

(Nominee Director of Bank of India)

(w.e.f. 30/11/2012)

C. R. Malaviya

(Upto 28/02/2013)

K. Raghuraman

(w.e.f. 17/05/2013)

COMPANY SECRETARY

J. K. Parakh

BANKERS

Bank of India

State Bank of India

Syndicate Bank

AUDITORS

M/s. Dayal & Lohia

Chartered Accountants

Mumbai

REGISTRARS & TRANSFER AGENT

LINK INTIME INDIA PRIVATE LIMITED

C-13, Pannalal Silk Mills Compound, L.B.S. Marg,

Bhandup West, Mumbai 400078

Tel.No. 25963838 Fax No.:25946969

Email : rnt.helpdesk@linkintime.co.in

Website : www.linkintime.co.in

REGISTERED OFFICE

812, Raheja Chambers, Nariman Point,

Mumbai 400 021

ADMINISTRATIVE OFFICES

51-52, Free Press House,

Nariman Point, Mumbai 400021

Indore – Madhya Pradesh

100, Chetak Centre, R.N.T. Marg,

Indore 452 001

Pune- Maharashtra

P.O. Loni Kalbhor, Tal. Haveli,

Dist. Pune 412 201

Udaipur - Rajasthan

106, 1st Floor, 4-A, Vinayak Complex,

New Fatehpura, Udaipur 313 004

WORKS :

a) Fertilizer & Chemical Division

1) Indore – Madhya Pradesh

20/4 KM Stone, Indore – Ujjain Road

(Dharampuri), Dist. Indore 453 557

2) Pune-Maharashtra

Rama Krishi Rasayan

(A Division of Rama Phosphates Limited)

P.O. Loni Kalbhor, Pune Solapur Road,

Tal. Haveli, Dist. Pune 412 201

3) Udaipur - Rajasthan

4807/11, Umra Village,

Jamarkotra Road, Teh. Girwa,

Dist. Udaipur 313 901

b) Soya Oil Division-ISO-14001 Accredited

Indore – Madhya Pradesh

20/6 KM Stone, Indore – Ujjain Road

(Dharampuri), Dist. Indore 453 557



NOTICE

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of the Members of the Company will be held on Friday, the 27th day of September, 2013 at 10.00 a.m. at Babasaheb Dahanukar Hall, Orion House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400001 to transact the following business :-

1. To receive, consider and adopt Statement of Profit & Loss for the year ended March 31, 2013 and the Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To declare a Dividend on Equity Shares.
3. To appoint a Director in place of Mr. H. D. Ramsinghani who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider, and if thought fit, to pass with or without modification, the following Resolution, as an Ordinary Resolution :

“RESOLVED THAT the retiring Statutory Auditors M/s Dayal & Lohia (Registration No 102200W) be and they are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting on remuneration to be fixed by the Board of Directors.”

SPECIAL BUSINESS

5. To consider, and if thought fit, to pass with or without modification, the following Resolution, as an Ordinary Resolution :
“RESOLVED THAT Mr. K. Raghuraman be and is hereby appointed as a Director of the Company whose office shall be liable to determination by retirement of Directors by rotation.”

NOTES

1. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of Special Business as set out is annexed thereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 20th day of September, 2013 to Friday, the 27th day of September, 2013 (both days inclusive).
4. The Dividend on Equity Shares for the year ended 31st March, 2013 if declared at the meeting will be paid to those members of the Company whose names stand on the Register of Members on September 27, 2013. The Dividend in respect of shares held in dematerialized form in Depository System will be paid to beneficial owners of shares as on September 19, 2013 as per the list provided by the Depositories for this purpose.
5. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by depositories for depositing dividends. Dividend will be credited to the Member's bank account through electronically wherever the complete core banking details are available with the Company. In case the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records.
6. Members are requested to communicate any change in their Address and also register/update the Bank Account details in respect of shares held in physical form with Link Intime India Private Limited.
7. Members desirous of seeking any information concerning the Accounts are requested to address their queries in writing to the Managing Director at least seven days before the date of the Meeting so that the requested information can be made available at the time of the Meeting.
8. Members are requested to bring their copies of the Annual Report to the Meeting since copies of the Annual Report will not be distributed at the Meeting.
9. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Link Intime India Private Limited.

By Order of the Board
For RAMA PHOSPHATES LIMITED
J. K. PARAKH
COMPANY SECRETARY

Place : Mumbai

Date : May 17, 2013

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956 WITH REFERENCE TO THE SPECIAL BUSINESS SPECIFIED IN THE NOTICE CONVENING THE TWENTY EIGHTH ANNUAL GENERAL MEETING OF THE COMPANY.

ITEM NO. 5

Mr. K. Raghuraman was appointed as an Additional Director by the Board of Directors at their Meeting held on May 17, 2013 pursuant to the provisions of Section 260 of the Companies Act, 1956. Mr. K. Raghuraman will hold office of Additional Director up to the date of the forthcoming Annual General Meeting. The Company has received a Notice from a Member pursuant to the provisions of Section 257 of the Companies Act, 1956 signifying the intention to propose the name of Mr. K. Raghuraman as a Director of the Company. Mr. K. Raghuraman has filed with the Company his consent to act as a Director.

Except Mr. K. Raghuraman, none of the Directors are in any way concerned or interested in the Resolution.

By Order of the Board
For RAMA PHOSPHATES LIMITED
J.K. PARAKH
COMPANY SECRETARY

Place : Mumbai

Date : May 17, 2013

INFORMATION PURSUANT TO CLAUSE 49 (VI) OF THE LISTING AGREEMENT

As required under the Listing Agreement, the particulars of Directors are proposed to be appointed / reappointed at the forthcoming Annual General Meeting are given below :

1. Appointment

Mr. K. Raghuraman is proposed to be appointed as a Director of the Company. Mr. K. Raghuraman is Chartered Accountant and has a rich and varied experience in the field of Accounts and Finance spanning over 35 Years.

He is Director in the following Companies :

Andhra Bank	Oriental Carbon and Chemicals Limited
Nagarjuna Agrichem Limited	Birla Ericsson Opticals Limited
Suvidha Parklift Limited	Canbank Factors Limited
Ladderup Finance Limited	Centbank Financial Services Limited
Lanco Budhil Hydro Power Private Limited	Ladderup Corporate Advisory Private Limited

He is Committee Member / Chairman in the following Companies :

Name of the Company	Name of the Committee	Designation
Andhra Bank	Audit Committee	Member
	Shareholders Committee	Chairman
Nagarjuna Agrichem Limited	Audit Committee	Member
Birla Ericsson Opticals Ltd	Audit Committee	Member
Ladderup Finance Limited	Audit Committee	Member
Canbank Factors Limited	Audit Committee	Chairman
Centbank Financial Services Limited	Audit Committee	Member
Lanco Budhil Hydro Power Private Limited	Audit Committee	Chairman

2. Re-appointment

Mr. H. D. Ramsinghani retires by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment.

Mr. H. D. Ramsinghani has done his Post Graduation in Management from U. S. A. and has over 28 years of rich and varied experience in the field of Textiles, Petrochemicals and Fertilizers.

Mr. H. D. Ramsinghani was a Director of the Company since year 2008.

He is the Chairman and Managing Director of Rainbow Denim Limited and Rainbow Agri Industries Limited. He is also a Director of Rama Petrochemicals Limited, Rama Industries Limited and Nova Gelicon Private Ltd. He is a Committee Member / Chairman in the following Companies :

Name of the Company	Name of the Committee	Designation
Rainbow Denim Limited	Shareholders Committee	Member
Rama Industries Limited	Audit Committee	Member
Rainbow Agri Inds. Ltd	Audit Committee	Chairman

DIRECTORS' REPORT

Your Directors present the Twenty Eighth Annual Report together with Audited Accounts for the year ended March 31, 2013.

FINANCIAL RESULTS	(₹ in lacs)	
	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
Sales & Other Income	62035.43	55583.19
Profit before Financial charges & Depreciation	5050.85	6227.60
Less: Financial Charges	1112.42	825.95
Profit before Depreciation	3938.43	5401.65
Less : Depreciation	429.93	391.15
Net Profit before tax	3508.50	5010.50
Tax Expenses		
Current tax	480.57	1570.00
Deferred Tax	464.92	80.70
Net Profit Before Adjustment	2563.01	3359.80
Profit/(Loss) after adjustment	2563.01	3359.80
Profit/(Loss) for the year	2563.01	3359.80
- Dividend on Equity shares	141.55	-
- Tax on Proposed Dividend	22.96	-
Profit &(Loss) balance brought forward from the previous year	1494.97	(1864.83)
Balance carried to Balance Sheet	3893.47	1494.97

1. DIVIDEND

Your Directors are pleased to recommend a dividend ₹ 0.80 per Equity Share on 17693213 Equity Shares of ₹ 10/- each for the financial year ended 31st March, 2013. The total outgo on account of Dividend shall be ₹ 164.51 Lacs including Corporate Dividend Tax.

2. REVIEW OF OPERATIONS

The company manufactures phosphatic fertilizer (SSP) viz. Single Super Phosphates (Powder & Granulated) along with various grades of mixed fertilizer NPK and industrial chemicals Sulphuric Acid and Oleum and also Soya oil.

The nutrient based subsidy (NBS) policy implemented w.e.f. 1st May, 2010 was well-intended one which resulted in proposals from major players for addition of capacity. But the farming community is yet to reap the benefits since balanced use of nutrients is not put in place due to imbalances in the pricing of phosphatic and Urea and other fertilizers.

The average capacity utilization of SSP industry for financial year 2012-13 was reduced to 54.3% from 60.2% during 2011-12 whilst during the year your company has achieved 91% of average capacity utilization of SSP as against 88% reported during the previous financial year, which is considered to be highest in the industry of our size and operations. It is pertinent to note that your company could achieve this feat with active support from consortium member banks and better management of working capital at its disposal and timely availability of raw material.

Your company was once again consecutively for second year in a row bestowed with “Best Performance Award” in the SSP industry for overall performance in the year 2012 by Fertilizer Association of India, (FAI) New Delhi, apex body of the industry. This year the award was won by your Pune unit, whilst your Indore unit won this award in 2011.

Your company has put its main thrust on SSP segment which is its core competence. At the same time, added concentration on mixed fertilizer – NPK has also yielded better achievement and thus production has increased from meager quantity of 2915 MT in 2011-12 to 16292 MT in 2012-13 by more than 450%. This also brought in additional contribution to the company. The company at present maintains overall market share of 10.27% against 40.53 lac MT consumption reported in the country during the year 2012-13. Moreover, for want of higher working capital, your company could not concentrate more on soya oil. However, during the current year the Company intends to increase production of NPK, Sulphuric acid, Oleum and Soya oil with the sanction and release of additional working capital.

Due to this, during the year ended March 31, 2013 your company has achieved production of 4,35,846 MT of SSP against the previous best production of 4,24,164 MT in the year 2011-12. Thus, your company achieved highest sales turnover of ₹ 61,728.51 Lacs whilst share of fertilizer and chemicals division is ₹ 44,088.19 Lacs and soya division is ₹ 17,640.32 lacs. EBIDTA of the company stood at ₹ 5,050.38 Lacs as against ₹ 5,401.65 Lacs achieved in 2011-12. It is pertinent to note that despite severe drought condition in Maharashtra and other parts of the country coupled with inordinate delay in release of subsidy by GoI, your company concentrated on potential pockets in the vast marketing area and thus could achieve this performance.

Had there been timely support by Working Capital lenders, seed crushing at our Indore oil division would have operated at optimum capacity and brought in additional revenue though during the year under review, the company has crushed a little higher quantity of 46672 MT of soya seed as against 40486 MT crushed during 2011-12. Thus the soya facilities were under-utilised.

The Oil Division of your company has conformed with the requirements under ISO 14001 : 2004 accreditation for the Environmental Management System and the certificate issued in the year June-2007 is periodically renewed and the same is now valid till June-2013.

Your Directors are hopeful that with the continuance of NBS Policy and with additional contribution envisaged from the proposed capacity expansion of SSP plants and also optimum capacity utilization of soya division and with the unstinted support from working capital bankers, the performance of the company would further improve in the current year.

3. EXPANSION ACTIVITY

At Udaipur, during the year the company has successfully commissioned one of the largest single stream plant and increased capacity of GSSP from 0.66 lac MT to 1.66 lac MT. Moreover, the company had applied for expansion of capacity of SSP plant to 3.15 lac MT from current capacity of 1.81 lac MT for which Public Hearing has already been conducted by the authorities and we await Environmental Clearance very shortly.

At Indore, company has already applied for environmental clearances for expansion of SSP capacity from 1.65 lac to 2.50 lac MT. The public hearing has already taken place and soon the consent to operate would be issued.

The Company Plans to install one additional Granulated SSP (GSSP) Plant at Pune unit. Application for obtaining Consent to Establish from MPCB has already been submitted and the same is in process of MPCB's approval.

Once the above expansion activities are completed, the company's overall capacity of SSP fertilizer production would be 6.97 lac MT per annum and would play a significant role in SSP fertilizer segment with 15% market share on All India basis.

At our Indore Soya oil division, the company has received consent to establish additional crushing capacity of 1,32,000 MT per annum whereas commissioning of Lecithin plant is already underway and thus we will generate value-added product and improve realization.

4. CORPORATE GOVERNANCE

A Report on Corporate Governance along with the Auditor's Certificate regarding Compliance of the conditions of Corporate Governance as also a Management Discussion and Analysis Report pursuant to clause 49 of the Listing Agreement are annexed hereto.

5. DIRECTORS RESPONSIBILITY STATEMENT

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

1. In the preparation of the annual accounts, the applicable accounting standards have been followed;
2. Appropriate policies have been selected and applied consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and of the Profit of the Company for the year ended March 31, 2013;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and
4. The financial accounts have been prepared on a going concern basis.

6. AUDIT COMMITTEE

In accordance with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement, the Company has constituted an Audit Committee comprising of the following Directors viz. Mr. K. Raghuraman (Chairman), Mr. Deonath Singh and Mr. H. D. Ramsinghani. Audit Committee acts in accordance with the terms of reference specified from time to time by the Board.

7. SAFETY, ENVIRONMENTAL CONTROL & PROTECTION

The Company has taken all the necessary steps for safety and environmental control & protection at its plants at Indore, Udaipur and Pune.

8. DISCLOSURE OF PARTICULARS

Information as required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 relating to the conservation of energy, technology absorption, foreign exchange earning and outgo is annexed hereto and forms a part of this Report.

9. PERSONNEL

There were no employees who were employed during the period under review or part thereof and who were in receipt of remuneration in excess of the limits specified under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended to date.

10. DIRECTORS

Your Directors wish to inform the Members about the sad and sudden demise of Mr. C. R. Malaviya, a Director of the Company who left for his heavenly abode on February 28, 2013. Mr. C. R. Malaviya had a long association with the company since the year 2001. The Board places on record its profound condolences and sincere appreciation of the valuable contribution made by Mr. C. R. Malaviya during his long association with the Company.

Mr. K. Raghuraman has been appointed as an Additional Director of the company w.e.f. 17th May, 2013 and holds office up to the date of the forthcoming Annual General Meeting. The Company has received a Notice pursuant to the provisions of Section 257 of the Companies Act, 1956 from a member of the Company signifying the intention to propose the name of Mr. K. Raghuraman as Director of the Company.

During the year under review, Bank of India has withdrawn the nomination of Mr. P. K. Srivastava and nominated Mr. Mohan Lal Goyal as its Nominee Director in his place. The Board places on record its sincere appreciation of the valuable contribution made by Mr. P. K. Srivastava during his association with the Company.

Mr. H. D. Ramsinghani retires from the Board of Directors by rotation and is eligible for re-appointment.

11. AUDITORS REPORT

Your Directors refer to the observations made by the Auditors in their Report and wish to state as follows :

Company has given interest free loan to sick company and its subsidiary in the earlier years, the Company has made provision for entire amount in the books of accounts and at the same time Company is making full efforts for recovery of these dues.

12. AUDITORS

M/s. Dayal & Lohia, the Auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting and being eligible to offer themselves for reappointment. The Company has received a certificate from them certifying that their appointment, if made, would be within the limits specified under Section 224(1-B) of the Companies Act, 1956.

13. COST AUDIT

The Cost Account Records maintained by the Company for "Fertilizers", "Sulphuric Acid" and "Soya" are subject to yearly audit by qualified Cost Auditors. The Company has reappointed Mr. R. S. Raghavan, a qualified Cost Auditor for conducting the Cost Audit of such records for the financial year 2013-14. The Company has received a Certificate from Cost Auditor certifying his independence and arm's length relationship with the Company.

The Cost Audit Report for the financial year ended 31st March, 2012 was filed on 29th January, 2013 with Ministry of Corporate Affairs, New Delhi. The Cost Audit Report for the financial year ended 31st March, 2013 will be filed within the stipulated time.

14. INDUSTRIAL RELATIONS

The Industrial Relations remained cordial at all the units of the Company during the year under review.

15. ACKNOWLEDGEMENT

Your Directors sincerely record their appreciation with gratitude for the continued support and assistance extended to the Company by the Financial Institutions, Banks and various Government Departments and Agencies and Creditors. The Directors place on record their appreciation for continued support of shareholders of the company. The Directors also wish to place on record the appreciation to the team of executives, staff and workers, who have shown devotion and efficiency in performing their jobs.

For and on behalf of the Board,

Place : Mumbai

Date : May 17, 2013

D. J. RAMSINGHANI
CHAIRMAN & MANAGING DIRECTOR

ANNEXURE TO DIRECTORS' REPORT

PARTICULARS PURSUANT TO SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2013.

I CONSERVATION OF ENERGY :**A. Energy conservation measures taken:**

Following Energy conservation measures were taken during the 2012-13

a. Single Super Phosphate Plant :

1. In SSP plant debottlenecking of Rock grinding section has been done to enhance ball mill output resulting in less power consumption per MT of production by modifying DC bag house of ball mill alongwith complete insulation of DC bag house to keep rock conveying system warm to save further fuel consumption.
2. Necessary arrangement for procurement of dry rock phosphate has been carried out to avoid higher consumption of furnace oil for rock drying.
3. Installed one Auto Transformer system for Ball Mill Fan Motor thereby reducing power consumption.
4. Installed Filter Press & Moisture separator in SSP Scrubbing system thereby process optimization & energy saving.
5. Turbo ventilators were installed at the SSP Crane Shed.
6. Transparent sheets installed in new Crane Shed / GSSP Shed. Avoided Electrical lighting requirement during day time.
7. Drip irrigation system installed for plantation watering.
8. Rain Water harvesting system installed which also saves power & water.

b. Sulphuric Acid Plant :

1. Over the years, Company has taken several measures for energy conservation viz. installation of Steam Turbine.
2. In SAP, Retubing of Hot Gas Heat Exchanger carried out thereby resulting in lowering of system pressure drop & power saving of air blower.
3. In SAP, replaced Partial quantity of low activity catalyst with high activity catalyst for improving conversion & steam /power recovery alongwith complete insulation refurbishment of 2 major equipments i.e. Hot Gas Filter and Waste Heat Boiler has been completed to conserve heat energy for better generation of steam / power.
4. Refurbishing of Acid cooling towers has been done thereby conserving water & power.

c. GSSP Plant:

1. In GSSP Plant, Recycle in the process of Granulation has been reduced. This has helped in minimizing the fuel consumption.
2. Regular monitoring of consumption of power through Managers by installation of energy saving fans and capacitors.
3. In addition to this, VFDs (Variable Frequency Drives) have been installed at important locations.
4. In order to control the power factor at "unity", APFC (Automatic Power Factor Controller) Panel has been installed.
5. In GSSP Plant, revamping of various ducts have been carried out which resulted in lowering of system pressure drop & increase in output thereby reducing power consumption norms per MT of GSSP.

d. Oil Division :

1. Increased condensation area for saving Hexane losses by replacing blind SS tubes in economizer of distillation system.
2. Changed 3 motors to 7.5 HP from 10 HP in prep section. Similarly, higher rated motors in boiler house, feed water pump were changed with lower capacity motors. In DOC godown, new vibrating screen had been installed with 1 HP motor in place of 7.5 HP motor.
3. In SEP plant for filler mixing, VFD system was provided with 1 HP motor for power saving in place of 3 HP motor.

B. Additional investment proposals, if any, being implemented for reduction in consumption of energy :

1. At Udaipur we plan to install Solar Energy System for the office Building to cater to power demand of light, fan / Computer & street light etc. which will result in electricity savings.
2. After successful installation and commissioning of 1st ATS unit for ball mill fan motor, now we are planning to incorporate the same with scrubbing fan motor with good energy saving potentials, as per energy audit.

3. The Company has several investment proposals such as installation of additional Variable Frequency Drives, additional economizer in Sulphuric Acid plant which will increase steam generation resulting in additional power generation.
4. The company is also exploring the possibility of fuel change over from coal to alternate fuel. Accordingly, the Company is actively considering various investment proposals for further reduction in consumption of energy.
5. In Oil division, VFD would be installed in boiler section and ID fan for reducing power consumption upto 10-15% HPSV street lights of 400W would be replaced with 150W induction lights.
6. In Oil division, we intend to replace 10 nos. of MS buckets elevators with PP buckets elevators.
- C. **Impact of measures at (A) and (B) above for reduction of Energy Consumption and consequent impact on the cost of production of goods :**

All above actions have resulted for good control on cost of production in SSP plant.

D. **Particulars with respect to energy consumption per unit of production**

a) **POWER AND FUEL CONSUMPTION:**

	Year ended 31.03.2013	Year ended 31.03.2012
i) Electricity		
a) Purchased:		
Units (in thousands)	13844	11799
Total amount (₹ in lacs)	942.67	770.23
Rate / Unit (₹)	6.81	6.53
b) Own Generation:		
i) Through diesel generator:		
Units (in thousand)	34.96	17.61
Units per litre of diesel oil	2.51	1.81
Cost / Unit (₹)	18.92	31.04
ii) Through steam turbine/generator :		
Units (in thousand)	6312.42	7419.39
ii) Coal (₹ in lacs)	624.24	515.68
iii) Furnace Oil (₹ in lacs)	171.14	132.21

b) **CONSUMPTION PER UNIT OF PRODUCTION:**

SSP: Single Super Phosphate

GSSP: Granulated SSP

SA: Sulphuric Acid

SEP : Solvent Extraction Plant

	31.03.2013						31.03.2012					
	SSP	GSSP	NPK	SA	SEP	Refinery	SSP	GSSP	NPK	SA	SEP	Refinery
Electricity Units/ PMT	21.83	11.36	13.24	67.41	38.31	76.33	20.76	11.06	13.19	66.24	38.38	59.48
Furnace Oil Litre /PMT	0.82	NIL	NIL	0.12	NIL	NIL	0.72	NIL	NIL	0.14	NIL	NIL
Coal Kg /PMT	NIL	35.57	22.55	NIL	67.94	96.63	NIL	35.34	15.15	NIL	68.74	95.07

II. TECHNOLOGY ABSORPTION:

A) Research & Development (R & D)

a) **Specific areas in which R & D is carried out by the Company :**

The specific areas in which the R & D activities are carried out by the Company are relating to improvement in quality of the existing products and development of new products to meet market demands and change in the product mix.

1. An addition, Special additive is introduced in Single Super Phosphate Manufacturing Process to improve the Product quality and maintain free flow of material to minimize caking tendencies.

2. A Plate Heat Exchanger & a Natural draft cooling tower for acid cooling is installed in sulphuric acid Plant thereby improved product quality consistency & Water conservation.
3. Introduction of Belt stackers in Powder Packing line to optimise Packing capacity.
4. Installation of Online SO₂ analyser in SAP & Online Fluorine analyser in SSP for continuous stack monitoring.

b) Benefits derived as a result of R & D :

Research and Development has always been a continuous process at various Units of the Company. The areas in which R & D is carried out are (a) minimization of effluents and (b) better sampling. In addition to this, following benefits have been arrived -

1. Automation in Oleum manufacturing process by installation of Auto control valves & Strength Monitoring instrument.
2. Improvement in Fluorine scrubbing system in SSP Plant by installation of Moisture Separator for minimizing Stack appearance and thus maintain good environment.

c) Future Plan of Action:

1. The company plans Automation in SSP manufacturing process through fully computerized DCS technology for maintaining Product quality & faster curing of product.
2. The Company plans to install 2 nos. 400 TPD Granulated SSP plants at Indore unit once environment clearance is granted by Govt. of India, Ministry of Environment and Forest (MoEF), New Delhi very soon this year.
3. After receiving extremely good and overwhelming response from Farmers for various grades of Granulated NPK Mixture Fertilizer, Company is planning to utilize its installed capacity to the maximum.
4. At Udaipur the Company plans for in-house modifications of SSP plant & new stream of SSP Plant along with its crane shed extension to enhance plant capacity to the tune of 3.1 lacs MT for which awaiting EC from Govt. of India, MoEF.
5. Improvement in Fluorine scrubbing system in SSP Plant by installation of modified scrubber system and Filter Press for minimizing Stack appearance and thus maintain good environment.
6. The Company plans for installation of Wind Energy sector in the state of Rajasthan to begin with 1.5 MW WTG Set.
7. The Company plans for in-house modifications of SSP plant along with its crane shed extension to the tune of 2.5 lacs MT Capacity Enhancement at Indore for which awaiting EC from Govt. of India, MoEF.
8. The Company plans for keeping another stand-by STG of Germany make in ready to operate at Indore.
9. In Oil division, for reducing de-oiling of DOC and Phosphatides (gums) in crude oil, we intend to replace existing cooker with 5 stage cooker for better cooking of the material with required retention time of the material. Presently, we have cooker with 3 compartments only with 20 minutes retention time only. Apart from reduction in gums %age of crude oil, our refinery losses would also be reduced in the long run.

d) Expenditure on R & D:

The Company made investment of ₹ 18.44 lacs on installation of Filter Press, Transformer Starters, Steam flow meters and NIR Power supply as part of on-going R & D activities.

B) TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION :

The Company has not imported any foreign technology.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO :

- I. Activities relating to exports, initiatives taken to increase exports, development of new export plans.
During the year, there is NIL export. The company is looking forward for increase in exports in its Soya business.
- II. Total foreign exchange used & earned :

	(₹ in lacs)
Used :	8346.08
Earnings:	NIL

For and on behalf of the Board,

Place : Mumbai
Date : May 17, 2013

**D. J. RAMSINGHANI
CHAIRMAN & MANAGING DIRECTOR**

REPORT ON CORPORATE GOVERNANCE
1. Company's Philosophy on Corporate Governance

The Company has fully implemented the code of Corporate Governance as required by the Listing Agreement with various Stock Exchanges and it is committed to the Philosophy of good Corporate Governance in letter and spirit.

2. Board of Directors

- The present strength of the Board consists of Five Directors. (One Executive and Four Non Executives of whom Three Directors are Independent Directors.)
- The attendance at Board Meetings and last Annual General Meeting of each of the Directors during the financial year of the Company was as under :

Name of Director	Category Executive Non-executive/ Independent	Attendance at		Directorship of other Board (including alternate Directorships and Private Companies)	Membership/ Chairmanship of other Board Committees		Share- olding (No. of Shares)
		Board Meetings	Last Annual General Meeting		Chairman	Member	
Mr. D. J. Ramsinghani* Chairman & Managing Director	Executive	Three	Yes	One	Nil	Nil	60
Mr. Deonath Singh Director	Non Executive Independent	Three	Yes	Four	One	Four	Nil
Mr. H. D. Ramsinghani* Director	Non Executive	Three	Yes	Five	One	Two	Nil
Mr. C. R. Malaviya Director (Upto 28/02/2013)	Non Executive Independent	Four	Yes	Four	One	Two	Nil
Mr. P. K. Srivastava Nominee Director – Bank of India (Upto 30/11/2012)	Non Executive Independent	Nil	No	Nil	Nil	Nil	Nil
Mr. Mohan Lal Goyal Nominee Director – Bank of India (from 30/11/2012)	Non Executive Independent	One	N.A.	One	Nil	Nil	Nil
Mr. K. Raghuraman Director (w.e.f. 17/05/2013)	Non Executive Independent	N.A.	N.A.	Ten	Three	Five	Nil

* Except Mr. D.J. Ramsinghani, Chairman and Managing Director and Mr. H. D. Ramsinghani, Non Executive Director, who are relatives, none of the other Directors are related to each other.

- During the year Four Board Meetings were held on the following dates :
May 30, 2012, August 13, 2012, November 07, 2012 and January 31, 2013

3. Code of Conduct

The Company has framed a Code of Conduct for the members of the Board of Directors and Senior Management personnel of the company. The declaration by the Chairman and Managing Director regarding compliance by the members of the Board and the Senior Management personnel with the said code of conduct is annexed hereto.

4. Audit Committee

Role of the Audit Committee and its terms of reference include reviewing the financial statements, overseeing the Company's Annual Report process and discussions with internal and external Auditors.

The Committee presently comprises of Mr. K. Raghuraman – Chairman, Mr. Deonath Singh and Mr. H. D. Ramsinghani.

During the year Four Meetings of the Audit Committee were held on May 30, 2012, August 13, 2012, November 07, 2012 and January 31, 2013. The attendance at Audit committee meetings of each of the Directors is as under:

Name of the Director	Attendance at Audit Committee Meetings
Mr. C. R. Malaviya (up to 28/02/2013)	Four
Mr. Deonath Singh	Four
Mr. H. D. Ramsinghani	Three
Mr. K. Raghuraman (from 17/05/2013)	N. A

5. Share Transfer Committee

The Board has delegated the power of share transfers to a Committee of Directors comprising of Mr. D. J. Ramsinghani – Chairman, Mr. K. Raghuraman and Mr. Deonath Singh as also to the Registrars and Transfer Agent of the Company who attend to the Share Transfer formalities, transmission of shares, issue of duplicate certificates and issue of certificates on split/consolidation/ renewal etc. at least once in a fortnight. The transfers etc. approved by the Registrars and Transfer Agent and the Share Transfer Committee are also noted at every meeting of the Board of Directors. The Board has designated Mr. J. K. Parakh – Company Secretary as the Compliance Officer.

No investor complaint is pending for a period exceeding one month.

6. Remuneration Committee

The Remuneration Committee determines the managerial remuneration including perquisites payable to Managerial Personnel and makes recommendations to the Board of Directors.

The Committee presently comprises of Mr. K. Raghuraman – Chairman, Mr. Deonath Singh and Mr. Mohan Lal Goyal and No meeting of the Remuneration Committee was held during the year under review.

7. Shareholders/Investors Grievances Committee

The committee presently comprises of Mr. Deonath Singh – Chairman and Mr. D. J. Ramsinghani. In terms of Clause 47 of the Listing Agreement the Company has appointed Mr. J. K. Parakh – Company Secretary as the Compliance Officer and the investors are requested to register their complaints, if any, on the exclusive email ID: jparakh@ramagroup.co.in

A Summary of complaints received and resolved by the Company during the period is given below :

	Received	Resolved
Non-Receipt of Share Certificates duly transferred	11	11
Non-Receipt of Dividend Warrant	4	4
Non-Receipt of Annual Report	3	3
Non-Receipt of Exchange Certificate	5	5
Non-Receipt of Bonus Certificate	2	2
Miscellaneous	1	1
Letters from Stock Exchanges, SEBI and Ministry of Corporate Affairs	NIL	NIL

8. Remuneration of Directors

(a) Director

The remuneration paid to the Director during the period was as follows :

Name	Designation	Remuneration (₹ In lacs)	Sitting Fees (₹)
Mr. D. J. Ramsinghani	Chairman & Managing Director	49.14	Nil

(b) Non - Executive Directors :

The Non-Executive Directors are not paid any remuneration except sitting fees for attending meetings of the Board or Committees thereof. Details of sitting fees paid to the Non-Executive Directors are as follows :

Name of Director	Sitting Fees (₹)
Mr. H. D. Ramsinghani	6,000/-
Mr. Deonath Singh	6,000/-
Mr. C. R. Malaviya (up to 28/02/2013)	8,000/-
Mr. P. K. Srivastava *	NIL
Mr. Mohan Lal Goyal **	1,000/-
Mr. K. Raghuraman (from 17/05/2013)	NIL

* Sitting Fees paid to BOI for meetings attended by its Nominee Director Mr. P. K. Srivastava (Upto 30/11/2012)

** Sitting Fees paid to BOI for meetings attended by its Nominee Director Mr. Mohan Lal Goyal (w.e.f. 30/11/2012)

9. General Body Meetings

Financial Year	Date	Time	Location
2009-10	30.09.2010	10.00 A.M.	Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400001
2010-11	30.09.2011	10.00 A.M.	Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400001
2011-12	21.09.2012	10.00 A.M.	M.C. Ghia Hall, Bhogilal Hargovindas Bldg., 18/20, Kaikhushru Marg, Mumbai 400001

10. Postal Ballot / Special Resolution

No Resolutions were required to be approved through Postal Ballot at the last Annual General Meeting nor is any resolution proposed for passing through Postal Ballot at the ensuing Annual General Meeting.

Details of Special Resolution passed in the previous Three Annual General Meetings.

Date	Particulars
30.09.2010	No Special Resolutions were passed
30.09.2011	Re-appointment of Mr. D.J. Ramsinghani as the Managing Director for a period of three years w.e.f. April 01, 2011.
21.09.2012	No Special Resolutions were passed

11. Disclosures

- There were no transactions of material nature with the Directors or the Management or relatives of the Directors during the financial period, which could have potential conflict with the interests of the Company at large.
- Transactions with related parties as per requirements of Accounting Standard – 18 are disclosed elsewhere in the Annual Report. None of these transactions have potential conflict with interest of the Company at large.
- No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority on any matter related to the capital markets during the last three years.
- Apart from Mr. D. J. Ramsinghani, Chairman and Managing Director who is related to Mr. H. D. Ramsinghani, there are no other relationships between the Directors inter se.

12. Means of communication

The Company has not made any presentation to the institutional investors or analysts.

13. General Shareholder Information

Financial Year	:	31st March, 2013
Annual General Meeting	:	27th September, 2013 at 10.00 a.m. at Babasaheb Dahnukar Hall, Oricon House Maharashtra Chamber of Commerce Path, Fort, Mumbai 400001.
Dates of Book Closure	:	20th September, 2013 to 27th September, 2013 (Both Days Inclusive)
Dividend payment date	:	On or after October 04, 2013
Listing on Stock Exchange	:	Bombay, M. P, Calcutta, Ahmedabad, Delhi
Stock Code	:	524037
International Securities	:	INE809A01024
Identification Number allotted By NSDL		

14. Market Price Data (High/Low in ₹ during each month)

Month	High	Low
April 2012	75.85	60.05
May 2012	71.00	51.30
June 2012	68.75	50.00
July 2012	63.95	43.50
August 2012	55.30	41.25
September 2012	57.00	43.30
October 2012	91.75	52.00
November 2012	75.80	56.50
December 2012	78.55	62.00
January 2013	73.85	59.00
February 2013	67.50	58.70
March 2013	64.40	46.00

15. Registrars & Transfer Agent

Link Intime India Private Limited
 C - 13, Pannalal Silk Mills Compound,
 L. B. S Marg, Bhandup (West), Mumbai 400078
 Tel : 25963838; Fax : 25946969;
 Email : rnt.helpdesk@linkintime.co.in
 Website : www.linkintime.co.in

16. Distribution of Shareholding as on 31st March, 2013

Number of Equity Share Holdings	Number of Shareholders	Percentage of Shareholders	Number of Shares	Percentage of Shareholding
1 – 500	8929	91.60	934574	5.28
501 – 1000	382	3.92	303319	1.71
1001 – 2000	214	2.19	320516	1.81
2001 – 3000	86	0.88	220908	1.25
3001 – 4000	29	0.30	102754	0.58
4001 – 5000	23	0.24	109550	0.62
5001 – 10000	37	0.38	271643	1.54
10001 & above	48	0.49	15429949	87.21
Total	9748	100.00	17693213	100.00

17. Shareholders Profile as on March 31, 2013

Sr.No.	Category of Shareholders	No. of Shares held	% to Total Capital
1.	Promoters	14413254	81.46
2.	Foreign Collaborators	NIL	N.A.
3.	Banks	8560	0.05
4.	Financial Institutions	560	0.00
5.	Foreign Institutional Investors	NIL	N.A.
6.	Mutual Funds	5320	0.03
7.	Domestic Companies	450732	2.55
8.	Non Resident Indians	83839	0.47
9.	General Public	2730948	15.44
	Total	17693213	100.00

18. Dematerialization of shares as on March 31, 2013

97.33% of the Company's total equity share capital representing 17221345 Equity Shares are held in dematerialized form.

19. Plant Locations :

- (1) 20/4, KM Stone, Indore – Ujjain Road, (Dharampuri), Indore 453 557 (M.P.)
- (2) P. O. Loni Kalbhor, Tal Haveli, Dist Pune 412 201, Maharashtra.
- (3) 4807/11, Umra Village, Jamarkotra Road, Teh. Girva, Dist. Udaipur 313 901, Rajasthan.
- (4) 20/6, KM Stone, Indore-Ujjain Road, (Dharampuri), Indore 453557(MP)

20. Address for Correspondence

Shareholders should address all correspondence to the Company at 51/52, Free Press House, Nariman Point, Mumbai 400 021 or to the Registrar and Transfer Agent – Link Intime India Private Limited at C – 13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai 400 078.

21. Non Mandatory Items :

- a) At present there is no policy for fixing the tenure of Independent Directors.
- b) The Company has constituted a Remuneration Committee.
- c) Half yearly financial results including summary of significant events in the past six months are presently not being sent to the Shareholders.
- d) There is no formal policy at present for training of the Board members as all the Board members are eminent and experienced professionals.
- e) There is no formal mechanism at present for evaluation of non executive Directors.
- f) The Company has not established at present any formal Whistle Blower Policy.
- g) The replies to the Qualifications in Auditors Report on the financial statement are given in the Directors Report.

22. Appointment / Reappointment of Directors :

Mr. K. Raghuraman is proposed to be appointed as Director and Mr. H. D. Ramsinghani is proposed to be reappointed as Director at the forthcoming Annual General Meeting. The relevant information about Mr. K. Raghuraman and Mr. H. D. Ramsinghani are given in the Notice convening the Annual General Meeting.

For and on behalf of the Board,

Place : Mumbai

Date : May 17, 2013

D. J. RAMSINGHANI

CHAIRMAN & MANAGING DIRECTOR

DECLARATION REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant to Clause 49 of the Listing Agreement.

The Company has, in respect of the financial period ended 31/03/2013, received from the members of the Board of Directors and the Senior Management Personnel a declaration of compliance with the Code of Conduct as applicable to them.

Place : Mumbai

Date : May 17, 2013

D. J. RAMSINGHANI

CHAIRMAN & MANAGING DIRECTOR

CERTIFICATE

To the Members of,

RAMA PHOSPHATES LIMITED.

We have examined the compliance of conditions of corporate governance by **RAMA PHOSPHATES LIMITED**, for the period ended on 31st March, 2013, as stipulated in clause 49 of the Listing Agreement of the said company with stock exchange(s).

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to 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 an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations received from the Directors and the management we certify that the company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

Based on the representation received from Company's Share Transfer Agents, we state that complaint letters received from shareholders during the period 01/04/2012 to 31/03/2013 have been attended.

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.

For **Dayal and Lohia**
Chartered Accountants
(Firm Registration No 102200W)

(CA Anil Lohia)
Partner
Membership No: 31626

Place : Mumbai

Date : May 17, 2013

MANAGEMENT DISCUSSION & ANALYSIS REPORT

1. ECONOMIC SCENARIO

Agriculture provides the principal means of livelihood for over 58.4% of India's population. Indian Agriculture accounts for 17% of India's direct and 55% of indirect employment. Moreover, agriculture has a propensity to create higher employment as compared to industry, per rupee of investment. To elaborate further, an investment of ₹ 1 Mn creates 45 jobs in agriculture compared to 18 jobs in industry. Despite India already being a large agri-producer, huge improvements are desirable and possible new Green Revolution is required. Good monsoons combined with increased irrigation facilities, increased area under cultivation, better awareness about usage of fertilizers amongst farmers and better purchasing power in the rural areas have contributed to a sharp increase in consumption of fertilizers from 2004-05 onwards.

Agriculture GDP : As per the Advanced Estimates of National Income 2012-13, agriculture and allied sector contributed 13.7% of India's GDP (at constant 2004-05 prices) as per the Central Statistics Office, Govt. of India. There has been a continuous decline in the share of agriculture and allied sector in the GDP from 14.6% in 2009-10 to 13.7% in 2012-13 at 2004-05 prices. Falling share of agriculture and allied sector in GDP is an expected outcome in a fast growing and structurally changing economy. It may further be noted that the sector witnessed a growth of 5.8% in 2007-08, 0.1% in 2008-09, 0.8 in 2009-10, 7.9% in 2010-11, 3.64% in 2011-12 and 1.8% in 2012-13 at 2004-05 prices. Thus the average annual growth witnessed in agriculture and allied sector during the 11th Plan period is 3.6% as per the information available from Central Statistics Office.

Rainfall 2012-13 : The monsoon season begun on an unfavourable note with June and July months recording a deficiency of (-) 29% and (-) 13% respectively over the Long Period Average (LPA). Though the same was marginally recovered in August by 1% higher rainfall over the LPA, the country as a whole received 819.5mm rainfall against normal rainfall of 886.9mm resulting in deficient rainfall by 7% in North West India and 4% less rainfall in Central India which are our main area of operations. In view of the delayed South-West monsoon in 2012, the Central Govt. constituted an Empowered Group of Ministers (EGoM) to review the situation and take quick and timely decisions on policy issues as well as on other issues for effective management of drought and related issues.

2. INDUSTRY STRUCTURE AND DEVELOPMENTS

Fertilizer: The company manufactures phosphatic fertilizer (SSP) viz. Single Super Phosphate in both Powder and Granulated form along with various grades of Complex Fertilizer NPK and industrial chemicals Sulphuric Acid and Oleum. SSP is generally used for improved root growth and chlorophyll synthesis and thus improve quality of product since it contains 16% P₂O₅, 11% Sulphur, 21% Calcium and Minerals in Traces. The main attraction and utility of SSP is that it is cheaper in cost and available at 1/4th price of DAP & MAP and 2/3rd price of MOP without compromising on overall input value.

Sulphur Deficiency in Indian Soil : In recent years, the importance of "S" (Sulphur) in Indian agriculture has become increasingly apparent to Indian governmental policy makers in fertilizer and agricultural industries. The Indian Govt. recognizing the benefits of "S" fertilizer in agriculture from extensive "S" research project, officially approved "S" as an essential fertilizer nutrient and thus included it to the Fertilizer Control Order (FCO). Sulphur content in SSP fertilizer increases soil "S" fertility, resulting in higher yield. "S" fertilization also improves crop quality by increasing protein content for fodder and wheat and oil content in mustard, soya. It is pertinent to note as per the study made by ICAR, Hyderabad on Sulphur in Indian Agriculture, it was found that most of the Indian soils are either low in available "S" or these have depleted due to continuous cropping and on account of irregular use of Sulphur free fertilizers. Out of nearly 50,000 samples analysed 11-78% of Indian soils showed "S" deficiency with a mean of 41%. Among 240 districts surveyed, soils of 60 districts have 30-40% "S" deficiency and 72% district indicated more than 40% "S" deficiency.

Our product SSP contains 11% Sulphur content which supplements the need of Indian farmer to increase soil fertility.

The industry reported consistent growth in the past few years. During 2012-13, as per data published by FAI, production registered an increase of 2.1% over the previous year as there was cumulative production of 4.414 Million MT against 4.324 Million MT reported during 2011-12. However, All India capacity utilization reduced to 54.3% during 2012-13 by 76 operating SSP units as against 60.2% reported during 2011-12 by 70 units.

Consumption of Chemical Fertilizers and Balanced Use of Fertilizers : Agro-climatic factors like rainfall and its distribution, irrigation and its quality, genetic characteristics of seeds, fertility of the soil, proportion of area under fertilizer intensive crops (cropping pattern) etc and technological factors like method of application of fertilizers, time of application and choice of fertilizer material plays a major in usage of fertilizers.

The sales of fertilizers witnessed a y-o-y decline of ~15% in H1 FY13. While urea volumes continued to remain relatively steady, a steep decline was witnessed in the sales volumes of fertilizers such as Di-ammonium phosphate (DAP), Single Super Phosphate (SSP) and NPK complexes with demand being affected by higher prices on account of lower subsidy for these nutrients, increased cost of raw materials globally and rupee depreciation. The demand for these fertilizers was further impacted by inventory overhang in Q1 FY13 and delayed monsoon. The N:P:K usage ratio is expected to have deteriorated from 6.5:2.9:1 in FY12 to 8.1:3.2:1 in Kharif 2012 (as per FAI)

The average estimated consumption of fertilizers (N+P+K) in the country has registered a decrease in 2011-12 over 2010-11 from 146.32 kg/ha to 144.33 kg/ha with great deal of variation in consumption. While per hectare consumption of fertilizers is 243.56 kg in Punjab and 266.11 kg in Andhra Pradesh, it is comparatively low in Madhya Pradesh (88.36 kg./ha), Rajasthan (62.35 kg/ha) and Orissa (56.52 kg/ha). It was below 5 kg/ha in some of the North Eastern States. Balanced fertilization is normally defined as the timely application of all essential plant nutrients (primary, secondary and micronutrients) in readily available form, in optimum quantities and in the right proportion, through the correct method, suitable for specific soil/crop conditions. Components of balanced fertilization include judicious use of chemical fertilizers based on deficient soil nutrients. The ideal NPK ratio is 4 : 2 : 1 though distortion in consumption pattern reported in various states.

The Government of India (GoI)'s subsidy obligations continue to remain high in YTD FY13 though the subsidy allocation for FY13 has been insufficient given the stable import volumes as well as high global prices. The impact of lower subsidy allocation has affected the finances of the industry players with increase in subsidy receivables leading to an increase in working capital / short-term debt levels.

This has also resulted in deterioration in capital structure and higher interest expenses in FY13. Given that subsidy shortfall to the tune of Rs. 400 billion is likely for FY13, the DoF has proposed a Special Banking Arrangement from the GoI, as per which the fertilizer companies would be allowed to raise loan from banks against their subsidy receivables from the government so as to reduce liquidity pressure and interest payments to some extent.

The fertilizer industry has been announcing capex plans in the P&K space – for SSP in particular. The SSP industry continues to witness capex announcements despite decline in consumption in FY13 by 8.0 lac MT to 40.53 lac MT from 48.03 lac MT in 2011-12. The improved profitability prospects of SSP post the adoption of NBS has enthused incumbents and new entrants alike. Although capacity utilization is continued to remain low in FY13 for the SSP segment, the demand growth in the medium term was high due to better acceptability of the product with the entry of large fertilizer companies with better established distribution networks, as well as GoI's thrust to encourage SSP to substitute imports of DAP and NPK. As per ICRA reports, it is expected the capacity additions of the SSP segment to be of the quantum of 5-6 MMTPA, which may be commissioned over the next 2-3 years. However, availability of rock phosphate and overcapacity in the industry will continue to be a challenge for the industry.

Soya Oil: The Indian vegetable oil economy is the world's fourth largest after the US, China and Brazil, harvesting about 25 million tons (mt) of oilseeds. Since 1995, Indian share in world production of oilseeds has been around 10 percent. Although, India is a major producer of oilseeds, per capita oil consumption in India is only 10.6 kg/annum which is low compared to 12.5 kg/annum in China, 20.8 kg/annum in Japan, 21.3 kg/annum in Brazil and 48.0 kg/annum in USA. Vegetable oil consumption has increased following a rise in household incomes and consumer demand. India imports half of its edible oil requirement, making it the world's third-largest importer of edible oil.

According to the United States Department of Agriculture (USDA) reports, India's edible oil consumption is expected to grow at 6.5% y-o-y to 17.9 mt for 2012-2013 while supply is expected to increase marginally 2.17% y-o-y to 7.5 mt. As per industry sources, international prices, particularly of soybean oil and palm oil, are expected to remain muted on the back of an increase in global production levels. India is largely an importer of edible oils with around 56% of total edible oil being imported, thus domestic edible oil prices generally exhibit a strong correlation with international prices, particularly palm and soybean oil.

As per USDA January 2013 estimates, global soya bean crop production is estimated to increase 12.1% y-o-y to 269.4 mt on account of better crop productivity in the US and Brazil. Brazil is expected to produce 82.5 mt of soybean oil in 2012-2013 (2010-2011 : 66.5 mt). This is attributed to higher acreage and favourable weather conditions. Poor crop yields in 2012 reduced production, thus despite a slowdown in demand, price correction in soybean oil has been relatively mild compared with palm oil. Expected high soybean oil production from South America may replenish stocks as opposed to creating an outright inventory glut as observed in case of palm oil. The current soybean oil stock as a proportion of consumption (7.5%) is below the long-term historic average of 9.6%. However, to the extent weather uncertainties remain in South America and demand growth remains muted, any production levels below the current high expectations may actually push up soya bean oil prices.

As per the estimates made by SOPA, Indian share in Soybean production is around 10.3 mt (2011-12) and was projected at 12.5 mt (2012-13). In the past three years, Soybean production has registered 25% growth and the momentum continues thereby reaching crop size of 150 lac Tons by 2016 as per projections made by SOPA. Currently, industry is crushing close to 11 mt with production of 9 mt of Soybean Meal and 2 mt of Soy Oil. Though better yield and productivity has appreciated, the prices were ruled based on global market. India is the 4th largest exporter of Soybean Meal, close to 4.0 mt whilst domestic poultry and aqua segment is growing @ 15% p.a.

According to US Soybean Export Council's (USSEC) report, on an average 25 new businesses are getting added each year and its projected consumption would be of 11.1 mt of Soy Meal by 2020 from the current level of 4.5 mt (2012).

Price differential between Palm and Soybean oil: Palm oil and soybean oil are among the most commonly consumed oils in India, as these have the lowest prices. Historically, a reduction in price differential between palm oil (which is cheaper than soybean oil) and soybean oil has caused a demand shift from the former to the later. However, price differential has increased significantly and is likely to remain at the same levels or increase further. This may cause a further spike in demand for palm oil at the expense of the demand for soya bean oil.

3. OPPORTUNITIES AND THREATS

The Ministry intends to implement production and consumption of SSP in Granulated form throughout the country for easy application and effective absorption in the soil. At present, in Madhya Pradesh, the one of the major SSP consuming states, this product is sold in powder form only and thus consumption is restricted prior to monsoon. However, with the introduction of Granulated SSP in the market in the near future, the consumption of SSP would be increased proportionately. The company is taking adequate measures for changing its licensed capacity of GSSP production so as to encash the opportunity in the coming days.

The Company operates in 9 states viz., Maharashtra, Madhya Pradesh, Rajasthan, Karnataka, Gujarat, Uttar Pradesh, Haryana, Punjab and Chhatisgarh and established its leadership. The demand of SSP fertilizers, known as "Poor man's Fertilizer" is good being reasonably priced in the market. Moreover, SSP enhances the fertility of land as it contains additional nutrients viz., "Sulphur" and "Calcium" apart from "Phosphorus."

The company has nurtured its market adequately with good brand image by supplying product as per FCO norms. Thus the company has established its leadership in the industry and its area of operations.

The NPK fertilizer manufactured by the company is also well-accepted in the market which brings in additional revenue to the company.

With effect from 1.4.2013, Department of Fertilizer, Govt. of India revised the NBS rates and has fixed ₹ 20.875/Kg for Nitrogen, ₹ 18.679/Kg for Phosphorus, ₹ 18.833/Kg for Potash and ₹ 1.677/Kg for Sulphur. Based on above, the actual subsidy amount payable by the Govt. of India is fixed at ₹ 3173/- pmt on our SSP product in comparison to ₹ 3673/- pmt applicable for F.Y. 2012-13

India's first official forecast confirms a call by global experts that total monsoon rainfall to be average in 2013 which strengthen prospects for one of the world's biggest grains producers to avoid widespread drought for a fourth straight year. Rainfall is expected to be 98 percent of the long-term average during the June to September season. As per IMD officials, rains between 96 percent and 104 percent of a 50-year average of 89 cm for the entire season are considered normal, or average.

The plants of the company are strategically located viz., Indore in M.P. state which is the largest cultivator of Soyabean with 30% of SSP consumption in the country, Udaipur in Rajasthan state from where the basic raw material Rock Phosphate is supplied by sole authorized supplier viz. Rajasthan State Mines and Minerals Ltd., to the entire country and Pune in Maharashtra which is the second largest producer of Sugarcane in the country. Pune also has locational advantage due its proximity to major Ports viz. Mumbai Port and JNPT.

At Pune, we have our own railway siding facility which helps in raw material and finished products movement in bulk. Moreover, this railway siding facility is utilized to bring in additional revenue by renting out the same on need base since Pune is centrally located which allows rail freight movement at economical rates.

Further, we have additional edge over our competitors since we have fully integrated Sulphuric Acid production facilities at Pune and Indore, which is one of the basic raw materials for SSP fertilizer and thus reduces our dependency on suppliers. We have our own turbo power-generation facility through exo-thermic heat at Pune and Indore units while producing Sulphuric Acid and thus reduce our power cost.

Soybean accounts for 40 per cent of India's total oilseed production. The Central Organisation for Oil Industry & Trade has pegged the country's kharif soybean output at 11.5 Million MT. The advance estimate, however, puts it much higher at 12.96 Million MT, while the Soybean Processors' Association of India has pegged it at 12.68 Million MT. Our Soya oil division is situated in Madhya Pradesh, which is the highest Soya producing state in the country with 59% of total production. The company intends to re-launch its now defunct "Sufla" brand edible oil in the market.

With the introduction of Nutrient Based Subsidy (NBS) Policy, existing players are expanding their capacities on one hand while new players are also pitching in to take advantage of the situation on the other. This may create excess capacity trend since SSP industry is at the mercy of monsoon and any vagaries of monsoon tend to affect its fortune. Any change in the Government policy may adversely affect the industry. The inordinate delay in release of concession payment by the Government of India poses a great threat to capacity utilization. Moreover, the Industry is fully dependent for Rock Phosphate from single source supplier in the country which at times put restrictions on availability of raw material. A large crushing capacity with lower availability of seeds in the country makes the soya business as speculative and volatile. Moreover, price of De-oiled cake and Soy oil is largely dependent on international market, which at times not favourable to the Indian industry.

4. SEGMENTWISE PERFORMANCE

The requisite information regarding Segment wise performance has been given in the Notes forming part of the Accounts.

5. OUTLOOK

The company proposes to increase the production capacity at both Indore and Udaipur plants. This will adequately take care of increased demand in our area of operation subsequent to favourable NBS policy. The company is in this business for a long time and have built reputed brand image.

The mixed fertilizer of various grades of NPK is also gradually penetrating in the market and this will bring in additional revenue to the company. The strategic locations of our plants situated at Indore, Pune and Udaipur would cater to the requirements of farming community in Western and Northern region of the country.

The company intends to operate oil crushing plant at optimum capacity based on viability and funds availability and with commissioning of Lecithin plant, viability will further improve.

Hopefully with the above initiatives, company would be in a position to deliver superior returns to the stake holders.

6. INTERNAL CONTROL SYSTEMS

The Company has an adequate system of internal control and conducts audit on quarterly basis at all plants and the salient points are discussed and corrective actions are taken. It also ensures that all assets are protected against loss from unauthorized use or disposition and all transactions are recorded and reported in conformity with generally accepted accounting principles.

7. FINANCIAL PERFORMANCE

During the year sales amounted to ₹ 62,035.43 Lacs as compared to ₹ 55,583.19 Lacs for the year ended March 31, 2012. The profit for the year is ₹ 2,563.01 Lacs as compared to ₹ 3,359.80 Lacs in the previous year.

8. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The industrial relations remained cordial during the year under review.

9. CAUTIONARY STATEMENT

Statements in this Report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that make a difference to the Company's operations include poor monsoon, changes in Government regulations relating to fertilizer subsidy, economic conditions affecting demand/supply, price conditions in the markets in which the company operates, competition from small scale manufacturers, litigations and industrial relations. The Company assumes no responsibility to amend, modify or revise any of the statements on the basis of subsequent developments, information or events.

For and on behalf of the Board,

Place : Mumbai

Dated : May 17, 2013

D. J. RAMSINGHANI
CHAIRMAN & MANAGING DIRECTOR

INDEPENDENT AUDITORS' REPORT

To The Members of
RAMA PHOSPHATES LIMITED,
Report on the Financial Statements

We have audited the accompanying financial statements of Rama Phosphates Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India and subject to:

Note 29b – regarding interest free advance made to a related party

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **Dayal and Lohia**
Chartered Accountants
(Firm's Registration No. 102200W)

(CA Anil Lohia)
Partner

Membership No. 31626

Place : Mumbai
Date : May 17, 2013

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in our Report of even date to the members of Rama Phosphates Limited on the financial statements for the year ended 31st March, 2013.)

1. In respect of its Fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situations of fixed assets on the basis of available information;
 - b) Management has certified that they have carried out physical verification of fixed assets and no material discrepancies noticed on such verification. have been dealt with in the books of accounts.
 - c) The Company has not disposed off any substantial part of fixed assets so as to affect its going concern.
2. In respect of its inventories:
 - a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) No material discrepancies have been noticed on physical verification of stocks as compared to book records in so far as it appears from our examination of the books.
3. a) According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to the companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
Accordingly sub clause (b), (c) and (d) are not applicable.
 - e) The company has an outstanding loan from one party covered under the register required to be maintained under section 301 of the Companies Act, 1956, amounting to ₹ 185.40 lacs of which ₹ 37.33 lacs was repaid during the year.
 - f) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions are prima facie not prejudicial to the interest of the Company.
 - g) The payments of Principal amount and interest relating to this loan are regular.
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 nature of its business with regard to purchase of inventory, fixed assets and for sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
5. During the year the Company has not entered into any contract referred to in section 301 of the companies Act, 1956.
6. According to the information and explanation given to us, the company has not accepted any deposits u/s 58A, 58AA or any other relevant provisions of the Companies Act, 1956, during the year.
7. In our opinion, the Company has an internal audit system commensurate with the size and the nature of the business.
8. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of the Company's Products to which the said rules are made applicable, and are of the opinion that prima facie, the prescribed accounts have been made and maintained. We have, however not made a detailed examination of the records with a view to determine whether they are accurate.
9. a) According to the records of the Company, there were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues outstanding as on 31st March, 2013, for a period of more than six months from the date they became payable.

- b) According to the records of the Company and information and explanations given to us there are no dues of sales tax, income tax, wealth tax, service tax, custom duty, excise duty on account of any disputes, except as given below: -

Statue	₹ In Lacs	Forum where dispute is Pending
Excise Duty	168.34	CESTAT - New Delhi
Service Tax	44.41	Additional Commissioner - Central Excise, Indore
MP Commercial Tax	40.33	Appellate Board, Bhopal
MP Commercial Tax	6.47	Hon'ble M.P. High Court, Indore
Central Sales Tax	39.72	Appellate Board, Bhopal
Entry Tax	1.21	Appellate Board, Bhopal
Central Sales Tax	115.88	Hon'ble M.P. High Court, Indore
Entry Tax	157.71	Hon'ble Supreme Court

10. The Company does not have accumulated losses as at the end of the year and the Company has not incurred cash losses during the current and immediately preceding financial year.
11. According to the information and explanation given to us we are of the opinion that the company has not defaulted in repayment of dues to bank.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or any other securities.
13. In our opinion, the Company is not a Chit Fund, Nidhi or Mutual Fund/Society and therefore the provisions of clause 4 (xiii) of the order are not applicable.
14. The Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the order are not applicable.
15. According to the information and explanations given to us, and the representations made by the management, the Company has not given any guarantee for loans taken by others from any bank or financial institution.
16. In our opinion and on the basis of information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company for the purpose for which the loans were obtained.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, during the year no funds raised on short term basis have been used for long term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued debentures during the year.
20. The Company has not raised any money by public issue during the year.
21. According to the information and explanations given to us, and to the best of our knowledge and belief no fraud on or by the Company, has been noticed or reported during the year.

For **Dayal and Lohia**
Chartered Accountants
(Firm Registration No.102200W)

(CA Anil Lohia)

Partner

M.No.: 31626

Place : Mumbai
Date : May 17, 2013

BALANCE SHEET AS AT 31st MARCH, 2013

Particulars	Note no.	As at 31st March, 2013 ₹ In Lacs	As at 31st March, 2012 ₹ In Lacs
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	1,767.22	1,764.45
Reserves and Surplus	3	11,253.88	8,851.22
Non-Current Liabilities			
Long-term borrowings	4	1,297.81	1,468.29
Deferred tax liabilities (Net)	5	636.00	171.08
Long term provisions	6	237.65	216.25
Current Liabilities			
Short-term borrowings	7	4,930.70	4,600.22
Trade payables	8	10,311.54	7,815.01
Other current liabilities	9	2,733.40	1,912.10
Short-term provisions	10	641.19	1,588.29
Total		<u>33,809.39</u>	<u>28,386.91</u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	3,648.01	2,206.57
Capital work-in-progress	11	281.84	1,199.16
Non-current investments	12	12.49	12.49
Long-term loans and advances	13	224.01	245.72
Other non-current assets	14	19.97	24.43
Current assets			
Inventories	15	9,136.09	9,158.45
Trade receivables	16	8,709.78	3,684.53
Cash and cash equivalents	17	579.05	1,332.44
Short-term loans and advances	18	443.07	474.44
Other current assets	19	10,755.08	10,048.68
Total		<u>33,809.39</u>	<u>28,386.91</u>
Significant Accounting Policies	1		
The Accompanying Notes are integral part of the Financial Statement	1 to 35		

As per our report of even Date

For **Dayal & Lohia**

Chartered Accountants

(Firm Regn No. 102200W)

For and on Behalf of the Board of Directors

CA Anil Lohia

Partner

M.No. 31626

D. J. Ramsinghani**Chairman & Managing Director****D. N. Singh****Director****Place: Mumbai****Date: May 17, 2013****J. K. Parakh****Chief Financial Officer & Secretary**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2013

Particulars	Note no.	For the year ended 31st March, 2013 ₹ In Lacs	For the year ended 31st March, 2012 ₹ In Lacs
Revenue from Operations (Gross)		62,308.75	55,826.29
Less: Excise Duty		<u>580.24</u>	<u>429.28</u>
Revenue from Operations (Net)	20	61,728.51	55,397.01
Other Income	21	306.92	186.18
Total Revenue		<u>62,035.43</u>	<u>55,583.19</u>
Expenses:			
Cost of materials consumed	22	47,822.01	36,685.40
Purchase of Stock-in-Trade	22	370.54	0.40
Changes in inventories of finished goods, work-in-process and Stock-in-Trade	23	(1,647.93)	3,167.30
Excise Duty	24	5.90	(10.30)
Employee benefit expenses	25	1,335.16	1,106.81
Other expenses	26	9,098.90	8,405.98
Financial costs	27	1,112.42	825.95
Depreciation	11	429.93	391.15
Total Expenses		<u>58,526.93</u>	<u>50,572.69</u>
Profit before tax		3,508.50	5,010.50
Tax expense:	28		
Current tax		480.57	1,570.00
Deferred tax		464.92	80.70
Profit for the year		<u>2,563.01</u>	<u>3,359.80</u>
Basic & Diluted Earning per equity share:	29	14.49	18.99
Significant Accounting Policies	1		
The Accompanying Notes are integral part of the Financial Statement	1 to 35		

As per our report of even Date
For **Dayal & Lohia**
Chartered Accountants
(Firm Regn No. 102200W)

For and on Behalf of the Board of Directors

CA Anil Lohia
Partner
M.No. 31626

D. J. Ramsinghani
Chairman & Managing Director

D. N. Singh
Director

Place: **Mumbai**
Date : **May 17, 2013**

J. K. Parakh
Chief Financial Officer & Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013

	Year ended 31st March, 2013 ₹ In Lacs	Year ended 31st March, 2012 ₹ In Lacs
A. Cash flow from Operating activities		
Net Profit before taxation and extra ordinary items	3,508.50	5,010.50
Adjustments for -		
Depreciation	429.93	391.15
Interest and financing charges	1,112.42	825.95
Depreciation of earlier year	(0.30)	-
Profit on sale of assets	(0.69)	-
Excess provision written back	(166.57)	(106.61)
Bad Debts recovered	(33.84)	-
Loss on sale/ loss of fixed assets	14.68	1.15
Old Balances Written Off	(22.73)	217.00
Exchange Fluctuation	177.49	222.80
Interest Received	(51.07)	(44.22)
Provision for doubtful debts	11.16	24.90
	<u>1,470.48</u>	<u>1,532.12</u>
Operating profit before working capital changes	4,978.98	6,542.62
Decrease / (Increase) in trade and other receivables	(5,356.46)	(10,234.80)
Decrease / (Increase) in inventories	22.36	441.99
Increase / (Decrease) in Short term borrowings	330.48	1,518.11
Increase / (Decrease) in trade payables and other liabilities	<u>3,416.64</u>	<u>4,908.55</u>
	<u>(1,586.98)</u>	<u>(3,366.15)</u>
Cash generated from Operations	3,392.00	3,176.47
Less: Income Tax Paid	1,941.07	6.34
Net Cash from Operating Activities (A)	<u>1,450.93</u>	<u>3,170.13</u>
B. Cash flow from investing activities		
Purchase of fixed assets	(968.42)	(999.55)
Sale of fixed assets	0.69	0.20
Interest Received	51.07	44.22
	<u>(916.64)</u>	<u>(955.13)</u>
Net cash used in Investing Activities (B)	<u>(916.64)</u>	<u>(955.13)</u>
C. Cash flows from financing activities		
Increase in Share Capital	2.77	-
Interest & Financial charges	(1,112.42)	(825.95)
Decrease in long term borrowings	(182.19)	(215.42)
Decrease in unsecured loan	-	(201.00)
Increase in Securities Premium	4.16	-
	<u>(1,287.68)</u>	<u>(1,242.37)</u>
Net cash from Financing Activities (C)	<u>(1,287.68)</u>	<u>(1,242.37)</u>
Net Decrease in cash and cash equivalent (A+B+C)	(753.39)	972.63
Cash and cash equivalents (Opening balance)	1,332.44	359.81
Cash and cash equivalents (Closing balance)	579.05	1,332.44

As per our report of even Date
For **Dayal & Lohia**
Chartered Accountants
(Firm Regn No. 102200W)

For and on Behalf of the Board of Directors

CA Anil Lohia
Partner
M.No. 31626

D. J. Ramsinghani
Chairman & Managing Director

D.N. Singh
Director

Place: Mumbai
Date : May 17, 2013

J. K. Parakh
Chief Financial Officer & Secretary

NOTES TO THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES :

A) GENERAL

- 1 The accounts are prepared on the basis of the Historical Cost Convention and in accordance with generally accepted accounting principles and provisions of the Companies Act, 1956.
- 2 The company follows mercantile system of accounting and recognises income and expenditure on accrual basis. Interest on unpaid call money is accounted for as and when received.
- 3 Sales include sale of by-products and are net of sales tax if any and includes subsidy.
- 4 Investments are valued at cost of acquisition. Only permanent diminution in the value of investments meant to be held for long term is recognised.

B) EXCISE DUTY

Liability for excise duty payable on finished products has been accounted in respect of goods lying at the end of the year and added to the value of closing stock.

C) FIXED ASSETS

(a) Fixed Assets are stated at cost of acquisition including taxes, duties, freight and other incidental expenses related to acquisition and installation of the concerned assets and net off cenvat.

(b) Impairment of Assets :

The carrying amount of assets are reviewed at each Balance sheet date if there is any indication of impairment based on internal / external factors.

If the carrying amount of the asset exceeds its estimated recoverable amount, an impairment loss is recognised in the Statement of Profit & Loss to the extent the carrying amount exceeds recoverable amount.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets, no longer exists or have decreased.

D) DEPRECIATION

Depreciation is provided on straight-line method, at the rates prescribed in Schedule XIV to the Companies Act, 1956 on a pro-rata basis commencing from the month of addition, except in case of plant and factory building of edible oil refinery and solvent extraction units and Sulphuric Acid plants where the Depreciation is provided on written down value method.

E) INVESTMENTS

Investments are stated at cost less any diminution in their value, which is other than temporary.

F) INVENTORIES

Inventories are valued as under :

Raw materials, Work in Process and Packing materials

At cost on First in First out (FIFO) basis or net realisable value whichever is lower. Raw material and Work in Process are not written down below cost if the finished product in which they will be incorporated are expected at or above cost.

Finished goods

At cost or net realisable value whichever is lower. The cost is computed on weighted average method and includes cost of materials, cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition.

Stores & spares

At Cost on FIFO basis.

G) BORROWING COST

Borrowing costs directly attributable to the acquisition or construction of fixed assets are capitalised as part of cost of the assets, upto the date the asset is put to use. Other Borrowing cost are charged to Statement of Profit & loss in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

H) SUBSIDY RECEIVABLE

Subsidy receivable is accounted on the basis of actual sales and the deductions if any from the same, made by the Certifying Authority, are accounted as and when the same are communicated to the Company.

I) REVENUE RECOGNITION

- 1 Sales are recognised, net of returns and trade discounts, on despatch of goods to customers.
- 2 Sales includes sale of bye-products and are net of sales tax if any and includes subsidy.
- 3 Revenue in respect of insurance / other claims are recognised only when it is reasonably certain that the ultimate collection will be made.

J) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are accounted for at the exchange rates prevailing on the date of such transactions where these are not covered by forward contracts. Liabilities in foreign currencies as on the date of balance sheet are converted at the exchange rate prevailing on that date.

Exchange difference in respect of liabilities incurred to acquire fixed assets prior to April 1, 2007, are adjusted to the carrying amount of such fixed assets and in other cases, are recognised as income or expense in the period in which they arise.

K) PROVISION FOR RETIREMENT BENEFITS

i) Short term Employee benefits

Short term employee benefits are recognised as an expenses at the amount disclosed in the Statement of Profit and Loss for the period in which the related service is rendered.

ii) Post employment benefits

Post employment benefits are determined using the projected unit credit method, with actuarial valuation being carried out at Balance sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

Defined benefit plans : The Government provident fund scheme is funded defined benefits scheme and the employee gratuity fund scheme is an unfunded defined benefit scheme.

iii) Long Term Employee benefits

The obligation for Long Term benefits such as Long Term Compensated absence, is defined benefit which is unfunded.

L) TAXES ON INCOME

- 1 Tax expense consists of both current as well as deferred tax liability. Current tax represents amount of Income tax payable including the tax payable u/s 115JB, if any, in respect of taxable income for the year.
- 2 Minimum alternate tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income tax within the specified period.
- 3 Deferred Tax is recognised on timing difference between the accounting income and the taxable income for the year that originates in one period and are capable of reversal in one or more subsequent period. Such Deferred Tax is quantified using the tax rates and laws enacted or substantively enacted as on Balance sheet date.

M) EARNING PER SHARE

The Company reports basic & diluted earnings per share (EPS) in accordance with Accounting Standard 20 on earnings per share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2013 ₹ In Lacs	As at 31st March, 2012 ₹ In Lacs
2 SHARE CAPITAL :		
a Authorised Share Capital		
3,10,00,000 Equity Shares (Prev. Year 3,10,00,000) of ₹ 10/- Each	3,100.00	3,100.00
1,00,00,000 Preference Shares (Prev. Year 1,00,00,000) of ₹ 10/- Each	1,000.00	1,000.00
	<u>4,100.00</u>	<u>4,100.00</u>
b Issued and Subscribed Capital		
1,76,93,213 Equity Shares (Prev. Year 1,76,93,213) of ₹ 10/- Each	1,769.32	1,769.32
	<u>1,769.32</u>	<u>1,769.32</u>
Less:		
c Calls Unpaid		
From Others	2.10	4.87
	<u>2.10</u>	<u>4.87</u>
d Issued, Subscribed and Paid up	<u><u>1,767.22</u></u>	<u><u>1,764.45</u></u>
e Reconciliation of Shares outstanding at the beginning and at the end of the year		

Equity Shares	As at 31st March, 2013		As at 31st March, 2012	
	Nos.	Amount ₹ In Lacs	Nos.	Amount ₹ In Lacs
At the Beginning of the Year	17,693,213	1,769.32	17,693,213	1,769.32
Outstanding at the end of the year	<u>17,693,213</u>	<u>1,769.32</u>	<u>17,693,213</u>	<u>1,769.32</u>

f Details of the rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital.

Equity Shares

The Company has only one class of Equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share. Dividend is payable in the proportion to the Capital Paid up. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

g Details of Shareholders holding more than 5% shares in the Company

Name of the Share holders	As at 31st March, 2013		As at 31st March, 2012	
	Nos.	%	Nos.	%
Equity				
NRI Investors Inc.	9,543,895	53.94%	9,543,895	53.94%
Pooja Ramsinghani	2,487,111	14.06%	2,487,111	14.06%
Jupiter Corporate Services Pvt. Ltd	1,506,696	8.52%	1,506,696	8.52%

NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2013 ₹ In Lacs	As at 31st March, 2012 ₹ In Lacs
3 RESERVES & SURPLUS :		
a Capital Reserve		
Opening Balance	3,159.87	3,159.87
Closing Balance	<u>3,159.87</u>	<u>3,159.87</u>
b General Reserve		
Opening Balance	16.50	16.50
Closing Balance	<u>16.50</u>	<u>16.50</u>
c Securities Premium		
Opening Balance	4,119.88	4,119.88
Addition during the year	4.16	-
Closing Balance *	<u>4,124.04</u>	<u>4,119.88</u>
* Net of unpaid security premium from others ₹ 3.15 Lacs (Previous Year ₹ 7.31 Lacs)		
d Capital Redemption Reserve		
Opening Balance	60.00	60.00
Closing Balance	<u>60.00</u>	<u>60.00</u>
e Profit & Loss Account		
Balance as per last Balance Sheet	1,494.97	(1,864.83)
Add : Profit For the Year	2,563.01	3,359.80
Less : Appropriation		
Dividend on Equity Shares	141.55	-
Tax on Dividend	22.96	-
	<u>3,893.47</u>	<u>1,494.97</u>
Total	<u>11,253.88</u>	<u>8,851.22</u>

NON-CURRENT LIABILITIES

4 LONG-TERM BORROWINGS :

a Particulars

Term Loans (Secured)

From Banks	247.26	284.83
From Others *	283.62	416.53

Other Loans (Unsecured)

From Others	766.93	766.93
Total	<u>1,297.81</u>	<u>1,468.29</u>

* Includes loan from a related party

b Out of the Above Loans Guranteed by Directors, Promoter & others	236.44	284.83
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NOTES TO THE FINANCIAL STATEMENTS

As at
31st March, 2013
₹ In Lacs

As at
31st March, 2012
₹ In Lacs

c Terms and Conditions of Borrowings

- (i) Term Loan of ₹ 236.44 lacs (Previous year ₹ 284.83 lacs) from bank is secured by Exclusive and specific charge on the assets acquired for new GSSP plant at Udaipur. The loan is further collaterally secured with first pari passu charge along with working capital lender over movable and immovable property situated at Fertiliser division Indore, Udaipur and first pari passu charges along with working capital and other term lenders over movable and immovable property situated at Pune. The said loan is further secured by second charge alongwith working capital lenders on pari passu basis over movable and immovable property situated at Oil division Indore. The above loan is further secured along with working capital lenders by first pari passu charge on FDR of ₹ 84.25 lacs along with equitable mortgage of the property situated at Mumbai owned by another company and guaranteed by personal guarantee of a Director, Promoters and corporate guarantee by another company. The Interest on the loan is payable @14.50% p.a. as at the year end. The Loan is repayable in 24 quarterly installments starting from May-2012 (Read note no. 7 b).
- (ii) Vehicle loans of ₹ 10.81 lacs (Previous year Nil) included in term Loan from Bank are secured by way of Hypothecation of vehicles. Interest on the loans are payable @ 10.50% p.a. as at year end. Loans are repayable in 36 monthly installments starting from February-2013.
- (iii) Term Loans of ₹ 283.62 lacs (Previous year ₹ 416.53 lacs) from others are secured by way of first parripassu charge along with working capital and term loan lenders from bank over movable and immovable properties situated at Pune. Said term loans are further secured by way of first pari passu charge over immovable property situated at Indore Oil Division. The Interest on the loan is payable @ 9% p.a. as at year end. The Loan is repayable in 36 quarterly installments.

5 DEFERRED TAX ASSETS/ LIABILITIES :

Deferred Tax Assets

Disallowances under Income tax act	87.58	123.27
Provisions for doubtful receivables	37.38	35.90
	124.96	159.17

Deffered Tax Liabilities

Related to Fixed Assets	760.96	330.25
	760.96	330.25

Net Deferred Tax (Assets) / Liabilities	Total	636.00	171.08
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6 LONG-TERM PROVISIONS :

Provision for Employee Benefits (Refer note no. 32)

Gratuity	198.34	178.78
Leave Encashment	39.31	37.47
	Total	237.65

CURRENT LIABILITIES

7 SHORT-TERM BORROWINGS :

Working Capital Loans (Secured)

From Banks	4,930.70	4,600.22
	Total	4,930.70

a Out of the Above Loans Guaranteed by Director, Promoters & Others		4,930.70	4,600.22
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NOTES TO THE FINANCIAL STATEMENTS

	As at	As at
31st March, 2013	31st March, 2012	31st March, 2012
₹ In Lacs	₹ In Lacs	₹ In Lacs

b Terms and Conditions of Borrowings

Working Capital facilities from Banks are secured against hypothecation of raw material, stock in process, finished goods, stores and spares, Books debts, Subsidy and first pari passu charge along with Bank term lender over movable and immovable properties of fertiliser division situated at Indore, Udaipur and first pari passu charges with other term lenders over movable and immovable properties situated at Pune. This is further secured by second charge along with bank term loan lender, on pari passu basis over movable and immovable properties of Oil division situated at Indore.

The above working capital facilities are further secured along with bank term lender by first pari passu on FDR of ₹ 84.25 lacs along with equitable mortgage of the property situated at Mumbai owned by another Company and guaranteed by personal guarantee of a Director, Promoters and Corporate guarantee by another company. The working capital facility carries interest @ 13.45% on ₹ 860.25 lacs (Previous year interest @ 16.50% on ₹ 883.18 lacs), @ 14.25% on ₹ 3329.30 lacs (Previous year interest @ 14.75% on ₹ 3185.82 lacs) and 15.75% on ₹ 741.15 lacs (Previous year interest @ 17% on ₹ 531.22 lacs).

8 TRADE PAYABLES :

	10,311.54	7,815.01
Total	10,311.54	7,815.01

The amount due to Micro, Small and Medium Enterprises as defined in the “The Micro, Small and Medium Enterprises Development Act, 2006” has been determined to the extent such parties have been identified on the basis of information available with the company. The disclosures relating to Micro, Small and Medium Enterprises as at 31st March, 2013 are as under:

	31.03.2013	31.03.2012
(i) The principal amount remaining unpaid to supplier as at end of the year;	3.51	1.85
(ii) The Interest due thereon remaining unpaid to supplier as at the end of the year;	0.09	-
(iii) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iv) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	0.09	-
(v) The amount of interest accrued and remaining unpaid at the end of accounting year;	0.09	-

9 OTHER CURRENT LIABILITIES :

Current Maturity of Secured Long Term Borrowings (Refer note no. 4)	68.30	80.00
Interest Accrued and due on Borrowings	1.64	36.08
Deposits from Others	164.05	138.10
Advances from Customers	1,588.37	615.38
Other Payables including statutory dues	911.04	1,042.54
Total	2,733.40	1,912.10

10 SHORT-TERM PROVISIONS :**Provision for Employee Benefits (Refer note no. 32)**

Gratuity	29.77	22.48
Leave Encashment	6.74	1.53
	36.51	24.01
Other Provisions		
Proposed Dividend	141.55	-
Proposed Dividend Tax	22.96	-
Provision for Income Tax (Net of Advance Tax)	439.50	1,563.66

NOTES TO THE FINANCIAL STATEMENTS

NON - CURRENT ASSETS

11 FIXED ASSETS :

₹ In Lacs

Particulars	Gross Block at cost				Depreciation				Net Block	
	As at 01.04.2012	Additions during the year	Deductions during the year	As at 31.03.2013	As at 01.04.2012	For the year	Deductions during the year	Total upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
Tangible assets :										
Land Free-hold	240.56	-	-	240.56	-	-	-	-	240.56	240.56
Land Lease hold	18.52	-	-	18.52	-	-	-	-	18.52	18.52
Site Development	6.66	-	-	6.66	-	-	-	-	6.66	6.66
Buildings	1,752.81	644.41	-	2,397.22	1,058.88	60.78	1.33	1,118.33	1,278.89	693.93
Plant and equipment	9,428.75	1,174.88	-	10,603.63	8,365.07	341.30	-	8,706.37	1,897.26	1,063.68
Office equipment	232.24	25.78	36.34	221.68	159.35	14.06	30.67	142.74	78.94	72.89
Furniture and fixtures	75.76	4.82	10.10	70.48	64.67	1.95	10.10	56.52	13.96	11.09
Vehicles	210.05	35.85	28.39	217.51	110.81	11.84	18.36	104.29	113.22	99.24
Total	11,965.35	1,885.74	74.83	13,776.26	9,758.78	429.93	60.46	10,128.25	3,648.01	2,206.57
Previous Year's Total	11,850.30	116.82	1.77	11,965.34	9,368.05	391.15	0.42	9,758.78	2,206.57	2,482.25
Work-In-Progress :									281.84	1,199.16

Gross Block of vehicle includes cost of vehicle amounting to ₹ 21.39 Lacs (previous year Nil) acquired on Hire Purchase Basis.

As at	As at
31st March, 2013	31st March, 2012
₹ In Lacs	₹ In Lacs

12 NON-CURRENT INVESTMENTS :

Other than Trade

i Investment in Equity instruments (Related party) - Quoted - Fully Paid

3,07,100 (Previous Year 3,07,100) Shares of Rama Petrochemicals Ltd of ₹ 10/- fully paid up.	12.26	12.26
	12.26	12.26

ii Investment in Equity instruments - Unquoted - Fully Paid

16,100 (Previous Year 16,100) Shares of National Board of Trade of ₹ 10/- paid up.	0.01	0.01
716 (Previous Year 716) Shares of Bombay Mercantile Co-op Bank Ltd of ₹ 10/- paid up.	0.22	0.22
	0.23	0.23

Total	12.49	12.49
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Aggregate amount of Market Value

6.51	12.76
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13 LONG-TERM LOANS & ADVANCES :

a Capital Advances

Unsecured Considered good	13.84	10.07
	13.84	10.07

b Security Deposits

Unsecured, Considered good	149.67	167.15
	149.67	167.15

c Advances Recoverable in Cash

Unsecured, Considered good	1.54	1.30
	1.54	1.30

d Other Loans & Advances

Prepaid Expenses	2.19	2.11
Balances with Statutory / Govt. Authorities	56.77	65.09
	58.96	67.20

Total	224.01	245.72
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NOTES TO THE FINANCIAL STATEMENTS

14 OTHER NON-CURRENT ASSETS :	As at 31st March, 2013 ₹ In Lacs	As at 31st March, 2012 ₹ In Lacs
Non Current Deposits with Banks held as margin money (Refer note no. 17)	18.76	22.38
Interest Accrued on Deposits	1.21	2.05
Total	19.97	24.43

CURRENT ASSETS**15 INVENTORIES :****a Particulars**

Raw Materials	3,403.15	3,140.19
Raw Materials in transit	726.15	2,758.88
Work in Process	-	1.94
Finished Goods	4,319.15	2,483.47
Finished Goods in transit	-	185.81
Stores & Spares	547.60	509.51
Packing Materials	140.04	78.65
Total	9,136.09	9,158.45

b Inventories are valued as under :

1 Raw materials, Work in Process and Packing materials :
at cost on First in First out (FIFO) basis or net realizable value whichever is lower.

Raw material & Work in Process are not written down below cost if the finished product in which they will be incorporated are expected at or above cost.

2 Finished goods :
at cost or net realisable value whichever is lower. The cost is computed on weighted average method and includes cost of materials, cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition.

3 Stores & spares :
at Cost on FIFO basis.

16 TRADE RECEIVABLES :**a Outstanding for a period exceeding 6 months from the due date**

Unsecured, Considered Good	232.66	112.16
Doubtful	76.95	71.01
	309.61	183.17
Less: Provision for Doubtful Debts	76.95	71.01
	232.66	112.16

b Others

Unsecured, Considered Good	8,477.12	3,572.37
Total	8,709.78	3,684.53

NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2013 ₹ In Lacs	As at 31st March, 2012 ₹ In Lacs
17 CASH & CASH EQUIVALENTS :		
Cash in Hand	10.41	6.79
Balances with Banks	17.97	861.12
Deposits with Bank		
Deposit with Bank held as Margin Money / given as Security		
Maturity up to 12 months	550.67	464.53
Maturity above 12 months	18.76	22.38
	569.43	486.91
Less: Amount Disclosed under Other Non Current Assets (Refer note no.14)	18.76	22.38
	<u>550.67</u>	<u>464.53</u>
Total	<u>579.05</u>	<u>1,332.44</u>
18 SHORT-TERM LOANS & ADVANCES :		
a Security Deposits		
Unsecured, Considered good	123.83	89.37
	<u>123.83</u>	<u>89.37</u>
b Loans & Advances to Related Parties (Read note no. 30)		
Doubtful	305.27	305.27
	305.27	305.27
Less: Provision for Doubtful Advances	305.27	305.27
	<u>-</u>	<u>-</u>
c Advances Recoverable in Cash		
Unsecured, Considered good	191.19	199.16
Doubtful	13.30	8.35
	204.49	207.51
Less: Provision for Doubtful Advances	13.30	8.35
	<u>191.19</u>	<u>199.16</u>
Includes Due from an Officer of the Company	24.00	25.15
d Other Loans & Advances		
Other advances	29.02	29.02
Prepaid Expenses	62.04	54.75
Balances with Statutory / Govt. Authorities	36.99	102.14
	<u>128.05</u>	<u>185.91</u>
Total	<u>443.07</u>	<u>474.44</u>
19 OTHER CURRENT ASSETS :		
a Subsidy Receivable		
Subsidy Receivable	10,233.37	10,061.77
Less:- Provision for doubtful subsidy	24.97	31.30
Net Subsidy Receivable	10,208.40	10,030.47
b Interest Accrued on Deposits	18.95	18.21
c Other current assets	527.73	-
Total	<u>10,755.08</u>	<u>10,048.68</u>

NOTES TO THE FINANCIAL STATEMENTS

	For the year ended 31st March, 2013 ₹ In Lacs	For the year ended 31st March, 2012 ₹ In Lacs
20 REVENUE FROM OPERATIONS :		
a Sale of Products		
Finished Goods	61,397.83	55,371.58
Traded Goods	324.08	20.91
b Other Operating Revenues		
Others	6.60	4.52
Total	<u>61,728.51</u>	<u>55,397.01</u>
c Details of Product Sold		
i Finished Goods		
Fertilisers & Chemicals	43,762.76	45,345.87
Soya Oil	5,697.77	4,046.17
De-Oiled Cake	11,912.44	5,931.17
Others	24.86	48.37
	<u>61,397.83</u>	<u>55,371.58</u>
ii Traded Goods		
Sulphur	324.08	0.16
Others	-	20.75
	<u>324.08</u>	<u>20.91</u>
d Subsidy recognised as income - Included in Sales	<u>15,574.17</u>	<u>25,368.48</u>
21 OTHER INCOME :		
Interest	51.07	44.22
Profit on Sale of Assets	0.69	-
Prior year adjustments	-	2.39
Provision no longer required written back	166.57	106.61
Bad debts recovered	33.84	-
Depreciation of earlier years	0.30	-
Other non operating income Net of expenses *	31.72	32.64
Sundry Balances w/off	22.73	0.32
Total	<u>306.92</u>	<u>186.18</u>
* Includes gain of ₹ 10.07 Lacs (Previous Year gain of ₹ 2.90 Lacs) due to hedging in commodity exchange.		
22 COST OF MATERIAL INCLUDING PACKING MATERIAL CONSUMED :		
a Particulars		
Opening Stock of Raw Material	5,899.07	3,227.94
Add: Purchases	44,882.75	38,336.63
	50,781.82	41,564.57
Less: Closing Stock of Raw Material	4,129.30	5,899.07
	<u>46,652.52</u>	<u>35,665.50</u>
Packing Material consumed	1,169.49	1,019.90
Total	<u>47,822.01</u>	<u>36,685.40</u>
b Details of Raw Material Consumed		
Rock Phosphates	21,922.03	18,017.65
Sulphuric Acid and Spent Acid	3,131.86	3,398.08
Sulphur	2,789.45	3,932.34
Soya Seed	16,758.90	9,728.09
Others	2,050.28	589.34
	<u>46,652.52</u>	<u>35,665.50</u>

NOTES TO THE FINANCIAL STATEMENTS

c Imported and Indigenous Raw materials Consumed :	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
	₹ In lacs	%	₹ In lacs	%
Imported	17,710.84	37.96%	15,016.77	42.10%
Indigenous	28,941.68	62.04%	20,648.73	57.90%
	46,652.52	100.00%	35,665.50	100.00%

d Values of Imports Calculated On CIF Basis	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
	₹ In Lacs		₹ In Lacs	
Raw Materials		8,337.88		8,508.52
e Purchase of traded goods				
Sulphur		370.54		0.13
Others		-		0.27
Total		370.54		0.40

23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE :

(Increase) / Decrease in Inventories

Opening Stock of Inventories

Work-in-Process	1.94	2.63
Finished Goods	2,669.28	5,815.41
Stock-in-Trade	-	20.48
	<u>2,671.22</u>	<u>5,838.52</u>

Less: Closing Stock of Inventory

Work-in-Process	-	1.94
Finished Goods	4,319.15	2,669.28
Stock-in-Trade	-	-
	<u>4,319.15</u>	<u>2,671.22</u>

Net Increase / Decrease

Work-in-Process	1.94	0.69
Finished Goods	(1,649.87)	3,146.13
Stock-in-Trade	-	20.48
Total	(1,647.93)	3,167.30

24 EXCISE DUTY :

Excise duty on Opening stock	(11.48)	(24.21)
Excise duty on Closing stock	16.40	11.48
Adjustments	0.98	2.43
Total	5.90	(10.30)

25 EMPLOYEE BENEFIT EXPENSES :

Salaries & Wages	1,168.28	971.86
Contribution to Provident & Other Funds	77.37	67.90
Staff Welfare Expenses	89.51	67.05
Total	1,335.16	1,106.81

NOTES TO THE FINANCIAL STATEMENTS

	For the year ended 31st March, 2013 ₹ In Lacs	For the year ended 31st March, 2012 ₹ In Lacs
26 OTHER EXPENSES :		
Consumption of Stores & Spares	824.33	885.05
Power & Fuel	1,814.95	1,524.33
Repairs to Buildings	11.39	10.06
Repairs to Machinery	266.69	265.08
Other manufacturing Expenses	686.49	548.03
Selling & Distribution Expenses	4,234.09	3,809.74
Legal and professional fees	209.85	163.94
Insurance	57.07	49.65
Rent	205.39	151.31
Rates & Taxes	28.39	20.22
Provision for doubtful debts	11.16	24.90
Sundry Balances w/off	-	214.88
Directors sitting fees	0.21	0.33
Donation	3.62	1.15
Exchange Fluctuation	177.49	222.80
Loss on sales / loss of fixed assets	14.68	1.15
Prior year adjustments	0.11	-
Miscellaneous expenses	552.99	513.36
Total	9,098.90	8,405.98

a Imported and Indigenous Store and Spare parts Consumed :

	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
	₹ In lacs	%	₹ In lacs	%
Imported	-	0.00%	-	0.00%
Indigenous	824.33	100.00%	885.05	100.00%
	824.33	100.00%	885.05	100.00%

b Details of Payment to Auditors (included in Legal & Professional fees) :

	For the year ended 31st March, 2013 ₹ In Lacs	For the year ended 31st March, 2012 ₹ In Lacs
As Auditor		
Audit Fee	8.15	7.13
Tax Audit Fee	2.02	1.82
In Other Capacity		
Management Services	4.14	4.38
Other Certification	11.09	6.99
Reimbursement of expenses	0.13	0.02
	25.53	20.34

c Expenditure In Foreign Currency

Travelling, Membership & Subscription Expenses	8.20	6.24
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d Details of Expenditure allocated and debited to Capital Work-in-Progress during the year

Other manufacturing Expenses	1.30	2.37
Power & Fuel	1.73	3.27
Miscellaneous expenses	-	0.06
Employee Benefit Expenses	4.98	10.51
Legal and professional fees	-	5.10
	8.01	21.31

NOTES TO THE FINANCIAL STATEMENTS

	For the year ended 31st March, 2013 ₹ In Lacs	For the year ended 31st March, 2012 ₹ In Lacs
27 FINANCIAL COST :		
Interest	922.56	682.56
Other Borrowing Cost	189.86	143.39
Total	<u>1,112.42</u>	<u>825.95</u>
Details of Expenditure allocated and debited to Capital Work-in-Progress during the year		
Interest	22.44	6.08
Other borrowing costs	-	16.22
	<u>22.44</u>	<u>22.30</u>
28 TAX EXPENSES :		
a Current Tax	710.00	1,570.00
Excess / Short Provision of earlier Years	65.57	-
Less: MAT Credit Entitlement	<u>295.00</u>	<u>-</u>
	480.57	1,570.00
b Deferred Tax	464.92	80.70
Total	<u>945.49</u>	<u>1,650.70</u>
29 EARNING PER SHARE		
Basic & Diluted earning per share		
Numerator- Profit after Tax	2,563.01	3,359.80
Denominator - Number of Equity Shares outstanding	17,693,213	17,693,213
Nominal value of Shares (in ₹)	10	10
Basic & Diluted earning Per Share	14.49	18.99

NOTES TO THE FINANCIAL STATEMENTS

As at
31st March, 2013
₹ In Lacs

As at
31st March, 2012
₹ In Lacs

30 RELATED PARTY DISCLOSURE :**a Names of Related Parties and Related Party Relationship****i Enterprise that directly or indirectly through one or more intermediaries, control, or are controlled by, or under common control with the reporting enterprise.**

NRI Investors Inc.

ii Associates and Joint ventures of the reporting enterprise and the investing party or venturer in respect of which the reporting enterprise is an associate or joint venture.

Nil Nil

iii Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual.

Nil Nil

iv Key Managerial Person (KMP) and their Relatives with whom transactions have taken place during the year.

D.J. Ramsinghani	- Chairman and Managing Director
H.D.Ramsinghani	- Director
J. K. Parakh	- CFO & Company Secretary
Pooja D Ramsinghani	- Relative of Director
Nilanjana H Ramsinghani	- Relative of Director

v Enterprises over which any person described in iii & iv above is able to exercise significant influence and with whom transactions have taken place during the year.

Rama Industries Limited
Rama Capital & Fiscals Service Pvt. Ltd.
Rama Petrochemicals Limited
Rainbow Denim Limited
Rainbow Agri Industries Limited
Nova Gelicon Pvt. Ltd.

b The details of the related party transactions entered into by the Company

(₹ In Lacs)

	Particulars		Key Managerial Person and their relatives		Enterprises over which (KMP) & there relatives are able to exercise significant influence	
			31.03.2013	31.03.2012	31.03.2013	31.03.2012
1	Balance outstanding					
	Receivable	-	-	-	-	410.89
	Payable	-	-	1,145.14	29.33	
2	Balance outstanding as Investments	-	-	12.26	12.26	
3	Loans & Advances receivable (Refer note no.18 b)*	-	-	305.27	305.27	
4	Loans & Advances repaid during the year	-	-	50.00	234.23	
5	Loans & Advances payable	-	-	148.06	185.40	
6	Interest on Loans & Advances	-	-	12.66	20.77	
7	Sitting fees	0.21	0.11	-	-	
8	Remuneration	67.34	41.60	-	-	
9	Sale of finished goods	-	-	1,030.66	601.49	
10	Purchase of goods	-	-	949.56	447.10	
11	Written off during the year	-	-	-	360.25	

* includes an interest free loan of ₹ 305.27 lacs (Previous year ₹ 305.27 lacs) due from a company against which provision has already been made in earlier years.

NOTES TO THE FINANCIAL STATEMENTS

31 SEGMENT REPORTING :

a Identification of Segments

The company has disclosed Business Segments as its primary segments. Reporting segments have been identified as Fertilizers & Chemicals and Oil, taking into account the nature of product, the different risk and returns, the organizational structure and the internal reporting system.

The company caters mainly to the need of domestic market. The direct export turnover is Nil during the year. As such there are no reportable geographical segments.

Segment revenue, Segment results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis to the respective segments.

b Segment Information

Particulars				(₹ In Lacs)
	Fertilizer & Chemicals	Oil	Unallocable	Total
Segment Revenue	44,088.19	17,640.32	306.92	62,035.43
	<i>45,346.30</i>	<i>10,050.71</i>	<i>186.19</i>	<i>55,583.20</i>
Segment Results	5,652.62	(255.77)	(8.02)	5,388.83
	<i>6,878.94</i>	<i>(379.88)</i>	<i>(6.32)</i>	<i>6,492.74</i>
Interest and financial cost for the year	-	-	(1,112.42)	(1,112.42)
	-	-	<i>(825.95)</i>	<i>(825.95)</i>
Net Corporate Office Expenses	-	-	-	(1,713.40)
	-	-	-	<i>(2,306.99)</i>
Profit / (Loss) as per Statement of Profit & Loss	-	-	-	2,563.01
	-	-	-	<i>3,359.80</i>
Segment Asset	32,224.82	941.81	642.76	33,809.39
	<i>25,742.61</i>	<i>1,534.05</i>	<i>1,110.25</i>	<i>28,386.91</i>
Segment Liabilities	17,080.53	992.76	2,714.99	20,788.28
	<i>13,799.19</i>	<i>998.08</i>	<i>2,973.97</i>	<i>17,771.24</i>
Cost incurred during the year to acquire segment assets	807.87	51.91	33.81	893.59
	<i>973.49</i>	<i>9.04</i>	<i>17.03</i>	<i>999.56</i>
Segment Depreciation	379.61	35.37	14.95	429.93
	<i>341.68</i>	<i>36.76</i>	<i>12.71</i>	<i>391.15</i>
Non-cash Expenses other than Depreciation	(53.02)	(144.57)	-	(197.59)
	<i>130.66</i>	<i>(0.32)</i>	<i>2.77</i>	<i>133.11</i>

(Previous year figures are in Italics)

NOTES TO THE FINANCIAL STATEMENTS

32 The disclosure required under Accounting Standard 15 “Employee Benefits”

Refer note no. 6 & 10

a Details of Defined Benefit Plan

Assumptions	Gratuity		Leave encashment	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Discount Rate	8.50%	8.50%	8.50%	8.50%
Rate of Increase in Compensation levels	4.00%	4.00%	4.00%	4.00%
Rate of return on plan assets	-	-	-	-
Withdrawal Rate	0.80%	0.80%	0.80%	0.80%
Change in present value of obligations	Gratuity		Leave encashment	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Present value of obligation as at 1.4.2012	201.26	179.47	39.00	34.99
Interest cost for the year	16.34	14.44	3.14	2.77
Service cost for the year	21.34	19.45	10.22	7.57
Benefits paid during the year	(18.09)	(11.06)	(4.00)	(3.22)
Actuarial (gain)/loss on obligation	7.26	(1.03)	(2.32)	(3.11)
Present value of obligation as on 31.3.2013	228.11	201.26	46.04	39.00
Changes in fair value of plan assets				
Fair Value of Plan Assets at beginning of the year	-	-	-	-
Expected Return of Plan Assets	-	-	-	-
Contribution during the year	18.09	11.06	4.00	3.22
Benefit paid during the year	(18.09)	(11.06)	(4.00)	(3.22)
Actuarial gain/(loss) on plan assets	-	-	-	-
Fair Value of Plan Assets at end of the year	-	-	-	-
Liability recognised in Balance sheet				
Present value of obligation as on 31.3.2013	228.11	201.26	46.04	39.00
Fair Value of Plan Assets	-	-	-	-
Liability recognised in Balance sheet as on 31.3.2013	(228.11)	(201.26)	(46.04)	(39.00)
Expenses recognised in Statement of Profit and Loss				
Current Service Cost	21.34	19.45	10.22	7.57
Interest Cost	16.34	14.44	3.14	2.77
Expected return on Plan Assets	-	-	-	-
Net Actuarial (Gain)/Loss recognised for the year	7.26	(1.03)	(2.32)	(3.11)
Total Expenses recognised in the statement of P & L	44.94	32.85	11.05	7.23
Movement in the liability recognised in the Balance Sheet				
Liability as on 1.4.2012	201.26	179.47	39.00	34.99
Expenses as above	44.94	32.85	11.05	7.23
Contribution paid	(18.09)	(11.06)	(4.00)	(3.22)
Liability as on 31.3.2013	228.11	201.26	46.04	39.00

b The Company has recognised ₹ 57.52 Lacs (Previous Year ₹ 50.64 Lacs) in the Statement of Profit and Loss for the year ended 31st March, 2013 under Defined Contribution Plans.

NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2013 ₹ In Lacs	As at 31st March, 2012 ₹ In Lacs
33 CONTINGENT LIABILITY AND COMMITMENTS		
a Contingent Liabilities not provided for		
i Royalty & environment cess on rock phosphates.	116.09	522.60
ii Contingent liability due to reduction in brought forward losses on account of completed assessments having a bearing on current taxable income.	602.78	602.78
iii Custom duty, Excise duty, Demurrage, Sales tax and others	538.52	1,140.88
iv Wages	100.55	93.97
b Claims against the company not acknowledged as debt		
i Electricity duty	43.38	44.23
ii Railway Claim	101.85	73.08
c Guarantees		
Amount of Letters of Credit and Bank Guarantee issued by banks.	187.45	418.73
d Commitments		
Estimated Amount of Capital Contracts Pending to be executed	54.76	51.14
34 No amount is paid/payable by the Company under Section 441 A of the Companies Act, 1956 (cess on turnover) since the rules specifying the manner in which the cess shall be paid has not been notified yet by the Central Government.		

35 PREVIOUS YEAR FIGURES

Previous year figures have been regrouped/rearranged, wherever necessary.

As per our report of even Date
For **Dayal & Lohia**
Chartered Accountants
(Firm Regn No. 102200W)

CA Anil Lohia
Partner
M.No. 31626

Place: Mumbai
Date: May 17, 2013

For and on Behalf of the Board of Directors

D. J. Ramsinghani
Chairman & Managing Director

D. N. Singh
Director

J. K. Parakh
Chief Financial Officer & Secretary

RAMA PHOSPHATES LIMITED

Regd. Office : 812, Raheja Chambers, Nariman Point, Mumbai - 400 021

PROXY FORM

For Demat Shares

For Physical Shares

DP ID	
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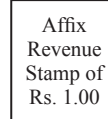
CLIENT ID	
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REGD. FOLIO NO.	
-----------------	--

NO. OF SHARES HELD	
--------------------	--

I/We _____ s/o, w/o, d/o _____
residing at _____
being member/member(s) of the above named company hereby appoint Mr./Ms. _____
residing at _____ or failing him/her Mr./Ms _____
_____ residing at _____ as
my/our proxy to vote for me/us and on my/our behalf at the Twenty Eighth Annual General Meeting of the Company to be held
on Friday the 27th day of September, 2013 at 10.00 a.m. at Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of
Commerce Path, Fort, Mumbai 400 001 and at any adjournment thereof.

Signed this _____ day of _____, 2013



Signature

(Please sign across the Stamp)

Note : This form in order to be valid should be duly stamped, completed and signed and must reach the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

RAMA PHOSPHATES LIMITED

Regd. Office : 812, Raheja Chambers, Nariman Point, Mumbai - 400 021

ATTENDANCE SLIP

For Demat Shares

For Physical Shares

DP ID	
-------	--

CLIENT ID	
-----------	--

REGD. FOLIO NO.	
-----------------	--

NO. OF SHARES HELD	
--------------------	--

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the Twenty Eighth Annual General Meeting of the Company held on Friday the 27th day of September, 2013 at 10.00 a.m. at Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400 001

Member's / Proxy's name in BLOCK letters

Member's / Proxy's Signature

(Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand over the same at the entrance of the meeting Hall.)

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