



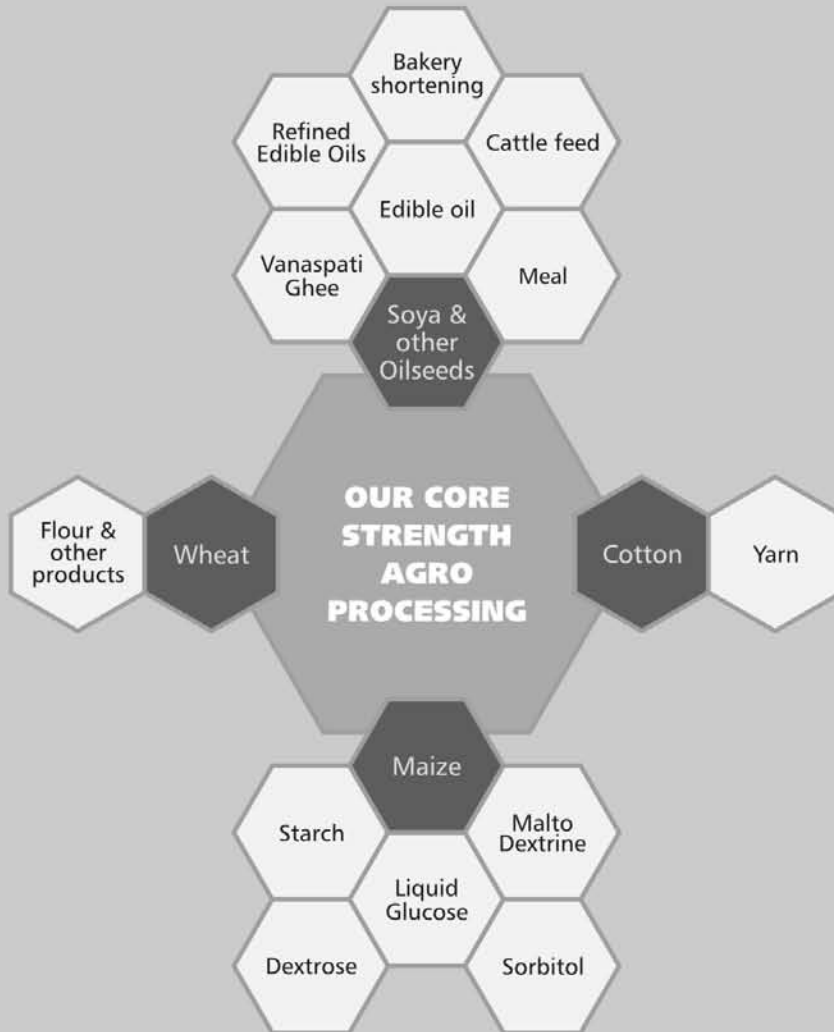
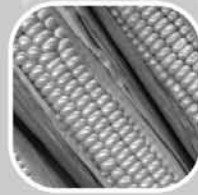
**GUJARAT AMBUJA
EXPORTS LIMITED**

Committed to growth



19th Annual Report 2009-10

Well diversified still focused on Agro Processing



**FOR ATTENTION OF ALL MEMBERS
(REQUEST - TO SURVE YOU BETTER)**

For Shares held in physical form

1. Members of erstwhile Gujarat Ambuja Cotspin Limited (GACL) (Also known as Gujarat Ambuja Steel Limited and Ambuja Foods Limited) , Gujarat Ambuja Proteins Limited (GAPL) and Jupiter Biotech Limited (Formerly known as Gujarat Vita Pharma Limited) (hereinafter also referred as Amalgamating Companies) are requested to send their shares of above companies for exchange at the Registered Office of the Company immediately to get shares of Gujarat Ambuja Exports Limited (GAEL and/or Amalgamated Company).
2. Members holding equity shares of Rs.10/- each of Gujarat Ambuja Exports Limited (GAEL) are also requested to send at the Registered Office of the Company their Rs.10/- face value shares to get sub-divided Rs.2/- face value equity shares certificates of GAEL.
3. Equity Shares of the Company are under compulsory dematerialization and to get benefits of dematerialization please send equity shares of GAEL of Rs.2/- each for dematerialization through your Depository Participant (DP). ISIN No. is INE036B01022.
4. Kindly get your shares transmitted in the name of second holder/ legal heirs in case of death of First holder/ Single holder as the case may be at the earliest.
5. Kindly register your change of address immediately at the Registered office of the Company and get acknowledgement for registration.
6. As directed by SEBI Circular No. MRD/DOP/Cir-05/2009 dated 20.05.2009, all transferee(s) are compulsorily required to submit copy of PAN Card alongwith transfer form in the absence of which, request for transfer will be rejected.
7. Members holding shares in physical form and desirous of making nomination may request for Form No.2B from the Company or Registrar and Share Transfer Agents (R & T) M/s. Jupiter Corporate Services Limited.
8. Please quote your Folio No. and other details in all communication with the Company and/or Registrar and Share Transfer Agent of the Company

For Shares held in Dematerialised form

1. Kindly update your change of address and bank details/ particulars alongwith MICR Code, Core Banking Account Number with your Depository Participant (DP) to get corporate benefits and to serve you better.
2. Kindly quote your Client ID along with DP_ID in all your correspondence/ communication with the Company and/or Registrar and Share Transfer Agent.

For Dividend (Physical and Demat Shares)

1. If you are holding unpaid dividend warrants/ warrants not received by you for the financial year as referred in notes to notice of the meeting, you are requested to send the same for revalidation/ apply for duplicate dividend warrants. In view of provisions of Section 205A and Section 205-C of the Companies Act, 1956 the amount of dividend remaining unclaimed for a period of seven years shall be transferred to the Investor Education and the Protection Fund. Thereafter, members shall not be able to register their claim in respect of their unencashed dividends.
2. Kindly note that as per RBI notification, with effect from October 1, 2009, the remittance of money through ECS is replaced by National Electronic Clearing Service (NECS) and banks have been instructed to move to the NECS platform with immediate effect. The advantages of NECS over ECS include faster credit of remittances to beneficiary's account, coverage of more bank branches and ease of operations for remitting agencies.
3. NECS essentially operates on the new and unique bank account number allotted by banks post implementation of Core Banking Solutions (CBS) for centralized processing of inward instructions and efficiency in handling bulk transactions.
4. In this regard, if you hold shares in electronic form, please furnish the new Bank Account Number allotted to you by your bank after implementation of CBS, along with a photocopy of a cheque pertaining to the concerned account, to your Depository Participant (DP), at your earliest convenience and for shares held in physical form to Registrar and Share Transfer Agent M/s. Jupiter Corporate Services Limited.
5. If you do not provide your new account number allotted after implementation of CBS by your bank to your DP, please note that ECS to your old account may either be rejected or returned.
6. Please ignore the instruction above in case you have already submitted the necessary details to your DP/ Registrar and Share Transfer Agent of the Company as the case may be.

Registrar And Share Transfer Agent :

Kindly note that Registrar and Share Transfer Agent of the Company is M/s. Jupiter Corporate Services Limited having its office at "Ambuja Tower" , Opp. Memnagar Fire Station, PO. Navjivan, Ahmedabad 380014 and hence members/ beneficial owners of shares are requested to address all correspondence to M/s. Jupiter Corporate Services Limited and/or to the Company only.

Gujarat Ambuja Exports Limited

Regd.Office: "Ambuja Tower", Opp. Memnagar Fire Station, Navrangpura, PO. Navjivan, Ahmedabad-380 014
Phone: 26423316-20 , 26405535-37 & 39 • Fax: 079-26423079 • E-mail : info@ambujagroup.com • Website: www.ambujagroup.com

19th ANNUAL REPORT 2009-2010

BOARD OF DIRECTORS	
Mr. Vijay Kumar Gupta, Chairman & Managing Director Mr. Manish V Gupta, Managing Director Mr. Mohit V Gupta, Joint Managing Director Mr. Sandeep N Agrawal , Whole Time Director Mrs. Sulochana V Gupta Mr. Jagdish Sharan Varshneya Mr. Chaitan M Maniar Mr. Prakash G Ramrakhiani Mr. Ashok C Gandhi Mr. Rohit J Patel	
Vice President (Finance & Accounts) Mr. N Giridhar	
Company Secretary Mr. Paras Mehta	
AUDITORS M/s. Kantilal Patel & Co.,Chartered Accountants, (A member firm of Polaris International, USA).	
BANKERS	
1. Bank of India	2. Punjab National Bank
3. Union Bank of India	4. HDFC Bank Limited
5. State Bank of Mysore	
SHARE TRANSFER AGENT (PHYSICAL & ELECTRONIC FORM) Jupiter Corporate Services Limited "Ambuja Tower", Opp. Memnagar Fire Station, Navrangpura, P.O. Navjivan, Ahmedabad – 380 014.	
SUBSIDIARY: Gujarat Ambuja International Pte. Ltd , Singapore	
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PLANTS	
Sr	Name of Unit and Location
1	Cotton Spinning Division Vil.Dalpur, Dist. Sabarkantha, Gujarat
2	Bio-Chemical Division (Maize Processing) Vil.Dalpur, Dist. Sabarkantha,Gujarat
3	Edible Oil Refineries & Vanaspati Ghee Unit Kadi, Dist. Mehsana,Gujarat
4	Solvent Extraction Unit-I Nani Kadi, Dist Mehsana, Gujarat
5	Solvent Extraction Unit-II Kadi, Dist. Mehsana, Gujarat
6	Solvent Extraction Unit-III Kadi, Dist.Mehsana ,Gujarat
7	Solvent Extraction Unit-IV Pithampur, Dist.Dhar(M.P)
8	Solvent Extraction Unit- V N.H. No.6, Akola-Balapur Road,Village Kanheri, Gawali, Tal.Balapur, Dist Akola, Maharashtra.
9	Solvent Extraction Unit VI Dist. Mandsour, Madhya Pradesh
10	Wheat Processing Unit Kadi, Dist Mehsana, Gujarat
11	Cattle Feed Unit Kadi, Dist Mehsana, Gujarat
12	Wheat Processing Unit Pithampur, Dist Dhar (M.P)
13	Maize Processing Unit Plot C-50, ELDECO, SIDCUL Industrial Park, Sitarganj, Dist. Udham Singh Nagar, Uttarakhand
14	Wind Mills (Gujarat)
a.	B-87, R S No. 471/P, Village Lamba, Taluka Kalyanpur, Dist Jamnagar.
b.	WTG No. 1,Machine No.1, Survey No. 400, Village Kuranga, Taluka Dwarka, Dist Jamnagar.
c.	WTG No. 2, Machine No.2 Survey No. 400, Village Kuranga, Taluka Dwarka, Dist Jamnagar.
d.	WTG No. 3, Machine No. 6 Survey No. 400, Village Kuranga, Taluka Dwarka, Dist Jamnagar.
e.	Survey No.213/2, Village: Satapar, Tal: Kalyanpur, Dist. Jamnagar
f.	WTG No.1, V-4, Survey No. 43/1/P Village: Moti Sindhodi, Tal: Abdasa, Dist. Kutch
g.	WTG No.2, V-7, Survey No. 36/2/P Village: Moti Sindhodi, Tal: Abdasa, Dist. Kutch
h.	Survey No. 115/P, Village Mindiyali, Tal : Anjar, Dist. Kutch.

SCHEDULE OF ANNUAL GENERAL MEETING

Day : Tuesday	Date : 28 th September, 2010	Time : 11.00 a.m.
Venue : H.T. Parekh Hall, 1st Floor, Ahmedabad Management Association (AMA), AMA Complex, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad - 380 015.		



Notice

Notice is hereby given that the 19th Annual General Meeting of Members of GUJARAT AMBUJA EXPORTS LIMITED will be held on Tuesday, the 28th September 2010 at 11.00 a.m. at H.T. Parekh Hall, 1st Floor, Ahmedabad Management Association (AMA), AMA Complex, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad - 380 015 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2010, Profit & Loss Account for the year ended on that date, Directors' Report and Auditors' Report thereon.
2. To confirm the payment of interim dividend on Equity Shares for the financial year 2009-10 as final dividend for F.Y. 2009-10.
3. To appoint a Director in place of Mr. C. M. Maniar, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. J. S. Varshneya, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Mr. P. G. Ramrakhiani, who retires by rotation and being eligible, offers himself for reappointment.
6. To re-appoint statutory auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

7. Revision in terms of remuneration of Mr. Siddharth Agrawal, Vice President (Works) of the Company

To consider and if thought fit to pass with or without modifications, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 314 and other applicable provisions, if any, of the Companies Act, 1956 as recommended by the Remuneration and Selection Committee of the Board of Directors and subject to the approval of the Central Government under section 314 (1B) of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the payment of increased remuneration of Rs. 1,00,000/- per month for a period of 5 years with effect from 1st October, 2010, within the overall maximum ceiling of Rs. 2,00,000/- per month (plus encashment of leave and retirement benefits as per policy of the Company from time to time) to Mr. Siddharth Agrawal, Vice President (Works), a relative of Mr. Sandeep Agrawal, Whole Time Director of the Company, as may be decided by the Board of Directors of the Company.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to accept on behalf of the Company any modifications or variation in terms and conditions in the said increase and do all such acts, deeds, things and matters as may be requisite to give effect to this resolution.”

Place : Ahmedabad
Date : July 28, 2010

By order of the Board
Vijay Kumar Gupta
Chairman and Managing Director

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.
THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Register of members and share transfer books of the Company will remain closed from 20th September 2010 to 28th September 2010 (both days inclusive).
3. Unclaimed dividends upto 2002-2003 have been deposited with the Central Government and/or Investors Education and Protection Fund, as the case may be. Unclaimed dividend for the year 2003-2004 & onwards will be deposited with the Investors Education and Protection Fund as per following chart. Those members who have not encashed the dividend warrant for these years are therefore requested to immediately forward the same, duly discharged to the Company's registrar and share transfer agent to facilitate payment of the dividend.

Financial Year	Date of AGM	Date of Dividend Warrant	Due Date of Transfer to Unpaid Account	Due Date of accepting claim by the Company	Due date for Transfer to Investors Education and Protection Fund
2003-04	23.09.2004	28.09.2004	29.10.2004	23.09.2011	29.10.2011
2004-05	22.09.2005	26.09.2005	28.10.2005	22.09.2012	28.10.2012
2005-06	09.09.2006	13.09.2006	15.10.2006	09.09.2013	15.10.2013
2006-07	25.09.2007	27.09.2007	31.10.2007	25.09.2014	31.10.2014
2007-08	29.09.2008 Interim: Note:1	01.02.2008	27.02.2008	22.01.2015	27.02.2015
2007-08	29.09.2008 (Final)	04.10.2008	05.11.2008	29.09.2015	05.11.2015
2008-09	24.09.2009 Interim :Note:2	16.05.2009	04.06.2009	29.04.2016	04.06.2016
2009-10	30.01.2010 Interim :Note:3	15.02.2010	08.03.2010	30.01.2017	08.03.2017

Note:

1. For F.Y. 2007-08 Interim Dividend @ 20% p.a. was approved at the meeting of Board of Directors held on 22.01.2008 and was paid as interim dividend and the same was approved/ confirmed by the members at the 17th Annual General Meeting held on 29th September, 2008
2. For F.Y. 2008-09 Interim Dividend @ 20% p.a. was approved at the meeting of Board of Directors held on 29.04.2009 and was paid as interim dividend and the same was approved/ confirmed by the members at the 18th Annual General Meeting held on 24th September, 2009
3. For F.Y. 2009-10 Interim Dividend @ 20% p.a. was approved at the meeting of Board of Directors held on 30.01.2010 and the same had been paid to members/ beneficial owners as on record date. The approval of members to confirm the payment of interim dividend as final dividend for F.Y. 2009-10 is sought for, at the ensuing Annual General Meeting.



4. All documents referred to in the notice are open for inspection at the Registered Office of the Company during office hours on all working days between 11.00 a.m. and 1.00 p.m., except Sundays and holidays, upto the date of the Annual General Meeting.
5. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
6. Appointment/ Re-appointment of Directors (Pursuant to Clause 49 of Listing Agreement)

At the ensuing Annual General Meeting, Mr. C. M. Maniar, Mr. J. S. Vashneya and Mr. P. G. Ramrakhiani retire by rotation and being eligible offer themselves for reappointment. The information or details to be provided for the aforesaid Directors under the corporate governance code are as under:

(a) Mr. Chaitan M. Maniar, aged 74 years is M.A. (Economics & Politics), B.Com and LL.B. He is a Solicitor and Advocate and is a partner of Crawford Bayley & Co., a leading firm of Solicitors. He possesses vast and rich experience in the legal profession. He is on the Board of the Company since 30th March, 2002. He is Director in Akzo Nobel Coatings India Pvt. Ltd., Amsar Private Limited, Chemtex Engineering of India Limited, Foods & Inns Limited, Godfrey Phillips India Limited, HGC Foundation Private Limited, Hindalco Industries Limited, Indo-Euro Investment Company Limited, Indian Card Clothing Company Limited, Machine Tools (India) Limited, Multi Commodity Exchange of India Limited, MCX Stock Exchange Limited, Northpoint Trading and Research Pvt. Ltd, Pioneer Investcorp Limited, Sudal Industries Limited, TCPL Packaging Limited, Varun Shipping Company Limited and Vadilal Industries Limited. He also holds Membership of various committees of the companies such as member of Audit Committee of Hindalco Industries Limited, Varun Shipping Company Limited, TCPL Packaging Limited, Pioneer Investcorp Limited. He also holds chairmanship/ membership of Shareholders'/ Investors' Grievance Committee and Share transfer committee of Hindalco Industries Limited, Varun Shipping Company Limited (Chairman), Pioneer Investcorp Limited, Godfrey Phillips India Limited and TCPL Packaging Limited.

He does not hold any shares of Gujarat Ambuja Exports Limited as on 31.03.2010.

(b) Mr. Jagdish Sharan Varshneya, aged 80 years is M.Com. LL.B. He started his career as lecturer in Nagpur College of Commerce and Economics in 1950. In 1953 he joined State Bank of India and served in various positions including Deputy Managing Director (Development and Planning). From 1985 to 1989 he was Chairman and Managing Director of Punjab National Bank. During his tenure as banker he received over 20 awards for his individual excellence in various fields of banking. He also acted as president, chairman, member and trustee of various associations, institutions, banks and other organisations.

He is Director of the Company since 1998. He is also Director in Indian Toners & Developers Ltd., Sutlej Industries Ltd., Universal Starch Chem Allied Ltd., Ganganjay Commotrade Pvt. Ltd., Jagesh Commercial Pvt. Ltd., Maina Polyester Pvt. Ltd., Swan Securities Pvt. Ltd. He is also chairman of the Audit Committee of the Company, Sutlej Industries Limited and Universal Starch Chem Allied Limited.

He was holding 2000 Equity shares of Gujarat Ambuja Exports Limited as on 31.03.2010.

(c) Mr. Prakash G Ramrakhiani, aged 69 years is retired IAS officer and is on the Board of the Company since 8.3.2003. He had joined Indian Administrative Services in 1964 and worked in various Government Departments including as Collector, District Development Officer, Deputy Secretary, Joint Secretary and Director. He had also headed public sector corporations as Managing Director. He served as Managing Director of private sector power utility company for 2 years. He is having rich experience in the industrial management and functions at executive level. He is also Director and member of Audit Committee of Eastern Medikit Pvt. Ltd.

He does not hold any shares in Gujarat Ambuja Exports Limited as on 31.03.2010.

ANNEXURE TO NOTICE

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

ITEM NO. 7

Revision in terms of remuneration of Mr. Siddharth Agarwal, Vice President (Works) subject to approval of Central Government

Pursuant to provisions of Section 314(1B) of the Companies Act, 1956, holding of any office and/or place of profit by a relative of Director at remuneration of Rs. 50,000/- p.m. or above requires prior approval of members of the Company by way of special resolution at the General Meeting and also approval of the Central Government.

Mr. Siddharth Agrawal, aged 32 is a Commerce graduate having more than 6 years experience in the fields of management, marketing, and administration.

Considering the knowledge, experience, potential to contribute for growth of the Company and the current market trends for remuneration in the industry, the Remuneration and Selection Committee and Board of Directors at their respective meetings held on 28th July 2010, recommended the increase in remuneration of Mr. Siddharth Agrawal from Rs. 45,000/- per month to Rs. 1,00,000/- per month (plus encashment of leave and retirement benefits as per policy of the Company from time to time) with effect from 1st October, 2010 in the scale, as may be fixed but not exceeding Rs. 2,00,000/- per month.

Mr. Sandeep Agrawal, Whole Time Director of the Company being related to Mr. Siddharth Agrawal, may be deemed to be considered as concerned or interested in the resolution set out at item No. 7. Save as aforesaid, none of the other Directors of the Company is concerned or interested in the said Resolution.

The Directors recommend the passing of the resolution proposed at Item No. 7 of the accompanying Notice.

Place : Ahmedabad
Date : July 28, 2010

By order of the Board
Vijay Kumar Gupta
Chairman and Managing Director



GUJARAT AMBUJA EXPORTS LIMITED

Directors' Report

To,
The Members,
Gujarat Ambuja Exports Limited.

Your Directors have pleasure in presenting 19th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2010.

FINANCIAL HIGHLIGHTS

The summary of the financial results is given below:

(Rs. in Crores)

PARTICULARS	2009-10	2008-09
NET TURNOVER & OTHER INCOME	1414.69	1606.05
(INCLUDING EXPORTS- FOB VALUE)	412.92	618.60
PROFIT BEFORE INTEREST, DEPRECIATION AND TAXES	117.50	92.06
LESS:		
INTEREST & FINANCE CHARGES	8.74	11.00
DEPRECIATION	27.91	36.36
PROVISION FOR TAXATION (INCL.DEFERED TAX)	30.00	21.22
ADD : PRIOR PERIOD ITEMS	9.17	0.10
NET PROFIT FOR THE YEAR	60.02	23.58
ADD: BALANCE OF PROFIT CARRIED FORWARD	190.70	175.39
TOTAL PROFIT AVAILABLE FOR APPROPRIATION	250.72	198.97
APPROPRIATED AS UNDER		
INTERIM DIVIDEND	5.53	5.53
DIVIDEND DISTRIBUTION TAX ON INTERIM DIVIDEND	0.94	0.94
TRANSFER TO GENERAL RESERVE	4.55	1.80
TOTAL APPROPRIATION	11.02	8.27
BALANCE CARRIED TO BALANCE SHEET	239.70	190.70

DIVIDEND

The Board of Directors had declared interim dividend @ 20% p.a. for F.Y. 2009-10 at its meeting held on 29th January, 2010 and the same had been paid to eligible members and/or beneficial owners.

The total cash outflow for dividend during the year was Rs. 647.46 lacs (P.Y. 647.46 lacs) including dividend distribution tax of Rs. 94.05 lacs (P.Y. 94.05 lacs).

In view of conserving resources for future expansion plans of the Company, your Directors do not recommend any further dividend for the financial year 2009-10. The members are requested to approve the interim dividend for F.Y. 2009-10 as final dividend.

TRANSFER TO RESERVES

The Company proposes to transfer Rs. 455.00 lacs to the General Reserve out of the total amount available for appropriations and an amount of Rs. 23970.38 lacs is proposed to be carried forward to Balance sheet.

BUSINESS OPERATIONS

A. Operational Performance

The last financial year was more towards "Stability" for most of the Economies, particularly India. After breath taking fear of recession and slow down during later part of financial year 2008-09, the year 2009-10 witnessed stability for most of the business segments. Your Company is not an exception to it. During the last financial year, the performance of your Company in terms of volume has remained muted.

The Company recorded a turnover of Rs. 1408.56 crore as compared to Rs. 1601.62 crores during the previous financial year. Export sales (F.O.B. Value) for the year 2009-10 was 412.82 crores as compared to 618.60 crores for the year 2008-09. However, in terms of earnings, the Company has performed on better scales as compared to previous financial year. The Company achieved Earning before Interest, Depreciation and Tax (EBIDTA) of Rs. 117.50 crores for the year 2009-10 against that of Rs. 92.06 crores for the year 2008-09.

The Cash Profit, Profit after tax and EPS for the year remained Rs. 108.76 crores, Rs. 60.02 crores and Rs. 4.34 per share respectively.

Highlights of performance are discussed in detail in the Management Discussion and Analysis report attached as Annexure to Directors report.

B. Capital Projects for the year 2009-10

The Board of Directors is glad to inform that the Company successfully completed and commenced operation at new solvent extraction and refinery at Mandsour in the State of Madhya Pradesh during last month of the financial year. As a part of Company's continuous efforts to contribute to green environment, the Company has made investment in one more windmill which was made operational during September 2009. Other than above, the Company has made further investment at Existing units of all segments for new plant and machinery, upgrading the technology and revamping the existing production facilities to increase the productivity and yield. During the year under report new fixed assets totaling Rs. 72.68 Crores are bought.

CORPORATE MATTERS

Corporate Governance

The Company makes due compliance of Corporate Governance guidelines and requirements of the Listing Agreement with the Stock Exchanges where the Company's shares are listed. A separate report on Corporate Governance, along with a certificate from the Auditors confirming the compliance is annexed as **Annexure-A** and forms part of the Directors' Report.

Management Discussion and Analysis

The statement on management discussion and analysis with detailed highlights of performance of different divisions of the Company is annexed as **Annexure-B** to this report.

SUBSIDIARY COMPANY AND CONSOLIDATED ACCOUNTS

The statement under Section 212 of the Companies Act, 1956 in relation to the subsidiary Company, M/s. Gujarat Ambuja International Pte. Ltd, Singapore is enclosed herewith. The accounts of the Subsidiary company as redrafted in accordance with the provisions of the Companies Act, 1956 in Indian context are also enclosed. Further the Company has also prepared the consolidated statement of accounts as required by the Accounting Standard 21 and the said statements as audited are also being published for the benefit of the shareholders.



FINANCE AND INSURANCE

Working Capital

The Company has adequate working capital facilities from the consortium of banks. The CRISIL has continued with the highest rating for safety as per Basel-II norms.

Term Loans

During the last financial year the company has got sanction for a fresh term loan under TUF Scheme amounting to Rs. 7.50 crores for upgradation of its Cotton Yarn Division. The Company is regular in repayment of all term loans.

Insurance

All the assets and insurable interests of the Company, including building, plant and machineries, stocks, stores and spares have been adequately insured against various risks and perils.

PUBLIC DEPOSITS

During the period under report, the Company has not accepted nor renewed any deposit by invitation to the public at large.

DIRECTORS

The Company is well supported by the knowledge and experience of its Directors and Executives. During the year, Mr. Sandeep Agrawal, Director of the Company is appointed as Whole Time Director w.e.f. 1st August, 2009.

Pursuant to the provisions of the Companies Act and Articles of Association of the Company, Mr. C. M. Maniar, Mr. J. S. Varshneya and Mr. P. G. Ramrakhiani, the Directors of the Company are liable to retire by rotation and being eligible, have offered themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (1) that in respect of the accounts for the financial year ended 31st March, 2010 the applicable accounting standards have been followed;
- (2) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss account of the Company for the year under review;
- (3) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (4) that the Directors have prepared the annual accounts for the financial year ended 31st March, 2010 on a 'going concern' basis.

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

The information regarding above particulars as required under the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is attached as **Annexure-C** to this report and forms part of this report.

PARTICULARS OF EMPLOYEES AND OTHER STATUTORY INFORMATION

The details of employee drawing Remuneration more than Rs. 24,00,000/- per annum, where employed for full year or Rs. 2,00,000/- per month, where employed for a part of the year pursuant to requirement of provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is attached as **Annexure-D** to this report and forms part of this report.

The Cash flow and Business Profile apart from other statutory information as above is attached.

AUDITORS AND AUDITORS' REPORT

M/s. Kantilal Patel & Company, Chartered Accountants, the present Auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting and being eligible have offered themselves for re-appointment. They have furnished a Certificate to the effect that their proposed re-appointment, if made at the ensuing Annual General Meeting, will be within the limits specified U/s. 224(1)(B) of the Companies Act, 1956.

The Auditors' report is not qualified and is self-explanatory and does not require any further clarifications.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Industrial Relations of the Company with its personnel has continued to be cordial and amicable. Your Directors acknowledge and appreciate the efforts and dedication of employees to the Company. Your Directors wish to place on record the co-operation received from the staff and workers at all levels and at all units.

OTHER DISCLOSURE OF INFORMATION AS PER LISTING AGREEMENT WITH STOCK EXCHANGES

Listing

At present, Equity Shares of the Company are listed on Ahmedabad Stock Exchange Limited, Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Company has paid annual Listing fees due for the year 2010-2011 to respective Stock Exchanges.

Dematerialisation

The Equity Shares of the Company are under compulsory demat from 24th July, 2000. The Company has already entered into agreement with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) and ISIN No. INE036B01022 has been allotted to the Company for sub-divided Equity Shares of Rs. 2/- each.

CORPORATE SOCIAL RESPONSIBILITY

The function of Corporate Social Responsibility has been actively pursued during the year. The Company has initiated various community welfare activities in areas of health, safety, environment, community development and support programs at and around its manufacturing locations.

ENHANCING SHAREHOLDER VALUE

The Company accords top priority for creating and enhancing share holder value. All the company's operations are guided and aligned towards maximizing share holder's value. New project for capacity expansion and cost reduction measures are taken up to enhance the growth in sales and profitability.

APPRECIATION & ACKNOWLEDGEMENT

Your Directors are pleased to record their appreciation & acknowledge the continuous support of the Banks, Departments of Central Government & State Government, Office of the Industries Commissioner, Office of the Development Commissioner, GEDA, Other Government Departments, Esteemed Customers and Suppliers and dedicated staff for their continuous co-operation and contribution to the growth of the Company.

For and on behalf of the Board of Directors

Vijay Kumar Gupta

Chairman & Managing Director

Place: Ahmedabad

Date : July 28, 2010



ANNEXURE-A TO DIRECTORS' REPORT : CORPORATE GOVERNANCE

Corporate Governance is globally recognized as a fundamental component for the sustained growth of every corporate entity. Sound governance practices and responsible corporate behaviour contribute to superior long-term performance of companies. Adoption to changing times is the key to corporate growth and long term survival. In fact, better governance practices enable corporates to introduce more effective internal controls suitable to changing and growing nature of business operations. In India, corporates have adopted better governance practices and have demonstrated openness in their dealings with stakeholders across the board. This has been augmented by regulatory authorities introducing and improving governance practices for Indian corporates over the last decade.

1. Company's philosophy on code of Corporate Governance

At Gujarat Ambuja Exports Limited, thrust is to achieve good governance by ensuring truth, transparency, accountability and responsibility in all dealings with employees, shareholders, consumers, suppliers and community at large. The Corporate Governance is ongoing process and the Company has always focused on good corporate governance, which is a key driver of sustainable corporate growth, long term value creation and trust. Even in fiercely competitive business environment, the Management and Employees of the Company are committed to uphold the core values of transparency, integrity, honesty and accountability.

Corporate Governance is an ongoing measure of superior delivery of Company's objects with a view to translate opportunities into reality. It involves leveraging its resources and aligning its activities to consumer need, shareholder value creation and employee growth, thereby satisfying all its stakeholders while minimizing risks. The primary objective is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness, and to develop capabilities and identify opportunities that best serve the goal of value creation, thereby creating an outperforming organization. The Company has adopted the Code of Conduct and Business Ethics for Employees, Board Members and Senior Managerial Personnel and also the Whistle Blower Policy in due compliance of revised Clause 49 of the Listing Agreements with Stock Exchanges and in pursuit of excellence in corporate governance.

Above all else, we believe that corporate governance must balance individual interest with corporate goals and operate within accepted norms of propriety, equity, fair play and sense of justice. Achieving this balance depends upon how accountable and transparent company is. Accountability improves decision making. Transparency helps to explain the rationale behind decisions and thereby builds stakeholders confidence.

2. Board of Directors

During the year, till 31st May, 2009, the Board of Directors of the Company comprised of 11 (Eleven) members. The Company has Executive Chairman and out of 11 (Eleven) Directors on the Board, 7 (Seven) were Non-Executive Directors and out of 7 (Seven) Non- Executive Directors, 6 (Six) Directors (more than 50% of total) were Independent Directors.

After 31st May, 2009, the Board of Directors of the Company comprised of 10 (Ten) members. The Company has Executive Chairman and out of 10 (Ten) Directors on the Board, 6 (Six) Directors (more than 50%) were Non-executive Directors and out of 6 (Six) Non-Executive Directors, 5 (Five) Directors (more than 50% of total) were Independent Directors.

At the meeting of Board of Directors held on 23rd July, 2009, Mr. Sandeep Agrawal was appointed as a Whole Time Director w.e.f. 1st August, 2009 and the said appointment was approved by members at the 18th Annual General Meeting of the Company held on 24th September, 2009.

Thus, composition of the Board is in conformity with the provisions of the Clause 49 of the Listing Agreements entered into with the Stock Exchanges.

(A) The names and categories, inter personal relationship of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships in other Companies and Committee memberships/chairmanships held by them as on 31.03.2010 are given below

Name of Director	Category & Inter Personal relationship as on 31.03.2010	Attendance Particulars		No. of Directorships and Committee membership/ chairmanship (as on 31.03.10)		
		Board Meeting	Last AGM	Other Directorship	Committee Memberships	Committee Chairmanships
Mr. Vijay Kumar Gupta	Executive Director & Promoter Husband of Mrs. Sulochana V Gupta and father of Mr. Manish V Gupta and Mr. Mohit V Gupta	6	Yes	11 (including 9 pvt limited)	1	Nil
Mr. Manish V Gupta	Executive Director & Promoter Son of Mr. Vijay Kumar Gupta and Mrs. Sulochana V Gupta and brother of Mr. Mohit V Gupta	6	Yes	9 (including 4 pvt limited)	Nil	Nil
Mrs. Sulochana V Gupta	Non-Executive Director & Promoter Wife of Mr. Vijay Kumar Gupta and mother of Mr. Manish V Gupta and Mr. Mohit V Gupta	6	No	7 (including 5 pvt limited)	Nil	1
Mr. Parashottam G Makhija (Up to 31/05/2009)	Executive & Non Independent Director Not related	2	N.A.	1 Pvt. Ltd	Nil	Nil
Mr. Sandeep N Agrawal (Whole Time Director (w.e.f. 01/08/2009)	Executive & Non Independent Director Not related	5	No	None	Nil	Nil
Mr. Jagdish Sharan Varshneya	Non-Executive & Independent Director Not related	5	Yes	7 (including 4 pvt limited)	Nil	3
Mr. Chaitan M Maniar	Non-Executive & Independent Director Not related	4	Yes	18 (including 4 pvt limited)	8	1



Name of Director	Category & Inter Personal relationship as on 31.03.2010	Attendance Particulars		No. of Directorships and Committee membership/ chairmanship (as on 31.03.10)		
		Board Meeting	Last AGM	Other Directorship	Committee Memberships	Committee Chairmanships
Mr. Prakash G Ramrakhiani	Non-Executive & Independent Director Not related	6	Yes	1 pvt limited	1	Nil
Mr. Ashok C Gandhi	Non-Executive & Independent Director Not related	6	Yes	7	9	Nil
Mr. Rohit J Patel	Non-Executive & Independent Director Not related	5	Yes	3 (including 1 pvt limited)	2	Nil
Mr. Mohit V Gupta	Executive & Non Independent Director Son of Mr. Vijay Kumar Gupta and Mrs. Sulochana V Gupta and brother of Mr. Manish V Gupta	5	Yes	2 pvt limited	Nil	Nil

Details of committee membership include membership/ chairmanship of Audit Committee and Shareholders'/ Investors' Grievances Redressal committee only as per requirement of Clause 49 of Listing Agreement.

(A) Number of Meetings of the Board of Directors held and the Dates on which held

During the financial year 2009-10, Six (6) meetings of the Board of Directors were held on the following dates.

Sr.No	Date of Meeting	Sr.No.	Date of Meeting (contd.)	Sr.No.	Date of Meeting (contd.)
1	29.04.2009	3	23.07.2009	5	24.10.2009
2	29.05.2009	4	24.09.2009	6	30.01.2010

Intimation of the Board meetings and Committee meetings are given well in advance and communicated to the Directors. Normally, Board Meeting and Committee meetings are held at the Registered Office of the Company. The Agenda along with the explanatory notes are sent in advance to the all Directors. Additional meetings of the Board are held when deemed necessary by the Board.

(C) Information placed before the Board of Directors

All such matters as are statutorily required as per Annexure 1A to Clause 49 and also matters relating to Corporate Plans, Mobilisation of Funds, Investment/ Loans, Risk Management Policy, Capital Expenditure etc. are considered by the Board. Besides, the following information is also regularly placed before the Board for its consideration:

1. Annual Operating Plans and budgets and any updates.
2. Capital budgets and any updates.
3. Minutes of Meetings of committees of the Board.
4. Quarterly results of the Company.
5. Material Transactions, which are not in the ordinary course of business.
6. Compliance with all regulatory and statutory requirements.
7. Fatal accidents, dangerous occurrences, material effluent pollution problems.
8. Recruitment and remuneration of senior officers just below the Board level.
9. Investment/disinvestments.

The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.

During 2009-10, the Company did not have any material pecuniary relationship or transactions with Non – Executive Directors.

The Company has adopted the Code of Conduct and Business Ethics for Executive and Non- Executive Directors and Senior Management Personnel. The Company has received confirmations from all the Directors of the Company as well as Senior Management Personnel, one level below the Managing Directors, regarding compliance of the Code during the year under review. The Code of Conduct and Business Ethics adopted by the Company are posted on the website of the Company. The declaration by the Chairman and Managing Director confirming the same is annexed to this report.

As required under Clause 49 IV (G)(i), particulars of Directors retiring by rotations and seeking re-appointment are given in the Notes to the Notice of the Annual General Meeting to be held on 28th September, 2010.

3. Audit Committee

- (i) The Company has constituted an Audit Committee as per the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement on 31st January 2001 and constitution was changed from time to time as per necessity.
- (ii) The items of reference to the Committee are in accordance with paragraph C and D of Clause 49(II) of the Listing Agreement entered into with the Stock Exchanges and major terms of reference, inter alia, include the following:
 - Reviewing Company's Financial Reporting Process:
 - Reviewing the Annual Financial Statements.
 - Reviewing the Internal Audit Systems, the adequacy of Internal Control Systems, and
 - Reviewing the Company's Financial and Risk Management Policies.



- (iii) The composition of the Audit Committee during F.Y. 2009-10 was in line with the provisions of Clause 49 of the Listing Agreement and details of members, their category and number of meetings attended by them during the F.Y. 2009-10 are given below:

Name of Members & Designation in Committee	Category in the Board (Till date of membership of committee)	No. of Meeting held during the tenure of member	No. of Meetings attended during F.Y. 2009-10
Mr. Jagdish Sharan Varshneya, Chairman	Independent, Non Executive Director	5	5
Mr. Sandeep N. Agrawal, Member (Up to 6 th July, 2009)	Independent, Non Executive Director	1	1
Mr. Rohit J. Patel, Member(w.e.f. 7 th July, 2009)	Independent, Non Executive Director	4	3
Mr. Ashok C Gandhi, Member	Independent, Non Executive Director	5	5

- (iv) During the F.Y. 2009-10, 5 (five) meetings of the Audit Committee were held on 29.04.2009, 23.07.2009, 24.09.2009, 24.10.2009 & 30.01.2010.
- (v) The previous Annual General Meeting of the Company was held on 24th September, 2009 and the same was attended by Mr. Jagdish Sharan Varshneya, Chairman of the Audit Committee.
- (vi) The Audit Committee Meetings are usually held at the Registered Office of the Company and are normally attended by the Managing Director, Vice President (Finance & Accounts), Representative of Statutory Auditor. The Company Secretary of the Company acts as the Secretary of the Audit Committee.

4. Whistle Blower Policy

The Company has adopted Whistle Blower Policy which was approved by the Audit Committee and Board of Directors of the Company at their respective meetings held on 22nd October, 2005. The said policy provides a formal mechanism for all employees of the Company to approach Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behavior, actual or suspected fraud and violation of the Company's Code of Conduct and Business Ethics. Under the Policy, each employee of the Company has an assured access to the Chairman of the Audit Committee.

5. Remuneration and Selection Committee, Remuneration policy and payments

- (i) The Remuneration and Selection Committee has been constituted to decide the Company's policy on specific remuneration packages for Executive Directors and Non-Executive Directors including pension rights and compensation payment. The terms of reference of the said Committee was broad based so as to include also to decide, review and recommend to the Board of Directors of the Company about the recruitment, selection, appointment and remuneration of a relative of director or of key managerial personnel of the company and to decide the increase/modification in the terms of appointment and/or remuneration of any such person. The Committee was constituted on 30th March, 2002 and was re-constituted from time to time.

Constitution of Remuneration and Selection Committee during the year was as under:

Name of Members & Designation in Committee	Category in the Board (Till date of membership of committee)	No. of Meeting held during the tenure of member	No. of Meetings attended during F.Y. 2009-10
Mr. Ashok C Gandhi, Chairman	Independent, Non Executive Director	2	2
Mr. Sandeep N. Agrawal, Member (Up to 6 th July, 2009)	Independent, Non Executive Director	Nil	Nil
Mr. Rohit J. Patel, Member	Independent, Non Executive Director	2	1
Mr. P. G. Ramrakhiani, Member (w.e.f. 7 th July, 2009)	Independent, Non Executive Director	2	2

- (ii) During the F.Y. 2009-10, two (2) meetings of Remuneration Committee were held on 23.07.2009 and 24.10.2009.
- (iii) The Chairman of the Remuneration Committee, Mr. Ashok C Gandhi, was present at the last Annual General Meeting of the Company held on 24th September, 2009.
- (iv) The Company while deciding the remuneration package of the Managing Directors/ Executive Directors and recruitment, selection, appointment and remuneration of a relative of director or of key managerial personnel of the company takes into consideration the following ;
- Contribution of Managing Directors/ Executive Directors in the growth and progress of the Company.
 - Remuneration package of the Industry
 - Knowledge and experience of relative of Director or of Key Managerial personnel
 - Remuneration package offered to other employees of same level in the organization and in the industry.
- (v) The Non Executive Directors are paid remuneration by way of sitting fees for attending meeting of Board of Directors and Committees of the Board. At the Annual General Meeting held on 22nd September, 2005, shareholders approved payment of sitting fees upto Rs. 20,000/- or as may be amended by the Central Government to be paid to Non Executive Directors for attending each meeting of Board of Directors and Committees thereof. As decided by the Board of Directors, Non Executive Directors are paid Sitting Fees of Rs. 7,500/- for attending each meeting of Board and Committees of the Board.
- (vi) There are no stock options issued by the Company.



(vii) The details of remuneration (Including salary, allowances, commission and taxable value of perquisites) and sitting fees paid for attending meetings of Board of Directors and Committees thereof during the year 2009-10 to all the Directors are furnished hereunder:

Sr. No	Name of Director	Salary & Allowances (Rs.)	Perquisites (Rs.)	Commission (Rs.)	Sitting Fees (Rs.)	Total (Rs.)	Notice Period (In months) & Severance fees in (Rs.)
1	Mr. Vijay Kumar Gupta Chairman & Managing Director	3809360	347576	30703285	Nil	34860221	3 months Nil
2	Mr. Manish V. Gupta Managing Director	3809360	347576	37526234	Nil	41683170	3 months Nil
3	Mr. P.G. Makhija, Executive Director (Upto 31/5/2009)	1591489	Nil	Nil	Nil	1591489	Note: Includes retirement benefits
4	Mrs. Sulochana V Gupta	Nil	Nil	Nil	45000	45000	-----
5	Mr. Sandeep N. Agrawal Whole Time Director	806240	331068	Nil	30000	1167308	-----
6	Mr. Jagdish Sharan Varshneya	Nil	Nil	Nil	75000	75000	-----
7	Mr. Chaitan M Maniar	Nil	Nil	Nil	30000	30000	-----
8	Mr. Prakash G Ramrakhiani	Nil	Nil	Nil	60000	60000	-----
9	Mr. Ashok C Gandhi	Nil	Nil	Nil	97500	97500	-----
10	Mr. Rohit J Patel	Nil	Nil	Nil	67500	67500	-----
11	Mr. Mohit V Gupta, Joint Managing Director	1709360	299100	Nil	Nil	2008460	3 months Nil

6. Board Sub-Committees for Shareholders:

(a) Shareholders' / Investors' Grievances Redressal Committee & Redressal of Investors' Grievances :

The Company has constituted "Shareholders' / Investors' Grievances Redressal Committee" on 30th March, 2002 to specifically look into the redressal of Investors' complaint like transfer of shares, non- receipt of balance sheet and non-receipt of declared dividend etc.

To expedite the process and for effective resolution of grievances/ complaints, the Committee has delegated powers to the Share Transfer Agent/ Registrar and its officials to redress all complaints/ grievances / inquires of the shareholders' / Investors' who redress the grievances/ complaints of shareholders' / Investors' under the supervision of Company Secretary and Compliance Officer of the Company.

The Committee meets at regular intervals to review the status of redressal of Shareholders' / Investors' Grievances.

During F.Y. 2009-10, the composition of the Shareholders' / Investors' Grievances Redressal Committee and details of the meetings attended by the Committee members are as under:

Name of Members	Category in the Board (Till date of membership in Committee)	No. of Meetings attended during F.Y. 2009-10
Mrs. Sulochana V Gupta, Chairman	Promoter, Non-Independent, Non- Executive	31
Mr. Vijay Kumar Gupta, Member	Promoter, Non-Independent, Executive	31
Mr. Sandeep Agarwal, Member (Up to 6 th July, 2009)	Non- Executive, Independent Director	7
Mr. Ashok Gandhi, Member (w.e.f. 7 th July, 2009)	Independent, Non Executive Director	24

(b) Details of Complaints received and redressed during the year 2009-10:

Sr. No	Particulars	Opening Balance as on 1.4.2009	Received During the year	Redressed During the year	Pending as on 31.03.2010
1	Non-receipt of Dividend/ Interest, Revalidation etc	Nil	74	74	Nil
2	Non receipt of Share Certificate etc.	Nil	16	16	Nil
3	Non receipt of Annual Report, Interest on delayed refund, dividend, interest	Nil	3	3	Nil
4	Others	Nil	1	1	Nil
	Total	Nil	94	94	Nil

(c) Share Transfer Committee

A Sub-Committee of the Board of Directors of the Company consisting of Chairman and Managing Director, Managing Director and Senior employees of the Company has been constituted with the scope and ambit to consider and approve the following actions related to the shareholders/members of the Company:

- | | | |
|--|--|--|
| a) Transfer of Shares | b) Transmission of Shares | c) Issue of Duplicate Share Certificates |
| d) Change of Status | e) Change of Marital Status | f) Change of Name |
| g) Transposition of shares | h) Sub-division of shares | i) Consolidation of Folios |
| j) Shareholders requests for Dematerialisation of Shares | k) Shareholders requests for Rematerialisation of Shares | |

(d) Appointment of Compliance Officer:

Mr. Paras Mehta, Company Secretary of the Company acted as compliance officer as per Clause 45(a) of the Listing Agreement entered into with Ahmedabad Stock Exchange.



(e) Share Transfer Details:

The number of shares transferred / transmitted, split request entertained, duplicate shares issued, folio consolidation, demat and remat request approved during the last financial year 2009-10 are as under.

Sr. No.	Particulars	No. of cases	No. of Shares involved (Rs. 2/- each)
1	Transfer	208	124410
2	Transmission	43	33545
3	Split	47	100555
4	Duplicate	4	2025
5	Demat request approved-NSDL	414	322450
6	Demat request approved-CDSL	203	134715
7	Remat request approved-NSDL	Nil	Nil
8	Remat request approved- CDSL	Nil	Nil

As on 31st March, 2010, out of the total 13,83,51,875 Issued, Subscribed and Paid up Equity shares of Rs. 2/- each of the Company, 40.50% have been demated (net of remat) through NSDL and CDSL.

With a view to expedite the process of transfer, the committee normally meets twice a month to approve transfer, transmission, split, duplicate etc. There was no instrument pending for transfer as on 31.03.2010.

7. General Body Meetings

a) Details of location, time and date of last three Annual General Meetings are given below:

Year	Date	Time	Venue
2006-07	25.09.2007	11.00 a.m.	} GICEA (Gajjar Hall), Nirman Bhavan, Opp. Law Garden, Ellisbridge, Ahmedabad – 380 006.
2007-08	29.09.2008	10.00 a.m.	
2008-09	24.09.2009	11.00 a.m.	

b) Extra Ordinary General Meeting

There was no Extra Ordinary General Meeting held during the F.Y. 2009-10.

c) Special Businesses transacted during the last three years at the General Meetings.

Special Business	Type of Resolution passed	Date of Meeting
Re-appointment of Chairman Mr. Vijay Kumar Gupta as Managing Director of the Company	Ordinary Resolution	25.09.2007
Revision in Terms of remuneration of Mr. P G Makhija, Executive Director	Ordinary Resolution	25.09.2007
Re-appointment of Mr. P G Makhija as an Executive Director	Ordinary Resolution	25.09.2007
Re-appointment of Mr. Manish V Gupta as Managing Director of the Company	Ordinary Resolution	29.09.2008
Appointment of Mr. Mohit V Gupta as Joint Managing Director of the Company	Ordinary Resolution	29.09.2008
Revision in terms of Remuneration of Mr. Vijaykumar Gupta, Chairman and Managing Director of the Company	Ordinary Resolution	24.09.2009
Revision in terms of Remuneration of Mr. Manish Gupta, Managing Director of the Company	Ordinary Resolution	24.09.2009
Revision in terms of Remuneration of Mr. Mohit Gupta, Joint Managing Director of the Company	Ordinary Resolution	24.09.2009
Appointment of Mr. Sandeep Agrawal as a Whole Time Director of the Company	Ordinary Resolution	24.09.2009
Appointment of Mr. Siddharth Agrawal as Vice President of the Company	Special Resolution	24.09.2009
Authority to borrow in excess of paid up share capital and free reserves of the Company	Ordinary Resolution	24.09.2009
Authority to mortgage Assets of the Company	Ordinary Resolution	24.09.2009
Alteration of Articles of Association of the Company	Special Resolution	24.09.2009

d) Postal Ballot:

During the year under review, there was no special resolution proposed and/or transacted through Postal Ballot.

No special Resolution requiring postal ballot is being proposed for the ensuing Annual General Meeting.

8. a. Disclosures

- i. The Board has received disclosures from key managerial personnel relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large. Related Party transactions have been included in the Notes to the Annual Accounts of the Company for the year ended 31st March, 2010.
- ii. The Company has complied with the requirements of the Stock Exchanges, SEBI and other authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.
- iii. The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with Clause 7 of Annexure I D to Clause 49 of the Listing Agreement with the Stock Exchanges, for employees to report concerns about unethical behavior. No personnel have been denied access to the Chairman of the Audit Committee.
- iv. The Company has fulfilled the following non- mandatory requirements as prescribed in Annexure I D to Clause 49 of the Listing Agreement with the Stock Exchanges ;
 - (a) The Company has set up a Remuneration and Selection Committee. Please see Para 5 for details.
 - (b) The Company has adopted Whistle Blower Policy.



b. Secretarial Audit

A qualified practicing Chartered Accountant carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Pursuant to Clause 47 (c) of the Listing Agreement with the Stock Exchanges, certificates, on half-yearly basis, have been issued by a Company Secretary- in- Practice for due compliance of share transfer formalities by the Company.

9. Means of Communication:

Results

The quarterly and annual results alongwith the Segmental Report are generally published in Indian Express and Financial Express and also displayed on the website of the Company www.ambujagroup.com shortly after its submission to the Stock Exchanges.

Management Discussion & Analysis Report

The MD & A Report forms a part of the Directors' Report. All matters pertaining to industry structure and developments, opportunities and threats, segment/product wise performance, outlook, risks and concerns, internal control and systems, etc. are discussed in the said report.

Company's Corporate Website

The Company's website www.ambujagroup.com is a comprehensive reference on Gujarat Ambuja Exports Limited's vision, mission, segments, products, investor relations, Human Resource, feedback and contact details. The section on 'Investor Relations' seeks to inform the shareholders complete financial details, Quarterly Results and Annual Report, corporate benefits, information relating to stock exchanges where shares are listed, and details of Registrars and share transfer agent. Investors can also submit their queries and get feedback through online interactive forms.

10. Shareholders' Information

i. Annual General Meeting

Day, Date & Time : Tuesday, the 28th September, 2010 at 11.00 A.M.
 Venue : H.T. Parekh Hall, 1st Floor, Ahmedabad Management Association (AMA), AMA Complex,
 Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad - 380 015

ii. Financial Calendar : (2010-2011) (Tentative)

Financial year : April-March
 Annual General Meeting : September, 2011
Results for Quarter Ending on
 30th June, 2010 : 28th July, 2010
 30th September, 2010 : End of October, 2010
 31st December, 2010 : End of January, 2011
 31st March, 2011 : End of April, 2011

iii. Book Closure Dates

Closure of Register of Members And Share Transfer Books : 20th September, 2010 to 28th September, 2010

iv. Dividend Payment Date

The Board of Directors declared interim dividend of Rs. 0.40 per share (20% p.a.) for F.Y. 2009-10 at its meeting held on 30th January, 2010 and the same has been paid to members/ beneficial owners appearing on the record as on record date of 10th February, 2010. The said interim dividend payment is proposed to be considered as final dividend for the F.Y. 2009-10.

v. Listing of Securities on the Stock Exchanges

The Equity Shares of the Company are listed at Ahmedabad, Bombay and National Stock Exchange and listing fees for the financial year 2010-11 had been paid to all the above stock exchanges. Addresses of the Stock Exchanges where security of the Company is presently listed are given below:

Ahmedabad Stock Exchange Limited
 Kamdhenu Complex, Opp. Sahajanand College,
 Panjara Pole, Ahmedabad-380015

Bombay Stock Exchange Limited
 Floor 25, P.J. Towers, Dalal Street,
 Mumbai-400 001

National Stock Exchange of India Limited
 Exchange Plaza, Bandra Kurla Complex,
 Bandra (E), Mumbai 400 051

vi. Stock Code

Name of the Exchange	Code
Ahmedabad Stock Exchange Limited	20230 –"GUJAMBEX"
Bombay Stock Exchange Limited	24226- Normal 524226-Rolling Segment
National Stock Exchange of India Limited	Symbol: " GAEL" Series EQ



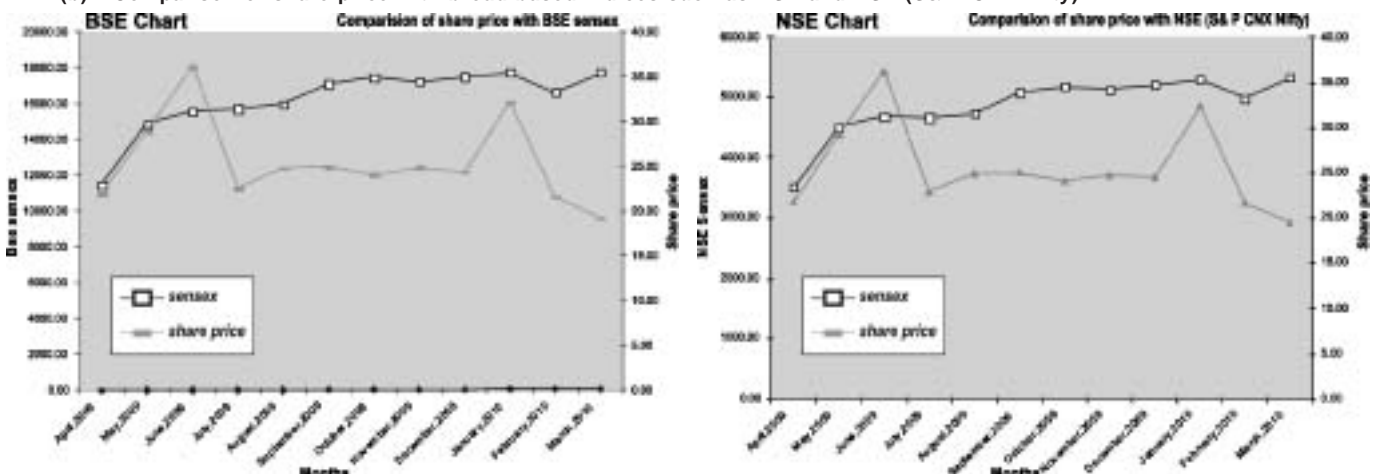
vii. Stock Market Price Data and comparison to broad-based indices

(a) Monthly Share price movement during F.Y. 2009-10 on BSE and NSE

Month	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	Highest	Lowest	Highest	Lowest
April, 2009	22.00	13.71	21.85	14.20
May, 2009	29.00	17.10	29.25	16.80
June, 2009	36.20	19.50	36.25	19.50
July, 2009	22.60	16.55	22.95	17.00
August, 2009	24.90	18.75	25.00	18.55
September, 2009	25.00	21.65	25.05	22.00
October, 2009	24.15	21.05	24.20	21.00
November, 2009	24.95	19.85	24.80	19.80
December, 2009	24.50	21.80	24.60	21.75
January, 2010	32.30	20.10	32.40	20.25
February, 2010	21.70	16.75	21.70	16.80
March, 2010	19.25	16.25	19.55	16.45

Note: Ahmedabad is Regional Stock Exchange. However, stock market data of the exchanges where volume was high has been considered.

(b) Comparison of share price with broad-based indices such as BSE and NSE (S & P CNX Nifty)



viii. Registrar and Transfer Agent

Since September, 2003 Jupiter Corporate Services Limited, Registrar and Share Transfer Agent of the Company acts as Physical & Electronic Registrar and Share Transfer Agent of the Company.

Jupiter Corporate Services Limited, which is acting as sole Registrar and Share Transfer Agent (Physical and Electronic) is situated at:

Share Transfer Agent (Physical & Electronic Form)

Jupiter Corporate Services Limited

"Ambuja Tower", Opp. Memnagar Fire Station, Navrangpura, PO. Navjivan, Ahmedabad-380 014

Email: jayvijay@ambujagroup.com • Phone: 079-26423316-20, Fax: 079-26423079

ix. Share Transfer System

There were 31 meetings of Share Transfer Committee of the Company during the last financial year 2009-10. Though the shares of the Company are under compulsory demat from 24.07.2000, shareholders holding less than 500 shares can still sell the shares in physical form. Trading of shares directly from seller to buyer not routed through Stock Exchanges is also permissible. The Share Transfer committee usually meets once in a fortnight. Shares in physical form are registered within an average period of 15 days.

x. (a) Distribution of Shareholding as on 31st March, 2010 (including demat)

No. of Equity Shares held	No. of Share holders	% of share holders	No. of Shares held	% of Share holding
1 to 2500	56579	97.76	28950354	20.92
2501 to 5000	795	1.37	2892699	2.09
5001 to 10000	296	0.51	2046930	1.48
10001 to 15000	76	0.13	965729	0.70
15001 to 20000	42	0.07	754103	0.54
20001 to 25000	11	0.02	255341	0.18
25001 to 50000	29	0.05	1046382	0.76
50001 & above	45	0.09	101440337	73.33
Total	57873	100.00	138351875	100.00



(b) Shareholding Pattern of the Company as on 31st March, 2010 (including Demat)

Category of Holders	No. Shares	% to total shares
Promoters/Directors & Relatives	88368275	63.87
Financial Insti./Mutual Fund/Banks	5969455	4.31
Non-Residents/FIIs/ OCBs	4768078	3.45
Other Corporate Bodies	3534548	2.55
Indian Public	35711519	25.82
Total	138351875	100.00

(c) Shareholding of Non Executive Directors as on 31st March, 2010.

Name of Non Executive Directors	No. Shares	% to total shares
Mrs. Sulochana V Gupta	4485385	3.24
Mr. Jagdish Sharan Varshneya	2000	0.01
Mr. Chaitan M. Maniar	Nil	Nil
Mr. Prakash G Ramrakhiani	Nil	Nil
Mr. Ashok C Gandhi	2500	0.01
Mr. Rohit J Patel	Nil	Nil
Total	4489885	3.26

There were no convertible instruments pending conversion into Equity Shares as on 31.03.2010.

xi. Dematerialisation of Shares and Liquidity

On 31st March 2010 out of 13,83,51,875 Issued, Subscribed and Paid up Capital of Equity Shares of Rs. 2/- each, 40.50% Equity Shares (net of remat) have been dematerialised. As per notification issued by SEBI with effect from 24/07/2000 the trading in the equity shares of the Company is permitted only in dematerialised form. The Company has entered into agreements, with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through JUPITER CORPORATE SERVICES LIMITED to facilitate the shareholders to demat their share with any of the depositories.

xii. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on Equity

There is no Outstanding GDRs / ADRs / Warrants or any convertible instruments.

xiii. CEO/CFO Certification

The required certificate under Clause 49 (V) of the listing agreement signed by Managing Director and Vice President (Finance & Accounts) is attached with this report.

xiv. Plant Locations

Sr.	Name of Unit	Location
1	Cotton Spinning Division	Vil.Dalpur, Dist. Sabarkantha, Gujarat
2	Bio-Chemical Division (Maize Processing)	Vil.Dalpur, Dist. Sabarkantha,Gujarat
3	Edible Oil Refineries & Vanaspati Ghee Unit	Kadi, Dist. Mehsana,Gujarat
4	Solvent Extraction Unit-I	Nani Kadi, Dist Mehsana, Gujarat
5	Solvent Extraction Unit-II	Kadi, Dist. Mehsana, Gujarat
6	Solvent Extraction Unit-III	Kadi, Dist.Mehsana ,Gujarat
7	Solvent Extraction Unit-IV	Pithampur, Dist.Dhar(M.P)
8	Solvent Extraction Unit- V	N.H.No.6, Akola-Balapur Road,Village Kanheri, Gawali, Tal.Balapur, Dist Akola, (MS.).
9	Solvent Extraction Unit VI	Dist. Mandsour, Madhya Pradesh
10	Wheat Processing Unit	Kadi, Dist Mehsana, Gujarat
11	Cattle Feed Unit	Kadi, Dist Mehsana, Gujarat
12	Wheat Processing Unit	Pithampur, Dist Dhar (M.P)
13	Maize Processing Unit	Plot C-50, ELDECO, SIDCUL Industrial Park, Sitarganj, Dist. Udham Singh Nagar, Uttarakhand
14	Wind Mills (Gujarat)	
a.	B-87, R S No. 471/P, Village Lamba, Taluka Kalyanpur, Dist Jamnagar.	
b.	WTG No. 1,Machine No.1, Survey No. 400, Village Kuranga, Taluka Dwarka, Dist Jamnagar.	
c.	WTG No. 2, Machine No.2, Survey No. 400, Village Kuranga, Taluka Dwarka, Dist Jamnagar.	
d.	WTG No. 3, Machine No. 6, Survey No. 400, Village Kuranga, Taluka Dwarka, Dist Jamnagar.	
e.	Survey No.213/2, Village: Satapar, Tal: Kalyanpur, Dist. Jamnagar	
f.	WTG No.1, V-4, Survey No. 43/1/P, Vil: Moti Sindhodi, Tal: Abdasa, Dist. Kutch	
g.	WTG No.2, V-7, Survey No. 36/2/P, Vil: Moti Sindhodi, Tal: Abdasa, Dist. Kutch	
h.	Survey No. 115/P, Village Mindiyali, Tal : Anjar, Dist. Kutch.	

xv. Investors' Correspondence

All Communications may be sent to Mr. Paras Mehta, Company Secretary at the following address:
 Gujarat Ambuja Exports Limited
 "Ambuja Tower", Opp. Memnagar Fire Station, Navrangpura,
 Post Navjivan, Ahmedabad-380 014
 Phone: 079-26423316-20, 26405535-37 & 39 • Fax : 079-26423079 • E-mail: jayvijay@ambujagroup.com



DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT

This is to confirm that the Company has adopted Code of conduct for its employees including for the Executive and Non Executive Directors of the Company and Senior Management Personnel. The Code of conduct and business ethics are posted on the Company's website.

I confirm that in respect of the financial year ended March 31, 2010, the Company has received from the Senior Management Team of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Members of the Management one level below the Executive Directors as on March 31, 2010.

**Place: Ahmedabad
Date : July 28, 2010**

**Vijay Kumar Gupta
Chairman & Managing Director**

Chief Executive Officer(CEO) and Vice President (Finance & Accounts) Certification

We, Mr. Manish Gupta, Managing Director and Mr. N. Giridhar, Vice President (Finance & Accounts) to the best of our knowledge and belief, certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2010 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
 - (b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, there were no transactions entered into by the Company during the year which were fraudulent, illegal or which violated the company's code of conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting and we have
 - (a) Evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting ;
 - (b) Not found any deficiencies in the design or operation of internal controls.
4. We have indicated to the company's auditors and the Audit Committee of the Board of Directors :
 - (a) Significant changes that have occurred in the internal control over financial reporting during the year ;
 - (b) There have been no significant changes in accounting polices during the year ;
 - (c) There have been no instances of significant fraud nor there was any involvement of the management or an employee having a significant role in the company's internal control system over financial reporting and
 - (d) There were no deficiencies in the design or operation of internal controls, which could adversely affect the company's ability to record, process, summarize and report financial data nor there were any material weaknesses in internal controls over financial reporting nor any corrective actions with regards to deficiencies, as there were none.
5. We declare that all board members and senior managerial personnel have affirmed compliance with the code of conduct for the current year

**Place: Ahmedabad
Date : July 28, 2010**

**Manish Gupta
(Managing Director)**

**N. Giridhar
Vice President (Finance & Accounts)**

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Gujarat Ambuja Exports Ltd.

We have examined the compliance of conditions of Corporate Governance by **GUJARAT AMBUJA EXPORTS LIMITED** for the year ended on **31st March 2010**, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

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, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement.

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.

**Date : July 28, 2010
Place : Ahmedabad**

**FOR KANTILAL PATEL & CO.,
Chartered Accountants
Firm Registration No. 104744W
[Rajesh G. Shah]
Partner
Membership No. 36782**

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY

Name of the subsidiary Company **GUJARAT AMBUJA INTERNATIONAL PTE LTD.**
(Incorporated at Singapore)

1. Financial year of the subsidiary ended on **31.03.2010**
(Period 01.04.2009 to 31.03.2010)
2. The Company's interest in the Subsidiaries as on 31st March, 2010:
 - a. Number of Equity Shares **854212**
 - b. Face Value (Each of) **Sing. Dollar 1**
 - c. Extent of holding **100.00%**
3. Net aggregate Profit/(Loss) of the Subsidiary company so far as it concerns the Members of the Company.
 - A) For the Financial Year ended on 31.03.2010
 - i) Not dealt within the books of Accounts of the Company **Profit 1,35,890 (US \$)**
 - ii) Dealt within the books of Accounts of the Company **Nil**
 - B) For the Subsidiary Company's Previous Financial Years since it become a subsidiary:
 - i) Not dealt within the books of Accounts of the Company **Profit 2,05,164 (US \$)**
 - ii) Dealt within the books of Accounts of the Company **Nil**

For and on behalf of the Board

**PLACE: AHMEDABAD
DATE : JULY 28, 2010**

**VIJAYKUMAR GUPTA
(CHAIRMAN & MANAGING DIRECTOR)
MANISH GUPTA
(MANAGING DIRECTOR)
N. GIRIDHAR
(V. P. FINANCE & ACCOUNTS)
PARAS MEHTA
(COMPANY SECRETARY)**



ANNEXURE- B TO DIRECTORS' REPORT : MANAGEMENT DISCUSSION AND ANALYSIS CAUTIONARY STATEMENT

Statements on the Management Discussion and Analysis and current year's outlook are management's perception at the time of drawing this report. Actual results may be materially different from those expressed in the statement. Important factors that could influence the Company's operations include demand and supply conditions, availability of inputs and their prices both domestic and global, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

GLOBAL BUSINESS ENVIRONMENT

The overall Global Economic outlook remained mixed during the year 2009-10. While there are some encouraging signs of recovery from recession, much of the developed world still continues to witness negative or very low GDP Growth. During last six months, the world has witnessed continuous stimulus and bailout packages to save the economies and financial institutions from crashing down. Despite the efforts put during the whole year, situation is far from being 'Business as usual.' Whenever there is some good news and signs of improvement, the same is sooner or later followed by concerns and jerks in terms of financial meltdown, slow GDP growth or failing of some of large financial institutions.

During later part of the year, the world has witnessed a clear shift in geographical plays. Asian countries, specially China, India, Japan, Korea etc., have not only managed to come out of the slowdown quickly, but are also poised to deliver notably higher GDP growth in coming years.

INDIAN ECONOMY & INDUSTRY

Indian economy showed clear signs of recovery in second half of the year after witnessing stability during first half of the year. According to the estimates by the Ministry of Statistics and Programme Implementation, the Indian economy has registered a growth of 7.4 per cent in 2009-10, with 8.6 per cent year-on-year (y-o-y) growth in its fourth quarter. The growth is driven by robust performance of the manufacturing sector on the back of government and consumer spending. GDP growth rate of 7.4 per cent in 2009-10 has exceeded the government forecast of 7.2 per cent for the full year. According to government data, the manufacturing sector witnessed a growth of 16.3 per cent in January-March 2010, from a year earlier.

The Economic scenario

In contrast to advanced economies, Indian Economy saw a comparatively stronger and faster recovery during the year 2009-10. In spite of deficient rainfall and marginal growth in Agricultural output, the GDP registered a growth rate of 7.4 percent during 2009-10 as against 6.7 percent growth rate for 2008-09. The Exports sector, which was reeling under negative territory till October, 2009 has bounced back with over 30% growth rate registered for the last two months since February, 2010. However, for the year as a whole, both exports and imports growth remained negative at -4.7 percent and -8.2 percent, respectively.

During the year, Industrial sector has emerged as one of the prime movers in the revival of Gross Domestic Product Growth (GDP) in second quarter of the year. The overall industrial growth revived to the level of 7.7 percent during April to November 2009. Major industrial groups like automobiles, rubber and plastic products, wool and silk textiles, wood products, chemicals and miscellaneous manufacturing staged a strong recovery during April to November 2009 while machinery and textiles products reinforced their growth. The growth in consumer durables has been broad based. On the other hand, low growth in food products, beverages and tobacco products and cloth and footwear acted as dampener on the growth in consumer non- durables. Food products experienced a decline in production of 7.2 percent in April – November 2009.

To Summarise, the overall economic scenario remained mixed among various sectors during the year. While Manufacturing and domestic consumption led the recovery, agricultural and exports were on the lower end.

COMPANY'S PERFORMANCE

Your Company is engaged in the manufacturing and exports of various agro based commodities such as Edible Oil, De Oiled Cakes, Cotton Yarn, Maize Starch and its Derivatives, Cattle Feed, Wheat Flour etc. The Company has also investment and contribution in environment friendly power generation i.e. windmills. The main sector in which the Company operates i.e. agro based commodities is peculiarly very low margin business with dependency on natural uncertainties such as climate change and monsoon apart from economic uncertainties affecting to all industrial sectors.

The fall in business revenues as compared to the previous year was mainly due to lower soya volumes on account of lack of price parity in raw material and finished products. However, increase in volumes of maize processing segment and revival of cotton yarn segment has helped the Company to achieve decent turnover and better bottom line. Despite decline in turnover, the Company was able to achieve Net Profit after Tax of Rs. 60.02 Crores during F.Y. 2009-10 as compared to that of Rs. 23.58 crores for 2008-09.

Segment wise Performance

The company's presence is in the segments of Agro Processing, Cotton Yarn, Maize processing & Windmills.

Agro Processing Segment

The performance of agro processing division comprising of solvent extraction of edible oilseed, Edible Oil Refining, De Oiled Cakes, Wheat Processing and Cattle Feed manufacturing remained subdued during the year. Major constraints for subdued performance were lack of price parity between raw material and finished products prices, weaker domestic and international demand resulting into lower production and sales with significant drop in exports affecting the growth of this segment.

Solvent Extraction and in particular Soyameal exports witnessed gloomy picture during the F.Y. 2009-10, except registering marginal recovery during September and October, 2009. The main reasons for dump in exports are disparity in prices, the dollar's fall against the rupee, lower crushing, reduction in export incentives and excessive speculation in the futures market. During 2009-10, oilmeal exports dropped 41 percent in volume and 34 percent in value.

The adverse factors as highlighted above affected the performance of solvent extraction activities and the crushing was down from 356027 MT during 2008-09 to 166119 MT during 2009-10. The volatile agro produce prices and lack of price parity resulted in down fall of 53.34% in crushing volume of this segment.



Due to downfall in the crushing volume of Solvent Extraction Division, the company was compelled to increase trading activity to meet the export commitments, and accordingly trading activity has registered growth of 35.45% compared to previous financial year.

As highlighted above, agro processing has suffered mostly due to price parity and lack of exports. The revenue declined by 27%, mainly due to decline in exports and the operating profit declined by 35%.

Though the overall market conditions are still volatile, 1st quarter of the current financial year has shown signs of improvement. Slow and gradual improvement in international market and stabilization of raw material prices are expected to lead towards better performance of this segment. Considering the future prospects of this segment, the Company has set up one more plant for solvent extraction at Mandsour in the State of Madhya Pradesh.

Cotton Yarn Segment

Cotton yarn segment of the Company has performed comparatively better during the financial year 2009-10. While the top line has remained almost stagnant, the bottomline witnessed positive contribution compared to negative margins in previous year.

On account of established market for the products, quality and productivity, the cotton yarn division of the Company was able to make marginal growth in top line from Rs. 175.19 Crores of F.Y. 2008-09 to Rs. 180.58 Crores during F.Y. 2009-10. The segment also recorded the export sales at the level of Rs. 116.12 Crores during the year.

During the year, the Company has successfully de-bonded the cotton yarn unit and the same has benefited the Company to sell the product in domestic market and reduced formalities and paper work as compared to EOU status. The Company has also installed 8400 new spindles during the year which commenced production during second half of the year.

Maize Processing Segment

This segment has two plants one is located at Himatnagar in the State of Gujarat and another is located at Uttarakhand. The Uttarakhand plant is serving the central and northern India market. The plant is located in close proximity to large institutional buyers for the product of this segment. The Himatnagar plant being very close to major Ports in Gujarat is focusing on international market over and above catering to south and west market of India.

This segment was the main contributory to the overall performance during the year. Increased productivity, better price realization and increase in demand of value added products of the Company made the maize processing segment to register better top line and bottom line performance during F.Y. 2009-10 as compared to F.Y. 2008-09.

Both the plants of Maize processing segments performed well during F.Y. 2009-10. The revenue of maize processing segment has registered growth of 59% with a turnover of Rs. 343.85 crores as compared to Rs. 216.07 crores of earlier year.

This segment has made contribution of Rs. 50.41 Crores, thereby registering a growth of around 88% compared to previous year.

The contribution from export of this segment has also grown up marginally. The demand of Indian corn products and other value added products is increasing both in domestic as well as international market due to its competitive advantage over other corn product supplier countries like US & China on account of lower cost of production.

The performance of this segment in current financial year 2010-11 is expected to be improving. With its capacity to cater demands for value added maize derivatives such as Dextrose Monohydrate, Malto Dextrin, Liquid Glucose and Sorbitol and increasing presence in international market for this segment, the Company expects better performance in F.Y. 2010-11 as compared to F.Y. 2009-10.

Considering the growth prospects of this segment, the Company has decided to increase the capacity of this segment by setting up a new plant in the State of Karnataka during current year.

Wind mills division and contribution to Renewable Energy

In furtherance of its objective to contribute to green environment, the Company has installed one more windmill having capacity of 1.5 MW during September 2009. This has made total investment of Company in 8 wind turbines with total capacity of 8.45 MW. Over all performance of all wind turbines during the F.Y. 2009-10 was satisfactory and the same has contributed to reduction in power cost for both agro processing and maize processing divisions.

The carbon credit is vital part of the project and the company hopes to get recognition for the carbon credits at the earliest.

Further to the Company's objective to contribute to green environment, projects are undertaken at plant level also to generate power through renewable resources. The Company has taken initiative to install Bio-Digester, Bio-Gas Engine and Boiler using rise husk as feed to contribute to environment friendly objective of the Company. This will be an on going effort in future across all units.

Over all Analysis

The performance during the last financial year as a whole is satisfactory considering the decent topline and improved bottomline under stable economic scenario. Your company has been able to achieve better EBIDTA margin of around 8.34% as compared to that of 5.75% for earlier year due better price recovery and effective measures to control variable cost. Though, the performance of the agro processing segment was subdued, maize processing and cotton yarn segments have performed remarkably well and has resulted into better earnings for the Company.

The products of various segments of the company are eligible for various export incentives. The export incentives for the cotton yarn exports have been reduced by about 5% and the incentives on other products are continuing. The reduction of incentives on cotton yarn products does not have any impact on the performance of the segment and in fact the segment has performed at the improved level in the Q1 of F.Y. 2010-11.

Opportunities, Threats, risks and concerns

Opportunities

The business opportunity in the various segments in which the company is operating are reviving. The focus of Government of India for the various industrial segments like Agro Processing, Food Processing and Textiles is encouraging enough for industrial units to perform better. The government is taking due care of the farmers who are the main source for performing better in this industrial segment. At the same time, the government is also encouraging the industries in this segment by announcing various benefits from time to time.



The major opportunities for the company in the market are following;

1. The ability of the company to develop more value added products with enhanced productivity at the best cost effectiveness price.
2. The company's financial strength accumulated year after year. The policy of having low term debt profile is also added advantage for the company to expand its base in the various manufacturing activities.
3. The ability to adjust with the bullish and bearish market conditions.

Risks & Threats

The risks are inherent with any type of business. The quantum and nature of risk varies from industry to industry and other factors. The company is facing the following type of risks;

1. The global economic uncertainties
2. The risk attached with commodity and currency
3. The inherent risk of doing international trade
4. The change in government policy of sourcing and importing countries.

At GAEL, we have well defined risk management policy in place and the same is reviewed from time to time. The risk management policy is also monitored by executive management of the company with suitable steps to enhance scope of its operations.

Internal Control System and their adequacy

The Company has adequate and effective internal control system. The effective and adequate internal control systems helps to achieve resource utilization at the optimum level, safeguarding of assets and interest, proper authorization, recording and reporting of transactions, protection against unauthorized use and disposition of assets. With the help of internal control systems, among other things, there is a reasonable assurance to the fact that the transactions are executed with management authorization and they are recorded in all material respect to permit preparation of financial statements in conformity with established accounting practices. At GAEL, an effective internal audit function, independent of the external auditors, to review the effectiveness of risk management system is also in place. The internal control systems are supplemented by an extensive programme of internal audits and review by the management. The top management, Audit Committee and statutory auditors of the company are periodically apprised of the activities and internal audit findings and action taken reports. The Company also has budgetary control system and the management periodically reviews actual performance. The Company has also in place established SAP system for its accounting operations and all units, branches, depots are linked and integrated.

OUTLOOK FOR THE YEAR 2010-11

In the financial year 2010-11, the performance of various segments of the company is satisfactory. There has been stability in the foreign exchange market and the Company is anticipating favourable hedge position for its exchange exposure. Though the overall market conditions are still volatile, the general feeling of the industry is towards more stable market condition. The first quarter of current financial year has witnessed stability in the prices of various inputs which company procure and the same are also expected to be stable in the remaining period of current financial year.

The company is also setting up new state of art plant for maize processing, derivatives and other value added products in the state of Karnataka. The total capital outlay for this project is estimated at around Rs. 100 crores. The commercial production from the said plant is expected to start during next financial year. This new project will help the maize processing division to gain more market share and will help the company by improving overall financial performance.

The cotton yarn division which was badly affected during recessionary market conditions during financial year 2008-09 which has stabilized during the F.Y. 2009-10. The company has de-bonded the cotton yarn unit during the year to be more competitive in domestic as well as export markets. The Company has also gone for modernization of plant by replacing spindles with new spindles and the same has started working during second half of the year. The unit has shown considerably better financial performance and outlook for this segment seems encouraging.

The other operating segments of the company are also performing stable as compared to last quarter of F.Y. 2009-10. As per Met. department, the monsoon is likely to be around normal and the production of various agro based inputs are likely to be higher than that of last financial year. Moreover, due to good returns to the farmers on the major Oil seeds, Maize & Cotton during the last financial year, the total cultivation area of these items is estimated to increase.

ANNEXURE 'C' TO THE DIRECTORS' REPORT

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Board of Directors Report) Rules, 1988 and forming part of the Directors' Report for the Financial Year Ended 31st March, 2010.

CONSERVATION OF ENERGY

(1) Energy Conservation measures taken :-

- a. The different units of the Company has strong technical department headed by a senior personnel to continuously monitor energy consumption and plan and execute energy conservation schemes. Effective measures are being taken for overall technological up gradation of plant & machinery, in various units. The Company has installed energy efficient devices in the new projects also.
- b. In a major initiative to conserve energy, the Company has made investment in wind energy sector by installation of Eight windmills with total installed capacity of 8.45 MW. This initiative has helped to generate energy through environmental friendly measures and also reduce carbon emission in the atmosphere. Further to these efforts, the Company has also taken up projects and also finding avenues to generate power through renewable resources. The Company has also taken up capital incentive projects to switch to modern environment friendly ways of running processes at all the units including Bio Gas Digester, Bio Gas Engine etc. Thus there will be on going efforts in future across all units.



(2) Total energy consumption and energy consumption per unit of production :

FORM – "A"		2009-2010	2008-2009
Sr.	PARTICULARS		
A)	POWER AND FUEL CONSUMPTION :		
1)	Electricity		
a)	Purchased :		
	Units(Includes units wheeled from windmills & cost at the Gross Bill Value)	41520803	35430113
	Total Amount (Rs.)	204987888	177031112
	Rate / Unit (Rs.)	4.94	5.00
b)	Own Generation		
i)	Through Diesel Generator		
	Units	758183	143178
	Unit per Ltr of Diesel Oil	2.72	2.60
	Cost/Unit (Rs.)	12.24	13.93
ii)	Through Steam Turbine / generator		
	Units	10598124	11411225
	Unit per Kg. of Coal	0.24	0.32
	Cost/Unit (Rs.)	10.97	9.34
iii)	Through Furnace Oil Generator		
	Units	53120127	56685364
	Unit per Kg. of Furnace oil	4.33	4.39
	Cost/Unit (Rs.)	4.43	5.33
iv)	Through Windmills		
	Units	12267440	11235311
	Total Amount (Rs.)	29342347	23560442
	Cost/Unit (Rs.)	2.39	2.10
2)	Coal (Used for Steam Generation)		
	Quantity (MT)	88126.131	85432.231
	Total Cost (Rs.)	231381855	249849486
	Average rate	2625.58	2924.53
3)	Furnace Oil		
	Quantity (Kg)	N.A.	N.A.
	Total Cost (Rs.)	N.A.	N.A.
	Average rate	N.A.	N.A.
4)	Diesel Oil		
	Quantity (Ltr)	N.A.	N.A.
	Total Cost (Rs.)	N.A.	N.A.
	Average rate	N.A.	N.A.
5)	Others/internal generation		
	Quantity	N.A.	N.A.
	Total Cost (Rs.)	N.A.	N.A.
	Average rate	N.A.	N.A.

Note : Lignite used in steam turbine also generates low pressure steam which is used in production process. The cost of lignite is absorbed in arriving at cost of generation of electricity, above.

Sr.	PARTICULARS	2009-2010	2008-2009
B)	Consumption per unit of production :		
	Agro Processing Unit (Cost per Metric Ton of Production)		
1)	Electricity	359.32	248.18
2)	Coal	312.93	239.00
3)	Furnace Oil	NA.	NA.
4)	Diesel	NA.	NA.
5)	Others	NA.	NA.
	Maize Processing Unit (Cost per Metric Ton of Production)		
1)	Electricity	2204.01	2438.53
2)	Coal	N.A.	N.A.
3)	Furnace Oil	N.A.	N.A.
4)	Diesel	N.A.	N.A.
5)	Others	N.A.	N.A.
	Cotton Yarn Unit (Cost per Kg of Production)		
1)	Electricity	18.38	20.88
2)	Coal	N.A.	N.A.
3)	Furnace Oil	N.A.	N.A.
4)	Diesel	N.A.	N.A.
5)	Others	N.A.	N.A.

Annexure "D" to Directors' Report

Information as per section 217(2A) of the Companies Act, 1956, read with Companies (particulars of employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 2010.

Information showing names and other particulars of employees who were employed throughout the year and were in receipt of remuneration in aggregate of not less than Rs. 24,00,000/- for financial year.

Sr. No.	Name of the Employee	Designation	Qualification	Age (Years)	Joining Date	Experience (Years)	Gross Remuneration (Rs.)	Last Employment	Last Designation
1	Mr. Vijaykumar Gupta	Chairman and Managing Director	B. DS	61	18.04.1998 (As M.D.)	38	3,48,60,221	Erstwhile Gujarat Ambuja Cotspin Ltd.	Managing Director
2	Mr. Manish Gupta	Managing Director	B. Com	38	28.12.1998 (As M.D.)	19	4,16,83,170	Erstwhile Gujarat Ambuja Proteins Ltd.	Managing Director

- Notes:
- The gross remuneration includes salary, allowances, commission and monetary value of perquisites as per Income Tax Rules and Company's contribution to Provident Fund and Superannuation Fund.
 - In addition to the above remuneration, employees are entitled to gratuity and balance of unavailed encashable leave in accordance with the Company's rules.
 - Nature of employment : Contractual and renewable
 - Mr. Vijay Kumar Gupta and Mr. Manish V Gupta are father and son and hence relative of each other and Mrs. Sulochana V Gupta and Mr. Mohit V Gupta, Directors of the Company are also relatives of them.
 - Other terms and conditions are as per agreement and subject to provisions of Section 198, 269, 309,310 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII of the Companies Act,1956 and also as per Company's Rules.

FORM – "B"

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION.

a) Research & Development (R&D)

i) Specific areas in which R&D carried out by the Company :

The Research & Development efforts of the Company are directed towards quality control, cost reduction and improvement of in house expertise.

ii) Benefits derived as a result of the above R&D:

Benefits derived by the Company from its Research & Development activities are primary by way of improvements in product quality and cost effectiveness.

iii) Future plan of action

The Company plans to continue its efforts on in-house R&D to improve cost efficiency & achieving competitive edge.

iv) Expenditure on R&D

	2009-2010	2008-2009
(a) Expenditure on R&D	NIL	NIL
(b) Recurring	NIL	NIL
(c) Total	NIL	NIL
(d) Total R&D Expenditure as % of total turnover.	NIL	NIL

b) Technology Absorption, Adaptation and Innovation :

i) Efforts, in brief made towards technology absorption, adaptation and innovation.

The Company has been putting emphasis to train its technical personnel by way of providing training to them for the latest technology available.

ii) Benefits derived as a result of the above efforts :

The above efforts have improved the quality of the product. Besides it has also improved the productivity and reduced the wastages.

iii) Information regarding technology imported during last five years : Not Applicable

c). Foreign Exchange earning and outgo :

	2009-10	2008-2009
	RS.	RS.
Foreign Exchange Earned	4129226830	6186012020
Foreign Exchange Used	2944488810	2083128353



AUDITORS' REPORT

The Members of Gujarat Ambuja Exports Limited

1. We have audited the attached balance sheet of **Gujarat Ambuja Exports Limited** as at **March 31, 2010** and also the related profit & loss account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies [Auditors' Report] Order, 2003 (CARO 2003) (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 1 above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit.
 - (ii) 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 the books.
 - (iii) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, the balance sheet, profit & loss account and cash flow statement dealt with by this report comply with accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.
 - (v) On the basis of the written representations received from the directors, as on 31st March 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a Director in terms of clause (g) of sub -section (1) of section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India ;
 - (a) In the case of the balance sheet, of the state of affairs of the company as at 31st March 2010.
 - (b) In the case of the profit & loss account, of the 'Profit' of the company 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.

For **KANTILAL PATEL & CO.,**
CHARTERED ACCOUNTANTS
Firm Registration No. 104744W
[Rajesh G. Shah]
Partner
Membership No.: 36782

Place : Ahmedabad
Date : July 28, 2010

ANNEXURE REFERRED TO IN PARAGRAPH (3) OF THE AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF GUJARAT AMBUJA EXPORTS LIMITED, ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2010.

On the basis of the records produced to us for our verification / perusal, such checks as we considered appropriate, and in terms of information and explanations given to us on our enquiries, we state that :-

- (i)
 - (a) The company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The company's management has provided us with a representation that it has a phased programme of verification of fixed assets (i.e. once in a two years) and in accordance with such programme, the company has carried out a physical verification of certain fixed assets during the year and no material discrepancies were noticed on such verification.
 - (c) Company has not disposed off during the year, substantial part of fixed assets.
- (ii)
 - (a) Physical verification at reasonable intervals has been carried out by the management in respect of inventory except for the stocks in transit and stocks lying with the clearing agents, which have been confirmed by the parties. In our opinion, the frequency of verification is reasonable.
 - (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
 - (c) The company has maintained proper records of inventory and the discrepancies noticed on such physical verification as compared to book records were not material and have been adequately dealt with in the books of accounts.
- (iii) The company has not granted or taken any loan secured or unsecured to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. And hence, paragraphs 4(iii) (a to g) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us during the course of the audit, the company has a generally adequate internal control system commensurate with the size of the company and the nature of its business with regard to the purchase of inventory and fixed assets and with regard to the sale of goods and services. On the basis of our examination of the books of accounts and other records, we are of the opinion that there is no major weakness in the internal control system in respect of these areas.
- (v) In respect of contracts or arrangements referred to in section 301 of the Companies Act, 1956:
 - (a) In our opinion, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
 - (b) According to the information and explanations given to us where each such transaction made in pursuance of such contracts or arrangements in excess of Rs.5 lakhs in respect of any party, the transactions have been made at the prices, which are *prima facie* reasonable, having regard to the prevailing market prices available with the company for such transactions or prices at which transactions for similar goods have been made with other parties at the relevant time.



- (vi) The company has not accepted deposits from public during the year under audit, hence the directives issued by Reserve Bank of India and provisions of section 58A & 58AA of the Companies Act, 1956 or any other relevant provisions of the Act and the rules framed there under are not applicable.
- (vii) In our opinion, the company has an Internal Audit System commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government for maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, in respect of "Textile" products and are of the opinion that *prima facie* the prescribed records have been maintained. We have however not made a detailed examination of records.
- (ix) (a) The company is generally regular in depositing Provident Fund, Investor Education & Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and Other material statutory dues to appropriate authorities. Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.
- (b) According to the information and explanations given to us, no undisputed amount in respect of aforesaid statutory dues were outstanding as at 31st March, 2010 for the period of more than six months from the date they become payable.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the details of disputed amounts in respect of Sales Tax, Income Tax, Wealth Tax, Service Tax, Custom Duty and Excise Duty / Cess not deposited with the appropriate authorities are as follow:

Sr No.	Nature of the statute	Nature of dues	Amount	Period to which amount relates	Forum where the dispute is pending
1.	The Income Tax Act, 1961	Disallowances of expenses Disallowance of claims & penalty Disallowances of claims	16,64,435 1,49,15,402 1,93,73,234	A.Y.1995-96 A.Y.2003-04 A.Y.2005-06	ITAT ITAT ITAT
2.	The Bombay Sales of Motor Spirit Taxation Act, 1958	Exemptions	1,71,732	1997-98	Tribunal
3.	The Central Excise Act, 1944	Classification Additional Demand Additional Demand Additional Demand	4,34,43,083 2,99,272 50,461 1,19,632	2004-05 & 2005-06 2004-05 & 2005-06 2006-07 2008-09 & 2009-10	CESTAT CESTAT CESTAT Asst. Commissioner of Central Excise
4.	The Customs Act, 1962	Differential Duty Additional Custom Duty Differential Duty	3,59,056 19,79,518 2,38,021	2003-04 2005-06 2006-07	Commissioner of Customs Asst. Commissioner of Customs CESTAT
5.	Indian Stamp Act, 1899 (MP)	Stamp duty	58,60,000	2001-02	Board of Revenue
6.	Krishi Upaj Mandi Adhiniyam, 1972	Mandi Tax	2,27,660	2001-02	High Court
7.	The Gujarat Sales Tax Act, 1969	Sales Tax Purchase Tax Disallowance of sales & levy of interest & penalty	3,45,323 4,23,464 66,09,672	1996-97 1997-98 2004-05	Tribunal High Court Commissioner (Appeals)
8.	Central Sales Tax Act, 1956	Disallowance of sales, non-Production of 'C' Forms	99,51,959	2004-05	Commissioner (Appeals)
9.	The Bombay Electricity Duty Act, 1958	Additional Demand charges	61,80,748	2008-09 & 2009-10	Consumer Grievances Forum

- (x) The company has no accumulated losses and has not incurred cash losses during the current financial year and immediately preceding financial year.
- (xi) The company has not defaulted in repayment of dues to the banks or to the financial institutions. The company has not obtained any borrowing by way of debentures.
- (xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company has given guarantee for loans taken by subsidiary company. In our opinion and based on the information and explanations given to us, the terms and conditions are not prejudicial to the interests of the company.
- (xiv) On the basis of our examination of documents and records and according to the information and explanations given to us we are of the opinion that the company has deployed the term loan funds for the purpose for which they were obtained.
- (xv) According to the information and explanations given to us, on an over all examination of the balance sheet of the company, we report that no funds raised on short term basis, have been used for long term investment.
- (xvi) During the year, the company has not made preferential allotment of shares to parties and companies covered in register maintained under section 301 of the Companies Act, 1956.
- (xvii) The company has not issued any debentures during the year.
- (xviii) The company has not raised any money by way of public issue during the year.
- (xix) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.
- (xx) In our opinion and according to the information and explanations given to us, the nature of the company's business/activities during the year are such that paragraphs:
4(xiii) provisions of any special statute applicable to chit fund,
4(xiv) dealing or trading in shares, securities, debentures and other investments of company (Auditors' Report) Order, 2003 are not applicable to the company.

For KANTILAL PATEL & CO.,
CHARTERED ACCOUNTANTS
Firm Registration No. 104744W
[Rajesh G. Shah]
Partner
Membership No.: 36782

Place : Ahmedabad
Date : July 28, 2010



BALANCE SHEET AS AT 31st MARCH 2010

(Rupees in Crores)

PARTICULARS	SCHEDULE	AS AT 31.03.2010	AS AT 31.03.2009
(A) SOURCES OF FUNDS			
1 SHARE HOLDERS' FUNDS			
(a) Share Capital	A	27.67	27.67
(b) Reserves & Surplus	B	392.57	274.57
		420.24	302.24
2 LOAN FUNDS			
(a) Secured Loans	C	178.18	90.62
(b) Unsecured Loans	D	0.85	0.77
		179.03	91.39
3 DEFERRED TAX LIABILITY			
(a) Deferred tax liability	E	50.35	43.50
(b) Deferred tax asset		(0.11)	(0.35)
		50.24	43.15
TOTAL-		649.51	436.78
(B) APPLICATION OF FUNDS			
1 FIXED ASSETS	F		
Gross Block		538.17	467.43
Less : Depreciation		241.11	224.02
Net Block		297.06	243.41
Add : Capital work in Progress and Advance for Capital Expenditure		13.99	5.33
		311.05	248.74
2 INVESTMENTS	G		
		40.80	31.90
3 CURRENT ASSETS, LOANS & ADVANCES	H		
(a) Inventories		260.95	199.38
(b) Sundry Debtors		72.61	62.91
(c) Cash & Bank Balances		28.16	24.82
(d) Other Current Assets		8.18	5.71
(e) Loans & Advances		47.02	61.73
Sub Total - (i)		416.92	354.55
LESS: CURRENT LIABILITIES & PROVISIONS			
(a) Current Liabilities	I	112.52	187.88
(b) Provisions	J	6.74	10.53
Sub Total - (ii)		119.26	198.41
Net Current Assets (i - ii)		297.66	156.14
TOTAL-		649.51	436.78
Significant Accounting Policies	T		
Notes to Financial Statements	U		

This is the Balance Sheet referred to in our report of even date
FOR, KANTILAL PATEL & CO.
CHARTERED ACCOUNTANTS

RAJESH G. SHAH
(PARTNER)

PLACE : AHMEDABAD
Date : JULY 28, 2010

For and on behalf of the Board of Directors

VIJAYKUMAR GUPTA
(CHAIRMAN & MANAGING DIRECTOR)
MANISH V. GUPTA
(MANAGING DIRECTOR)
N. GIRIDHAR
(V. P. FINANCE & ACCOUNTS)
PARAS MEHTA
(COMPANY SECRETARY)

PLACE : AHMEDABAD
Date : JULY 28, 2010

BOOK VALUE : RS. 30.39 ON A SHARE OF RS. 2/- | LONG TERM DEBT ONLY RS. 13.83 CRORE



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2010 (Rupees in Crores)

PARTICULARS	SCHEDULE	FOR THE YEAR ENDED 31.03.2010	FOR THE YEAR ENDED 31.03.2009
(A) INCOME			
Sales (Gross)	K	1,416.89	1,610.91
Less : Excise Duty		8.33	9.29
Net Sales		<u>1,408.56</u>	<u>1,601.62</u>
Other Income	L	6.13	4.43
TOTAL - "A"		<u>1,414.69</u>	<u>1,606.05</u>
(B) EXPENDITURE			
(Increase) / Decrease in Stock	M	8.20	86.40
Materials Consumption	N	891.96	1,052.04
Purchase of Trading Goods		191.49	141.37
Manufacturing Expenses	O	107.22	125.62
Employees' Cost	P	39.44	32.07
Administrative Expenses	Q	10.61	10.53
Sales Expenses	R	48.27	65.96
Finance & Other Charges (Net)	S	8.74	11.00
Depreciation		27.91	36.36
TOTAL - "B"		<u>1,333.84</u>	<u>1,561.35</u>
Profit before Tax (A-B)		<u>80.85</u>	<u>44.70</u>
Add : Prior Period items (Net)		0.02	0.10
Add : Excess Provision of Depreciation for Earlier Years written back		9.15	0.00
Less : Provision for Taxation			
- Current tax		23.00	18.80
- Deferred tax (credit) / charge		7.09	(5.43)
- Fringe Benefit Tax		0.00	0.24
Less : Short Provision of Tax for Earlier Years		0.00	7.61
Add : Excess Provision of Tax for Earlier Years written back		0.09	0.00
Profit after Tax		<u>60.02</u>	<u>23.58</u>
Add: Balance of Profit from Previous Year		190.70	175.39
Profit available for appropriation		<u>250.72</u>	<u>198.97</u>
APPROPRIATION			
Transferred to General Reserve		4.55	1.80
Interim Dividend		5.53	5.53
Dividend Distribution Tax on Interim Dividend		0.94	0.94
Balance carried to Balance Sheet		239.70	190.70
TOTAL		<u>250.72</u>	<u>198.97</u>
Significant Accounting Policies	T		
Notes to Financial Statements	U		
Earnings per Equity Share of Rs.2/- each (Basic & Diluted) (Refer Note 10 of Schedule "U")		4.34	1.70

This is the Profit & Loss Account referred to in our report of even date

FOR, KANTILAL PATEL & CO.
CHARTERED ACCOUNTANTS

RAJESH G. SHAH
(PARTNER)

PLACE : AHMEDABAD
Date : JULY 28, 2010

For and on behalf of the Board of Directors

VIJAYKUMAR GUPTA
(CHAIRMAN & MANAGING DIRECTOR)

MANISH V.GUPTA
(MANAGING DIRECTOR)

N. GIRIDHAR
(V. P. FINANCE & ACCOUNTS)

PARAS MEHTA
(COMPANY SECRETARY)

PLACE : AHMEDABAD
Date : JULY 28, 2010

TURNOVER Rs. 1409 CRORES | EPS : Rs. 4.34 ON A SHARE OF RS. 2/-



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2010

[Rupees in Crores]

PARTICULARS	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and Extraordinary items	80.85	44.69
Adjustment for :		
Depreciation / Amortisation	27.91	36.36
Income From Dividend	(0.45)	(1.02)
(Profit)/Loss on Sale of Asset	(0.84)	(0.05)
Profit on Sale of Investments (Net)	(2.94)	(0.26)
Finance and other charges	11.20	17.10
Interest Income	(3.17)	(6.11)
Prior period Item	0.02	0.00
Provision for Doubtful Debts	0.19	0.00
	31.92	46.02
Operating Profit before Working Capital Changes	112.77	90.71
Adjustments for :		
Trade & other Receivables	2.75	21.28
Inventories	(61.58)	261.90
Trade payables and Liabilities	(14.64)	11.85
	(73.47)	295.03
Cash Generated from Operations	39.30	385.74
Direct taxes (paid/adjusted)	(20.45)	(42.09)
Net cash from Operating Activities	18.85	343.65
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(78.36)	(20.36)
Sale of Fixed Assets	1.17	0.83
Purchase of Investments	(112.18)	(86.44)
Sale of Investments	106.21	81.85
Interest Received	2.78	10.53
Dividend Received	0.45	1.01
	(79.93)	(12.58)
Net cash used in Investing Activities	(79.93)	(12.58)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings	92.56	0.00
Repayment of Borrowings	(5.00)	(423.62)
Proceeds from Unsecured Loans	0.12	0.00
Repayment of Unsecured Loans	(0.05)	(0.37)
Capital Subsidy Received	0.38	0.38
Finance and other charges Paid	(11.35)	(18.58)
Dividend and tax thereon paid	(12.24)	(5.52)
	64.42	(447.71)
Net Cash from Financing Activities	64.42	(447.71)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	3.34	(116.64)
Cash and Cash Equivalents at beginning of period	24.82	141.46
Cash and Cash Equivalents at end of Period	28.16	24.82
Net Increase/ (Decrease) in Cash and Cash Equivalents	3.34	(116.64)
Major components of Cash and Cash Equivalents as at	31.03.2010	31.03.2009
Cash in hand(including cheques on hand)	0.54	0.48
With Scheduled Banks on :		
Current Accounts	6.95	4.48
Short term Deposits Lien	16.64	12.83
Lien free	4.03	7.03
Total (Refer Schedule H (c))	28.16	24.82

Notes:

- The above Cash Flow Statement has been prepared under Indirect Method set out in Accounting Standard 3, notified in Companies (Accounting Standards) Rules, 2006.
- Figures in bracket indicate cash outflow.
- Previous year figures have been restated wherever necessary to make them comparable with current year figures.

This is the Cashflow Statement referred to in our report of even date
FOR, KANTILAL PATEL & CO.
 CHARTERED ACCOUNTANTS

RAJESH G. SHAH
 (PARTNER)

PLACE : AHMEDABAD
 Date : JULY 28, 2010

For and on behalf of the Board of Directors
VIJAYKUMAR GUPTA
 (CHAIRMAN & MANAGING DIRECTOR)

MANISH V.GUPTA
 (MANAGING DIRECTOR)

N. GIRIDHAR
 (V. P. FINANCE & ACCOUNTS)

PARAS MEHTA
 (COMPANY SECRETARY)

PLACE : AHMEDABAD
 Date : JULY 28, 2010



SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2010

Rupees in Crores

	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE "A" SHARE CAPITAL		
Authorised		
250000000(P.Y.250000000) Equity shares of Rs.2/- each	50.00	50.00
	<u>50.00</u>	<u>50.00</u>
Issued,Subscribed and Paid Up Capital		
138351875 (P.Y.138351875) Equity Share of Rs.2/- each	27.67	27.67
Notes:		
i. Includes 31500000 (P.Y.31500000) Equity shares of Rs.2/- each issued at a premium of Rs.0.20 per share on conversion of Optionally Convertible Unsecured Debentures		
ii. Includes 82188910 (P.Y.82188910) Equity shares of Rs.2/- each fully paid allotted on 30.4.99 in exchange of shares on amalgamation for consideration other than cash.		
iii. Includes 31085420 (P.Y.31085420) Equity shares of Rs.2/- each reduced as per Scheme of arrangement approved by Honourable Gujarat High Court order dated 17th February 2003.		
iv. Includes 20490000 (P.Y.20490000) Equity Shares of Rs.2/- each fully paid, allotted on 31.1.2004 in exchange of shares on amalgamation for consideration other than cash. Explanation to Notes : Till 16th January 2006, the Company's paid up Capital was made up of Equity Shares of Rs. 10/- each which was then split into Equity Shares of Rs.2/- each. In the above notes the number of shares and premium is restated as related to Equity shares of Rs. 2/- each.		
v. Includes 966615 (P.Y.966615) Equity Shares of Rs.2/- each bought back and extinguished pursuant to Scheme of Buy-back from open market through stock exchange route which closed on 15.01.2008		
	<u>27.67</u>	<u>27.67</u>
SCHEDULE "B" RESERVES & SURPLUS		
General Reserve		
Balance as per last Balance Sheet	149.25	147.45
Add : Transferred from Profit & Loss Account	4.55	1.80
	<u>153.80</u>	<u>149.25</u>
Hedge Reserve		
Balance as per last Balance Sheet	(73.57)	0.00
Add / (Less) : During the year	64.08	(73.57)
	<u>(9.49)</u>	<u>(73.57)</u>
Capital Subsidy		
Balance as per last Balance Sheet (refer accounting policy "O" of Schedule "T")	0.87	0.50
Add : Subsidy Received During the Year	0.37	0.37
	<u>1.24</u>	<u>0.87</u>
Amalgamation Reserve Account		
Balance as per last Balance Sheet	0.02	0.02
	<u>0.02</u>	<u>0.02</u>
Securities Premium Account		
Balance as per last Balance Sheet	0.89	0.89
	<u>0.89</u>	<u>0.89</u>
Capital Redemption Reserve		
Balance as per Last Balance Sheet	6.41	6.41
	<u>6.41</u>	<u>6.41</u>
Surplus as per Profit and Loss Account	<u>239.70</u>	<u>190.70</u>
	<u>392.57</u>	<u>274.57</u>
SCHEDULE "C" SECURED LOANS		
(A) Term Loans		
(I) from Indian Renewable Energy Development Agency, New Delhi (secured by hypothecation of Wind Mills, mortgage of related land & personal guarantee of two promoter Directors.) (Principal repayable within one year Rs.0.67 Crores (P.Y. Rs.0.67 Crores)	1.50	2.16
(II) from Bank of India, under TUF scheme (Secured by hypothecation of specific movable Plant & Machinery & personal guarantee of three promoter Directors.) (Principal repayable within one year Rs. 6.50 Crores (P.Y. Rs.5.00 Crores)	12.33	13.75
(B) Other Loans - Working Capital		
- From Banks (Secured by a hypothecation of current assets & certain tangible movable plant & machinery and joint equitable mortgage of certain immovable fixed assets of the Company, personal guarantee, of three promoter directors and lien on certain Fixed Deposits of the Company.)	164.35	74.71
	<u>178.18</u>	<u>90.62</u>



SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2010

Rupees in Crores

	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE "D" UNSECURED LOANS		
Dealers' & Distributors' Deposits	0.85	0.77
	<u>0.85</u>	<u>0.77</u>
SCHEDULE "E" DEFERRED TAX		
Deferred tax Liabilities		
Depreciation	50.35	43.50
	50.35	43.50
Deferred tax Assets		
Provisions- 43 B items	0.05	0.35
Provision for Doubtful Debts	0.06	0.00
	<u>0.11</u>	<u>0.35</u>
Net Deferred Tax Liability	<u>50.24</u>	<u>43.15</u>

SCHEDULE "F" FIXED ASSETS (AT COST)												
SR No.	PARTICULARS	Gross Block				Depreciation				Net Block		
		As at 01.04.2009	Additions During the year	Deductions During the year	As at 31.03.2010	As at 01.04.2009	For the year	Adjustment (See Note No.4 below)	Deductions during the year	As at 31.03.2010	As at 31.03.2010	As at 31.03.2009
	Tangible Assets											
1	Free Hold Land	4.35	0.55	0.00	4.90	0.00	0.00	0.00	0.00	0.00	4.90	4.35
2	Lease Hold Land	5.90	3.18	0.05	9.03	0.08	0.09	-0.03	0.00	0.14	8.89	5.82
3	Building	82.59	7.08	0.09	89.58	24.02	2.53	-0.66	0.00	25.89	63.69	58.57
4	Plant & Machinery	328.57	52.02	1.69	378.90	188.08	22.15	-7.94	1.61	200.68	178.22	140.49
5	Wind Mill	31.98	8.63	0.00	40.61	4.83	1.93	0.00	0.00	6.76	33.85	27.15
6	Vehicles	6.16	0.54	0.11	6.59	2.47	0.52	-0.13	0.06	2.80	3.79	3.69
7	Furniture & Fixtures	2.57	0.08	0.00	2.65	1.89	0.11	-0.39	0.00	1.61	1.04	0.68
8	Office Equipments	3.83	0.55	0.00	4.38	1.90	0.38	0.00	0.00	2.28	2.10	1.93
	Intangible Assets											
1	Trade Mark	0.50	0.00	0.00	0.50	0.45	0.03	0.00	0.00	0.48	0.02	0.05
2	Computer Software (SAP)	0.98	0.05	0.00	1.03	0.30	0.17	0.00	0.00	0.47	0.56	0.68
	TOTAL :	467.43	72.68	1.94	538.17	224.02	27.91	-9.15	1.67	241.11	297.06	243.41
	Previous year	450.01	18.72	1.30	467.43	188.19	36.36	0.00	0.53	224.02	243.41	261.82
	CAPITAL WORK IN PROGRESS	0.10	5.17	0.10	5.17	0.00	0.00	0.00	0.00	0.00	5.17	0.10
	CAPITAL ADVANCE	5.23	7.57	3.98	8.82	0.00	0.00	0.00	0.00	0.00	8.82	5.23
	TOTAL :	5.33	12.74	4.08	13.99	0.00	0.00	0.00	0.00	0.00	13.99	5.33
	Previous year	5.48	9.63	9.78	5.33	0	0	0	0	0.00	5.33	5.48

- Estimated amount of capital contracts (net) pending to be executed Rs.24.15 Crores (P Y Rs. 32.52 Crores.)
- Capital Subsidy received in respect of specific assets has been deducted from the cost of the assets and depreciation charged accordingly.
- Opening Balance of Tangible Assets have been reclassified wherever necessary.
- During the year the details of Asset Register which were maintained manually have been migrated to SAP ERP System. The depreciation for each item of asset has been calculated from the date of inception under the SAP system applying relevant rates of depreciation for respective years keeping 5% residual value, which has resulted in excess provision of depreciation (Net) for earlier years amounting to Rs.9.15 Crores now written back.

	AS AT 31.03.2010	AS AT 31.03.2009	
SCHEDULE "G" INVESTMENTS (AT COST)			
I (LONG TERM INVESTMENTS) (NON TRADE)			
i. QUOTED (IN EQUITY SHARES)			
300	[P.Y. 300] ACC Limited of Rs.10/- each fully paid up.	0.02	0.02
20	[P.Y. 10] Adani Enterprises Ltd.of Rs.1/- each fully paid up. (Rs.594/-(P.Y.Rs.594/-)) (Includes 10 Shares received as Bonus Shares during the year.)	0.00	0.00
50380	[P.Y. 50380] Ambuja Cement Ltd.of Rs.2/- each fully paid up.	0.62	0.62
20302	[P.Y.20302] Andhra Bank of Rs. 10 /- each fully paid up	0.18	0.18
25	[P.Y. 25] Arvind Mills Ltd.of Rs.10/- each fully paid up.(Rs.261/-(P.Y.Rs.261/-))	0.00	0.00
80000	[P.Y. 100000] Ashok leyland Ltd. of Rs.1/- each fully paid up.	0.29	0.36
20000	[P.Y. 24735] Central Bank of India of Rs.10/- each fully paid up.	0.16	0.19
3391	[P.Y. 3391] Edelweiss Capital Ltd. of Rs.5/- each fully paid up.	0.28	0.28
4992	[P.Y. 4992] Firstsource Solutions Ltd of Rs 10/- each fully paid up.	0.03	0.03
35290	[P.Y. 35290] Gateway Distriparks Ltd. of Rs.10/- each fully paid up.	0.30	0.30
5400	[P.Y. 5400] Gujarat Alkalies & Chemicals Ltd .of Rs.10/- each fully paid up.	0.08	0.08



SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2010

Rupees in Crores

	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE "G" INVESTMENTS (AT COST) (Contd.)]		
52631 [P.Y.62631] Gujarat State Petronet Ltd of Rs.10/- each fully paid up.	0.14	0.17
10000 [P.Y.10000] Hindalco Industries Ltd .of Rs.1/- each fully paid up.	0.19	0.19
39897 [P.Y.39897] Hotel Leela Venture Ltd .of Rs.2/- each fully paid up.	0.17	0.17
5426 [P.Y.5426] ICICI Bank Ltd.of Rs.10/- each fully paid up.	0.50	0.50
203965 [P.Y.203965] IDEA Cellular Ltd.of Rs.10/- each fully paid up.	1.53	1.53
10000 [P.Y. 10000] I D F C Ltd of Rs.10/- each fully paid up.	0.22	0.22
2000 [P.Y. 2000] Larsen & Toubro Ltd .of Rs.2/- each fully paid up.	0.28	0.28
5 [P.Y. 5] Maral Overseas Ltd.of Rs.10/- each fully paid up.{Rs.116/- (P.Y.Rs.116/-)}	0.00	0.00
114822 [P.Y. 114822] Meghmani Organics Ltd.of Rs.1/- each fully paid up.	0.22	0.22
256891 [P.Y. Nil] National Hydro Power Corporation Ltd of Rs. 10/- each fully paid up.	0.92	0.00
231000 [P.Y. Nil] National Mineral Development Corp Ltd of Rs. 1/- each fully paid up.	6.93	0.00
77770 [P.Y. 77770] NTPC Ltd. of Rs.10/- each fully paid up.	1.13	1.13
23100 [P.Y. 41100] Oil & Natural Gas Corp.Ltd .of Rs.10/- each fully paid up.	2.29	4.06
5583 [P.Y. 5583] Omaxe Limited.of Rs.10/- each fully paid up.	0.17	0.17
351700 [P.Y. 351700] Petronet LNG Ltd .of Rs.10/- each fully paid up.	2.60	2.60
9539 [P.Y. 9539] Power Finance Corp Ltd of Rs.10/- each fully paid up.	0.08	0.08
254559 [P.Y. 254559] Power Grid Corporation of india ltd .of Rs.10/- each fully paid up.	1.33	1.33
100 [P.Y. 100] Riddhi Siddhi Gluco Byols Ltd.of Rs.10/- each fully paid up. {Rs.1075/- (P.Y. Rs.1075/-)}	0.00	0.00
15000 [P.Y. 15000] Shipping Corporation of India Ltd .of Rs.10/- each fully paid up.	0.21	0.21
24600 [P.Y. 24600] Steel Authority of India Ltd .of Rs.10/- each fully paid up.	0.51	0.51
1500 [P.Y.1500] The Sukhjit Starch & chemicals Ltd. .of Rs.10/- each fully paid up.	0.02	0.02
3500 [P.Y. 7000] Tata Motors Ltd .of Rs.10/- each fully paid up.	0.22	0.44
2067 [P.Y.4037] Tata Steel Ltd .of Rs.10/- each fully paid up.	0.05	0.10
40000 [P.Y. 40000] Tata Teleservices Maharashtra Ltd .of Rs.10/- each fully paid up.	0.13	0.13
ii. QUOTED (IN PREFERENCE SHARES)		
Nil [P.Y. 182] CCPS of Tata Steel Ltd .of Rs.10/- each fully paid up {Rs.Nil, (P.Y.Rs.18200/-)}	0.00	0.00
iii. QUOTED (IN BONDS)		
30 [P.Y. 30] PNB Long Term LOA Perpetual Bonds (Interest 10.40%)	3.00	3.00
7098 [P.Y. 8011] NABARD Bhavishya Nirman Bond	6.00	6.65
Nil [P.Y. 5] Syndicate Bank - 9.35% Bond	0.00	0.44
iv. UNQUOTED [IN EQUITY SHARES]		
10000 [P.Y. 10000] Equity shares of Kalapur Com. Co-Op Banks Ltd.of Rs 25/- each fully paid up.	0.02	0.02
v. UNQUOTED [IN MUTUAL FUND]		
Nil [P.Y. 250000] Units of Reliance Mutual Fund of Rs.10/- each	0.00	0.25
Nil [P.Y. 312030.741] Units of Kotak Lifestyle Mutual Fund of Rs.10/- each	0.00	0.32
Nil [P.Y. 100000] Units of PNB Long Term Equity Fund of Rs.10/- each	0.00	0.10
vi. UNQUOTED [IN GOVERNMENT SECURITY]		
National Saving Certificates	0.03	0.02
[Lodged with Sales tax & Other Government authorities]		
II LONG TERM INVESTMENTS (TRADE)		
UNQUOTED (IN EQUITY SHARES)		
(i) In Subsidiary Company :		
854212 [P.Y. 854212] Ordinary Shares of One Singapore Dollar each fully paid in Gujarat Ambuja International Pte Ltd.	2.06	2.06
(ii) In Others :		
389490 [P.Y.389490] Equity shares of Jupiter Corporate Services Ltd. of Rs 10/- each fully paid up.	1.94	1.94
1458506 [P.Y. 2083580] Equity Shares of Royale Exports Ltd, Srilanka each of Rs.10/- of Srilankan Rupees	0.68	0.98
III CURRENT INVESTMENTS (NON TRADE)		
i QUOTED (IN BONDS)		
32 [P.Y. Nil] IDBI Perpetual Bond - 9.20% Bond	2.96	0.00
25 [P.Y. Nil] AP State Financial Corporation 2019 - 8.35% Bond	2.31	0.00
(Also refer Note 13 of Schedule "U")	<u>40.80</u>	<u>31.90</u>
AGGREGATE COST OF QUOTED INVESTMENTS	36.07	26.21
AGGREGATE COST OF MUTUAL FUND	0.00	0.67
AGGREGATE COST OF UNQUOTED INVESTMENTS	4.73	5.02
MARKET VALUE OF QUOTED INVESTMENTS	40.47	24.16
NAV OF MUTUAL FUND	0.00	0.66



SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2010

Rupees in Crores

	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE "H" CURRENT ASSETS, LOANS AND ADVANCES		
a Inventories (As taken, valued & certified by the management)		
Raw Materials	180.14	98.89
Packing Materials	5.38	7.40
Stores & Spares, Coal, Diesel, Furnace Oil (includes transit stock of Rs.0.34 Crores P.Y. Rs. Nil)	13.51	22.97
Work in Process	3.00	2.49
Finished Goods	<u>58.92</u>	<u>67.63</u>
	<u>260.95</u>	<u>199.38</u>
b Sundry Debtors (Unsecured, Considered Good, Unless otherwise stated)		
Outstanding for a period exceeding six months		
Considered Good	0.50	0.33
Considered Doubtful	<u>0.19</u>	<u>0.00</u>
	<u>0.69</u>	<u>0.33</u>
Less : Provision for Doubtful Debts	<u>0.19</u>	<u>0.00</u>
	0.50	0.33
Others (Includes Rs.0.22 Crores (P.Y Rs. Nil) receivable from Subsidiary Co.)	<u>72.11</u>	<u>62.58</u>
	<u>72.61</u>	<u>62.91</u>
c Cash & Bank Balances		
Cash on Hand	0.54	0.49
Balance with Banks		
(i) With Scheduled Banks		
(a) in Current accounts	4.05	2.49
(b) in Current account (unclaimed dividend)	2.58	1.87
(c) in Fixed Deposit (with Bank as Lien towards margin money for Line of Credit)	16.64	12.83
(d) Lien Free Fixed Deposit	4.03	7.03
(ii) With Other Banks		
(a) Current accounts		
Includes balances with	0.32	0.11
(a) Shri Kadi Nagrik Sahakari Bank Ltd. Rs. Nil /- (P.Y. Rs Nil/-) (Maximum balance outstanding during the year Rs. Nil P.Y. Rs. 19893/-)		
(b) The Akola Janta Comm.Co.Op.Bank Ltd. Rs. 0.32 Crores (P.Y.Rs.0.11 Crores) (Maximum balance outstanding during the year Rs.0.74 Crores P.Y.Rs. 0.32 Crores)		
	<u>28.16</u>	<u>24.82</u>
d Other Current Assets		
Interest Receivable	2.75	2.35
Export Incentive Receivable	<u>5.43</u>	<u>3.36</u>
	<u>8.18</u>	<u>5.71</u>
e Loans & Advances (Unsecured, Considered Good)		
Advances recoverable in cash or in kind or for value to be received	39.28	59.27
Advances for Goods & Expenses	2.07	1.43
Excise Balances	5.43	0.80
Tax Balances: (Advance Tax Less Provisions)	<u>0.24</u>	<u>0.23</u>
	<u>47.02</u>	<u>61.73</u>
SCHEDULE "I" CURRENT LIABILITIES		
Creditors for Capital Goods	3.78	0.76
Creditors for Goods & Expenses		
a. Micro, Small & Medium Enterprises (Refer Note 4 of Schedule U)	0.35	0.00
b. Others	<u>79.30</u>	<u>95.55</u>
Advance Received from Customers	2.27	1.40
Interest Accrued but not due	0.43	0.57
Bank Overdraft as per Books	0.01	0.07
Other Liabilities	14.31	14.09
Provision for Mark to Market loss on Outstanding Forward Contracts	9.49	73.57
Unclaimed Dividend (Not due for transfer to I.E & P Fund)	<u>2.58</u>	<u>1.87</u>
	<u>112.52</u>	<u>187.88</u>
SCHEDULE "J" PROVISIONS		
Interim Dividend (Including Dividend Distribution Tax Rs. Nil /- P.Y Rs.0.94 Crores)	0.00	6.48
Tax Balances: (Provisions Less Advance Tax)	6.06	3.59
Employee Benefits :	<u>0.68</u>	<u>0.46</u>
	<u>6.74</u>	<u>10.53</u>



SCHEDULES TO THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

Rupees in Crores

	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
SCHEDULE "K" SALES		
Export Sales [FOB Value Rs.412.92 Crores (P.Y.Rs 618.60 Crores)]	450.52	643.02
Domestic Sales	<u>966.37</u>	<u>967.89</u>
	<u>1,416.89</u>	<u>1,610.91</u>
SCHEDULE "L" OTHER INCOME		
OPERATIONAL		
Miscellaneous Income	1.19	3.08
Profit on Sale of Fixed Assets (Net)	<u>0.84</u>	<u>0.06</u>
	2.03	3.14
OTHER		
Dividend from Long Term Investments (Non Trade)	0.42	0.34
Dividend from Current Investments (Non Trade)	0.03	0.67
Profit on Sale of Current Investments (Non Trade)	0.34	0.21
Profit on Sale of Long Term Investments (Non Trade)	0.44	0.05
Interest Income on Bonds (TDS Rs.127188/- P.Y. Rs.33020/-)	0.71	0.02
Profit from Long Term Investments(Trade)	<u>2.16</u>	<u>0.00</u>
	<u>4.10</u>	<u>1.29</u>
	<u>6.13</u>	<u>4.43</u>
SCHEDULE "M" (INCREASE) / DECREASE IN STOCK		
Opening Stock :		
Work-in-Process	2.49	2.27
Finished Goods	<u>67.63</u>	<u>154.25</u>
	70.12	156.52
Less : Closing Stock :		
Work-in-Process	3.00	2.49
Finished Goods	<u>58.92</u>	<u>67.63</u>
	<u>61.92</u>	<u>70.12</u>
	<u>8.20</u>	<u>86.40</u>
SCHEDULE "N" MATERIALS CONSUMPTION		
Raw Materials		
Opening Stock :		284.60
Add : Purchases	<u>98.90</u>	<u>838.79</u>
	1,038.53	1,123.39
Less : Closing Stock	<u>180.14</u>	<u>98.89</u>
Raw Materials Consumption	858.39	1,024.50
Packing Materials		
Packing Materials Consumption	<u>33.57</u>	<u>27.54</u>
Total Material Consumption	<u>891.96</u>	<u>1,052.04</u>
SCHEDULE "O" MANUFACTURING EXPENSES		
Stores & Spares Consumed	9.49	13.45
Power,Electricity,Diesel,LDO & Fuel Expenses	68.11	74.99
Chemicals & Lub Oil Consumed	9.60	14.30
Repairs : Plant & Machinery	1.78	1.25
Building	0.18	0.39
Others	0.49	0.63
Insurance	0.57	0.91
Rent (Godown / Storage tank)	2.96	1.35
Other Manufacturing Expenses	<u>15.17</u>	<u>19.24</u>
	108.35	126.51
Less : Job work charges Recovered	<u>1.13</u>	<u>0.89</u>
	<u>107.22</u>	<u>125.62</u>



SCHEDULES TO THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

Rupees in Crores

	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
SCHEDULE "P" EMPLOYEES' COST		
Salary,Wages, Bonus, Gratuity & Leave encashment	30.13	26.05
Commission to Managing Directors	6.82	3.92
Contribution to Provident & Other Funds	1.43	1.27
Staff Welfare	1.06	0.83
	<u>39.44</u>	<u>32.07</u>
SCHEDULE "Q" ADMINISTRATIVE EXPENSES		
Conveyance & Travelling [Including Directors Travelling Rs.0.34 Crores (P.Y.Rs 0.46 Crores)]	1.58	1.71
Electricity	0.49	0.39
Vehicle Maintenance	1.25	1.27
Insurance	0.35	0.37
Printing, Stationery, Postage & Telephone	1.82	1.84
Legal & Professional	2.40	1.00
Rent	0.22	0.34
Rates & Taxes	0.39	0.26
Donations	0.26	0.25
Foreign Exchange Fluctuation	(0.02)	(0.19)
Payment to Auditors :		
For Audit	0.12	0.12
For Tax Audit	0.05	0.05
For Taxation Matter	0.03	0.02
For Others (Rs.20750/-)	0.00	0.02
General Administrative Charges	1.67	3.08
	<u>10.61</u>	<u>10.53</u>
SCHEDULE "R" SALES EXPENSES		
For Domestic Sales :		
Local Sales Expenses	13.60	10.78
Cash Discount	2.34	1.39
Commission & Brokerage	1.51	1.79
Rent (Godown / Warehouse)	0.21	0.30
Bad Debts Written Off	0.01	0.03
Provision for Bad and Doubtful Debts	0.19	0.00
	<u>17.86</u>	<u>14.29</u>
Sub Total (I)		
For Export Sales		
Exports Sales Expenses	28.04	48.51
Commission & Brokerage	2.35	3.13
Insurance	0.02	0.03
	<u>30.41</u>	<u>51.67</u>
	<u>48.27</u>	<u>65.96</u>
SCHEDULE "S" FINANCE & OTHER CHARGES (Net)		
Interest on Fixed Loans / Term Loan	0.83	1.19
Interest on Working Capital Loans	4.23	8.89
Interest on Others	0.20	0.27
Bank and Other Financial Charges	5.94	6.75
	<u>11.20</u>	<u>17.10</u>
LESS : Income		
Interest on Bank Deposits (Gross)	2.18	5.86
[TDS: Rs.0.24 Crores (P.Y.TDS Rs 1.27 Crores)]		
Interest from Others (Gross) (TDS Rs.0.02 Crores) (P.Y.TDS Rs 0.03 Crores)	0.28	0.24
	<u>2.46</u>	<u>6.10</u>
Net Finance Charges	<u>8.74</u>	<u>11.00</u>



SCHEDULE "T" SIGNIFICANT ACCOUNTING POLICIES:

A) ACCOUNTING CONVENTION:

The financial statements have been prepared in accordance with the accounting principles generally accepted in India (Indian GAAP) and comply with the Companies (Accounting Standards) Rules, 2006 issued by the Central Government and relevant provisions of Companies Act, 1956 and are based on the historical cost convention.

B) USE OF ESTIMATES:

Preparation of financial statements in conformity with the generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period.

Difference between the actual result and estimates, are recognised in the period in which the results are known/materialised.

C) REVENUE RECOGNITION:

i) SALES:

a) Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained.

b) Sales is inclusive of excise, export incentives/licenses, profit or loss on forward exchange contracts on sales and exclusive of VAT/sales tax and trade discount.

c) Excise duty paid for captive consumption of goods, where cenvat credit is not available, is shown as excise expense.

ii) DIVIDEND INCOME:

Dividend income from Investment is accounted for when the right to receive is established.

iii) EXPORT BENEFITS/INCENTIVES:

The benefits are accounted on the accrual basis.

D) FIXED ASSETS, DEPRECIATION AND EXPENDITURE DURING CONSTRUCTION PERIOD:

i) Fixed assets are stated at cost of acquisition & installation, net of cenvat and VAT credits availed, if any, less accumulated depreciation and impairment loss, if any. Borrowing costs incurred during the period of Construction/acquisition of assets is added to the cost of Fixed Assets. Major expenses on modification /alterations increasing efficiency/capacity of the plant are also capitalised.

a) Depreciation on fixed assets is provided on Straight Line Method at the rates and in the manner prescribed in Schedule XIV of the Companies Act 1956, (as amended).

b) Incremental cost arising on account of translation of foreign currency liabilities up to 31.03.2007 for acquisition of fixed assets, depreciation has been provided over the residual life of the respective assets.

c) In respect of major alterations/modifications forming an integral part of existing assets, depreciation is provided at the rate arrived on the basis of useful life of such assets after such alterations/modifications or at the rate prescribed under Schedule XIV, whichever is higher on the total value of such assets.

iii) IMPAIRMENT OF ASSETS

The carrying amount of assets is reviewed at each Balance Sheet date for any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of fixed assets exceeds its recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flows.

E) INVESTMENTS:

Investments are classified into current and long term investments. Long term investments are carried at cost. A provision for diminution in value of long term investments is made for each investment individually, if such decline is other than temporary. Current investments are stated at the lower of cost and fair value, computed categorywise.

F) INVENTORIES:

Inventories are valued as under:

i) RAW MATERIALS, PACKING MATERIALS AND STORES & SPARES.

Valued at lower of cost or net realizable value and for this purpose cost is determined on weighted average basis. Due provision for obsolescence is made.

ii) FINISHED GOODS & WORK IN PROGRESS

At cost or net realisable value, whichever is lower. Cost is determined on absorption basis. Due provision for obsolescence is made.

iii) BY PRODUCTS

At cost or net realisable value, whichever is lower.

G) EMPLOYEE BENEFITS:

a) Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated absences etc., and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

b) Post-Employment Benefits:

(i) Defined Contribution Plans:

State governed provident fund scheme and employees state insurance scheme are defined contribution plans. The contribution paid / payable under the schemes is recognised during the period in which the employees renders the related services.



(ii) **Defined Benefit Plans:**

The employee's gratuity fund scheme and compensated absences is Company's defined benefit plans.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government Securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains and losses are recognised immediately in the Profit and Loss account.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligations under the defined benefit plans, to recognise the obligation on net basis.

Gains or losses on the curtailment or settlement of any defined benefits plans are recognised when the curtailment or settlement occurs. Past service cost is recognised as expense on a straight-line basis over the average period until the benefits become vested.

c) **Long term employee benefits :**

The obligation for long term employee benefits such as long term compensated absences, is recognised in the same manner as in case of defined benefit plans as mentioned in b) (ii) above.

H) BORROWING COSTS:

Borrowing costs whether specific or general, utilized for acquisition, construction or production of qualifying assets are capitalised as part of cost of such assets till the activities necessary for its intended use are complete. General borrowing costs are capitalised at the weighted average of such borrowings outstanding during the year. All other borrowing costs are charged in statement of Profit & Loss of the year in which incurred.

I) TAXES ON INCOME:

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognised, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only if there is virtual certainty that sufficient future taxable income will be available against which such assets can be realised. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Such assets are reviewed at each Balance Sheet date to reassess realisation.

J) FOREIGN CURRENCY TRANSACTIONS:

- i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- ii) Monetary items denominated in foreign currency at the year end are translated at the exchange rates prevailing at the Balance Sheet date.
- iii) Premium or discount arising at the inception of the forward exchange contract is amortised as income or expense over the period of the contract. Any profit or loss arising in renewal or cancellation of forward exchange contracts is recognised as income or expense during the year.
- iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Account.

K) DERIVATIVE INSTRUMENTS AND HEDGE ACCOUNTING:

The Company uses foreign currency contracts and currency options to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecast transactions. The Company does not hold derivative financial instruments for speculative purposes. The Company has applied to such contracts the principles of recognition set out in the Accounting Standard (AS 30) on 'Financial Instruments – Recognition and Measurement'. Changes in the fair value of the contracts that are designated and effective as hedge is directly recorded in the Hedge Reserve Account and is recognized in the Statement of Profit and Loss in the same period or periods during which the hedged transaction affects profit and loss. Gains or losses on the ineffective transactions are recognized immediately in the Profit and Loss Account.

L) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions are recognised when the company has present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

Contingent Liabilities are disclosed by way of notes to financial statements.

Contingent Assets are neither recognised nor disclosed in the financial statements.

Provisions and contingent liabilities are reviewed at each Balance Sheet date.

M) CONTINGENCIES AND EVENTS OCCURRING AFTER THE BALANCE SHEET DATE:

All contingencies and events occurring after the Balance Sheet date which have a material effect on the financial position of the Company are considered for preparing the financial statements.

N) RESEARCH AND DEVELOPMENT EXPENSES:

Expenditure relating to capital items is debited to Fixed Assets and depreciated at applicable rates. Revenue expenditure is charged to Profit and Loss Account of the period in which they are incurred.

O) GOVERNMENT GRANTS:-

- i) The grants/subsidies received in the nature of promoters' contribution are treated as capital receipts and credited to Capital Reserve.
- ii) The grants /subsidies relating to specific fixed assets are shown as deduction from the cost of the respective assets concerned in arriving at its book value.
- iii) Grant in the form of revenue subsidy is treated as revenue receipt and credited to 'Other Income' in Profit and Loss Account.

P) EXCISE DUTY:

Finished Goods lying at factories have been valued at inclusive of Excise Duty. The claim of Cenvat for Excise Duty paid on inputs is accounted on the basis of claim. The Cenvat claim for Excise paid on capital goods is accounted when the claim is allowed.



SCHEDULE "U" NOTES TO FINANCIAL STATEMENTS:

(Rupees in Crores)

1. Contingent liabilities not provided for in respect of:

	PARTICULARS	As at 31st March, 2010	As at 31st March, 2009
(a)	Claims against the Company /disputed liabilities not acknowledged as debts	1.10	1.76
(b)	Disputed Excise duty, Sales Tax, Motor Spirit Tax, Income Tax Claims		
	i) Excise, Customs and Service Tax	4.74	7.24
	ii) Income Tax	3.60	3.60
	iii) Sales Tax , VAT, Entry Tax and Mandi Tax	1.76	6.02
	iv) Others	1.23	1.13
	TOTAL	11.33	17.99
(c)	Export obligation on duty free imports (Differential amount of custom duty in respect of machinery and inputs imported under EPCG and Advance License Scheme)	Nil	0.06
(d)	Corporate guarantee in favour of Bank on behalf of wholly owned subsidiary Gujarat Ambuja International Pte. Ltd. Outstanding against this as at 31st March	11.23 (US\$2.5Mn) Nil	12.68 (US\$2.5Mn) Nil

Note : Outflow in respect of 1 (a) and (b) disputes/contingencies is dependent upon final outcome of the disputes or ultimate agreement to resolve the differences.

2. In the opinion of the Board, Current Assets, Loans and Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.
3. Sales include realized gain of exchange on forward exchange contracts (Net of settlements) entered into primarily for hedging purpose Rs. 10.64 crores (P.Y. Loss Rs 48.59 crores (net)).

4. Micro, Small and Medium Enterprises:

- a) Under the Micro, Small and Medium Enterprises Development Act,2006 (MSMED) which came into force from October 2, 2006 certain disclosures are required to be made relating to Micro, Small and Medium Enterprises.

Sr. No.	Particulars	Amount
A	(i) Principal amount remaining unpaid at the end of the accounting year	0.35
	(ii) Interest due on above	-
B	The amount of interest paid by the Company in terms of section 16 of the MSMED, along with amount of payment made to the suppliers beyond the appointed date during the accounting year	-
C	The amount of interest accrued and remaining unpaid at the end of the financial year.	-
D	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding interest specified under the MSMED	-
E	The amount of further interest remaining due and payable in succeeding years, until such interest is actually paid.	-

- b) The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium Enterprises on the basis of information available with the Company.

5. There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

6. a) Managerial Remuneration:

PARTICULARS	2009-10	2008-09
Salary and Allowances	1.17	0.61
Contribution to PF & Other Funds (Rs. 35880/- P.Y. Rs. 34320/-)	0.00	0.00
Value of Perquisite (As per I.T.Valuation)	0.18	0.08
Commission	6.82	3.92
Total	8.17	4.61

Note: Managing Directors/Wholetime Directors are covered under the Company's Gratuity, Leave Encashment scheme along with the other employees of the Company. The gratuity and leave encashment liability for all employees is determined on the basis of an independent actuarial valuation and the specific amount of gratuity and leave encashment for Managing Directors and Wholetime Directors can not be ascertained separately and hence the same has not been included above.



b) Computation of net profits under section 349 of the Companies Act, 1956

		2009-10	2008-09
Net Profit Before Taxation		80.85	44.70
ADD:			
1	Depreciation (As per Accounts)	27.91	36.36
2	Directors' Remuneration	8.17	4.61
3	Directors' Fees (Sitting Fees)	0.04	0.04
Sub Total A		116.97	85.71
LESS:			
1	Depreciation under Section 350	27.91	36.36
2	Surplus on disposal of Fixed Assets (net)	0.84	0.06
3	Surplus on disposal of Investments (net)	2.94	0.26
Sub Total B		31.69	36.68
Net Profit as per Section 198 of the Companies Act, 1956 (A-B)		85.28	49.03
Maximum limit available for Managerial remuneration at 10%		8.53	4.90
Commission on net profit restricted to 8% (Previous Year 8%) to be shared between Managing Directors in the ratio as per Board approval.		6.82	3.92

Note: The total remuneration as stated at point no 6(a) above is within the maximum permissible limit under the Act.

7. Disclosure as per Accounting Standard 15 (Revised) Employee Benefits:

i) Defined Contribution Plans:

Amount of Rs.1.43 crores (Previous Year Rs.1.27 crores) is recognised as expense and included in Employee's Expenses in the Profit and Loss Account.

ii) Defined Benefit Plans:

(a) Changes in the Present Value of Obligation

Particulars	Gratuity Plan		Leave Encashment	
	2009-10	2008-09	2009-10	2008-09
Opening Defined Benefit Obligation	2.93	2.21	0.43	0.34
Service Cost	0.48	0.45	0.43	0.15
Interest Cost	0.24	0.17	0.03	0.03
Actuarial Losses (Gains)	(0.21)	0.32	(0.10)	(0.03)
Losses(Gains) on curtailments	0.00	0.00	0.00	0.00
Liabilities extinguished on settlements	0.00	0.00	0.00	0.00
Benefits Paid	(0.33)	(0.23)	(0.23)	(0.06)
Closing Defined Benefit Obligation as at 31st March	3.11	2.92	0.56	0.43

(b) Changes in the Fair Value of Plan Assets

Particulars	Gratuity Plan		Leave Encashment	
	2009-10	2008-09	2009-10	2008-09
Opening fair value of plan assets	2.68	2.25	0.49	0.25
Expected return	0.25	0.22	0.04	0.03
Actuarial gains and (Losses)	(0.01)	(0.02)	(0.01)	(0.01)
Assets distributed on settlements	0.00	0.00	0.00	0.00
Contribution by employer	0.24	0.46	0.20	0.28
Benefits paid	(0.33)	(0.23)	(0.23)	(0.06)
Closing balance of fair value of plan assets as at 31st March	2.83	2.68	0.49	0.49

(c) Amounts recognised in Balance Sheet

Particulars	Gratuity Plan		Leave Encashment	
	2009-10	2008-09	2009-10	2008-09
i) Present Value of Defined Benefit Obligation				
Funded	2.83	2.68	0.48	0.49
Less: Fair Value of Plan Assets	2.83	2.68	0.48	0.49
Unrecognised Past Service Costs	0.00	0.00	0.00	0.00
Amount to be recognised as liability /(asset)	0.28	0.24	0.08	(0.06)
ii) Amount Reflected in the Balance Sheet				
Liabilities	0.28	0.24	0.08	0.00
Assets	0.00	0.00	0.00	(0.06)
Net Liability/(Asset)	0.28	0.24	0.08	(0.06)



(d) Expenses recognised in Profit and Loss Account

Particulars	Gratuity Plan		Leave Encashment	
	2009-10	2008-09	2009-10	2008-09
1. Current Service Cost	0.48	0.45	0.43	0.15
2. Interest cost	0.24	0.18	0.03	0.03
3. Expected return on plan assets	(0.25)	(0.22)	(0.04)	(0.03)
4. Net Actuarial Losses/ (Gains) recognised in year	(0.20)	0.34	(0.08)	(0.02)
5. Past service cost	0.00	0.00	0.00	0.00
6. Losses /(Gains) on curtailments and settlement	0.00	0.00	0.00	0.00
Total Included in 'Employee's Benefit Expense'	0.27	0.74	0.33	0.13
7. Actual return on plan assets	0.24	0.20	0.03	0.02

(e) Category of Plan Assets

Particulars	Gratuity Plan		Leave Encashment	
	2009-10	2008-09	2009-10	2008-09
Government of India Securities	0 %	0 %	0 %	0 %
High quality corporate bonds	0 %	0 %	0 %	0 %
Equity shares of listed companies	0 %	0 %	0 %	0 %
Property	0 %	0 %	0 %	0 %
Insurance company	100%	100%	100%	100%

(f) Principle Actuarial Assumptions (expressed as weighted averages)

Particulars	Gratuity Plan		Leave Encashment	
	2009-10	2008-09	2009-10	2008-09
Discount rate	8.30%	7.91%	8.30%	7.91%
Expected return on plan assets	9.00%	9.00%	9.00%	9.00%
Annual increase in salary costs	7.00%	7.00%	7.00%	7.00%

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors, such as supply and demand in the employment market.

(g) Amount pertaining to Defined Benefits Plan

Particulars	Gratuity Plan		Leave Encashment	
	2009-10	2008-09	2009-10	2008-09
Defined Benefit Obligation	3.11	2.92	0.56	0.43
Plan assets	2.83	2.68	0.48	0.49
Surplus / (Deficit)	(0.28)	(0.24)	(0.08)	0.06

Notes:

- The Company provides retirement benefits in the form of Provident Fund, Gratuity and Leave Encashment. Provident fund contributions made to "Government Administrated Provident Fund" are treated as Defined Contribution Plan since the Company has no further obligations beyond its monthly contributions.
- Gratuity and Leave Encashment is treated as Defined Benefit Plan, and is administrated by making contributions to Group Gratuity Scheme of Life Insurance Corporation of India except in respect of leave encashment for workmen of Cotspin Unit, provision for which has been considered on actuarial valuation basis.
- Sick leave is considered as defined benefit plan and remains unfunded and provided on actuarial valuation basis.
- The Company expects to fund approximately Rs. 0.26 crores towards Gratuity plan and Rs. 1.57 crores towards Provident Fund plan during the year 2010-11.
- The information regarding experience adjustment on plan assets and liabilities are not ascertained and hence not furnished.
- The information regarding the experience history for the current year and past two years are furnished as under:

Particulars	Gratuity Plan			Leave Encashment		
	2009-10	2008-09	2007-08	2009-10	2008-09	2007-08
Defined Benefit Obligation as at closing date	3.11	2.93	2.21	0.56	0.43	0.34
Plan assets as at closing date	2.83	2.68	2.25	0.48	0.49	0.25
Funded Status	(0.28)	(0.24)	0.03	(0.08)	0.06	0.10



8. Related Party Transactions:

The disclosure in pursuance to Accounting Standard-18 on "Related Party disclosures" is as under:

(a) Name of Related Parties & Relationship

	Name	Relationship	Manner
(1)	Gujarat Ambuja International Pte.Ltd.Singapore	Subsidiary Company	100% Holding of Equity shares of the subsidiary
(2)	Vijaykumar Gupta	Managing Director (Key Managerial person)	Key Managerial person & person exercising more than 20% voting power.
(3)	Manishkumar Gupta	Managing Director (Key Managerial person)	Key Managerial person & Relative as Son of Mr Vijaykumar Gupta & Person exercising more than 20% voting power.
(4)	Sulochana Gupta	Relative of Key Managerial person	Relative as wife of Mr. Vijaykumar Gupta & mother of Mr. Manish Gupta and Mr. Mohit Gupta
(5)	Shilpa Gupta	Relative of Key Managerial person	Relative as wife of Mr. Manish Gupta
(6)	Mohit Gupta	Jt. Managing Director (Key Managerial Person)	Key Managerial person & Relative as son of Mr. Vijaykumar Gupta & Brother of Mr. Manish Gupta
(7)	P.G.Makhija	Executive Director (Key Managerial Person up to May 2009)	Key Managerial Person
(8)	Sandeep Agrawal	Executive Director (Key Managerial Person from August 2009)	Key Managerial Person
(9)	Siddharth Agrawal	Relative of Key Managerial person	Relative as brother of Mr. Sandeep Agrawal

b) Transactions during the year & Balances outstanding as at the year end with the Related Parties:

Transaction		Total	Subsidiary	Key Managerial Person	Relative of Key Managerial Person
(a)	Purchase of Goods	0.26	0.26	0.00	0.00
		(0.00)	(0.00)	(0.00)	(0.00)
(b)	Sale of Goods	2.33	2.33	0.00	0.00
		(1.59)	(1.59)	(0.00)	(0.00)
(c)	Reimbursement of Expenses (Received)	2.47	2.47	0.00	0.00
		(0.00)	(0.00)	(0.00)	(0.00)
(d)	i) Managerial Remuneration				
	Vijaykumar Gupta	3.53	0.00	3.53	0.00
		(2.00)	(0.00)	(2.00)	(0.00)
	Manishkumar Gupta	4.17	0.00	4.17	0.00
		(2.36)	(0.00)	(2.36)	(0.00)
	Others	0.47	0.00	0.47	0.00
		(0.25)	(0.00)	(0.25)	(0.00)
	ii) Managerial Remuneration				
	Siddharth Agrawal	0.05	0.00	0.00	0.05
		(0.00)	(0.00)	(0.00)	(0.00)
(e)	Services : Sitting Fees (Rs. 45000/-)	0.00	0.00	0.00	0.00
		(0.01)	(0.00)	(0.00)	(0.01)
(f)	Dividend paid				
	Vijaykumar Gupta	3.12	0.00	3.12	0.00
		(1.56)	(0.00)	(1.56)	(0.00)
	Manishkumar Gupta	2.72	0.00	2.72	0.00
		(1.35)	(0.00)	(1.35)	(0.00)
	Mohit Gupta	0.72	0.00	0.72	0.00
		(0.36)	(0.00)	(0.36)	(0.00)
	Others	0.49	0.00	0.00	0.49
		(0.24)	(0.00)	(0.00)	(0.24)
(g)	Rent Paid				
	Manishkumar Gupta	0.03	0.00	0.03	0.00
		(0.00)	(0.00)	(0.00)	(0.00)
(h)	Guarantee Commission income	0.06	0.06	0.00	0.00
		(0.00)	(0.00)	(0.00)	(0.00)
	Balance Outstanding as at 31.03.2010				
	Amount Receivable	0.22	0.22	0.00	0.00
		(0.00)	(0.00)	(0.00)	(0.00)

Note: No amount has been provided as doubtful debts or advances / written off or written back in respect of debts due from / to above parties. Figures in brackets relate to previous year.

9. As per clause 32 of the listing agreement, the disclosure related to Loans to subsidiary:

	2009-10	2008-09
Subsidiary Company Gujarat Ambuja International Pte.Ltd	Nil	Nil
Maximum amount due during the year	Nil	Nil



10. Earnings per Share (EPS): (On Equity Shares of Rs. 2/- each)

PARTICULARS	2009-10	2008-09
Net Profit as per Profit & Loss Account	60.02	23.58
No. of Weighted Average outstanding Equity Shares	138351875	138351875
Earning per Equity Share of Rs 2/- each (Basic & Diluted)	4.34	1.70

11. Operating Leases:

- i) The Company has taken various residential, office and godown premises under operating lease on leave and license agreements. These are generally not non cancelable and range between 11 months and 36 months under leave and license or longer for other leases and are renewable by mutual consent on mutually agreeable terms. The Company has given refundable interest free security deposits under certain agreements.
- ii) Lease payments are recognized as expense in the Profit & Loss statement on a straight line basis over the lease term under expense head 'Rent' amounting to Rs. 3.39 crores (Previous Year Rs. 1.99 crores.)
- iii) The future minimum estimated operating lease payments under non-cancelable operating lease:

PARTICULARS	As at 31-03-10	As at 31-03-09
Not later than one year	0.21	0.07
Later than one year but not later than 5 years	0.06	0.09

12. Disclosure of Derivative Instruments:

- a) Derivative contracts entered into by the company and outstanding as on 31st March, 2010:

- i) Particulars of derivative instruments acquired for hedging amount as under :

PARTICULARS	CURRENT YEAR		PREVIOUS YEAR	
	NOS.	AMOUNT	NOS.	AMOUNT
1. No of Buy USD (Mn) put Amount INR Crores	3	21.00 90.54	3	30.00 129.55
OR No of Sell USD (Mn) Call Amount INR Crores	3	42.00 181.09	3	60.00 259.10

- ii) All derivative and financial instruments acquired by the Company are for hedging.
- iii) Foreign currency exposure that are not hedged by derivative instruments as on 31st March, 2010;
USD 23,554,872 equal to Rs.105.78 Crores (Previous year USD 18,432,275 equal to Rs. 89.08 Crores)
Note: USD = US Dollar;
- b) For hedging Commodity Risks

2009-10				2008-09			
Sr No	Particulars	Soyabean Oil	Others	Sr No	Particulars	NYB Cotton	Others
1	Futures	540 MT	--	1	Futures	551.125 MT	3316 MT

13. Details of Investments Purchased and Sold during the year:

CURRENT INVESTMENTS (NON TRADE)

Name of Company	PURCHASE		SALES	
	Quantity	Amount	Quantity	Amount
A. Quoted Non Convertible Debentures				
LARSEN & TOUBRO FINANCE LTD NCD	56212	5.62	56212	5.68
TATA CAPITAL LTD	174	8.70	174	8.73
Total		14.32		14.40
B. Quoted Bonds				
TNEB POWER BONDS SERIES 3/2008-09	30	3.00	30	3.02
NABARD (BHAVISHYA NIRMAN BOND)	5244	4.90	5244	4.92
GOVT. OF INDIA BOND 8.33%GOI2036	650000	7.48	650000	7.55
11% PFC 2018	50	6.15	50	6.17
10.20% TATA STEEL 2015	35	3.52	35	3.53
9.24% INDIAN OVERSEAS BANK LTD 2021	10	1.11	10	1.11
10.40% TATA STEEL 2019	75	7.53	75	7.55
12% TAMIL NADU INDL. INV. COR. LTD	10000	1.14	10000	1.14
12% TOURISM FINANCE CORPN. OF INDIA	20000	2.28	20000	2.28
12% RAJASTHAN STATE ELECT. BOARD	250	2.83	250	2.83
11.25% PFC 2018	65	8.08	65	8.12
9.25% DENA BANK 2018	50	5.25	50	5.27
10.05% DENA BANK	35	3.82	35	3.83
8.80% CENTRAL BANK	30	3.01	30	3.01
11.15% UNION BANK 2018	5	0.56	5	0.56
10.15% PSEB 2019	6	0.67	6	0.67
Total		61.31		61.55
C. Un-Quoted Mutual Funds				
BIRLA SUNLIFE CASH PLUS	3702915	4.00	3702915	4.01
RELIANCE INFRASTRUCTURE FUND	195599	0.20	195599	0.22
ICICI PRUDENTIAL FLEXIBLE INCOME FUND	3784224	4.00	3784224	4.00
RELIANCE LIQUID FUND	3271844	5.00	3271844	5.00
Total		13.20		13.22



14. Additional Information pursuant to provisions of paragraph 3.4C & 4D of the part II of schedule VI to the Companies Act, 1956.

I. **CAPACITY WITH REGARD TO CLASS OF GOODS MANUFACTURED / POWER GENERATION UNIT**

(Installed capacity is certified by Management and relied upon by the Auditors)

	PARTICULARS	Unit	2009-10	2008-09
	Agro Processing Division			
A	Solvent Extraction Unit Installed Capacity	TPA	1320000	990000
B	Vanaspati Unit Installed Capacity	TPA	30000	30000
C	Refining of any kind of oil Installed Capacity	TPA	393000	360000
D	Maize based Starch, Seed Crushing Installed Capacity	TPA	355000	355000
E	Wheat Products Installed Capacity	TPA	112500	112500
	Cotton Yarn Division			
F	Cotton Spinning Unit - Ring Spun Yarn	TPD	44	44
	Windmill Division			
G	Power Generation Unit (Wind Mills)	MW	8.45	6.95

Note : (i) Licenced Capacity not indicated due to the abolition of industrial licences as per notification NO. S.O.477CE dated 25th July, 1991 & capacity registered with SIA & DGTD not being Licence is not indicated. (ii) The above capacity is as at the last date of the Accounting Year.

II. (a) **QUANTITATIVE INFORMATION:**

ITEM	Unit	Opening Stock Receipt		Production QTY.	Purchase consumption		Captive QTY.	Sales		Closing Stock	
		QTY.	AMT.		QTY.	AMT.		QTY.	AMT.	QTY.	AMT.
(A) AGRO PROCESSING DIVISION											
1. Food Products	M.T	14728 (22937)	47.19 (103.69)	169744 (148523)	34585 (23462)	132.64 (72.65)	2638 (1143)	203985 (179052)	677.15 (691.26)	12434 (14727)	44.10 (47.19)
2. Chemicals & Allied Products	M.T	5185 (3623)	7.05 (4.79)	137866 (103132)	0 (0)	0.00 (0.00)	80198 (55173)	62187 (46397)	101.08 (64.65)	666 (5185)	0.99 (7.05)
3. Extractions & Derivatives		7792 (23977)	10.91 (37.18)	187573 (341722)	40619 (53008)	58.59 (68.16)	940 (0)	228711 (410915)	426.05 (654.79)	6333 (7792)	9.04 (10.91)
(B) COTTON YARN DIVISION											
1. Cotton Yarn	M.T	213 (821)	2.19 (8.20)	12580 (13500)	20 (54)	0.26 (0.56)	0 (0)	12468 (14162)	151.82 (154.13)	345 (213)	3.85 (2.19)
2. Others (Cotton Waste)		0 (0)	0.29 (0.39)	0 (0)	0 (0)	0.00 (0.00)	0 (0)	0 (0)	45.72 (30.87)	0 (0)	0.94 (0.28)
(C) WINDMILL DIVISION											
1. Power Generation unit	Unit	0 (0)	0.00 (0.00)	12267440 (11235311)	0 (0)	0.00 (0.00)	0 (0)	12267440 (11235311)	6.74 (5.92)	0 (0)	0.00 (0.00)
Total			67.63			191.49			1408.56		58.92
Previous Year			(154.25)			(141.37)			(1601.62)		(67.63)

Note: 1. The figures of previous year are shown in brackets. 2. Actual production includes quantities for captive consumption. 3. Agro processing Division production does not include 18572 MT (Previous year 8925 MT) processed for outsiders.

II. (b) **MATERIALS CONSUMED:**

ITEMS	2009-10		2008-09	
	Qty. (M.T.)	Amount	Qty. (M.T.)	Amount
Agro Products	472374	744.22	577444	904.39
Cotton & Cotton Yarn	18137	114.17	18825	120.11
Total	490511	858.39	596269	1024.50

15. **Value of Imported and Indigenous Raw Material, Stores & Spares Consumed**

PARTICULARS	2009-10		2008-09	
	Amount	%	Amount	%
(A) RAW MATERIALS :				
Imported	117.28	13.66	181.01	17.67
Indigenous	741.11	86.34	843.49	82.33
Total	858.39	100.00	1024.50	100.00
(B) STORES, SPARES & COMPONENTS :				
Imported	0.87	9.19	4.61	34.27
Indigenous	8.62	90.81	8.84	65.73
Total	9.49	100.00	13.45	100.00

16. **Value of Imports on CIF basis during the year:**

PARTICULARS	2009-10 Amount	2008-09 Amount
Capital Goods	1.50	0.00
Raw Material & Trading Goods	273.82	181.02
Stores & Components	1.97	4.61

17. **Earnings in Foreign currency during the year:**

PARTICULARS	2009-10 Amount	2008-09 Amount
FOB Value of Export Sales	412.92	618.60



18. Expenditure in foreign currency during the year:

PARTICULARS	2009-10 Amount	2008-09 Amount
Consumables	5.15	30.28
Bank Charges, Foreign Travelling etc.	1.81	3.09
Overseas Commission	1.92	2.57
Membership fees, Books & Periodicals	0.04	0.03
Others	0.46	0.71

19. REMITTANCE IN FOREIGN CURRENCIES FOR DIVIDEND

The Company has made following remittances in foreign currency on account of dividend during the year.

Particulars	2009-10	2008-09	
Number of Non Resident Shareholders	470	489	NIL
Number of Equity Shares held by them	178710	187470	NIL
Gross Amount of Dividend (Rs in crores)	0.01	0.01	NIL
Year to which Dividend relates	2009-10 (Interim)	2008-09 (Interim)	2007-08 (Final Dividend)

Other than above, the Company has paid dividend to non resident shareholders in Indian rupees as per details below. The Company does not have any information about the subsequent remittance, if any, in foreign currencies made out of the said amount by/on behalf of these non resident shareholders.

Particulars	2009-10	2008-09	
Number of Non Resident Shareholders	830	827	1327
Number of Equity Shares held by them	469328	421098	642031
Gross Amount of Dividend (Rs in crores)	0.02	0.02	0.02
Year to which Dividend relates	2009-10 (Interim)	2008-09 (Interim)	2007-08 (Final Dividend)

20. Previous year figures have been restated wherever necessary to make them comparable with current year's figures.

21. Segment Information for the year ended 31st March 2010

As per Accounting Standard 21, the company has presented Consolidated Financial Statements. Accordingly Segment information as required under Accounting Standard 17 is included under the Notes to Consolidated Financial Statements.

22. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:

I. REGISTRATION DETAILS:

Regn. No 16151 of 1991-92 State Code: 04 Balance Sheet Date: 31.03.2010

II. CAPITAL RAISED DURING THE YEAR

Public Issue Nil Right Issue Nil
 Bonus Issue Nil Private Placement Nil

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

(Rs. In '000)

Total Liabilities	6495147	Total Assets	6495147
SOURCES OF FUNDS :			
Paid up Capital	276704	Reserves & Surplus	3925823
Secured Loans	1781769	Unsecured Loans	8511
Deferred tax Liability (Net)	502340		
APPLICATION OF FUNDS :			
Net Fixed Assets	3110447	Investment	408006
Net Current Assets	2976694	Misc. Expenditure	Nil
Accumulated Losses	Nil		

IV. PERFORMANCE OF THE COMPANY

Turnover and Other Income	14146958	Total Expenditure	13338442
Profit/Loss before tax	808516	Profit/Loss after Tax	600326
Earning per share in Rs.	4.34	Dividend Rate %	20%
		Dividend per Share	0.40

V. GENERIC NAMES OF THREE PRINCIPLE PRODUCTS/SERVICES OF COMPANY (AS PER MONETARY TERMS)

Item Code No (ITC CODE)	Product Description
150790.10	REFINED SOYABEAN OIL
110812.00	MAIZE STARCH
110100.00	WHEAT FLOUR
520523.10	COTTON YARN

FOR, KANTILAL PATEL & CO.
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

VIJAYKUMAR GUPTA
(CHAIRMAN & MANAGING DIRECTOR)

MANISH V.GUPTA
(MANAGING DIRECTOR)

RAJESH G SHAH
(PARTNER)
PLACE : AHMEDABAD
Date : JULY 28, 2010

N. GIRIDHAR
(V. P. FINANCE & ACCOUNTS)
PLACE : AHMEDABAD
Date : JULY 28, 2010

PARAS MEHTA
(COMPANY SECRETARY)



GUJARAT AMBUJA INTERNATIONAL PTE LTD (Incorporated in the Republic of Singapore)

DIRECTORS' REPORT

The directors submit their report to the member together with the audited financial statements of the Company for the year ended 31st March 2010.

1. DIRECTORS

The directors in office at the date of this report are: -

MANISH VIJAY KUMAR GUPTA
VIJAY KUMAR GUPTA
GUPTA SHILPA

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither during nor at the end of the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits through the acquisition of shares in, or debentures of the Company or any other body corporate.

3. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The following directors, who held office at the end of the financial year, had according to the register of directors' shareholdings required to be kept under section 164 of the Companies Act Cap 50, an interest in the holding company, Gujarat Ambuja Exports Ltd as stated below:

Name of directors	Number of shares @ INR per shares	
	At beginning of the year	At end of the year
MANISH VIJAY KUMAR GUPTA	33,971,493	34,064,993
VIJAY KUMAR GUPTA	39,023,083	39,023,083
GUPTA SHILPA	1,605,000	1,773,279

4. DIRECTOR'S CONTRACTUAL BENEFITS

During the year no director has received or become entitled to receive a benefit by reason of a contract made by the Company or by a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest other than those disclosed in the financial statements.

5. SHARE OPTIONS

No options were granted during the financial year to take up unissued shares of the Company. No shares were issued by virtue of the exercise of options. There were no unissued shares under option at the end of the financial year.

6. INDEPENDENT AUDITOR

The independent auditor, MGI N Rajan Associates, have expressed its willingness to accept re-appointment.

INDIA,
Date : JULY 01, 2010

On behalf of the Board of Directors,
(MANISH VIJAYKUMAR GUPTA) - Director
(SHILPA GUPTA) - Director

AUDITORS' REPORT

The Members of
Gujarat Ambuja International Pte. Ltd.

- We have performed the procedures as enumerated below with respect to translation and reformatting of the accompanying Balance Sheet of Gujarat Ambuja International Pte. Limited as at 31st March, 2010 the Profit and Loss Account and also the Cash Flow Statement of the Company for the period ended on the date. Our engagement was undertaken in accordance with the Auditing and Assurance Standard on Engagements to Perform Agreed-Upon Procedures regarding Financial Information, issued by the Institute of Chartered Accountants of India. In performing the procedures, we have relied upon the financial statements in US Dollar ('USD') originally audited by the Statutory Auditors of the Company.
- The financial statements in US Dollar ('USD') originally audited by the statutory auditors of the Company are for the year ended 31st March, 2010.
- The financial statements in Indian Rupee ('INR') currency have been prepared by the Company's management on the basis stated below and reformatted in accordance with the requirements of the Companies Act, 1956. The said financial statements have been approved by the Board of Directors.
 - All income and expenses at the average rate of exchange prevailing during the year.
 - Monetary assets and liabilities at the closing rate on the Balance Sheet date.
 - Non-Monetary assets and liabilities at the rates prevailing on the transaction date.
 - Share Capital at historical rate.
 - The resulting exchange difference in the Balance Sheet is accumulated in 'Foreign Currency Translation Reserve'.
- In relation to the financial statements prepared by the management, the following procedures were performed by us :
 - Reviewing the translation of the audited financial statements from USD into INR on the basis stated in the foregoing paragraphs; and
 - Reviewing the reformatting of the audited financial statements as per the requirements of The Companies Act, 1956.
- We report that the financial statements as audited in USD by the statutory auditors have been translated in INR on the basis stated in paragraph 3 above and such translated financial statements are presented in accordance with the requirements of the Companies Act, 1956.
- The above procedure does not constitute an audit and accordingly, we do not express any opinion on the financial statements.
- This report is issued solely for the purpose of consolidation by the holding company, Gujarat Ambuja Exports Limited and to comply with the provisions of the Companies Act, 1956.

For KANTILAL PATEL & CO.,
CHARTERED ACCOUNTANTS
Firm Registration No. 104744W
Rajesh G. Shah
Partner

Place : Ahmedabad
Date : July 28, 2010

Membership No.: 36782

STATEMENT BY DIRECTORS

We, MANISH VIJAY KUMAR GUPTA and GUPTA SHILPA, being the directors of GUJARAT AMBUJA INTERNATIONAL PTE LTD, do hereby state that, in the opinion of the directors:

- the accompanying balance sheet, statement of comprehensive income, statement of changes in equity and statement of cash flows together with the notes thereon are drawn up so as to give a true and fair view of the state of affairs of the Company for the year ended 31 MARCH 2010 and of the results and changes in equity and cash flows of the business of the Company for the year then ended; and
- at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board of Directors,
INDIA,
Date : JULY 01, 2010
(MANISH VIJAYKUMAR GUPTA) - Director
(SHILPA GUPTA) - Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

PARTICULARS	YR. ENDED 31.03.2010		YR. ENDED 31.03.2009	
	USD	RS.	USD	RS.
A. CASH FLOW FROM OPERATING ACTIVITIES:-				
NET PROFIT BEFORE TAX AND EXTRA-ORDINARY ITEMS,	147977	6988762	191569	8880986
ADJUSTMENTS FOR				
Depreciation	323	15255	378	17524
Interest Paid	36534	1725454	15550	720885
Interest Received	(3107)	(146740)	(4291)	(198927)
	33750	1593969	11637	539482
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES, ADJUSTMENTS FOR	181727	8582731	203206	9420468
Trade and other Receivables	(726939)	(32586029)	30929	1145541
Trade Payables	107611	4789814	3326	209603
	(619328)	27796215	34255	1355144
	(437601)	(19213484)	237461	10775612
CASH GENERATED FROM OPERATIONS				
CASH FLOW BEFORE EXTRAORDINARY ITEMS				
EXTRAORDINARY ITEMS :				
Tax Paid/(Received)	(19644)	(995394)	0	0
	(457245)	(20208878)	237461	10775612
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(57)	(2651)	(255)	(11218)
Interest Received	3107	146740	4291	198927
	3050	144089	4036	187709
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Borrowings	203600	9140622	0	0
Interest Paid	(36534)	(1725454)	(15550)	(720885)
	167066	7415168	(15550)	(720885)
D. OTHERS				
Adjustments - Reserves	0	(2620606)	0	3198680
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	(287129)	(15270227)	225947	13441116
Cash & Cash Equivalents as at (Opening Balance) 1st April	414184	20974361	188237	7533245
Cash & Cash Equivalents as at (Closing Balance) 31st March	127055	5704134	414184	20974361
	(287129)	(15270227)	225947	13441116
1 Cash and cash equivalents include :	As at 31.03.2010		As at 31.03.2009	
	USD	RS.	USD	RS.
Cash in hand(including cheques on hand)	55	2469	73	3697
With Scheduled Banks on :				
Current Accounts	11171	501522	301390	15262450
Short term Deposits (under lien with Bank)	115829	5200143	112721	5708214
	127055	5704134	414184	20974361
2 The above cash Flow statement has been prepared under the "Indirect Method" set out in Accounting standard (AS-3) on Cash Flow statement issued by Companies (Accounting Standard) Rules, 2006				
3 Corresponding figures of the previous year have been regrouped wherever necessary to confirm to current year's figures.				

As per our report of even date For KANTILAL PATEL & CO. CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors
VIJAYKUMAR GUPTA
(DIRECTOR)

RAJESH G. SHAH
(PARTNER)
Place : Ahmedabad
Date : JULY 28, 2010

MANISH GUPTA
(DIRECTOR)
Place : Ahmedabad
Date : JULY 28, 2010



GUJARAT AMBUJA INTERNATIONAL PTE LTD (Incorporated in the Republic of Singapore)

BALANCE SHEET AS AT 31st MARCH 2010

PARTICULARS	SCHE- DULE	AS AT 31.03.2010		AS AT 31.03.2009	
		USD	RS.	USD	RS.
(A) SOURCES OF FUNDS					
1 SHARE HOLDERS' FUND					
Share Capital	A	528695	19911340	528695	19911340
Reserves & Surplus	B	341054	18893480	205164	17251428
		<u>869749</u>	<u>38804820</u>	<u>733859</u>	<u>37162768</u>
2 LOAN FUNDS					
Secured Loans		203600	9140622	0	0
Unsecured Loans		0	0	0	0
		<u>203600</u>	<u>9140622</u>	<u>0</u>	<u>0</u>
3 DEFERRED TAX LIABILITY					
Deferred tax liability		0	0	0	0
Deferred tax assets		(-)0	(-)0	(-)0	(-)0
		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL-		<u>1073349</u>	<u>47945442</u>	<u>733859</u>	<u>37162768</u>
(B) APPLICATION OF FUNDS					
1 FIXED ASSETS					
Gross Block	C	17927	772225	17870	904940
Less : Depreciation		17802	767771	17479	885140
Net Block		<u>125</u>	<u>4454</u>	<u>391</u>	<u>19800</u>
Add : Capital work in Progress		0	0	0	0
		<u>125</u>	<u>4454</u>	<u>391</u>	<u>19800</u>
2 INVESTMENTS	D	337627	14916361	337627	17097499
3 CURRENT ASSETS, LOANS & ADVANCES					
Inventories	E	0	0	0	0
Sundry Debtors		442709	19875421	443	22434
Cash & Bank Balances		127055	5704134	414184	20974361
Loans & Advances		292915	13150419	8242	417377
Sub Total - (i)		<u>862679</u>	<u>38729974</u>	<u>422869</u>	<u>21414172</u>
Less : Current Liabilities	F	114814	5154575	7203	364761
Provisions	G	12268	550772	19825	1003942
Sub Total - (ii)		<u>127082</u>	<u>5705347</u>	<u>27028</u>	<u>1368703</u>
Net Current Assets (i - ii)		<u>735597</u>	<u>33024627</u>	<u>395841</u>	<u>20045469</u>
TOTAL-		<u>1073349</u>	<u>47945442</u>	<u>733859</u>	<u>37162768</u>

Significant Accounting Policies & Notes forming part of Accounts

N

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2010

PARTICULARS	SCHE- DULE	YR. ENDED 31.03.2010		YR. ENDED 31.03.2009	
		USD	RS.	USD	RS.
(A) INCOME					
Sales	H	5091026	240442540	4482459	207803213
Less : Excise Duty		0	0	0	0
Net Sales		<u>5091026</u>	<u>240442540</u>	<u>4482459</u>	<u>207803213</u>
Other Income	I	3600	170023	0	0
TOTAL - "A"		<u>5094626</u>	<u>240612563</u>	<u>4482459</u>	<u>207803213</u>
(B) EXPENDITURE					
Cost of Goods Sold	J	4775959	225562335	4134501	191672159
Employees' Cost	K	96188	4542833	92663	4295782
Administrative Expenses	L	40752	1924664	52089	2414804
Finance & Other Charges	M	33427	1578714	11259	521958
Depreciation		323	15255	378	17524
TOTAL - "B"		<u>4946649</u>	<u>233623801</u>	<u>4290890</u>	<u>198922227</u>
Profit before Tax (A-B)		<u>147977</u>	<u>6988762</u>	<u>191569</u>	<u>8880986</u>
Provision for Taxation					
- Current tax		12268	579402	16006	742025
- Short /(excess)Provision of Income Tax		(181)	(8548)	0	0
- Deferred tax		0	0	0	0
Profit after Tax		<u>135890</u>	<u>6417908</u>	<u>175563</u>	<u>8138961</u>
Add: Balance of Profit/(Loss) from Previous Year		205164	9286040	29601	1147079
Profit/(Loss) available for appropriation		<u>341054</u>	<u>15703948</u>	<u>205164</u>	<u>9286040</u>
APPROPRIATION					
Balance carried to Balance Sheet		341054	15703948	205164	9286040
TOTAL		<u>341054</u>	<u>15703948</u>	<u>205164</u>	<u>9286040</u>
Earning per Ordinary Share of S\$ 1/- each (Basic & Diluted) (in Rs.)			7.51		9.53
Significant Accounting Policies & Notes forming part of Accounts	N				

As per our report of even date

For KANTILAL PATEL & CO.
CHARTERED ACCOUNTANTS

RAJESH G.SHAH
(PARTNER)

Place : Ahmedabad
Date : JULY 28, 2010

For and on behalf of Board of Directors

VIJAYKUMAR GUPTA
(DIRECTOR)

MANISH GUPTA
(DIRECTOR)

Place : Ahmedabad
Date : JULY 28, 2010

As per our report of even date

For KANTILAL PATEL & CO.
CHARTERED ACCOUNTANTS

RAJESH G.SHAH
(PARTNER)

Place : Ahmedabad
Date : JULY 28, 2010

For and on behalf of Board of Directors

VIJAYKUMAR GUPTA
(DIRECTOR)

MANISH GUPTA
(DIRECTOR)

Place : Ahmedabad
Date : JULY 28, 2010



GUJARAT AMBUJA INTERNATIONAL PTE LTD (Incorporated in the Republic of Singapore)

SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2010

PARTICULARS	AS AT 31.03.2010		AS AT 31.03.2009	
	USD	RS.	USD	RS.
SCHEDULE "A" SHARE CAPITAL				
Authorised				
1000000 (P.Y.1000000) Ordinary shares of S\$ 1/- each converted in Indian Rupee at the Balance Sheet Date	1000000	23309600	1000000	23309600
	<u>1000000</u>	<u>23309600</u>	<u>1000000</u>	<u>23309600</u>
Issued,Subscribed and Paid Up Capital				
854212 (P.Y.854212) Ordinary Shares of S \$ 1/- each fully paid converted in Indian Rupees	528695	19911340	528695	19911340
	<u>528695</u>	<u>19911340</u>	<u>528695</u>	<u>19911340</u>

PARTICULARS	AS AT 31.03.2010		AS AT 31.03.2009	
	USD	RS.	USD	RS.
SCHEDULE "B" RESERVE & SURPLUS				
Translation Reserve				
As per last account	0	7965388	0	1284583
Less : Adjustment for Opening balance (Refer Note No.2 a (ii) 5)	0	-2186678	0	0
	<u>0</u>	<u>5778710</u>	<u>0</u>	<u>1284583</u>
Adjusted Opening Reserve	0	5778710	0	1284583
Add : Additions / Adjustments during the year	0	-2589178	0	6680805
	0	3189532	0	7965388
Profit and Loss Account	<u>341054</u>	<u>15703948</u>	<u>205164</u>	<u>9286040</u>
	<u>341054</u>	<u>18893480</u>	<u>205164</u>	<u>17251428</u>

SCHEDULE "C" FIXED ASSETS (AT COST)

Sr. No.	Particulars	Gross Block					Depreciation					Net Block	
		As At 01.04.09	Additions during the year	Deductions during the year	Exchange Impact on Translation	Total As At 31.03.10	As At 01.04.09	For the year	Deductions during the year	Exchange Impact on Translation	Total As At 31.03.10	As At 31.03.10	As At 31.03.09
1	Furniture & Fixtures	520784	0	0	59084	461700	509643	10343	0	58331	461655	45	11140
2	Office Equipments	384156	2559	0	43582	343133	375497	4912	0	42843	337566	5567	8660
	TOTAL :	904940	2559	0	102666	804833	885140	15255	0	101174	799221	5612	19800
	Previous year	704952	12913	0	-187075	904940	684382	17524	0	-183234	885140	19800	20570

PARTICULARS	AS AT 31.03.2010		AS AT 31.03.2009	
	USD	RS.	USD	RS.
SCHEDULE "D" INVESTMENTS				
UNQUOTED LONG TERM INVESTMENTS (AT COST) TRADE				
300000 (P.Y.300000) Equity Shares of INR Rs.10/- of Jupiter Corporate Services Ltd.	337627	14916361	337627	17097499
	<u>337627</u>	<u>14916361</u>	<u>337627</u>	<u>17097499</u>
SCHEDULE "E" CURRENT ASSETS, LOANS AND ADVANCES				
(A) Current Assets				
1 Inventories (As taken, Valued & Certified by the management)				
Finished Goods	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
2 Sundry Debtors (Unsecured, Considered Good)				
Outstanding for a period exceeding six months	0	0	0	0
Others	442709	19875421	443	22434
	<u>442709</u>	<u>19875421</u>	<u>443</u>	<u>22434</u>

PARTICULARS	AS AT 31.03.2010		AS AT 31.03.2009	
	USD	RS.	USD	RS.
SCHEDULE "E" CURRENT ASSETS, LOANS AND ADVANCES (Contd.)				
3 Cash & Bank Balances				
Cash on Hand	55	2469	73	3697
Balance with Banks	11171	501522	301390	15262450
(a) in Current account	115829	5200143	112721	5708214
(b) in Fixed Deposit account	127055	5704134	414184	20974361
	<u>127055</u>	<u>5704134</u>	<u>414184</u>	<u>20974361</u>
4 Loans & Advance (Unsecured, Considered Good)				
Advances recoverable from Holding Company	0	0	0	0
Advances recoverable in cash or in kind or for value to be received	292915	13150419	8242	417377
	<u>292915</u>	<u>13150419</u>	<u>8242</u>	<u>417377</u>
SCHEDULE "F" CURRENT LIABILITIES				
Creditors for Goods & Expenses & other Liabilities	114814	5154575	7203	364761
	<u>114814</u>	<u>5154575</u>	<u>7203</u>	<u>364761</u>
SCHEDULE "G" PROVISIONS FOR TAXATION				
Current Tax	12268	550772	19825	1003942
	<u>12268</u>	<u>550772</u>	<u>19825</u>	<u>1003942</u>

SCHEDULES TO THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

PARTICULARS	YR. ENDED 31.03.2010		YR. ENDED 31.03.2009	
	USD	RS.	USD	RS.
SCHEDULE "H" SALES				
Sales	5091026	240442540	4482459	207803213
	<u>5091026</u>	<u>240442540</u>	<u>4482459</u>	<u>207803213</u>
SCHEDULE "I" OTHER INCOME				
Miscellaneous Income	3600	170023	0	0
	<u>3600</u>	<u>170023</u>	<u>0</u>	<u>0</u>
SCHEDULE "J" COST OF GOODS SOLD				
Opening Stock				
Finished Goods	0	0	0	0
Add :				
Materials Purchased / acquired	4775959	225562335	4134501	191672159
	<u>4775959</u>	<u>225562335</u>	<u>4134501</u>	<u>191672159</u>
Less : Closing Stock				
Finished Goods	0	0	0	0
Total Cost of Goods Sold	<u>4775959</u>	<u>225562335</u>	<u>4134501</u>	<u>191672159</u>
SCHEDULE "K" EMPLOYEES COST				
Salary,Wages & Bonus	94265	4452013	88413	4098756
Contribution to Provident Fund & Other Funds	1873	88459	4227	195960
Employees Welfare	50	2361	23	1066
	<u>96188</u>	<u>4542833</u>	<u>92663</u>	<u>4295782</u>

PARTICULARS	YR. ENDED 31.03.2010		YR. ENDED 31.03.2009	
	USD	RS.	USD	RS.
SCHEDULE "L" ADMINISTRATIVE EXPENSES				
Conveyance & Travelling Expenses	6655	314307	1292	59896
Electricity Expenses	239	11288	302	14000
Insurance Expenses	200	9446	120	5563
Printing,Stationery,Postage & Telephone	2319	109523	3553	164714
Legal & Professional Expenses	2472	116749	823	38154
Rent	20018	945424	20802	964364
Foreign Exchange Fluctuation	1757	82981	98	4543
Payment to Auditors :				
For Audit Fees	2190	103431	1984	91977
General Administrative Charges	4902	231515	23115	1071593
	<u>40752</u>	<u>1924664</u>	<u>52089</u>	<u>2414804</u>
SCHEDULE "M" FINANCE & OTHER CHARGES				
Interest on Working Capital Loans	2727	128793	2398	111169
Bank and Other Financial Charges	33807	1596661	13152	609716
	<u>36534</u>	<u>1725454</u>	<u>15550</u>	<u>720885</u>
LESS : INCOME				
Interest on Bank Deposits	3107	146740	4291	198927
	<u>3107</u>	<u>146740</u>	<u>4291</u>	<u>198927</u>
Net Finance & Other Charges	<u>33427</u>	<u>1578714</u>	<u>11259</u>	<u>521958</u>



GUJARAT AMBUJA INTERNATIONAL PTE LTD (Incorporated in the Republic of Singapore)

SCHEDULE : N

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1) GENERAL INFORMATION

The financial statements of the company for the year ended 31 MARCH 2010 were authorised for issue in accordance with a resolution of the directors on the date of the Statement By Directors.

The Financial Statements of Gujarat Ambuja International Pte Ltd, for the accounting year 31st March 2010, being a company registered in the Republic of Singapore, are audited by MGI N RAJAN ASSOCIATES, Certified Public Accountants, Singapore.

The Financial Statements of Gujarat Ambuja International Pte Ltd. are duly converted in Indian Rupees, on the basis of aforesaid audited financial statements to comply with the requirements of Section 212 of the Companies Act, 1956.

The accounts have been prepared for the purpose of attachment to the accounts of the holding Company to comply with the Provisions of the Indian Companies Act, 1956

The principal activities of the company are to carry on the business of importers & exporters, Purchasing agents and representative for all general merchandise.

The company's registered office & principal place of business address is at 101 Cecil Street, # 11-11, Tong Eng Building, Singapore - 069533.

The Company had employed "1" (2009:1) employee as at 31 MARCH 2010.

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

(i) The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of the financial statements in conformity with FRS requires using of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current event and actions, actual results may ultimately differ from those estimates.

(ii) CONVERSION TO INDIAN RUPEES

The financial statements have been translated and presented in Indian Rupees for the limited purpose of complying with Section 212 of the Companies Act, 1956. The conversion of financial statements into Indian Rupee has been done on the basis of operations being non integral.

Hitherto the conversion of financial statements was done on the following basis.

- All income and expense items were converted at the average rate of exchange applicable for the year.
- All assets and liabilities were translated at the closing rate as on the Balance Sheet date and the exchange differences arising out of the same transferred to Exchange Reserve.
- Exchange difference on account of translation of Share Capital at the year end rate was transferred to Translation Reserve.
- Both Exchange Reserve & Translation Reserve were shown under the head 'Reserves & Surplus'. From the current year onwards, the conversion of financial statements into Indian Rupee is done on the following basis.

- All income and expenses items are converted at average rate of exchange applicable for the year.
- All monetary assets and liabilities are translated at the closing rate as on the Balance Sheet date.
- Non monetary assets and liabilities are reconverted at the rates prevailing on the date of transaction.
- Exchange differences arising out of the above translation is debited or credited to Foreign Currency Translation Reserve, which is shown under the head 'Reserves and Surplus'.
- Accordingly, Exchange Reserve & Translation Reserve which were shown separately earlier have been merged and shown as Foreign Currency Translation Reserve during the current year.

The above change has resulted in impact of Rs.21,86,678/-, which has been adjusted in the Opening Translation Reserve.

Further,

(a) Disclosure as per schedule VI of the Companies Act, 1956

The Balance Sheet and Profit and Loss account have been disclosed as per requirements of part I and Part II to Schedule VI of the Companies Act, 1956.

(b) The other disclosures made in this financial statements are as made in the audited financial statement as audited by the Auditors of the company as per the requirements of the Singapore Companies Act, Cap.50 and Singapore Financial Reporting Standards.

(iii) New Accounting Standards and FRS Interpretations

Certain new accounting standards, amendments and Interpretations to existing standards have been published that are mandatory for accounting periods beginning on or after 1 January 2009. The Company's assessment of the impact of adopting those standards, amendments and interpretations that are relevant to the Company is set out below:

The Company has adopted FRS 107 Financial Instruments: Disclosures and Amendments to FRS 1 presentation of Financial Statements-Capital Disclosures on 1 January 2009.

FRS 107 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including minimum disclosures about credit risk, liquidity risk and market risk (including sensitivity analysis to market risk). It replaces the disclosure requirements in FRS 32: Financial Instruments: Disclosure and Presentation. The amendment to FRS 1 introduces disclosures about the level of an entity's capital and how it manages capital.

The Company has assessed the impact of FRS 107 and the amendments to FRS 1 and concluded that the main additional disclosures will be the credit risks disclosures required by FRS 107, as well as the capital disclosures required by the amendment to FRS 1.

(iv) New Accounting Standards and FRS Interpretations not yet Adopted

The Company has not applied the following accounting standards which are relevant (including their consequential amendments) and interpretations that have been issued as of the balance sheet date but are not yet effective:

Reference	Description	Effective for annual periods beginning on or after
FRS 1	- Presentation of Financial Statements - Revised presentation	1 January 2009
FRS 23	- Borrowing costs	1 January 2009

b) Property, plant & equipment & depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses; if any.

Depreciation is calculated on the straight-line basis to write off the cost of these assets over their estimated useful lives as follows:-

Furniture and Fittings	33 %
Office Equipment	33 %

Full depreciation is provided in the year of the purchase and no depreciation is provided in the year of disposal.

c) Revenue recognition

Revenue from sale of goods is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customer which generally coincides with delivery and acceptance of the goods sold. Revenue from interest on fixed deposit is recognised on accrual basis.

d) Income taxes

The liability method of tax effect accounting is adopted by the company. Current taxation is provided at the current taxation rate based on the tax payable on the income for the financial year that is chargeable to tax.

Deferred taxation is provided at the current taxation rate on all temporary differences existing at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences (unless the deferred tax liability arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss).

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised (unless the deferred tax asset relating to the deductible temporary differences arises from goodwill or the initial recognition of an asset or liabilities in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.)

The statutory tax rates enacted the balance sheet date are used to determine deferred income tax.

e) Impairment of assets

The carrying amounts of the assets, other than inventories, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or cash-generating unit recoverable amount. All impairment losses are recognised in the profit and loss account. Recoverable amount is defined as the higher of value in use and net selling price.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

f) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in United States Dollars, which is the Company's functional and presentation currency.

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement, except for currency translation differences on net investment in foreign entities and borrowings and other currency instruments qualifying as net investment hedges for foreign operations in the consolidated financial statements.

Currency translation differences on monetary items, such as equity investments held at fair value through profit or loss, are reported as part of the fair value gain or loss. Currency translation differences on non-monetary items such as equity investments classified as available-for-sale financial assets, are included in the fair value reserve within equity.

g) Cash and cash equivalents

Cash and cash equivalents comprise cash balance and bank deposits.

h) Employment leave entitlement

Employment entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for leave as a result of services rendered by employees up to balance sheet date.

i) Receivables

Receivables are recognised and carried at cost, which is the original invoiced amount less provision for doubtful debts. The carrying value approximates the fair value of receivables. All known bad debts are written off and specific provision is made for those debts, which are considered to be doubtful.

j) Payables

Payables are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the company.

k) Employee benefits - Pension obligations

The company contributes to the Central Provident Fund ("CPF"), a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees. The company's contributions to CPF are charged to the profit and loss account in the period to which the contributions relate.

l) Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

m) Financial instruments

Financial instruments carried on the balance sheet include cash and cash equivalents, investments, trade receivables and payables, other payables and receivables, finance leases and borrowings. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Disclosures on financial risk management are provided in Note 7.

n) Share capital

Incremental external costs directly attributable to the issue of new shares, other than on a business combination, are shown in equity as a deduction, net of tax, from the proceeds. Share issue costs incurred directly in connection with a business combination are included in the cost of acquisition.

3. TAXATION

	2010 US\$	2010 Rs.	2009 US\$	2009 Rs.
Balance brought forward	19825	1003942	3819	152836
Overprovision for income tax	181	8548	0	0
Current year provision	12268	550772	16006	851106
Tax paid during the year	19644	995394	0	0
Total..	12268	550772	19825	1003942



The tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on company's profits as a result of the following:

	2010 US\$	2010 Rs.	2009 US\$	2009 Rs.
Profit before taxation	147977	6988762	191569	880986
Tax at statutory rate of 17% (2009 : 17%)	25156	1188085	32566	1509768
Others	(14)	(661)	0	0
Singapore statutory stepped income exemption	(12874)	(608022)	(16560)	-767743
Net income tax expenses/(benefit)	12268	579402	16006	742025

4. DEFERRED TAXATION

There are no elements of Deferred Tax Liability or Assets.

5. DUE TO A DIRECTOR

The non-trade amount due to a director is interest free, unsecured and without fixed repayment terms.

6. FIXED DEPOSIT

These are under lien to the bank for credit facilities availed. The effective interest rate is charged at 2.4%. The maturity date is September, 2010

7. FINANCIAL RISK MANAGEMENT

The company does not have any written financial risk management policies and guidelines. The company does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange. The company's exposure to financial risks associated with financial instruments held in the ordinary course of business include:

a) Price risk

i) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The company operates and sells its products/services in several countries other than Singapore and transacted in foreign currencies including United States Dollars and Euro Dollars. As a result, the company is exposed to movements in foreign currencies exchange rates.

However, the company does not use any financial derivatives such as foreign currency forward contracts, foreign currency options or swaps for hedging purposes.

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The company has no interest-bearing financial instruments, hence, is not exposed to any movements in market interest rates.

(iii) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

The company does not hold any quoted or marketable financial instrument, hence, is not exposed to any movements in market prices.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The company has no significant concentrations of credit risk.

Cash is held with financial institutions of good standing/ established financial institutions/ reputable financial institutions.

(c) Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The company ensures that there are adequate funds to meet all its obligations in a timely and cost-effective manner.

The company maintains sufficient level of cash and cash equivalents and has available adequate amount to meet its working capital requirements.

(d) Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount.

The company is not exposed to any cash flows risk as it does not have any monetary financial instruments with variable interest rates.

8. FINANCIAL INSTRUMENTS

Fair value

The carrying amounts of the financial assets and financial liabilities as reflected in the balance sheet approximate to their fair value. Information on the fair values of borrowing, interest rate and foreign currency exchange is included in Note 7.

9. RELATED PARTY DISCLOSURES

Other than the related party information disclosed elsewhere in the financial statements, the following are significant related party transactions entered into by the company with related parties at negotiated rates.

During the year the company has entered into transaction with a related party as shown below:-

	2010 US\$	2010 Rs.	2009 US\$	2009 Rs.
Purchases from holding company	500989	23661058	336000	15576691
Sales to holding Company	54432	2570753	0	0
Reimbursement of Bank Charges	12500	590359	0	0
Amount Payable	47594	2136710	0	0
Amount Payable to Director	61706	2770291	0	0

10. LEASE COMMITMENTS

At the balance sheet date, the company has lease commitments for renting of premises as follows:-

	2010 US\$	2010 Rs.	2009 US\$	2009 Rs.
Payable within 1 year	19803	935270	19591	908223
Payable after 1 year	3300	155855	22555	1045632

For KANTILAL PATEL & CO.
CHARTERED ACCOUNTANTS

RAJESH G. SHAH
(PARTNER)

Place : Ahmedabad
Date : JULY 28, 2010

For and on behalf of Board of Directors
VIJAYKUMAR GUPTA
(DIRECTOR)

MANISH GUPTA
(DIRECTOR)

Place : Ahmedabad
Date : JULY 28, 2010

For KANTILAL PATEL & CO.,
CHARTERED ACCOUNTANTS
Firm Registration No. 104744W

Rajesh G Shah

Place : Ahmedabad
Date : July 28, 2010

[Partner]
Membership No.: 36782

Consolidated Financial Statements

Gujarat Ambuja Exports Ltd. : Holding Company
Gujarat Ambuja International Pte. Ltd. : Subsidiary Company

AUDITORS' REPORT

The Board of Directors of Gujarat Ambuja Exports Ltd.:

On the Consolidated financial statements of Gujarat Ambuja Exports Ltd. and its subsidiary.

1 We have audited the attached Consolidated Balance Sheet of Gujarat Ambuja Exports Ltd. (the Company) and its subsidiary as at 31st March 2010, the Consolidated Profit & Loss and the consolidated Cash Flow statement for the year ended on that date. These consolidated financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

2 We have conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statement are prepared, in all material respects in accordance with an identified financial reporting frameworks and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinion.

3 We did not audit financial statements of a subsidiary, Gujarat Ambuja International Pte. Ltd., Singapore, whose financial statements reflect total assets (net) of Rs.4.82 crores as at 31st March,2010 and total revenues of Rs.24.06 crores and net cash flow of Rs. 1.53 crores for the year ended on that date as considered in the consolidated financial statements. These financial statements and other financial information of the subsidiary have been audited by other auditors whose report have been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of subsidiary, is based solely on the report of the other auditors.

4 We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, issued by The Institute of Chartered Accountants of India, and on the basis of the separate audited financial statements of the Company and its subsidiary included in the consolidated financial statements.

5 On the basis of the information and explanation given to us and on the consideration of the separate audit reports on individual audited financial statements of the Company and its aforesaid subsidiary, we are of the opinion that the said consolidated financial statements together with notes thereon, give true and fair view in conformity with the accounting principles generally accepted in India :

a. In the case of Consolidated Balance Sheet, of the state of affairs of the Company and its subsidiary as at 31st, March, 2010;

b. In the case of the Consolidated Profit and Loss Account, of the consolidated results of operations of the Company and its subsidiary for the year ended on that date;

And

c. In the case of Consolidated Cash Flow Statement, of the consolidated cash flows of the Company and its subsidiary for the year ended on that date.



CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2010

[Rupees in Crores]

PARTICULARS	SCHEDULE	AS AT 31.03.2010	AS AT 31.03.2009
(A) SOURCES OF FUNDS			
1 SHARE HOLDERS' FUNDS			
(a) Share Capital	A	27.67	27.67
(b) Reserves & Surplus	B	<u>394.49</u>	<u>76.30</u>
		422.16	303.97
2 LOAN FUNDS			
(a) Secured Loans	C	179.09	90.62
(b) Unsecured Loans	D	<u>0.85</u>	<u>0.77</u>
		179.94	91.39
3 DEFERRED TAX LIABILITY			
(a) Deferred tax Liability	E	50.35	43.50
(b) Deferred tax Asset		<u>(0.11)</u>	<u>(0.35)</u>
		50.24	43.15
TOTAL-		<u>652.34</u>	<u>438.51</u>
(B) APPLICATION OF FUNDS			
1 FIXED ASSETS			
Gross Block	F	538.25	467.53
Less : Depreciation		<u>241.19</u>	<u>224.11</u>
Net Block		<u>297.06</u>	<u>243.42</u>
Add : Capital work in Progress and Advance for Capital Expenditure		13.99	5.33
Add : Goodwill on Consolidation		<u>0.07</u>	<u>0.07</u>
		311.12	248.82
2 INVESTMENTS			
	G	40.26	31.54
3 CURRENT ASSETS, LOANS & ADVANCES			
(a) Inventories	H	260.96	199.38
(b) Sundry Debtors		74.38	62.91
(c) Cash & Bank Balances		28.73	26.92
(d) Other Current Assets		8.18	5.71
(e) Loans & Advances		<u>48.33</u>	<u>61.77</u>
Sub Total - (i)		<u>420.58</u>	<u>356.69</u>
LESS: CURRENT LIABILITIES & PROVISIONS			
(a) Current Liabilities	I	112.82	187.92
(b) Provisions	J	<u>6.80</u>	<u>10.62</u>
Sub Total - (ii)		<u>119.62</u>	<u>198.54</u>
Net Current Assets (i - ii)		300.96	158.15
TOTAL-		<u>652.34</u>	<u>438.51</u>
Significant Accounting Policies	T		
Notes to Financial Statements	U		

This is the Balance Sheet referred to in our report of even date

FOR, KANTILAL PATEL & CO.
CHARTERED ACCOUNTANTS

RAJESH G SHAH
(PARTNER)

PLACE : AHMEDABAD
Date : JULY 28, 2010

For and on behalf of the Board of Directors

VIJAYKUMAR GUPTA
(CHAIRMAN & MANAGING DIRECTOR)

N. GIRIDHAR
(V. P. FINANCE & ACCOUNTS)

PLACE : AHMEDABAD
Date : JULY 28, 2010

MANISH V. GUPTA
(MANAGING DIRECTOR)

PARAS MEHTA
(COMPANY SECRETARY)



CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2010

[Rupees in Crores]

PARTICULARS	SCHEDULE	FOR THE YEAR ENDED 31.03.2010	FOR THE YEAR ENDED 31.03.2009
(A) INCOME			
Sales (Gross)	K	1438.35	1630.01
Less : Excise Duty		8.33	9.29
Net Sales		1430.02	1620.72
Other Income	L	6.09	4.43
TOTAL - "A"		1436.11	1625.15
(B) EXPENDITURE			
(Increase) / Decrease in Stock	M	8.20	86.40
Material Consumption	N	912.15	1052.04
Purchase of Trading Goods		191.23	158.98
Manufacturing Expenses	O	107.22	125.62
Employees' Cost	P	39.89	32.50
Administrative Expenses	Q	10.80	10.78
Sales Expenses	R	48.27	65.97
Finance & Other Charges (Net)	S	8.84	11.05
Depreciation		27.91	36.36
TOTAL - "B"		1354.51	1579.70
Profit before Tax (A-B)		81.60	45.45
Add : Prior Period items (Net)		0.02	0.10
Add : Excess Provision of Deprecation for Earlier Years written back		9.15	0.00
Less : Provision for Taxation			
- Current tax		23.05	18.88
- Deferred tax (credit) / charge		7.09	(5.43)
- Fringe Benefit Tax		0.00	0.24
Less : Short Provision of Tax for Earlier Years		0.00	7.61
Add : Excess Provision of Tax for Earlier Years written back		0.09	0.00
Profit after Tax		60.72	24.25
Add: Balance of Profit from Previous Year		191.49	175.51
Profit available for appropriation		252.21	199.76
APPROPRIATION			
Transferred to General Reserve		4.55	1.80
Interim Dividend		5.53	5.53
Dividend Distribution Tax on Interim Dividend		0.94	0.94
Balance carried to Balance Sheet		241.19	191.49
TOTAL		252.21	199.76
Significant Accounting Policies	T		
Notes to Financial Statements	U		
Earnings per Equity Share of Rs.2/- each (Basic & Diluted) (Refer note 7 of Schedule "U")		4.39	1.75

This is the Profit & Loss Account referred to in our report of even date

For and on behalf of the Board of Directors

FOR, KANTILAL PATEL & CO.
CHARTERED ACCOUNTANTS

VIJAYKUMAR GUPTA
(CHAIRMAN & MANAGING DIRECTOR)

MANISH V.GUPTA
(MANAGING DIRECTOR)

RAJESH G SHAH
(PARTNER)

N. GIRIDHAR
(V. P. FINANCE & ACCOUNTS)

PARAS MEHTA
(COMPANY SECRETARY)

PLACE : AHMEDABAD
Date : JULY 28, 2010

PLACE : AHMEDABAD
Date : JULY 28, 2010



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2010 [Rupees in Crores]

PARTICULARS	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
A. CASH FLOW FROM OPERATING ACTIVITIES:-		
NET PROFIT BEFORE TAX AND EXTRA-ORDINARY ITEMS	81.60	45.45
ADJUSTMENTS FOR..		
Depreciation	27.91	36.36
Loss on Exceptional Item	0.00	0.00
Income From Dividend	(0.45)	(1.01)
(Profi)/Loss on Sale of Asset	(0.84)	(0.05)
Profit on Sale of Investments (Net)	(2.93)	(0.26)
Finance and other charges	11.37	17.17
Interest income	(3.19)	(6.14)
Prior period item	0.01	0.00
Interest income	0.19	0.00
	32.07	46.07
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	113.67	91.52
ADJUSTMENTS FOR		
Trade and other Receivables	(0.51)	21.39
Inventories	(61.58)	261.90
Trade Payables and Liabilities	(14.16)	11.57
Transitional Liability for Gratuity and Leave Encashment	0.00	0.00
	(76.25)	294.86
CASH GENERATED FROM OPERATIONS	37.42	386.38
CASH FLOW BEFORE EXTRAORDINARY ITEMS		
EXTRAORDINARY ITEMS :		
Direct taxes (paid/adjusted)	(20.55)	(42.09)
NET CASH FROM OPERATING ACTIVITIES [A]	16.87	344.29
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(78.36)	(20.36)
Sale of Fixed Assets	1.16	0.83
Purchase of Investments	(112.17)	(86.44)
Sale of Investments	106.21	81.85
Interest Received	2.80	10.55
Dividend Received	0.45	1.01
	(79.91)	(12.56)
NET CASH GENERATED IN INVESTING ACTIVITIES [B]		
C. CASH FLOW FROM FINANCING ACTIVITIES		
Buyback of shares	0.00	0.00
Proceeds from Borrowings	93.47	0.00
Repayment of Borrowings	(5.00)	(423.34)
Proceeds from Unsecured Loans	0.12	0.00
Repayment of Unsecured Loans	(0.05)	(0.37)
Capital Subsidy Received	0.38	0.38
Finance and other charges	(11.52)	(18.65)
Dividend and tax thereon paid	(12.24)	(5.52)
	65.16	(447.50)
NET CASH USED IN FINANCING ACTIVITIES [C]		
D. OTHERS		
Consolidation Adjustments	(0.30)	0.45
	1.82	(115.32)
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS [A+B+C+D]		
Cash and Cash Equivalents at beginning of period	26.91	142.23
Cash and Cash Equivalents at the end of period	28.73	26.91
Net Increase/ (Decrease) in Cash and Cash Equivalents	1.82	(115.32)
Major components of Cash and Cash Equivalents as at		
Cash in hand(including cheques on hand)	<u>31.03.2010</u> 0.54	<u>31.03.2009</u> 0.48
With Scheduled Banks on :		
Current Accounts	7.00	6.00
Short term Deposits - Lien	17.16	13.40
- Lien free	4.03	7.03
Total (Refer Schedule H (c))	28.73	26.91

1 The above Cash Flow has been prepared under Indirect Method set out in AS 3, issued by The Institute of Chartered Accountants of India.
2 Previous year figures have been restated wherever necessary to make them comparable with current year figures.

This is the Cashflow Statement referred to in our report of even date

For and on behalf of the Board of Directors

FOR, KANTILAL PATEL & CO.
CHARTERED ACCOUNTANTS

VIJAYKUMAR GUPTA
(CHAIRMAN & MANAGING DIRECTOR)

MANISH V.GUPTA
(MANAGING DIRECTOR)

RAJESH G SHAH
(PARTNER)

N. GIRIDHAR
(V. P. FINANCE & ACCOUNTS)

PARAS MEHTA
(COMPANY SECRETARY)

PLACE : AHMEDABAD
Date : JULY 28, 2010

PLACE : AHMEDABAD
Date : JULY 28, 2010



SCHEDULES TO THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

Rs. in Crores

	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE "A" SHARE CAPITAL		
Authorised		
250000000(P.Y.250000000) Equity shares of Rs.2/- each	50.00	50.00
	50.00	50.00
Issued,Subscribed and Paid Up Capital		
138351875 (P.Y.138351875) Equity Share of Rs.2/- each	27.67	27.67
Notes:		
i. Includes 31500000 (P.Y.31500000) Equity shares of Rs.2/- each issued at a premium of Rs.0.20 per share on conversion of Optionally Convertible Unsecured Debentures		
ii. Includes 82188910 (P.Y.82188910) Equity shares of Rs.2/- each fully paid allotted on 30.4.99 in exchange of shares on amalgamation for consideration other than cash.		
iii. Includes 31085420 (P.Y.31085420) Equity shares of Rs.2/- each reduced as per Scheme of arrangement approved by Honourable Gujarat High Court order dated 17th February 2003.		
iv. Includes 20490000 (P.Y.20490000) Equity Shares of Rs.2/- each fully paid, allotted on 31.1.2004 in exchange of shares on amalgamation for consideration other than cash. Explanation to Notes : Till 16th January 2006, the Company's paid up Capital was made up of Equity Shares of Rs. 10/- each which was then split into Equity Shares of Rs.2/- each. In the above notes the number of shares and premium is restated as related to Equity shares of Rs. 2/- each.		
v. Includes 966615 (P.Y. 966615) Equity Shares of Rs.2/- each bought back and extinguished pursuant to Scheme of Buy-back from open market through stock exchange route which closed on 15.01.2008		
	27.67	27.67
SCHEDULE "B" RESERVES & SURPLUS		
General Reserve		
Balance as per last Balance Sheet	149.25	147.45
Add : Transferred from Profit & Loss Account	4.55	1.80
	153.80	149.25
Hedge Reserve		
Balance as per last Balance Sheet	(73.57)	0.00
Add / (Less) : During the year	64.07	(73.57)
	(9.50)	(73.57)
Capital Subsidy		
Balance as per last Balance Sheet (refer accounting policy"O" of Schedule "T"of standalone statements)	0.87	0.50
Add : Subsidy Received During the Year	0.37	0.37
	1.24	0.87
Amalgamation Reserve Account		
Balance as per last Balance Sheet	0.02	0.02
Foreign Currency Translation Reserve		
Opening Balance	0.94	0.13
Add: Additions/adjustments during the year	(0.50)	0.81
	0.44	0.94
Securities Premium Account		
Balance as per last Balance Sheet	0.89	0.89
Capital Redemption Reserve		
Balance as per last Balance Sheet	6.41	6.41
Surplus as per Profit and Loss Account		
	241.19	191.49
	394.49	276.30
SCHEDULE "C" SECURED LOANS		
(A) Term Loans		
(I) from Indian Renewable Energy Development Agency, New Delhi (Secured by hypothecation of Wind Mills, Mortgage of related land & personal guarantee of Two promoter Directors.) (Principal repayable within one year Rs.0.67 Crores (P.Y. Rs.0.67 Crores)	1.50	2.16
(II) from Bank of India, under TUF scheme (Secured by hypothecation of specific movable Plant & Machinery & personal guarantee of three promoter Directors.) (Principal repayable within one year Rs. 6.50 Crores (P.Y. Rs.5.00 Crores)	12.33	13.75
	13.83	15.91
(B) Other Loans - Working Capital		
- From Banks (Secured by a hypothecation of current assets & certain tangible movable plant & machinery and joint equitable mortgage of certain immovable fixed assets of the Company , personal guarantee of three promoter directors and lien on certain Fixed Deposits of the company.)	165.26	74.71
	179.09	90.62
SCHEDULE "D" UNSECURED LOANS		
Dealers' & Distributors' Deposits	0.85	0.77
	0.85	0.77



SCHEDULES TO THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

Rs. in Crores

	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE "E" DEFERRED TAX		
Deferred tax Liabilities		
Depreciation	50.35	43.50
	50.35	43.50
Deferred tax Assets		
Provisions- 43 B items	(0.05)	(0.35)
Provision for Doubtful Debts	(0.06)	0.00
Net Deferred Tax Liability	50.24	43.15

SCHEDULE "F" FIXED ASSETS (AT COST)

SR No.	PARTICULARS	Gross Block				Depreciation				Net Block		
		As at 01.04.2009	Additions During the year	Deductions During the year	As at 31.03.2010	As at 01.04.2009	For the year	Adjustment (See Note No.4 below)	Deductions during the year	As at 31.03.2010	As at 31.03.2010	As at 31.03.2009
	Tangible Assets											
1	Free Hold Land	4.35	0.55	0.00	4.90	0.00	0.00	0.00	0.00	0.00	4.90	4.35
2	Lease Hold Land	5.91	3.18	0.05	9.04	0.08	0.09	-0.03	0.00	0.14	8.90	5.83
3	Building	82.59	7.08	0.09	89.58	24.02	2.53	-0.66	0.00	25.89	63.69	58.57
4	Plant & Machinery	328.57	52.02	1.69	378.90	188.08	22.15	-7.94	1.61	200.68	178.22	140.49
5	Wind Mill	31.98	8.63	0.00	40.61	4.83	1.93	0.00	0.00	6.76	33.85	27.15
6	Vehicles	6.16	0.53	0.11	6.58	2.47	0.52	-0.13	0.06	2.80	3.78	3.69
7	Furniture & Fixtures	2.62	0.08	0.01	2.69	1.94	0.11	-0.39	0.01	1.65	1.04	0.68
8	Office Equipments	3.87	0.55	0.00	4.42	1.94	0.38	0.00	0.00	2.32	2.10	1.93
	Intangible Assets											
1	Trade Mark	0.50	0.00	0.00	0.50	0.45	0.03	0.00	0.00	0.48	0.02	0.05
2	Computer Software (SAP)	0.98	0.05	0.00	1.03	0.30	0.17	0.00	0.00	0.47	0.56	0.68
	TOTAL :	467.53	72.67	1.95	538.25	224.11	27.91	-9.15	1.68	241.19	297.06	243.42
	Previous year	450.08	18.73	1.28	467.53	188.26	36.36	0.00	0.51	224.11	243.42	261.82
	CAPITAL WORK IN PROGRESS	0.10	5.17	0.10	5.17	0.00	0.00	0.00	0.00	0.00	5.17	0.10
	CAPITAL ADVANCE	5.23	7.57	3.98	8.82	0.00	0.00	0.00	0.00	0.00	8.82	5.23
	TOTAL :	5.33	12.74	4.08	13.99	0.00	0.00	0.00	0.00	0.00	13.99	5.33
	Previous year	5.48	9.63	9.78	5.33	0.00	0.00	0.00	0.00	0.00	5.33	5.48

- Estimated amount of capital contracts (net) pending to be executed Rs.24.15 Crores (P Y Rs. 32.52 Crores.)
- Capital Subsidy received in respect of specific assets has been deducted from the cost of the assets and depreciation charged accordingly.
- Opening Balance of Tangible Assets have been reclassified wherever necessary.
- During the year the details of Asset Register which were maintained manually have been migrated to SAP ERP System. The depreciation for each item of asset has been calculated from the date of inception under the SAP system applying relevant rates of depreciation for respective years keeping 5% residual value, which has resulted in excess provision of depreciation (Net) for earlier years amounting to Rs.9.15 Crores now written back.

	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE "G" INVESTMENTS (AT COST)		
I (LONG TERM INVESTMENTS) (NON TRADE)		
(i) QUOTED (IN EQUITY SHARES)		
300	[P.Y. 300] ACC Limited of Rs.10/- each fully paid up.	0.02
20	[P.Y. 10] Adani Enterprises Ltd.of Rs.1/- each fully paid up. (Rs.594/-(P.Y.Rs.594/-)) (Includes 10 Shares received as Bonus Shares during the year.)	0.00
50380	[P.Y. 50380] Ambuja Cement Ltd.of Rs.2/- each fully paid up.	0.62
20302	[P.Y.20302] Andhra Bank of Rs. 10 /- each fully paid up	0.18
25	[P.Y. 25] Arvind Mills Ltd.of Rs.10/- each fully paid up.(Rs.261/-(P.Y.Rs.261/-))	0.00
80000	[P.Y. 100000] Ashok Leyland Ltd. of Rs.1/- each fully paid up.	0.29
20000	[P.Y. 24735] Central Bank of India of Rs.10/- each fully paid up.	0.16
3391	[P.Y. 3391] Edelweiss Capital Ltd. of Rs.5/- each fully paid up.	0.28
4992	[P.Y. 4992] Firstsource Solutions Ltd. of Rs 10/- each fully paid up.	0.03
35290	[P.Y. 35290] Gateway Distriparks Ltd. of Rs.10/- each fully paid up.	0.30



SCHEDULES TO THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

Rs. in Crores

	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE "G" INVESTMENTS (AT COST) Contd...		
5400 [P.Y. 5400] Gujarat Alkalies & Chemicals Ltd .of Rs.10/- each fully paid up.	0.08	0.08
52631 [P.Y.62631] Guj. State Petronet Ltd. of Rs.10/- each fully paid up.	0.14	0.17
10000 [P.Y.10000] Hindalco Industries Ltd. of Rs.1/- each fully paid up.	0.19	0.19
39897 [P.Y.39897] Hotel Leela Venture Ltd. of Rs.2/- each fully paid up.	0.17	0.17
5426 [P.Y.5426] ICICI Bank Ltd. of Rs.10/- each fully paid up.	0.50	0.50
203965 [P.Y.203965] IDEA Cellular Ltd.of Rs.10/- each fully paid up.	1.53	1.53
10000 [P.Y. 10000] I D F C Ltd. of Rs.10/- each fully paid up.	0.22	0.22
2000 [P.Y. 2000] Larsen & Toubro Ltd. of Rs.2/- each fully paid up.	0.28	0.28
5 [P.Y. 5] Maral Overseas Ltd. of Rs.10/- each fully paid up. (Rs.116/- (P.Y.Rs.116/-))	0.00	0.00
114822 [P.Y. 114822] Meghmani Organics Ltd. of Rs.1/- each fully paid up.	0.22	0.22
256891 [P.Y. Nil] National Hydro Power Corporation Ltd. of Rs. 10/- each fully paid up.	0.92	0.00
231000 [P.Y. Nil] National Mineral Development Corp Ltd. of Rs. 1/- each fully paid up.	6.93	0.00
77770 [P.Y. 77770] NTPC Ltd. of Rs.10/- each fully paid up.	1.13	1.13
23100 [P.Y. 41100] Oil & Natural Gas Corp.Ltd. of Rs.10/- each fully paid up.	2.29	4.06
5583 [P.Y. 5583] Omaxe Ltd. of Rs.10/- each fully paid up.	0.17	0.17
351700 [P.Y. 351700] Petronet LNG Ltd. of Rs.10/- each fully paid up.	2.60	2.60
9539 [P.Y. 9539] Power Finance Corp Ltd. of Rs.10/- each fully paid up.	0.08	0.08
254559 [P.Y. 254559] Power Grid Corporation of India Ltd. of Rs.10/- each fully paid up.	1.33	1.33
100 [P.Y. 100] Riddhi Siddhi Gluco Byols Ltd. of Rs.10/- each fully paid up. (Rs.1075/- (P.Y. Rs.1075/-))	0.00	0.00
15000 [P.Y. 15000] Shipping Corporation of India Ltd. of Rs.10/- each fully paid up.	0.21	0.21
24600 [P.Y. 24600] Steel Authority of India Ltd .of Rs.10/- each fully paid up.	0.51	0.51
1500 [P.Y.1500] The Sukhjit Starch & Chemicals Ltd. of Rs.10/- each fully paid up.	0.02	0.02
3500 [P.Y. 7000] Tata Motors Ltd. of Rs.10/- each fully paid up.	0.22	0.44
2067 [P.Y. 4037] Tata Steel Ltd. of Rs.10/- each fully paid up.	0.05	0.10
40000 [P.Y. 40000] Tata Teleservices Maharashtra Ltd. of Rs.10/- each fully paid up.	0.13	0.13
(ii) QUOTED (IN PREFERENCE SHARES)		
Nil [P.Y. 182] CCPS of Tata Steel Ltd. of Rs.10/- each fully paid up (Rs.Nil, (P.Y.Rs.18200/-))	0.00	0.00
(iii) QUOTED (IN BONDS)		
30 [P.Y. 30] PNB Long Term LOA Perpetual Bonds (Interest 10.40%)	3.00	3.00
7098 [P.Y. 8011] NABARD Bhavishya Nirman Bond	6.00	6.65
Nil [P.Y. 5] Syndicate Bank - 9.35% Bond	0.00	0.44
(iv) UNQUOTED (IN EQUITY SHARES)		
10000 [P.Y. 10000] Equity shares of Kalupur Com. Co-Op Bank Ltd. of Rs 25/- each fully paid up.	0.02	0.02
(v) UNQUOTED [IN MUTUAL FUND]		
Nil [P.Y. 250000] Units of Reliance Mutual Fund of Rs.10/- each	0.00	0.25
Nil [P.Y. 312030.741] Units of Kotak Lifestyle Mutual Fund of Rs.10/- each	0.00	0.32
Nil [P.Y. 100000] Units of PNB Long Term Equity Fund of Rs.10/- each	0.00	0.10
(vi) UNQUOTED [IN GOVERNMENT SECURITY]		
National Saving Certificates	0.03	0.02
[Lodged with Sales tax & Other Government authorities]		
II LONG TERM INVESTMENTS (TRADE)		
UNQUOTED (IN EQUITY SHARES)		
In Others :		
689490 [P.Y.689490] Equity shares of Jupiter Corporate Services Ltd. of Rs 10/- each fully paid up.	3.45	3.64
1458506 [P.Y. 2083580] Equity Shares of Royale Exports Ltd, Srilanka each of Rs.10/- of Srilankan Rupees (Also Refer Note 14 of Schedule "U" of Standalone Statements)	0.69	0.98
III CURRENT INVESTMENTS (NON TRADE)		
(i) QUOTED (IN BONDS)		
32 [P.Y. Nil] IDBI Perpetual Bond - 9.20% Bond	2.96	0.00
25 [P.Y. Nil] AP State Financial Corporation 2019 - 8.35% Bond	2.31	0.00
	40.26	31.54
AGGREGATE COST OF QUOTED INVESTMENTS	36.07	26.21
AGGREGATE COST OF MUTUAL FUND	0.00	0.67
AGGREGATE COST OF UNQUOTED INVESTMENTS	4.19	4.66
MARKET VALUE OF QUOTED INVESTMENTS	40.47	24.15
NAV OF MUTUAL FUND	0.00	0.66



SCHEDULES TO THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

Rs. in Crores

	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE "H" CURRENT ASSETS, LOANS AND ADVANCES		
a Inventories (As taken, Valued & Certified by the management)		
Raw Materials	180.14	98.89
Packing Materials	5.38	7.40
Stores & Spares, Coal, Diesel, Furnace Oil (includes transit stock of Rs.3390462/- P.Y. Rs.Nil)	13.52	22.97
Work in Process	3.00	2.49
Finished Goods	58.92	67.63
	<u>260.96</u>	<u>199.38</u>
b Sundry Debtors (Unsecured, Considered Good, Unless otherwise stated)		
Outstanding for a period exceeding six months		
Considered Good	0.50	0.33
Considered Doubtful	0.19	0.00
	<u>0.69</u>	<u>0.33</u>
Less : Provision for Doubtful Debts	0.19	0.00
Outstanding for a period exceeding six months	0.50	0.33
Others	73.88	62.58
	<u>74.38</u>	<u>62.91</u>
c Cash & Bank Balances		
Cash on Hand	0.54	0.48
Balance with Banks		
(i) With Scheduled Banks		
(a) in Current accounts	4.10	4.02
(b) in Current account (unclaim dividend)	2.58	1.88
(c) in Fixed Deposit (with Bank as Lien towards margin money for Line of Credit)	17.16	13.40
(d) Lien Free Fixed Deposit	4.03	7.03
(ii) With Other Banks		
(a) Current accounts	0.32	0.11
Includes balances with		
(a) Shri Kadi Nagrik Sahakari Bank Ltd [Rs. Nil (P.Y. Rs Nil)] (Maximum balance outstanding during the year Rs.Nil , P.Y.Rs.19893/-)		
(b) The Akola Janta Comm.Co.Op.Bank Ltd[Rs.3161314/-(P.Y.Rs.1068699/)] (Maximum balance outstanding during the year Rs.7417160/- P.Y.Rs.3186839/-)		
	<u>28.73</u>	<u>26.92</u>
d Other Current Assets		
Interest Receivable	2.75	2.35
Exports Incentive Receivable	5.43	3.36
	<u>8.18</u>	<u>5.71</u>
e Loans & Advances (Unsecured, Considered Good)		
Advances recoverable in cash or in kind or for value to be received	40.59	59.31
Advances for Goods & Expenses	2.07	1.43
Excise Balances	5.43	0.80
Tax Balances: -(Advance Tax Less Provisions)	0.24	0.23
	<u>48.33</u>	<u>61.77</u>
SCHEDULE "I" CURRENT LIABILITIES		
Creditors for Capital Goods	3.78	0.76
Creditors for Goods & Expenses		
a. Micro, Small & Medium Enterprises (Refer Note 4 of Schedule U)	0.35	0.00
b. Others	79.60	95.59
Advance Received from Customers	2.27	1.40
Interest Accrued but not due	0.43	0.57
Bank Overdraft as per Books	0.01	0.07
Other Liabilities	14.31	14.09
Provision for Mark to Market loss on Outstanding Forward Contracts	9.49	73.57
Unclaimed Dividend(Not due for transfer to I.E & P Fund)	2.58	1.87
	<u>112.82</u>	<u>187.92</u>
SCHEDULE "J" PROVISIONS		
Interim Dividend	0.00	6.48
(Including Dividend Distribution Tax Rs. Nil P.Y Rs.0.94 Crores)		
Tax Balances: (Provisions Less Advance Tax)	6.12	3.68
Provision for Employee Benefits	0.68	0.46
	<u>6.80</u>	<u>10.62</u>



SCHEDULES TO THE CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

Rs. in Crores

	YEAR ENDED YEAR ENDED	
	31.03.2010	31.03.2009
SCHEDULE "K" SALES		
Export Sales [FOB Value Rs.435.34 Crores (P.Y.Rs 625.99 Crores)]	470.35	650.42
Domestic Sales	968.00	979.59
	<u>1438.35</u>	<u>1630.01</u>
SCHEDULE "L" OTHER INCOME OPERATIONAL		
Miscellaneous Income	1.15	3.08
Profit on Sale of Fixed Assets (Net)	0.84	0.06
	<u>1.99</u>	<u>3.14</u>
OTHER		
Dividend from Long Term Investments (Non Trade)	0.42	0.34
Dividend from Current Investments (Non Trade)	0.03	0.67
Profit on Sale of Current Investments (Non Trade)	0.34	0.21
Profit on Sale of Long Term Investments (Non Trade)	0.44	0.05
Interest Income on bonds (TDS Rs. 127188/- P.Y. Rs.33020/-)	0.71	0.02
Profit from Long Term Investments (Trade)	2.16	0.00
	<u>4.10</u>	<u>1.29</u>
	<u>6.09</u>	<u>4.43</u>
SCHEDULE "M" (INCREASE)/ DECREASE IN STOCK		
Opening Stock :		
Work-in-Process	2.49	2.27
Finished Goods	67.63	154.25
	<u>70.12</u>	<u>156.52</u>
Less : Closing Stock :		
Work-in-Process	3.00	2.49
Finished Goods	58.92	67.63
	<u>61.92</u>	<u>70.12</u>
	<u>8.20</u>	<u>86.40</u>
SCHEDULE "N" MATERIAL CONSUMPTION		
Raw Materials		
Opening Stock :	98.90	284.60
Add : Purchases	959.82	838.79
	<u>1058.72</u>	<u>1123.39</u>
Less : Closing Stock	180.14	98.88
Raw Materials Consumption	<u>878.58</u>	<u>1024.51</u>
Packing Materials		
Packing Materials Consumption	33.57	27.53
Total Materials Consumption (i + ii)	<u>912.15</u>	<u>1052.04</u>
SCHEDULE "O" MANUFACTURING EXPENSES		
Stores & Spares Consumed	9.49	13.45
Power,Electricity,Diesel,LDO & Fuel Expenses	68.11	74.99
Chemicals & Lub Oil Consumed	9.60	14.30
Repairs : Plant & Machinery	1.78	1.25
Building	0.18	0.39
Others	0.49	0.63
Insurance	0.57	0.91
Rent (Godown / Storage Tank)	2.96	1.35
Other Manufacturing Expenses	15.17	19.24
	<u>108.35</u>	<u>126.51</u>
Less : Job work charges Recovered	1.13	0.89
	<u>107.22</u>	<u>125.62</u>



SCHEDULES TO THE CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

Rs. in Crores

	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
SCHEDULE "P" EMPLOYEES' COST		
Salary,Wages, Bonus, Gratuity & Leave encashment	30.58	26.46
Commission to Managing Directors	6.82	3.92
Contribution to Provident & Other Funds	1.43	1.29
Staff Welfare	1.06	0.83
	<u>39.89</u>	<u>32.50</u>
SCHEDULE "Q" ADMINISTRATIVE EXPENSES		
Conveyance & Travelling Expenses [Including Directors Travelling Rs.0.34 Crores (P.Y.Rs 0.45 Crores)]	1.61	1.72
Electricity	0.50	0.39
Vehicle Maintenance	1.25	1.27
Insurance	0.35	0.37
Printing,Stationery,Postage & Telephone	1.83	1.85
Legal & Professional	2.41	1.01
Rent	0.31	0.44
Rates & Taxes	0.39	0.26
Donations	0.26	0.25
Foreign Exchange Fluctuation	(0.01)	(0.19)
Payment to Auditors :		
For Audit	0.13	0.13
For Tax Audit	0.05	0.05
For Taxation Matters	0.03	0.02
For Others (Rs. 20750/-)	0.00	0.02
General Administrative Charges	1.69	3.19
	<u>10.80</u>	<u>10.78</u>
SCHEDULE "R" SALES EXPENSES		
For Domestic Sales		
Local Sales Expenses	13.60	10.78
Cash Discount	2.34	1.39
Commission & Brokerage	1.51	1.79
Rent (Godowns / Warehouses)	0.21	0.30
Bad Debts Written Off	0.01	0.03
Provision for Bad and Doubtful debts	0.19	0.00
Sub Total - (i)	<u>17.86</u>	<u>14.29</u>
For Export Sales		
Exports Sales Expenses	28.04	48.51
Commission & Brokerage	2.35	3.14
Insurance	0.02	0.03
Sub Total - (ii)	<u>30.41</u>	<u>51.68</u>
Total - (i + ii)	<u>48.27</u>	<u>65.97</u>
SCHEDULE "S" FINANCE & OTHER CHARGES (Net)		
Interest on Fixed Loans / Term Loan	0.83	1.19
Interest on Working Capital Loans	4.25	8.90
Interest on Others	0.20	0.27
Bank and Other Financial Charges	6.03	6.81
	<u>11.31</u>	<u>17.17</u>
LESS : Income		
Interest on Bank Deposits (Gross) [TDS: Rs. 2430163/- (P.Y.TDS Rs 12719836/-)]	2.19	5.88
Interest from Others (Gross) {(TDS Rs.174173/-) (P.Y.TDS Rs 346766/-)}	0.28	0.24
	<u>2.47</u>	<u>6.12</u>
Net Finance Charges	<u>8.84</u>	<u>11.05</u>



SCHEDULE "T" SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of Accounting :

The financial statements are prepared under the historical cost convention and comply with the applicable Accounting Standards in the country of incorporation.

2. Principles of consolidation:

The consolidated financial statements relate to Gujarat Ambuja Exports Ltd. ("the Company"), and its wholly owned Subsidiary Company, Gujarat Ambuja International Pte. Ltd. (GAIPL). The consolidated financial statements have been prepared on the following basis.

The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together the book values of like items of assets and liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are prepared to the extent possible in the same manner as the company's separate financial statements.

The difference between cost of investments of the parent company in the subsidiary company and share of parent company in equity and reserves of subsidiary company is treated as goodwill or capital reserve.

3. The Subsidiary Company considered in the consolidated financial statements is

Name of the Company	Country of Incorporation	% Voting power held as at 31st March 2010	Reporting Date
Gujarat Ambuja International Pte Ltd.	Singapore	100%	31-03-2010

Note: There is no change in above details since the reporting date 31.03.2010.

4. Exchange adjustments:

In case of GAIPL, the wholly owned subsidiary, the summarized revenue and expenses reflected in Profit & Loss account have been translated into Indian Rupees at an average exchange rate. The Assets and Liabilities have been translated into Indian Rupees at the closing exchange rate prevailing on Balance Sheet date. The resultant excess/ shortfall, arising out of elimination process in consolidation have been disclosed as Foreign Currency Translation Reserve in Reserves & Surplus schedule.

5. Other significant Accounting Policies:

These are set out in the notes to accounts under "Statement of Accounting Policies" for financial statements of Gujarat Ambuja Exports Ltd, the holding Company and Gujarat Ambuja International Pte. Ltd, the wholly owned Subsidiary Company.

SCHEDULE "U" NOTES TO FINANCIAL STATEMENTS:

(Rupees in Crores)

1. Contingent liabilities not provided for in respect of:

PARTICULARS	2009-10	2008-09
(a) Claims against the Company /disputed liabilities not acknowledged as debts	1.10	1.76
(b) Disputed Excise duty, Sales Tax, Motor Spirit Tax, Income Tax Claims		
i) Excise, Customs and Service Tax	4.74	7.24
ii) Income Tax	3.60	3.60
iii) Sales Tax , VAT, Entry Tax and Mandi Tax	1.76	6.02
iv) Others	1.23	1.13
TOTAL	11.33	17.99
(c) Export obligation on duty free imports (Differential amount of custom duty in respect of machinery and inputs imported under EPCG and Advance License Scheme)	Nil	0.06
(d) Corporate guarantee in favour of Bank on behalf of wholly owned subsidiary Gujarat Ambuja International Pte. Ltd. Outstanding against this as at 31st March	11.23 (US\$2.5Mn) Nil	12.68 (US\$2.5Mn) Nil

Note: Outflow in respect of 1 (a) and (b) disputes/contingencies is dependent upon final outcome of the disputes or ultimate agreement to resolve the differences.

2. In the opinion of the Board, Current Assets, Loans and Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

3. Sales include realized gain of exchange on forward exchange contracts (Net of settlements) entered into primarily for hedging purpose Rs. 10.64 crores {P.Y. Loss Rs 48.59 crores (net) }.

4. Micro, Small and Medium Enterprises:

a) Under the Micro, Small and Medium Enterprises Development Act,2006 (MSMED) which came into force from October 2, 2006 certain disclosures are required to be made relating to Micro, Small and Medium Enterprises.

Sr. no	Particulars	Amount
A	(i) Principal amount remaining unpaid at the end of the accounting year	0.35
	(ii) Interest due on above	-
B	The amount of interest paid by the Company in terms of section 16 of the MSMED, along with amount of payment made to the suppliers beyond the appointed date during the accounting year	-
C	The amount of interest accrued and remaining unpaid at the end of the financial year.	-
D	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding interest specified under the MSMED	-
E	The amount of further interest remaining due and payable in succeeding years, until such interest is actually paid.	-

b) The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium Enterprises on the basis of information available with the Company.

5. There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

6. **Related Party Disclosure:** The disclosure in pursuance to Accounting Standard-18 on "Related Party disclosures" is as under:

(a) Name of Related Parties & Relationship

Name	Relationship	Manner
(1) Vijaykumar Gupta	Managing Director (Key Managerial person)	Key Managerial person & person exercising more than 20% voting power.
(2) Manishkumar Gupta	Managing Director (Key Managerial Person)	Key Managerial person & Relative as Son of Mr Vijaykumar Gupta & person exercising more than 20% voting power.
(3) Sulochana Gupta	Relative of Key Managerial person	Relative as wife of Mr. Vijaykumar Gupta & mother of Mr. Manish Gupta and Mr. Mohit Gupta



	Name	Relationship	Manner
(4)	Shilpa Gupta	Relative of Key Managerial person	Relative as wife of Mr. Manish Gupta
(5)	Mohit Gupta	Jt. Managing Director (Key Managerial Person)	Key Managerial person & Relative as son of Mr. Vijaykumar Gupta & Brother of Mr. Manish Gupta
(6)	P.G.Makhija	Executive Director (Key Managerial Person up to May 2009)	Key Managerial Person
(7)	Sandeep Agrawal	Executive Director (Key Managerial Person from August 2009)	Key Managerial Person
(8)	Siddharth Agrawal	Relative of Key Managerial person	Relative as brother of Mr. Sandeep Agrawal

b) Transactions during the year & Balances outstanding as at the year end with the Related Parties:

Transaction	Total	Key Managerial Person	Relative of Key Managerial Person
(a) i) Managerial Remuneration Vijaykumar Gupta	3.53	3.53	0.00
Manishkumar Gupta	(2.00)	(2.00)	(0.00)
Others	4.17	4.17	0.00
	(2.36)	(2.36)	(0.00)
ii) Managerial Remuneration Siddharth Agrawal	0.47	0.47	0.00
Shilpa Gupta	(0.25)	(0.25)	(0.00)
(b) Services : Sitting Fees (Rs. 45000/-)	0.05	0.00	0.05
	(0.00)	(0.00)	(0.00)
(c) Dividend paid Vijaykumar Gupta	0.28	0.00	0.28
Manishkumar Gupta	(0.27)	(0.00)	(0.27)
Mohit Gupta	0.00	0.00	0.00
Others	(0.01)	(0.00)	(0.01)
(d) Rent Paid Manishkumar Gupta	3.12	3.12	0.00
	(1.56)	(1.56)	(0.00)
	2.72	2.72	0.00
	(1.35)	(1.35)	(0.00)
	0.72	0.72	0.00
	(0.36)	(0.36)	(0.00)
	0.49	0.00	0.49
	(0.24)	(0.00)	(0.24)
	0.03	0.03	0.00
	(0.00)	(0.00)	(0.00)

Note: No amount has been provided as doubtful debts or advances / written off or written back in respect of debts due from / to above parties. Figures in brackets relate to previous year.

7. Earnings per Share (EPS): (On Equity Shares of Rs. 2/- each)

PARTICULARS	2009-10	2008-09
Net Profit as per Profit & Loss Account	60.72	24.25
No. of Weighted Average outstanding Equity Shares	138351875	138351875
Earning per Equity Share of Rs 2/- each(Basic & Diluted)	4.39	1.75

(P.T.O.)

Gujarat Ambuja Exports Limited
 Regd. Office : "Ambuja Tower", Opp.Memnagar Fire Station, Navrangpura,
 P.O. Navjivan, Ahmedabad - 380 014.

PROXY FORM

Folio No/ DP-ID & Client-ID _____ No of Shares held _____
 I/We _____ of _____ in the district of _____ being a member/s of the above named Company, hereby appoint _____ of _____ in the district of _____ or failing him _____ of _____ in the district of _____ as my/our proxy to vote for me/us on my/our behalf at the 19th Annual General Meeting of the Company to be held on **Tuesday, 28th September, 2010** at **11.00 A.M.** at H.T. Parekh Hall, 1st Floor, Ahmedabad Management Association (AMA),AMA Complex, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad - 380 015. and at any adjournment thereof.

Signed this _____ day of _____ 2010
 Signature (s) _____

Revenue stamp of Re. 1/- to be affixed

- Notes : 1. THE PROXY FORM MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE TIME OF COMMENCEMENT OF THE AFORESAID MEETING.
 2. THE FORM SHOULD BE SIGNED ACROSS THE STAMP AS PER SPECIMEN SIGNATURE REGISTERED WITH THE COMPANY.
 3. A PROXY NEED NOT BE A MEMBER.

For Office use Only Proxy No. _____ Date of Receipt : ____ / ____ /2010.

Gujarat Ambuja Exports Limited
 Regd. Office : "Ambuja Tower", Opp.Memnagar Fire Station, Navrangpura,
 P.O. Navjivan, Ahmedabad - 380 014.

ATTENDANCE SLIP
19TH ANNUAL GENERAL MEETING, TUESDAY, THE 28TH SEPTEMBER, 2010
 Venue : H.T. Parekh Hall, 1st Floor, Ahmedabad Management Association (AMA) AMA Complex, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad - 380 015.

Time : **11.00 A.M.**

Folio No./ DP-ID & Client ID: _____ No of Shares held _____
 Name of Member(s) / Proxy : _____

Please tick whether Member [] Joint Holder [] Proxy []

Member's or Proxy's Signature : _____

- Notes:
- Members/Proxies must bring the admission slip duly completed and signed and hand over the same at the entrance.
 - Admission restricted strictly for members and valid proxyholders only. Please bring your copy of the Annual Report.
 - Shareholders intending to require information about accounts, to be explained at the meeting, are requested to inform the Company atleast 10 days in advance of their intention to do so, so that the papers relating thereto may be made available, if the Chairman permits such information to be furnished.



8. Segment Information for the year ended 31st March 2010

	2009-10						2008-09					
	Cotton Yarn	Maize Processing	Agro Processing	Wind Mill	Others	Total	Cotton Yarn	Maize Processing	Agro Processing	Wind Mill	Others/ Unallocated	Total
(A) Revenue :												
External Sales	180.58	343.85	879.43	6.74	21.41	1432.01	175.19	216.07	1205.01	8.33	19.25	1623.86
Less: Inter Segment Revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Revenue	180.58	343.85	879.43	6.74	21.41	1432.01	175.19	216.07	1205.01	8.33	19.25	1623.86
(B) Result:(Profit before Interest & tax)												
Segment Result	9.46	44.52	45.89	3.96	0.84	104.68	-22.93	15.85	66.20	6.18	0.81	66.11
Less: Unallocated Corporate Expenses net of unallocated Corporate income						14.25						9.61
Operating Profit						90.43						56.51
Less : Interest Expenses						8.84						11.05
Add : Prior Period Items						0.02						0.10
Less : Current Tax (Dr.)						23.06						18.87
Less : Deferred Tax (Dr.)/Cr						7.09						-5.43
Add : Excess/Short Provision of Earlier Years						9.25						7.61
Fringe Benefit Tax						0						0.24
Net Profit						60.72						24.25
(C) Other Information												
Segment Assets	162.48	185.20	290.90	34.30	3.84	676.73	126.00	133.09	257.65	29.44	0.97	547.16
Unallocated Corporate Assets	0.00	0.00	0.00	0.00	0.00	95.23	0.00	0.00	0.00	0.00	0.00	89.60
Total Assets	162.48	185.20	290.90	34.30	3.84	771.96	126.00	133.09	257.65	29.44	0.97	636.76
Segment Liabilities	11.27	12.26	73.47	0.09	0.64	97.74	10.47	10.13	89.70	0.00	-0.76	109.54
Unallocated Corp Liabilities	0.00	0.00	0.00	0.00	0.00	252.06	0.00	0.00	0.00	0.00	0.00	223.25
Total Liabilities	11.27	12.26	73.47	0.09	0.64	349.80	10.47	10.13	89.70	0.00	-0.76	332.79
Net Capital Employed	151.21	172.94	217.43	34.21	3.20	422.16	115.54	122.96	167.96	29.44	1.73	303.97
Capital Expenditure Capitalised	5.66	21.72	36.60	8.74	0.00	72.73	0.51	14.42	3.79	0.00	0.00	18.72
Depreciation	10.11	10.48	5.38	1.94	0.00	27.91	15.84	9.48	9.31	1.72	0.00	36.36
Non cash Expenses other than depreciation/ amortisation	0	0	0	0	0	0	0	0	0	0	0	0

(b) Secondary Segment - Geographical Segment : Segment revenue by geographical area based on geographical location of customers.

Geographical Area	Current Year	Previous Year	Geographical Area	Current Year	Previous Year
India	961.65	961.74	North America	12.03	9.18
Asia Specific	183.61	631.28	South America	170.44	4.23
Africa	21.71	1.61	Australia	0.22	0.89
Europe	82.35	14.93	Total	1432.01	1623.86

- Notes: (i) Agro Processing Division comprises of Solvent extraction, Flour Mill and Bio Tech operations. (ii) Others comprises of operations of overseas subsidiary.
 (iii) Unallocated Assets and Liabilities comprises of Corporate Fixed Assets, Investments, Goodwill, Fixed Deposits, Secured Loans, Provision for Taxes, Provision for Dividend, Unclaimed Dividend, Deferred Tax Liability and Provision for Mark to Market Losses on Forward Contracts. (iv) The Company's operating facilities are located in India.
 9. The consolidated financial statement have been prepared in accordance with Accounting Standard (AS-21) – "Consolidated Financial Statement" issued by the Institute of Chartered Accountants of India.
 10. Figures pertaining to the subsidiary company have been reclassified wherever necessary to bring them in line with the Parent Company's financial statements.

FOR, KANTILAL PATEL & CO.
 CHARTERED ACCOUNTANTS

RAJESH G SHAH
 (PARTNER)
 PLACE : AHMEDABAD
 Date : JULY 28, 2010

For and on behalf of the Board of Directors
 VIJAYKUMAR GUPTA
 (CHAIRMAN & MANAGING DIRECTOR)
 N. GIRIDHAR
 (V. P. FINANCE & ACCOUNTS)
 PLACE : AHMEDABAD
 Date : JULY 28, 2010

MANISH V.GUPTA
 (MANAGING DIRECTOR)
 PARAS MEHTA
 (COMPANY SECRETARY)

FOR MEMBER'S USE (SPACE FOR NOTING DURING AGM)



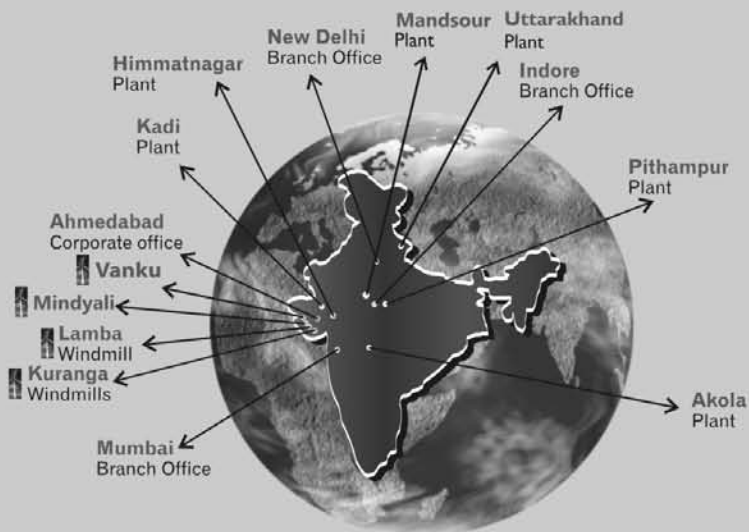
◀ Overview of Akola Unit



Overview of Uttarakhand Unit ▶



◀ Overview of Mandsour Unit



CORPORATE OFFICE

GUJARAT AMBUJA EXPORTS LIMITED

"Ambuja Tower", Opp. Memnagar Fire Station, Post Navjivan,
Navrangpura, Ahmedabad 380014 (Gujarat) India.

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E-mail : info@ambujagroup.com • Visit us at : www.ambujagroup.com

BRANCH OFFICES

17, Anjani Complex, Ground Floor, Pereira Hill Road,
Opp. Gurunanak Petrol Pump, Chakala, Off. Andheri - Kurla Road,
Andheri (East), Mumbai - 400 099

208, Deep Shikha Building, Rajendra Place,
New Delhi - 110 008.

126-129, Starlit Tower, 29, Y. N. Road,
Opp. State Bank of Indore (H.O.), Indore - 452 001

PLANTS

100% EOU COTTON YARN DIVISION

1, Vrindavan Road, Village : Dalpur,
Tal. : Prantij Dist. : Sabarkantha, Gujarat.

SOYA PROCESSING UNIT

Plot No. 414-417, Sector-III, Pithampur
Industrial Area, Dist. Dhar, Madhya Pradesh

MAIZE PROCESSING UNIT

1, Vrindavan Road, Village : Dalpur,
Tal. : Prantij Dist. : Sabarkantha, Gujarat.

SOLVENT EXTRACTION, REFINERY, WHEAT FLOUR, CATTLE FEED UNITS

Kadi Complex, Kadi-Thore Road, Kadi,
Dist. Mehsana, Gujarat.

AKOLA SOYA PROCESSING & REFINERY UNIT

Village Kanheri - Gawali, N. H. No. 6,
Akola - Balapur Road, Dist. Akola (Maharashtra)

MANDSOUR SOYA PROCESSING & REFINERY UNIT

Dist. Mandsour, Madhya Pradesh

UTTARAKHAND MAIZE PROCESSING UNIT

Plot No. C-50, ELDECO SIDCUL, Industrial Park,
Sitarganj, Dist. Udham Singh Nagar, (Uttarakhand)

WHOLLY OWNED SUBSIDIARY GUJARAT AMBUJA INTERNATIONAL (P) LTD.

#11-11 Tong Eng. Building,
101 - Cecil Street, Singapore - 069533

VIETNAM OFFICE

Hanoi, S.R. Vietnam.

BOOK-POST

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JUPITER CORPORATE SERVICES LTD.

UNIT : GUJARAT AMBUJA EXPORTS LTD.
AMBUJA TOWER, OPP. MEMNAGAR FIRE STATION,
P.O. NAVJIVAN, AHMEDABAD - 380 014.