

**STATEMENT PURSUANT TO SECTION 312 OF THE COMPANIES
ACT, 1956 RELATING TO SUBSIDIARY COMPANIES**

1	Name of the Subsidiary	Dimart Engineering Pvt. Limited	Luhadiya Sons Shahpura Pvt. Limited
2	Number of Shares in the Subsidiary Company held by ITL Industries Ltd. (a) Equity Shares (b) Equity Holding	 40000 80%	 155800 54%
3	The Net Aggregate of Profits / (Losses) of the Subsidiary Company for its Financial year so far as they concern the Member of ITL Industries Ltd. :- (a) Dealt with in the Accounts of ITL Industries Ltd. for the year ended 31/03/2011 (b) Not Dealt with in the Accounts of ITL Industries Limited for the year ended 31/03/2011 (Net of Taxes)	The Company has not commenced business operations, however it has undertaken agricultural activities on the vacant land Rs. 0.61 Lac NIL	The Company has not commenced business operations, however it has undertaken agricultural activities on the vacant land Rs. 0.43 Lac NIL
4	The Net Aggregate of Profits / (Losses) of the Subsidiary Company for the previous financial year so far as they concern the Member of ITL Industries Ltd. :- (a) Dealt with in the Accounts of ITL Industries Ltd. upto year ended 31/03/2010 (b) Not Dealt with in the Accounts of ITL Industries Ltd. upto year ended 31/03/2010	 N.A. N.A.	 N.A. N.A.

Note: As the financial year of the Company coincide with the financial year of the holding Company, Section 212(5) of the Companies Act, 1956, is not applicable.

DIRECTOR'S REPORT

To
The Members,
Dimart Engineering Pvt. Ltd,
Indore

Dear Shareholders,

Your Directors have pleasure in presenting the 2nd Annual Report on the business and operations of the Company and Audited Statement of Accounts of the Company for the year ended 31 March, 2011.

FINANCIAL RESULTS

The Company has earned net profit of Rs. 0.61 lac out of agricultural activities undertaken by the Company.

GENERAL REVIEW

The Company has not commenced its business operations. However the Company has undertaken Agricultural activities on the land purchased. The planned project to establish an Industrial unit has been kept on hold.

ACCEPTANCE OF DEPOSITS

The Company has not accepted any deposits during the year under review.

PARTICULARS OF EMPLOYEES

None of the employee of the company received remuneration in excess of the limit specified u/s 217 (2A) of the Companies Act, 1956.

DISCLOSURE OF PARTICULARS WITH RESPECT OF CONSERVATION OF ENERGY

The details as required by Companies (Disclosure of particulars in Report of Board of Directors) Rules, 1988 for conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo are not applicable to the Company, having regard to the nature of business of the Company.

DIRECTOR RESPONSIBILITY STATEMENT

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

1. In presentation of the annual accounts, the applicable standards have been followed along with proper explanation relating to material departures;
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit of the Company for that period;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
4. The Directors have prepared the annual accounts on a going concern basis.

AUDITORS

M/s Mahaveer M. Jain & Co., Chartered Accountants, retiring auditor is eligible for re-appointment and offers them for reappointment.

APPRECIATION

We wish to place on record our deep and sincere appreciation for the contribution made by the workers, staff and executives to the performance of the Company.

For and On behalf of the Board of Directors

(Rajendra Singh Jain)
Director

Date : 25.08. 2011
Place :Indore

(Mahendra Singh Jain)
Director

AUDITOR'S REPORT

To
**The Members of
Dimart Engineering Private Limited**

We have audited the annexed Balance sheet of **DIMART ENGINEERING PRIVATE LIMITED**, as at **31/03/2011** and the Profit & Loss account for the period from 01/04/2010 to 31/03/2011 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.

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 overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. This report does not include a statement on the matters specified in paragraph 4 of the Companies (Auditor's Report) Order, 2003, issued by the department of company affairs, in terms of section 227 (4A) of the Companies Act, 1956, since in Our opinion and according to the information and explanation given to us, the said order is not applicable to the Company.
2. Further to Our comments in the annexure referred to in paragraph 1 above, We state that:
 - (a) We have obtained all the information and explanations, which to the best of Our knowledge and belief were necessary for the purpose of Our audit;
 - (b) In Our opinion books of accounts as required by the law have been kept by the Company so far as it appears from the examination of such books;
 - (c) The Balance Sheet and the Profit & Loss Account, dealt with by this report, are in agreement with the said books of accounts;
 - (d) In Our opinion the Balance Sheet and Profit & Loss account comply with the accounting standards referred to in Sub Section 3(c) of Section 211 of the Companies Act, 1956.
 - (e) On the basis of written representation received from the directors as on 31/03/2011 and taken on record by the board of directors, We report that none of the directors is disqualified as on 31/03/2011 from being appointed as a director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.
 - (f) In Our opinion and to the best of our information and according to the explanations given to us, read with Accounting Policies and Notes on Accounts mentioned in schedule 11, the said accounts give the information required by the Companies Act, 1956, in the manner so required give a true and fair view,
 - (i) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31/03/2011 and;
 - (ii) In the case of the Profit & Loss Account, of the Profit for the period ended on that date.

For **MAHAVEER M. JAIN & CO.**
(Chartered Accountants)

(MAHAVEER K. JAIN)
Proprietor
M.No. 070966
FRN 001749C

Place : INDORE
Dated: 25/08/2011



BALANCE SHEET AS AT 31st MARCH, 2011

PARTICULARS	Sch.No.	Amount As At 31.03.2011 (Rs.)	Amount As At 31.03.2010 (Rs.)
I. SOURCES OF FUND			
1. Share holder's Fund			
A. Share Capital	1	500000.00	500000
B. Reserve & Surplus	2	61546.00	0
2. Loan Fund			
Unsecured Loan	3	<u>21701179.00</u>	<u>21699579</u>
TOTAL		<u>22262725.00</u>	<u>22199579</u>
II. APPLICATION OF FUND			
1. Fixed Assets			
A. Gross Block	4	21963500.00	
B. Less : Depreciation		<u>0.00</u>	
C. Net Block		<u>21963500.00</u>	21963500
2. Current Assets, Loan & Advances			
A. Cash & Bank Balances	5	<u>199444.00</u>	<u>129500</u>
		<u>199444.00</u>	129500
Less : Current Liabilities & Provisions	6	<u>12103.00</u>	<u>5305</u>
Net Current Assets :		<u>187341.00</u>	<u>124195</u>
3. Miscellaneous Expenditure			
TOTAL	7	<u>111884.00</u>	<u>111884</u>
		<u>22262725.00</u>	<u>22199579</u>
Accounting Policies and Notes on Accounts	11		

As per our report of even date annexed

The Schedules referred to herein form an integral part of the Balance Sheet

For Mahaveer M.Jain & Co.
(Chartered Accountants)

(Mahendra Singh Jain)
DIRECTOR

(Rajendra Singh Jain)
DIRECTOR

(Mahaveer K.Jain)
Proprietor
M.No. 070966

DATED : 25/08/2011
PLACE : INDORE

DIMART ENGINEERING PVT. LTD.

PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 01.04.2010 TO 31.03.2011

PARTICULARS	Sch. No.	Amount 2010-11 (Rs.)	Amount 2009-10 (Rs.)
I. INCOME			
Other Income	8	164046.00	0
TOTAL		<u>164046.00</u>	<u>0</u>
II. EXPENDITURE			
A. Direct Expenses	9	79900.00	0
B. Administrative and Other Overheads	10	22600.00	0
		<u>102500.00</u>	<u>0</u>
III. PROFIT BEFORE TAX		61546.00	0
Less : Provision for Taxation current year		0.00	0
IV. PROFIT AFTER TAX		61546.00	0
Add : Balance brought forward from Previous year		0.00	0
V. PROFIT CARRIED TO BALANCE SHEET		61546.00	0

Accounting Policies Notes on Accounts
The Schedules referred to herein form an
integral part of the Profit & Loss account

11

As per our report of even date annexed

For Mahaveer M.Jain & Co.
(Chartered Accountants)

(Mahendra Singh Jain)
DIRECTOR

(Rajendra Singh Jain)
DIRECTOR

(Mahaveer K.Jain)
Proprietor
M. No. 070966

DATED : 25/08/2011
PLACE : INDORE



SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2011

PARTICULARS	Amount As At 31.03.2011 (Rs.)	Amount As At 31.03.2010 (Rs.)
SCHEDULE-1		
Share holder's Funds :		
<u>Share Capital (Authorised)</u>		
50,000 Equity Shares of Rs.10/- each	<u>500000.00</u>	500000
<u>Issued, Subscribed & Paid-up</u>		
50,000 Equity Shares of Rs.10/- each	<u>500000.00</u>	500000
(Including 40000 shares held by ITL Industries Ltd. i.e. the Holding Company)		
TOTAL :	<u>500000.00</u>	<u>500000</u>
SCHEDULE-2		
Reserves & Surplus		
1. <u>Profit & Loss Account :</u>		
- Balance as per Last Balance Sheet	0	
-Add: Transferred from P & L A/c	61546	0
TOTAL :	<u>61546.00</u>	<u>0</u>
SCHEDULE-3		
Unsecured Loan		
1. Advance from Directors		
Mahendra Singh Jain	15350	
Rajendra Singh Jain	<u>15350</u>	30700
2. Loan from ITL Industries Ltd.(Holding Company)		
	<u>21670479.00</u>	21668879
TOTAL :	<u>21701179.00</u>	<u>21699579</u>

SCHEDULE - 4 FIXED ASSETS

Name of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2010	Additions Adjustment	Deductions/ Adjustment	As at 31.03.2011	Up to 31.03.2010	For the year 2010-11	Deductions/ Adjustment	Up to 31.03.2011	As at 31.03.2011	As at 31.03.2010
Land	21963500	0	0	21963500	0	0	0	0	21963500	21963500
TOTAL -	21963500	0	0	21963500	0	0	0	0	21963500	21963500
Previous year -	0	21963500	0	21963500	0	0	0	0	21963500	0

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2011

PARTICULARS	Amount As At 31.03.2011 (Rs.)	Amount As At 31.03.2010 (Rs.)
SCHEDULE-5		
Cash & Bank Balances		
Cash in hand	192176.00	100000
Balance with Scheduled Banks on Current A/C	7268.00	29500
TOTAL	<u>199444.00</u>	<u>129500</u>
SCHEDULE-6		
Current Liabilities & Provisions		
A. Current Liabilities		
i. Other Liabilities(Outstanding Expenses)		
Audit fees	12103.00	5305
TOTAL	<u>12103.00</u>	<u>5305</u>
SCHEDULE-7		
Miscellaneous Expenditure		
Preliminary Expenses	31350.00	31350
Pre Operative Expenses	80534.00	80534
	<u>111884.00</u>	<u>111884</u>
SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT AS AT 31st MARCH, 2011		
SCHEDULE-8		
Other Income		
Agricultural Income	164046.00	0
	<u>164046.00</u>	<u>0</u>
SCHEDULE-9		
Direct Expenses		
Cultivation Expenses	15450.00	0
Crop Protection Expenses	9690.00	0
Electricity Expenses	8030.00	0
Labour Charges	32680.00	0
Seeds Purchase	14050.00	0
	<u>79900.00</u>	<u>0</u>
SCHEDULE-10		
Administrative and Other Overheads		
Audit Fees	5000.00	0
Legal & Professional Expenses	3500.00	0
Miscellaneous Expenses	13500.00	0
ROC Fees	600.00	0
	<u>22600.00</u>	<u>0</u>



SCHEDULE NO. 11

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

1. Significant Accounting Policies

(a) Basis of Preparation

The financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP), applicable Accounting Standards issued by The Institute of Chartered Accountants of India and under the historical cost convention, on accrual basis.

(b) Revenue Recognition

The Company generally follows the Mercantile System of Accounting Recognizing both Income and Expenditure on Accrual Basis.

2. Contingent Liabilities :

-----NONE-----

3. There are no other amounts due to any other SSI undertakings.

4. Related Parties Disclosure :

1. ITL Industries Ltd. (Holding Company having 80% Stake)

Loan received (Balance as on 31.03.2011) Rs. 21670479/-

2. Shri Mahendra Singh Jain (Director)

Loan received (Balance as on 31.03.2011) Rs. 15350/-

3. Shri Rajendra Singh Jain (Director)

Loan received (Balance as on 31.03.2011) Rs. 15350/-

5. Auditor's Remuneration includes the following :

PARTICULARS	2010-11	2009-10
A. Audit Fees	5000	5000
B. Other Services	2500	0
Total	<u>7500</u>	<u>5000</u>

6. The Company has not commenced commercial activities. However in terms of Resolution of the Board of Directors of the Company, it has undertaken Agricultural activities on the land purchased.

7. Figures of the previous year have been regrouped, reclassified / reworked so as to make them comparable with the current year.

PART IV

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1. Registration Details :

Registration No. State Code
 Balance Sheet Date

2. Capital Raised during the Year (Amount in Rs.Thousand) :

Public Issue Right Issue
 Bonus Issue Private Placement

3. Position of Mobilisation and Development of Funds (Amount in Rs. Thousand) :

Total Liabilities	<input type="text" value="22274.83"/>	Total Assets	<input type="text" value="22274.83"/>
Sources of Funds:-		Application of Funds :-	
Paid-up Capital	<input type="text" value="500.00"/>	Net Fixed Assets	<input type="text" value="21963.50"/>
Share Application Money	<input type="text" value="0.00"/>	Investments	<input type="text" value="0.00"/>
Reserves & Surplus	<input type="text" value="61.55"/>	Net Current Assets	<input type="text" value="187.34"/>
Secured Loans	<input type="text" value="0.00"/>	Misc. Expenditure	<input type="text" value="111.89"/>
Unsecured Loans	<input type="text" value="21701.18"/>	Accumulated Losses	<input type="text" value="0.00"/>

4. Performance of Company (Amount in Rs.Thousand):

Turnover	<input type="text" value="164.05"/>	Total Expenditures	<input type="text" value="102.50"/>
+ - Profit / (Loss) before Tax	<input type="text" value="+ 61.55"/>	+ - Profit / (Loss) after tax	<input type="text" value="+ 61.55"/>
Earning Per Share Rs.	<input type="text" value="1.23"/>	Dividend Rate %	<input type="text" value="0"/>

5. Generic Names of three Principal Products/Service of the Company (As per monetary Terms):

Item Code No. (ITC Code)
 Product Description
 Item Code No. (ITC Code)
 Product Description
 Item Code No. (ITC Code)
 Product Description

As per our report of even date annexed

For MAHAVEER M.JAIN & CO.
Chartered Accountant

(MAHAVEER K.JAIN)
Proprietor
M.No. 070966

Place : Indore
Date : 25.08.2011

DIRECTOR'S REPORT

**To
The Members,
Luhadiya Sons Shahpura Pvt. Ltd,
Indore**

Dear Shareholders,

Your Directors have pleasure in presenting the 2nd Annual Report on the business and operations of the Company and Audited Statement of Accounts of the Company for the year ended 31 March, 2011.

FINANCIAL RESULTS

The Company has earned net profit of Rs. 0.43 lac out of Agricultural activities undertaken by the Company.

GENERAL REVIEW

The Company has not commenced its business operations. However the Company has undertaken Agricultural activities on the land purchased. The planned project to establish an industrial unit has been kept on hold.

ACCEPTANCE OF DEPOSITS

The Company has not accepted any deposits during the year under review.

PARTICULARS OF EMPLOYEES

None of the employee of the company received remuneration in excess of the limit specified u/s 217 (2A) of the Companies Act, 1956.

DISCLOSURE OF PARTICULARS WITH RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE

The details as required by Companies (Disclosure of particulars in Report of Board of Directors) Rules, 1988 for conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo are not applicable to the Company, having regard to the nature of business of the Company.

DIRECTOR RESPONSIBILITY STATEMENT

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

1. In presentation of the annual accounts, the applicable standards have been followed along with proper explanation relating to material departures;
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit of the Company for that period;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
4. The Directors have prepared the annual accounts on a going concern basis.

AUDITORS

M/s Mahaveer M. Jain & Co., Chartered Accountants, retiring auditor is eligible for re-appointment and offers them for reappointment.

APPRECIATION

We wish to place on record our deep and sincere appreciation for the contribution made by the workers, staff and executives to the performance of the Company.

For and On behalf of the Board of Directors

Date : 25.08.2011
Place : Indore

Mahendra Singh Jain
Director

Rajendra Singh Jain
Director

AUDITOR'S REPORT

To
**The Members of
Luhadiya Sons Shahpura Private Limited**

We have audited the annexed Balance sheet of **LUHADIYA SONS SHAHPURA PRIVATE LIMITED**, as at **31/03/2011** and the Profit & Loss account for the period from 01/04/2010 to 31/03/2011 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.

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 overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. This report does not include a statement on the matters specified in paragraph 4 of the Companies (Auditor's Report) Order, 2003, issued by the department of company affairs, in terms of section 227 (4A) of the Companies Act, 1956, since in Our opinion and according to the information and explanation given to us, the said order is not applicable to the company.
2. Further to Our comments in the annexure referred to in paragraph 1 above, We state that:
 - (a) We have obtained all the information and explanations, which to the best of Our knowledge and belief were necessary for the purpose of Our audit;
 - (b) In Our opinion books of accounts as required by the law have been kept by the Company so far as it appears from the examination of such books;
 - (c) The Balance Sheet and the Profit & Loss Account, dealt with by this report, are in agreement with the said books of accounts;
 - (d) In Our opinion the Balance Sheet and Profit & Loss account comply with the accounting standards referred to in Sub Section 3(c) of Section 211 of the Companies Act, 1956.
 - (e) On the basis of written representation received from the directors as on 31/03/2011 and taken on record by the board of directors, We report that none of the directors is disqualified as on 31/03/2011 from being appointed as a director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, read with Accounting Policies and Notes on Accounts mentioned in schedule 12, the said accounts give the information required by the Companies Act, 1956, in the manner so required give a true and fair view,
 - (i) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31/03/2011 and;
 - (ii) In the case of the Profit & Loss Account, of the Profit for the period ended on that date.

For **MAHAVEER M. JAIN & CO.**
(Chartered Accountants)

(MAHAVEER K. JAIN)
Proprietor
M.No. 070966
FRN 001749C

Place:INDORE
Dated: 25/08/2011



BALANCE SHEET AS AT 31st MARCH, 2011

PARTICULARS	Sch.No.	Amount As At 31.03.2011 (Rs.)	Amount As At 31.03.2011 (Rs.)	Amount As At 31.03.2010 (Rs.)
I. SOURCES OF FUND				
1. Share holder's Fund				
A. Share Capital	1		2900000.00	100000
B. Reserve & Surplus	2		42754.00	0
2. Loan Fund				
A. Unsecured Loan	3		12513350.00	6512800
TOTAL			15456104.00	6612800
II. APPLICATION OF FUND				
1. Fixed Assets				
A. Gross Block		15027411.00		
B. Less : Depreciation	4	<u>1658.00</u>		
C. Net Block			15025753.00	0
2. Current Assets, Loan & Advances				
A. Cash & Bank Balances	5		284260.00	109350
B. Loans & Advances	6		43750.00	6481000
			<u>328010.00</u>	6590350
Less : Current Liabilities & Provisions	7		37659.00	5000.00
Net Current Assets :			<u>290351.00</u>	6585350
3. Miscellaneous Expenditure	8		140000.00	27450
TOTAL			15456104.00	6612800

As per our report of even date annexed

Accounting Policies and Notes on Accounts 12

The Schedules referred to herein form an integral part of the Balance Sheet

For Mahaveer M.Jain & Co.
(Chartered Accountants)

(Mahendra Singh Jain)
DIRECTOR

(Rajendra Singh Jain)
DIRECTOR

(Mahaveer K.Jain)
Proprietor
M.No. 070966

DATED : 25/08/2011
PLACE : INDORE

LUHADIYA SONS SHAHPURA PVT. LTD.

PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 01.04.2010 TO 31.03.2011

PARTICULARS	Sch. No.	Amount 2010-11 (Rs.)	Amount 2009-10 (Rs.)
I. INCOME			
Other Income	9	298000.00	0
TOTAL		<u>298000.00</u>	<u>0</u>
II. EXPENDITURE			
A. Direct Expenses	10	223882.00	0
B. Administrative and Other Overheads	11	29706.00	0
C. Depreciation		1658.00	0
		<u>255246.00</u>	<u>0</u>
III. PROFIT BEFORE TAX		42754.00	0
Less : Provision for Taxation current year		0.00	0
IV. PROFIT AFTER TAX		<u>42754.00</u>	<u>0</u>
Add : Balance brought forward from Previous year		0.00	0
V. PROFIT CARRIED TO BALANCE SHEET		<u>42754.00</u>	<u>0</u>
Notes on accounts and contingent liabilities			
Accounting Policies and Notes on Accounts The Schedules referred to herein form an integral part of the Profit & Loss account	12	As per our report of even date annexed	

For Mahaveer M.Jain & Co.
(Chartered Accountants)

(Mahendra Singh Jain)
DIRECTOR

(Rajendra Singh Jain)
DIRECTOR

(Mahaveer K.Jain)
Proprietor
M.No. 070966

DATED : 25/08/2011
PLACE : INDORE



SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2011

PARTICULARS	Amount As At 31.03.2011 (Rs.)	Amount As At 31.03.2010 (Rs.)
SCHEDULE-1		
Share holder's Funds		
<u>Share Capital (Authorised)</u>		
5,00,000 Equity Shares of Rs.10/- each	<u>5000000.00</u>	<u>100000</u>
<u>Issued, Subscribed & Paid-up</u>		
2,90,000 Equity Shares of Rs.10/- each	<u>2900000.00</u>	<u>100000</u>
(Including 155800 shares held by ITL Industries Ltd. i.e. the Holding Company)		
TOTAL	<u>2900000.00</u>	<u>100000</u>
SCHEDULE-2		
Reserves & Surplus		
1. <u>Profit & Loss Account</u>		
- Balance as per Last Balance Sheet	0	
-Add: Transferred from P & L A/c	42754.00	0
TOTAL	<u>42754.00</u>	<u>0</u>
SCHEDULE-3		
Unsecured Loan		
1. Advance from Directors		
Mahendra Singh Jain	15900.00	31800
Rajendra Singh Jain	<u>15900.00</u>	<u>31800.00</u>
2. Loan from ITL Industries Ltd.(Holding Company)		
	<u>12481550.00</u>	<u>6481000</u>
TOTAL	<u>12513350.00</u>	<u>6512800</u>

SCHEDULE - 4 FIXED ASSETS

Name of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2010	Additions/ Adjustment	Deductions/ Adjustment	As at 31.03.2011	Up to 31.03.2010	For the year 2010-11	Deductions/ Adjustment	Up to 31.03.2011	As at 31.03.2011	As at 31.03.2010
Building (Agricultural Building and Fencing)	0	200286	0	200286	0	1360	0	1360	198926	0
Land	0	14807175	0	14807175	0	0	0	0	14807175	0
Tube Well	0	19950	0	19950	0	298	0	298	19652	0
TOTAL -	0	15027411	0	15027411	0	1658	0	1658	15025753	0
Previous year -	0	0	0	0	0	0	0	0	0	0

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2011

PARTICULARS	Amount As At 31.03.2011 (Rs.)	Amount As At 31.03.2010 (Rs.)
SCHEDULE-5		
Cash & Bank Balances		
Cash in hand	297503.00	109350
State Bank of India C/A	-13243.00	0
TOTAL	<u>284260.00</u>	<u>109350</u>
SCHEDULE-6		
Loans & Advances :		
i. Recoverable in cash or kind or for value to be received		
Loan (Choukidar)	14000.00	0
Temporary Advance (Manoj Tiwari)	25000.00	0
Advance for Purchase of Land	0.00	6481000
Prepaid Expenses	2250.00	0
ii. Deposits		
Security Deposit with MPEB	2500.00	0
TOTAL	<u>43750.00</u>	<u>6481000</u>
SCHEDULE-7		
Current Liabilities & Provisions		
A. Current Liabilities		
Other Liabilities(Outstanding Expenses)	37659.00	5000
TOTAL	<u>37659.00</u>	<u>5000</u>
SCHEDULE-8		
Miscellaneous Expenditure		
Preliminary Expenses	134500.00	21950
Pre Operative Expenses	5500.00	5500
TOTAL	<u>140000.00</u>	<u>27450</u>
SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT AS AT 31st MARCH, 2011		
SCHEDULE-9		
Other Income		
Agricultural Income	298000.00	0
TOTAL	<u>298000.00</u>	<u>0</u>
SCHEDULE-10		
Direct Expenses		
Agricultural Expenses	186715.00	0
Electricity Expenses	12417.00	0
Wages & Salary	24750.00	0
TOTAL	<u>223882.00</u>	<u>0</u>
SCHEDULE-11		
Administrative and Other Overheads		
Audit Fees	5000.00	0
Bank Charges	2525.00	0
General Expenses	18081.00	0
Legal & Professional Expenses	3500.00	0
ROC Expenses	600.00	0
TOTAL	<u>29706.00</u>	<u>0</u>



SCHEDULE NO. 12

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1. Significant Accounting Policies

(a) Basis of Preparation

The financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP), applicable Accounting Standards issued by The Institute of Chartered Accountants of India and under the historical cost convention, on accrual basis.

(b) Revenue Recognition

The Company generally follows the Mercantile System of Accounting Recognizing both Income and Expenditure on Accrual Basis.

2. Contingent Liabilities :

-----NONE-----

3. There are no other amounts due to any other SSI undertakings.

4. Related Parties Disclosure :

1. ITL Industries Ltd. (Holding Company having 53.72% Stake)

Loan received (Balance as on 31.03.2011) Rs. 12481550

2. Shri Mahendra Singh Jain (Director)

Loan received (Balance as on 31.03.2011) Rs. 15900/-

3. Shri Rajendra Singh Jain (Director)

Loan received (Balance as on 31.03.2011) Rs. 15900/-

5. Auditor's Remuneration includes the following :

PARTICULARS	2010-11	2009-10
A. Audit Fees	5000	5000
B. Other Services	2500	0
Total	<u>7500</u>	<u>5000</u>

6. The Company has not commenced commercial activities. However in terms of Resolution of the Board of Directors of the Company, it has undertaken Agricultural activities on the land purchased.

7. Figures of the previous year have been regrouped, reclassified / reworked so as to make them comparable with the current year.

PART IV

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1. Registration Details :

Registration No. State Code
 Balance Sheet Date

2. Capital Raised during the Year (Amount in Rs.Thousand) :

Public Issue Right Issue
 Bonus Issue Private Placement

3. Position of Mobilisation and Development of Funds

Total Liabilities Total Assets

Sources of Funds:-

Paid-up Capital
 Share Application Money
 Reserves & Surplus
 Secured Loans
 Unsecured Loans

Application of Funds :-

Net Fixed Assets
 Investments
 Net Current Assets
 Misc.Expenditure
 Accumulated Losses

4. Performance of Company (Amount in Rs.Thousand):

Turnover Total Expenditures
 + - Profit / (Loss) before Tax + - Profit / (Loss) after tax
 Earning Per Share Rs. Dividend Rate %

5. Generic Names of three Principal Products/Service of the Company (As per monetary Terms):

Item Code No. (ITC Code)
 Product Description
 Item Code No. (ITC Code)
 Product Description
 Item Code No. (ITC Code)
 Product Description

As per our report of even date annexed

For MAHAVEER M.JAIN & CO.
Chartered Accountant

(MAHAVEER K.JAIN)
Proprietor
M.No. 070966

Place : Indore
Date : 25.08.2011