

# **SARANG VINIYOG LIMITED**

## 32<sup>nd</sup> Annual Report

---



## SARANG VINIYOG LIMITED

### AN EXECUTIVE SNAPSHOT OF SARANG VINIYOG LIMITED

<b>Directors</b>	<b>Mr. Monoranjan Roy, Chairman and Managing Director</b> <b>Mrs. Mousumi Roy, Director</b> <b>Mr. Amar Nath Kundu, Director</b>
<b>Auditor</b>	CA. Anupam Sarkar, Chartered Account, 81/2, Regent Estate, Kolkata – 700 092
<b>Registered Office</b>	P-223, CIT Road, Scheme VI M, Kolkata, West Bengal – 700 054. India.
<b>Corporate Office</b>	3 Dacres Lane, 3 <sup>rd</sup> Floor, Kolkata-700 069. India.
<b>R&amp;T Agent</b>	Niche Technologies Pvt. Ltd. D-511, Bagree Market, 71, B.R.B. Basu Road, Kolkata 700 001. <b>Phones:</b> 2235-7270/7271. 2234-3576 <b>Fax</b> : 2215-6823 <b>Email</b> : <a href="mailto:nichetechpl@nichetechpl.com">nichetechpl@nichetechpl.com</a> <b>URL</b> : <a href="http://www.nichetechpl.com">www.nichetechpl.com</a>
<b>Bankers</b>	1. Punjab National Bank, 2. Tamilnadu Mercantile Bank Limited, 3. Oriental Bank of Commerce

**DIRECTORS' REPORT**

To,  
The Members,  
Sarang Viniyog Limited,  
P-223, C.I.T. Road, Scheme VI M,  
Kolkata – 700 054

Your Directors have pleasure in presenting the 32<sup>nd</sup> Annual Report of the Company together with audited together with the Audited Accounts of your Company for the Financial Year ended March 31, 2010.

**FINANCIAL RESULTS**

<b>PARTICULARS</b>	<b>Year ended</b>	<b>Year Ended</b>
	<b>31.03.2010</b>	31.03.2009
Gross Income	<b>559782340</b>	430313306
Profit/Loss before Interest, Depreciation	<b>21664589</b>	19377479
Depreciation	<b>117428</b>	0
Interest	<b>0.00</b>	0.00
Net Profit/Loss after Interest & Depreciation	<b>21547161</b>	19377479
Provision for Taxation	<b>7323880</b>	2179
Profit/Loss after Tax	<b>14223281</b>	19375300
Transfer from P & L Account	<b>(224712)</b>	(19600012)
<b>Profit/(Loss) Carried forward to Balance Sheet</b>	<b>13998569</b>	<b>(224712)</b>

**SHARE CAPITAL**

The Company's paid up share capital as on 31<sup>st</sup> March,2010 is Rs. 100,215,000/- by way of issue of 10,021,500/- Equity Shares of Rs.10/- each by way of cash.

**DIVIDEND**

In view of the requirement of further Capital in the Company's business your Directors do not recommend any Dividend for the year under review.

**INFORMATION ON EMPLOYEES**

Information in accordance with 217(2A) of the Companies 1956 read with Companies (Particulars of Employees) Rules, 1975 is Nil. Hence no separate annexure is annexed.

**DIRECTORS' RESPONSIBILITY STATEMENT OF THE BOARD OF DIRECTORS**

The Companies Act, 1956 requires the Board of Directors of the Company to prepare accounts for each financial year giving true and fair view of the state of affairs of the company and the profit and loss of the company for that period. The directors to the best of their knowledge and explanation state that:

- In preparation of the annual accounts, the applicable accounting standards have been followed.
- The Accounting Policies adopted have been consistently applied and wherever necessary made judgements and estimate that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for the year under review.
- 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; and
- The annual accounts have been prepared on a going concern basis.

## **SARANG VINIYOG LIMITED**

### **DIRECTORS**

Monoranjan Roy, Managing Directors of the Company retire by rotation & are eligible for reappointment at the forthcoming Annual General Meeting.

### **AUDITORS & THEIR REPORT**

Sri Anupam Sarkar, Chartered Accountant, Statutory Auditor of the Company retires at the ensuing General Meeting and being eligible offer himself for re-appointment. The observations & comments of the Auditor is self explanatory & form a part of their Report.

### **NOTES ON THE ACCOUNTS**

The provisions of maintenance of Cost records under section 209(1)(d) of the Companies Act, 1956 are not applicable to the Company.

### **ACKNOWLEDGEMENTS**

Your Directors place on record their appreciation towards the Company's valued customers for the support and confidence reposed by them in the organization.

**For and on behalf of the Board of Directors**  
For Sarang Viniyog Limited

Place: Kolkata,  
Date: 13.09.2010

**Sd/-**  
**Monoranjan Roy**  
**Managing Director**

**MANAGEMENT DISCUSSION & ANALYSIS REPORT****A. INDUSTRY STRUCTURE:**

The International Alcoholic Beverage Industry comprises mainly of Spirits, Beer and Wine. The international industry for Spirits is estimated to be around 2000 million cases (1 case = 9 Bulk Litres) in the calendar year 2009. The Indian Branded Spirits Industry was around 215-225 million cases in Fiscal Year 2009-10. Brewers in India have a size of 210 Million Cases in the last fiscal. Contrary to international trends, India continues to remain a 'Browns' market with Whisky, Rum and Brandy being the dominant flavours. It is matters of pride that Sarang Viniyog Limited, your Company has achieved quantum jumps in its revenue 2009-10. Growths in the Indian Spirits market have been way above that of other geographies. The Indian Spirits market has grown at a CAGR of 15% over the last 5 years while your Company has outperformed the Industry average during the same period. The much talked about 'demographic window' with a large and growing population of youth coming of legal drinking age will only improve the business prospects for your Company. Of the Indian population of 1.2 billion, over half is under 25 years of age; in comparison the developed countries of the American and European continents and China all have a vastly ageing population. With younger persons joining the work force and with increased exposure, through media and travel, of international trends and lifestyles, the growth of your Company, and indeed of the Indian spirits market, can only accelerate.

**B. REGULATORY ENVIRONMENT:**

The founding fathers of the Constitution of India thought it fit to place the regulation and taxation of alcoholic beverages in the domain of the States rather than in that of the Union Government. While the Union Government retains with itself the authority to licence green-field manufacturing units and to tax imports in this sector, all other activities relating to this industry – production, sale, manufacture, stocking and taxation are regulated and controlled by the State Governments. For players like your Company, operating in Eastern part of the nation, it can be a veritable nightmare dealing with the different characteristics of each market and ploughing through the maze of regulations, taxes and policies. The much delayed GST regime would have played a part in smoothening inter-state trade and commerce in the alcoholic beverage space, but with States reluctant to give up their Fiscal autonomy and control over this industry, and over a few others like Electricity, Coal and Real Estate, it is improbable that GST will cover alcoholic beverages in the near term.

**C. RISKS & CONCERNS, OPPORTUNITIES & THREATS:**

India's 'young' population demographic in comparison with an 'ageing' population in other parts of the world is seen as the engine of sustainable growth. A young population is set to join the workforce and generate disposable income, which is a key advantage. In the case of your Company, this is accentuated by changing attitudes towards consumption of alcoholic beverages which underpins exposure to life styles and products through travel and media. The Company believes that all the above factors indicate a strong and sustained demand for your Company's products for many years to come. The younger Indian consumer is also more ambitious than the earlier generation and the pervasive good feeling amongst such consumers is expected to translate into constant up-trading, reflected in your Company's case by the consistent double digit growth in its first line range of products. The Company feels that this trend will continue and, in fact, grow.

Notwithstanding a steady, albeit slow, process of deregulation, the alcoholic beverages industry continues to be the favourite target of the Governments, both at the Centre and in the States when faced with revenue pressures. Consequently, the industry suffers from the twin impact of over-regulation and excessive taxation. State and local Governments receive, by way of taxes and duties, as much as 55-60% of what the consumer pays as the retail price for the alcoholic industry's products. The proposed Goods and Services Tax (GST) legislation could have helped reduce the burden of this excessive taxation – unfortunately State Governments seem to be unwilling to bring alcoholic beverages under the ambit of GST for fear of reduced flexibility in their hands. Increasing levels of taxation and imposition of newer and ingenious levies show no sign of abatement in the near future – a factor that impedes profitability despite continuing growth in consumer demand.

**D. SEGMENT WISE OR PRODUCT – WISE PERFORMANCE:**

**IMFL market growing at rapid pace:** IMFL has grown at the rate of 13-14% in last decade. In last two years; the industry has grown at 15% and current growth momentum is expected to continue. Whisky is the most important segment. White spirits is the fastest growing segment; however it is on the lower base. Similarly, other segments such as wine and beer are also growing at rapid pace.

**High Entry Barriers:** Entry barriers are extremely high for new players as no advertisement is allowed. Thus with growing demand; existing brands have the opportunity to garner greater market share due to their distribution strengths. Also the consumers are highly addictive in terms of their brand preferences; hence any increase in prices does not drive down demand.

**E. OUTLOOK:**

Company's sales are made to large parastatal organisations controlled by the State Governments. Requests for price increases are often a tedious process and take considerable time to materialize. Your Company is in the fore front of negotiation with various State Governments in this regard. Consequently, your Company has managed price increases in various States through a mix of upgraded product launches at higher price points and judicious price corrections in linked markets. Additionally, effective realization to the Company has been pushed up through reductions in market spends and implementation of various cost cutting measures.

**F. INTERNAL CONTROL SYSTEM**

Sarang Viniyog Limited has a well-established internal control system, which is commensurate with the size and nature of its business and complexity of its operations. The Company strives to maintain a dynamic system of internal controls and procedures — including internal control over financial reporting — designed to ensure reliable financial recordkeeping, financial reporting and disclosure and protection of physical and intellectual property. The Company has an internal audit function which conducts regular internal audits to examine the adequacy and compliance with policies, plans and statutory requirements. Audits are led by professional audit managers and supported by experienced personnel drawn from across the organisation. The management duly considers and takes appropriate action on the recommendations made by the statutory auditors, internal auditors and the Board of Directors.

**G. HUMAN RESOURCE:**

For us, human resources are the most prestigious assets of the company. We believe it is a long term investment in the company and hence we train them to cope with the changing environment of the industry. During the year under review, your company has pleasure to take several initiatives to ensure that the knowledge and wisdom gained over period is available for all as well as next generation employees.

**H. FORWARD LOOKING STATEMENTS:**

This Report contains forward-looking statements that involve risks and uncertainties. Your Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates. This Report should be read in conjunction with the financial statements included herein and the notes thereto.

**For and on behalf of the Board of Directors**  
For Sarang Viniyog Limited

Place: Kolkata,  
Date: 13.09.2010

**Sd/-**  
**Monoranjan Roy**  
**Managing Director**

**REPORT ON CORPORATE GOVERNANCE**

**1. COMPANY 'S PHILOSOPHY ON CORPORATE GOVERNANCE**

SARANG VINIYOG LIMITED ("SVL"/THE "Company") is committed to implement sound corporate governance practices to ensure transparency in its operations and maximize stakeholders' value. The Company's core philosophy on the code of Corporate Governance is to abide by the following practices:

- Board accountability to the Company and shareholders
- Strategic guidance and effective monitoring by the Board
- Protection of minority interests and rights
- Equitable treatment of all shareholders
- Superior transparency and timely disclosure

**2. BOARD OF DIRECTORS**

The Board of Directors provides leadership and guidance to the Company's management and supervises the Company's Performance.

The Composition and Category of the Board of Directors is as follows:

<b>Name of the Director</b>	<b>Designation</b>	<b>Category</b>
<i>Mr. Monoranjan Roy<sup>1</sup></i>	<i>Managing Director</i>	<i>Director</i>
<i>Mrs. Mousumi Roy<sup>2</sup></i>	<i>Director</i>	<i>Director</i>
<i>Mr. Amar Nath Kundu</i>	<i>Director</i>	<i>Independent Director</i>
<i>Mr. Ranadeep Basu<sup>3</sup></i>	<i>Director</i>	<i>Independent Director</i>
<i>Mr. Siddhartha Roy<sup>4</sup></i>	<i>Director</i>	<i>Independent Director</i>
<i>Mr. Amit Das<sup>5</sup></i>	<i>Director</i>	<i>Independent Director</i>
<i>Mr. Rajendra Bubna<sup>6</sup></i>	<i>Director</i>	<i>Independent Director</i>
<i>Mr. Hare Krishna Behera<sup>7</sup></i>	<i>Director</i>	<i>Director</i>
<i>Mr. Sanjay Chatterjee<sup>8</sup></i>	<i>Director</i>	<i>Director</i>
<i>Mr. Partha Dutta<sup>9</sup></i>	<i>Director</i>	<i>Independent Director</i>

**Notes:**

1. Mr. M. Roy Appointed on 01.04.2009 resigned on 10.02.2010 again appointed on 12.03.2010 & resigned on 09.06.2010 then appointed again on 10.08.2010 as Managing Director
2. Mrs. M. Roy Appointed on 24.09.2009
3. Mr. R. Basu Appointed on 01.09.2009 & resigned on 07.07.2010
4. Mr. S. Roy Appointed on 01.04.2009 & resigned on 22.01.2010
5. Mr. A. Das Appointed on 22.01.2010 & resigned on 12.03.2010
6. Mr. R. Bubna resigned on 17.12.2009
7. Mr. H.K.Behera resigned on 09.06.2010
8. Mr. S.Chatterjee resigned on 09.06.2010
9. Mr. P.Dutta Appointed on 02.06.2010 & resigned on 28.07.2010

**None of the Directors hold Directorship in more than 15 Companies.**

**Board Meeting:**

During the year ended March 31, 2010. Eleven (11) Board Meeting held as against the minimum requirement of four meeting. The maximum time gap between any of the two consecutive meeting did not exceed four months.

**Attendance of Directors at the meetings:**

The details of the attendance of the Directors at the Board meetings held during the year ended March 31, 2010 and at the Last Annual General Meeting (AGM) are given below:

<b>Name of the Director</b>	<b>Number of Board Meetings</b>		<b>Attendance at AGM Held on September 30, 2009</b>
	<b>Held</b>	<b>Attended</b>	
<i>Mr. Monoranjan Roy<sup>1</sup></i>	11	8	Yes
<i>Mrs. Mousumi Roy<sup>2</sup></i>	11	6	Yes
<i>Mr. Amar Nath Kundu</i>	11	10	Yes
<i>Mr. Ranadeep Basu<sup>3</sup></i>	11	10	Yes

## SARANG VINIYOG LIMITED

Mr. Siddhartha Roy <sup>4</sup>	11	7	Yes
Mr. Amit Das <sup>2</sup>	11	1	-
Mr. Rajendra Bubna <sup>6</sup>	11	6	Yes
Mr. Hare Krishna Behera <sup>7</sup>	11	11	Yes
Mr. Sanjay Chatterjee <sup>8</sup>	11	11	Yes
Mr. Partha Dutta <sup>9</sup>	-	-	-

### Notes:

1. Mr. M. Roy Appointed on 01.04.2009 resigned on 10.02.2010 again appointed on 12.03.2010 & resigned on 09.06.2010 then appointed again on 10.08.2010 as Managing Director
2. Mrs. M. Roy Appointed on 24.09.2009
3. Mr. R. Basu Appointed on 01.09.2009 & resigned on 07.07.2010
4. Mr. S. Roy Appointed on 01.04.2009 & resigned on 22.01.2010
5. Mr. A. Das Appointed on 22.01.2010 & resigned on 12.03.2010
6. Mr. R. Bubna resigned on 17.12.2009
7. Mr. H.K.Behera resigned on 09.06.2010
8. Mr. S.Chatterjee resigned on 09.06.2010
9. Mr. P.Dutta Appointed on 02.06.2010 & resigned on 28.07.2010

### PROFILE OF BOARD OF DIRECTORS

Brief resume of the Directors, nature of their expertise in specific functional areas are furnished hereunder:

#### MR. MONORANJAN ROY

Mr. Monoranjan Roy aged about 37 years is a successful entrepreneur having business experience of over 14 years. He is Masters in Economics & Masters in Business Management. He started his business career at a very tender age. By virtue of his extreme hard work and honest endeavor for achieving business goal, he has been able to create a commendable position in the business circle. His assignments have diversified range of activities from base of management to regulation and finally concentrated towards intangible level of formulating & corporate concept delivering policy

Mr. Monoranjan Roy has been honored by the “Excellence Award” as the Entrepreneur of the year 2011 by “Institute of Economic Studies (IES)”.

#### MOUSUMI ROY

Mrs. Roy is a socialite and having ability to handle human resources very efficiently. She is in full time employment of the company.

#### MR. AMAR NATH KUNDU

Mr. Amar Nath Kundu a graduate by education, having vast experience in the field of Income Tax, Excise, Sales Tax and Corporate affairs, is constantly adding value to the organisation. He is responsible for company’s all I.T, Excise, Sale Tax etc related issues and under his guidance the company is running its business abiding all legal guidelines drawn by the different Government Agencies.

#### **Number of Shareholders complaints received so far.**

During the year ended March 31, 2010, the Company hasn’t received any complaints of shareholders

### **3. GENERAL BODY MEETING**

The details of date, location and time of the last Annual General Meetings held on as under:

Financial yearended March, 31	Date	Time	Venue
2009-10	September 30, 2010	11.00 AM	P-223, C.I.T. Road, Scheme VI M, Kolkata – 700 054



#### **4. DISCLOSURES:**

##### **a) Related party transactions:**

During the year ended March 31, 2010, there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. Adequate disclosure is made in the Annual Accounts regarding related party transactions

##### **b) Disclosure of Accounting Treatment:**

The Company has followed the accounting standards notified under Companies (Accounting Standards) Rules, 2006 in the preparation of its financial statements.

##### **c) Board Disclosures - Risk Management**

The Company has a Risk Management Policy which has been adopted by the Board of Directors. Currently, the Company's risk management approach comprises of the following:

- Governance of Risk
- Identification of Risk
- Assessment and control of Risk

The risks have been prioritized through a companywide exercise. Members of Senior Management have undertaken the ownership and are working on mitigating the same through co-ordination among the various departments, insurance coverage, security policy and personal accident coverage for lives of all employees.

The Company has appointed a Risk Officer and also put in place the risk management framework, which helps to identify various risks cutting across its business lines. The risks are identified and are discussed by the representatives from various functions.

Risk Officer will make a presentation periodically on risk management to the Board of Directors. The Board provide oversight and review the risk management policy periodically.

A detailed note on the risks is included in the Management Discussion and Analysis annexed to the Directors' Report.

##### **d) CEO and CFO Certification**

The Managing Director and the CFO have given a Certificate to the Board as contemplated in Clause 49 of the Listing Agreement and is separately annexed.

##### **e) Proceeds from public issues, rights issues, preferential issues etc.**

During the year ended March 31, 2010, there were no proceeds from public issues, rights issues, preferential issues etc.

#### **5. MEANS OF COMMUNICATION**

##### **a) Quarterly results**

The quarterly results of the Company are published in accordance with the requirements of the listing agreement, in widely circulated newspapers.

##### **b) News releases, presentations etc.**

During the year ended March 31, 2010 the Company has not made any presentations to the investors/analysts.

##### **c) Management Discussion and Analysis (MDA) Report**

The report on MDA is annexed to the Directors' Report and forms part of this Annual Report.

**GENERAL SHAREHOLDER INFORMATION**

a) **Annual General Meeting** : 32<sup>nd</sup> Annual General Meeting  
 : September 30, 2010  
 : P-223, C.I.T. Road, Scheme VI M,  
 Kolkata – 700 054

b) **Financial Calendar** : April 1, 2009 to March 31, 2010.

Tentative Schedule for considering Financial Results

For the Quarter ending June 30, 2010 : July / August, 2009  
 For the Quarter ending September 30, 2010 : October /November, 2009  
 For the Quarter ending December 31, 2010 : January / February, 2010  
 For the Quarter/Year ending March 31, 2010 : April/May, 2010

c) **Date of Book Closure** : 23<sup>rd</sup> September, 2010 to 30<sup>th</sup> September, 2010  
 (Both days inclusive)

d) **Dividend Payment Date** : No Dividend being declared this year

e) **Listing on Stock Exchanges** : Company's Equity Shares are listed at

Sl. No.	Name of the Stock Exchange	Address	Script Name, Script Code
1.	Calcutta Stock Exchange Limited	7, Lyons Range, Kolkata 700 001	Sarang Viniyog Limited, 29247

The Listing Fee for the year 2010-2011 has been paid to the above Stock Exchange.

**f) Market Price Data**

The market price of shares is not available as the shares of the Company at the Calcutta Stock Exchange Limited during the period from April 1, 2009 to March 31, 2010

**g) Registrar & Share Transfer Agents:**

For Shares held in both Physical and Demat mode

<b>Niche Technologies Pvt. Ltd.</b> D-511, Bagree Market, 71, B.R.B. Basu Road, Kolkata 700 001	Phones : 2235-7270/ 7271. 2234-3576 Fax : 2215-6823  Email : <a href="mailto:nichetechpl@nichetechpl.com">nichetechpl@nichetechpl.com</a> URL : <a href="http://www.nichetechpl.com">www.nichetechpl.com</a>
--	--

**h) Share Transfer System and Dematerialization of Shares**

The Physical share transfers are processed and the share certificates are returned to the shareholders within a maximum period of one month from the date of receipt, subject to the documents being valid and complete in all respects.

Any transferee who wishes to Demat the shares may approach a Depository participant along with a duly filled Demat Request Form, who shall, on the basis of the Share Certificate, generate a Demat request and send the same to the Registrar and Share transfer Agents (RTA). On receipt, the Depository Registrar confirms the request.

All requests for Dematerialization of shares are processed and the confirmation is given to the respective Depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), within 21 days of receipt.

**i) Dematerialization of Shares and liquidity**

The Company's shares are available for dematerialization with both the Depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The International Securities Identification Number [ISIN] allotted to the Company's Shares under the Depository System is **INE675G01018**.

To enable us to serve our investors better, we request Members whose shares are in physical mode to dematerialize shares and to update their bank accounts with the respective depository participants.

**j) ECS [Electronic Clearing Service / Mandates / Bank Details**

Members may please note that ECS details contained in the BENPOS downloaded from the Depositories would be reckoned for payment of dividend. In order to avoid fraudulent encashment of dividend, please register either ECS mandate or Bank details for payment of dividend.

**k) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity.**

The Company has not issued any GDRs/ADRs and there are no outstanding warrants or any Convertible instruments.

**Address for Correspondence**

**Sarang Viniyog Limited**

Regd. Off: P-223, C.I.T. Road, Scheme VI M,  
Kolkata – 700 054, West Bengal, India

Corp. Off: 3, Dacres Lane, 3rd Floor,  
Kolkata – 700 069, west Bengal, India

Phone No. 033 – 2231-9135.

Fax No. 033 – 4008-0690

E-mail: [sarangviniyog@gmail.com](mailto:sarangviniyog@gmail.com)

Place: Kolkata,

Date: 13.09.2010

**For and on behalf of the Board of Directors**  
For Sarang Viniyog Limited

**Sd/-**  
**Monoranjan Roy**  
**Managing Director**

**CEO/CFO CERTIFICATE**

In terms of the requirement of Clause 49 of the Listing Agreement with the Stock Exchanges, the certificates from CEO/CFO have been obtained.

**For and on behalf of the Board of Directors**  
For Sarang Viniyog Limited

Place: Kolkata,  
Date: 13.09.2010

**Sd/-**  
**Monoranjan Roy**  
**Managing Director**

-----  
**DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT**

As provided under Clause-49 of the Listing Agreement with the Stock Exchanges, the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the financial year ended March 31, 2011

**For and on behalf of the Board of Directors**  
For Sarang Viniyog Limited

Place: Kolkata,  
Date: 13.09.2010

**Sd/-**  
**Monoranjan Roy**  
**Managing Director**

**CERTIFICATE**

**To  
The Members of  
Sarang Viniyog Limited**

I have examined the compliance of conditions of Corporate Governance by Sarang Viniyog Limited (“the Company”), for the year ended on March 31, 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 of the Company. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and representations made by the Directors and the management of the Company, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

I state that no investor grievance is pending for a period exceeding one month as on March 31, 2010 against the Company as per the records maintained by the Shareholders / Investors Grievance Committee.

I 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.

Place: Kolkata,  
Date: September 13, 2010

**CA. Anupam Sarkar**  
Sd/-  
**Anupam Sarkar**  
Chartered Accountant  
Membership No: 050083

**AUDITORS' REPORT**

TO  
THE MEMBERS OF  
**SARANG VINIYOG LIMITED**  
**KOLKATA**

I have audited the attached Balance Sheet of *M/S SARANG VINIYOG LIMITED* as at 31<sup>st</sup> March 2010 and the Profit & Loss Account for the year ended on that date annexed thereto and cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

1. I conducted my audit in accordance with Auditing standards generally accepted in India. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements 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 the management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.
2. As required by the Companies (Auditor's Report) Order, 2003 as Amended by the Companies (Auditor's Report) Amendment order, 2004 (together the Order) issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, and on the basis of such checks of the books and records of the company as I considered appropriate and according to the information and explanations given to us., I enclose in the Annexure hereto a statement on the matters specified in paragraph 4 and 5 of the said order.
3. Further to my commitments in the Annexure referred to in paragraph 2 above, I report that
  - a. I have obtained all the information and explanations, which to the best of my knowledge and belief are necessary for the purpose of my audit.
  - b. In my opinion, proper books of account as required by law have been kept by the Company so far as appears from my examination of those books.
  - c. The Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account of the Company.
  - d. In my opinion, the Balance sheet, Profit and Loss Account and the Cash Flow Statement comply with the accounting standards referred to in section 211(3C) of the Companies Act, 1956.
  - e. On the basis of the representation received from the directors, as on March 31, 2010 and taken on record by the Board of Directors, I report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of section 274 (1) (g).
  - f. In my opinion and to the best of my information and according to the explanations given to me, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956 in the manner so required, and present a true and fair view, in conformity with the accounting principles generally accepted in India:
    - i. In so far as relates to Balance sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2010:
    - ii. In so far as relates to the Profit and Loss Account of the Profit of the Company for the year ended on that date.
    - iii. In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Place: Kolkata,  
Date: September 13, 2010

**CA. Anupam Sarkar**

Sd/-  
**Anupam Sarkar**  
Chartered Accountant  
Membership No: 050083

**Annexure referred to in Paragraph 2 of my report of even date**

1. Fixed Assets

- a. The company has maintained updated proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The fixed assets are physically verified by the management in accordance with a programme of verification, which in my opinion is adequate with relation to the size of the company and the nature of assets. According to the information & explanation given to us, no material discrepancies are noticed on such verification.
- c. The Company has not disposed off any part of its fixed assets during the year.

2. Inventory.

As explained to me, inventories are physically verified during the year at reasonable intervals by the Management of the Company.

In my opinion and according to the information & explanation given to me, the procedures of physical verification of Inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

In my opinion and according to the information & explanation given to me, the Company is maintaining proper records of inventory and discrepancies noticed on physical verification as compared to book records are not material and the same have been properly dealt with in the Books of Account.

3. The Company has not raised any fund during the year

4. In my opinion and according to the information and explanations given to me, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business. During the course of my audit, I have not observed any major lacunas in internal controls.

5. Based on my audit procedures applied by me and according to the information and explanation provided by the Management, there are no transactions that need to be entered into the register maintain under section 301 of the Act.

6. The Company has not received any public deposits during the financial year, therefore compliance of section 58A and 58AA of the companies Act. 1956 is not applicable.

7. In my opinion, the internal audit system of the Company is commensurate with its size and nature of its business.

8. The Company is not required to maintain Cost record under Section 209 (1) (d) of the Companies Act. 1956.

9. (a) In my opinion and according to the information and explanations given to me, undisputed statutory dues including Provident Fund, Income Tax and any other statutory dues have been regularly deposited in time during the year with appropriate authorities and there no undisputed statutory dues payable for a period of more than six months from the date of becoming payable as at 31<sup>st</sup> March 2010.

(b) In my opinion and according to the information & explanations given to me, there are no dues in respect of income tax and wealth tax that have not been deposited on account of any dispute.

10. According to the records of the Company examined by me and the information and explanations given to me, there are no dues payable to any financial institutions or banks or debenture holders as at the balance sheet date.

11. According to the information & explanations given to me, the Company has not granted any loans and advances on the basis security by way of pledge of shares, debentures and other securities.
12. In my opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, clause 4 (xiii) of the Companies (Auditor's Report) order 2003 is not applicable to the company.
13. In my opinion, the Company has maintained records of transactions & contracts in respect of trading in Securities & Commodities & other investments and timely entries have been made therein.
14. In my opinion, according to the information and explanations given to me, the Company has not given any guarantee for loans taken by others from banks and financial institutions. Hence the clause is not applicable.
15. In my opinion, the Company has not raised any term loan. Therefore, the provisions of Clause 4(xvi) of the Order are not applicable to the Company.
16. According to the information and explanations given to me and on an overall examination of the Balance Sheet of Company, I report that as the Company has not raised any fund on short-term basis so reporting under this clause is not required.
17. According to the information and explanations given to me, the Company has not made any preferential allotment of shares to any parties or companies covered in the register maintained under section 301 of the Companies Act. 1956.
18. The Company has not raised any money through a public issue during the year.
19. During the course of my examination of the Books and Records of the Company, carried out in accordance with the Generally Accepted Auditing Practices in India, and according to the information and explanations provided by the Management, I report that no fraud on or by the Company has been noticed or reported during the year.

Place: Kolkata,  
Date: September 13, 2010

**CA. Anupam Sarkar**

Sd/-  
**Anupam Sarkar**  
Chartered Accountant  
Membership No: 050083



**SARANG VINIYOG LIMITED**

**SARANG VINIYOG LIMITED  
KOLKATA  
BALANCE SHEET AS AT 31/03/2010**

<b>PARTICULARS</b>	<b>Schedule No.</b>		<b>Current Year (Rs.)</b>	<b>Previous Year (Rs.)</b>
<b><u>SOURCES OF FUND</u></b>				
<b>Shareholders' Fund</b>				
<b>Share Capital Account :</b>				
Issued and Subscribed	1		10,02,15,000	10,02,15,000
Reserves & Surplus:	2		4,38,28,764	7,86,405
<b>TOTAL SOURCE</b>		(A)	<b>14,40,43,764</b>	<b>10,10,01,405</b>
<b><u>APPLICATIONS OF FUND</u></b>				
<b>Fixed Assets :</b>				
Gross Block	3		7,27,596	-
Less: Depreciation			1,17,428	-
<b>Net Block</b>		(i)	<b>6,10,168</b>	-
Investments	4	(B)	<b>14,00,000</b>	-
<b>Current Assets, Loans &amp; Advances :</b>				
Inventory	5		2,94,06,580	2,29,48,453
Sundry Debtors	6		25,66,72,471	7,21,02,583
Cash & Bank Balances	7		2,29,397	1,42,611
Other Current Assets, Loans & Advances	8		35,93,53,653	2,12,97,451
		(B)	<b>64,56,62,101</b>	<b>11,64,91,098</b>
<b>Current Liabilities &amp; Provisions :</b>				
Sundry Creditors & Liability for Expenses	9		49,63,05,009	1,56,68,372
Provisions	10		73,23,688	46,041
		(C.)	<b>50,36,28,697</b>	<b>1,57,14,413</b>
<b>Net Current Assets</b>		(C-D)=(E)	<b>14,20,33,404</b>	<b>10,07,76,685</b>
Deferred Tax Assets	11		192	-
Profit & Loss Account	12	(F)	-	2,24,720
<b>TOTAL APPLICATION</b>		(A+B+E)	<b>14,40,43,764</b>	<b>10,10,01,405</b>
<b>Notes to Accounts</b>	18			

The above notes from an integral part of Financial Statement

As per my Report of even date  
**for CA Anupam Sarkar**  
Chartered Accountant

Sd/-  
**Anupam Sarkar**  
Membership No.: 050083

Place: Kolkata  
Date: 13.09.2010

**For and on behalf of the Board**

Sd/-  
**Monoranjan Roy**  
Managing Director

Sd/-  
**Amar Nath Kundu**  
Director

**SARANG VINIYOG LIMITED**

**SARANG VINIYOG LIMITED**

**KOLKATA**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31/03/2010**

<b>PARTICULARS</b>	<b>Schedule No.</b>		<b>Current Year (Rs.)</b>	<b>Previous Year (Rs.)</b>
<b>INCOME :</b>				
Gross Sales	13		55,97,82,340	43,03,13,306
Other Income	14		-	-
		(A)	<b>55,97,82,340</b>	<b>43,03,13,306</b>
<b>EXPENSES :</b>				
Cost of Goods Traded	15	(B)	52,47,61,442	40,35,13,197
<b>Gross Profit</b>		(A-B)= C	<b>3,50,20,898</b>	<b>2,68,00,109</b>
Selling & Distribution Expenses	16		1,15,20,984	63,68,957
Administrative & General Expenses	17		18,35,325	10,53,673
Depreciation	3		1,17,428	-
			<b>1,34,73,737</b>	<b>74,22,630</b>
<b>Profit before Tax</b>			<b>2,15,47,161</b>	<b>1,93,77,479</b>
Less: Provision for Income Tax			73,23,688	2,179
Less: Deferred tax (Assets)/Liability			192	-
<b>Profit after Tax</b>			<b>1,42,23,281</b>	<b>1,93,75,300</b>
Add: Balance b/f			(2,24,712)	(1,96,00,020)
<b>Balance carried to Profit &amp; Loss Account</b>			<b>1,39,98,569</b>	<b>(2,24,720)</b>
Basic Earnings Per Share (In Rs.)			1.42	1.93
Diluted Earnings Per Share (In Rs.)			1.42	1.93
<b>Notes to Accounts</b>	18			

The above notes from an integral part of Financial Statement

As per my Report of even date

**for CA Anupam Sarkar**

Chartered Accountant

Sd/-

**Anupam Sarkar**

Membership No.: 050083

Place: Kolkata

Date: 13.09.2010

**For and on behalf of the Board**

Sd/-

**Monoranjan Roy**

Managing Director

Sd/-

**Amar Nath Kundu**

Director

**SARANG VINIYOG LIMITED**

**SARANG VINIYOG LIMITED**

KOLKATA

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31/03/2010**

PARTICULARS	Amount 2009-10	Amount 2008-09
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>	<b>Rs.</b>	<b>Rs.</b>
Net Profit before tax	2,15,47,161	1,93,77,479
<b>Adjustments for:</b>		
Depreciation	1,17,428	-
<b>Operating Profit before Working capital changes</b>	<b>2,16,64,589</b>	<b>1,93,77,479</b>
<b>Adjustments for:</b>		
(Increase) / Decrease in Inventories	(64,58,127)	(53,82,882)
(Increase)/ Decrease in Account Receivable	(18,45,69,888)	(14,45,050)
(Increase)/ Decrease in Loans & Advances	(33,80,56,202)	(2,11,86,372)
Increase/ (Decrease) in Account Payables	48,79,14,100	(1,30,96,684)
<b>Cash Generated from Operations</b>	<b>(1,95,05,528)</b>	<b>(2,17,33,509)</b>
Tax Paid	(73,23,880)	(2,179)
<b>Net Cash from Operating Activities</b>	<b>(2,68,29,408)</b>	<b>(2,17,35,688)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Fixed Assets (including C.W.I.P.)	(7,27,596)	-
Investment in Securities	(14,00,000)	2,10,25,500
<b>Net Cash from Investing Activities</b>	<b>(21,27,596)</b>	<b>2,10,25,500</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Application Money	2,90,43,790	1,50,000
<b>Net Cash from Financing Activities</b>	<b>2,90,43,790</b>	<b>1,50,000</b>
Net Increase/(Decrease) in Cash and Cash equivalents	86,786	(5,60,188)
Cash and Cash equivalents as at 1st April(Opening Balance)	1,42,611	7,02,799
Cash and Cash equivalents as at 31st March(Closing Balance)	2,29,397	1,42,611

The above notes form an integral part of Financial Statement

As per my Report of even date  
for **CA Anupam Sarkar**  
Chartered Accountant

Sd/-  
**Anupam Sarkar**  
Membership No.: 050083

Place: Kolkata  
Date: 13.09.2010

**For and on behalf of the Board**

Sd/-  
**Monoranjan Roy**  
Managing Director

Sd/-  
**Amar Nath Kundu**  
Director

**SARANG VINIYOG LIMITED**
**SARANG VINIYOG LIMITED**
**KOLKATA**
**SEHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT 31/03/2010**

<b>PARTICULARS</b>	<b>Current Year (Rs.)</b>	<b>Previous Year (Rs.)</b>
<b><u>Schedule 1</u></b>		
<b><u>Share Capital</u></b>		
<b>Authorised</b>		
1,00,30,000 Equity Shares of Rs. 10/- each	<b>10,03,00,000</b>	<b>10,03,00,000</b>
Issued Subscribed and Fully Paid Up		
100,000 Equity Shares of Rs.10/- each paid up in cash	10,00,000	10,00,000
9921500 Equity Shares allotted to the Shareholders of the transferor or companies on amalgamation other than consideration received in cash	9,92,15,000	9,92,15,000
	<b>10,02,15,000</b>	<b>10,02,15,000</b>
<b><u>Schedule 2</u></b>		
<b><u>Reserves &amp; Surplus</u></b>		
Securities Premium Account	6,36,405	6,36,405
Profit & Loss Account	1,39,98,569	-
Share Application	2,91,93,790	1,50,000
	<b>4,38,28,764</b>	<b>7,86,405</b>
<b><u>Schedule 4</u></b>		
<b><u>Investments</u></b>		
Fixed Deposit with Bank	-	-
Share Investment	14,00,000	-
	<b>14,00,000</b>	<b>-</b>
<b><u>Schedule 5</u></b>		
<b><u>Inventories</u></b>		
Finished Goods	2,94,06,580	2,29,48,453
(At Cost - As taken valued & Certified by the Management)	<b>2,94,06,580</b>	<b>2,29,48,453</b>
<b><u>Schedule 6</u></b>		
<b><u>Trade Receivables</u></b>		
Secured, Considered Good		
- Outstanding for a period exceeding six months	6,89,548	5,32,802
- Others	25,59,82,924	7,15,69,781
	<b>25,66,72,471</b>	<b>7,21,02,583</b>
<b><u>Schedule 7</u></b>		
<b><u>Cash &amp; Bank Balances</u></b>		
<b>Cash at Bank - with Scheduled Bank</b>		
In Current Account	1,13,847	1,27,462
Cash in Hand - as certified by the management	1,15,550	15,149
	<b>2,29,397</b>	<b>1,42,611</b>

**SARANG VINIYOG LIMITED**

<b>SARANG VINIYOG LIMITED</b> <b>KOLKATA</b> <b>SEHEDULES FORMING PART OF BALANCE SHEET &amp; PROFIT AND LOSS ACCOUNT 31/03/2010</b>		
<b>PARTICULARS</b>	<b>Current Year (Rs.)</b>	<b>Previous Year (Rs.)</b>
<b>Schedule 8</b>		
<b>Loans &amp; Advance</b>		
Advance recoverable in cash or in kind or for value to be received	-	2,11,86,372
Advance Income Tax	73,23,688	17,778
Income Tax Refundable	-	2,158
Tax Deducted at Source	-	91,143
Other Current Assets	98,21,235	-
Sundry Advances	34,22,08,730	-
	<b>35,93,53,653</b>	<b>2,12,97,451</b>
<b>Schedule 9</b>		
<b>Current Liabilities &amp; Provisions</b>		
<b>Current Liabilities</b>		
Sundry Creditors	48,42,52,200	1,55,59,212
Liability for Expenses	1,20,52,809	1,09,160
	<b>49,63,05,009</b>	<b>1,56,68,372</b>
<b>Schedule 10</b>		
<b>Provisions</b>		
Income Tax	73,23,688	46,041
	<b>73,23,688</b>	<b>46,041</b>
<b>Schedule 11</b>		
<b>Deferred Tax Assets</b>		
Deferred Tax Assets	192	-
	<b>192</b>	<b>-</b>
<b>Schedule 12</b>		
<b>Profit &amp; Loss Account</b>		
Profit & Loss Account	-	2,24,720
	<b>-</b>	<b>2,24,720</b>

**SARANG VINIYOG LIMITED**

<b>SARANG VINIYOG LIMITED KOLKATA SCHEDULES FORMING PART OF BALANCE SHEET &amp; PROFIT AND LOSS ACCOUNT 31/03/2010</b>		
<b>PARTICULARS</b>	<b>Current Year (Rs.)</b>	<b>Previous Year (Rs.)</b>
<b>Schedule # 13</b>		
<b>Gross Revenue From Operations</b>		
Sale of Products (Trading Brands)	55,97,82,340	43,03,13,306
	<b>55,97,82,340</b>	<b>43,03,13,306</b>
<b>Schedule # 14</b>		
<b>Other Incomes</b>		
Interest Income	-	-
	-	-
<b>Schedule # 15</b>		
<b>Cost of Goods Traded</b>		
Opening Stock	2,29,48,453	1,75,65,571
Add: Purchase	53,12,19,569	40,88,96,079
Less: Closing Stock	2,94,06,580	2,29,48,453
	<b>52,47,61,442</b>	<b>40,35,13,197</b>
<b>Schedule # 16</b>		
<b>Selling &amp; Distribution Expenses</b>		
Business Promotion	41,94,644	10,49,611
Carriage outwards	27,54,327	12,14,165
Discount allowed	2,19,432	1,88,780
Godown Expenses	12,74,950	11,05,165
Godown Rent	6,00,000	6,00,000
Publicity Expenses	2,31,986	1,55,680
Sales Commission	22,45,645	20,55,556
	<b>1,15,20,984</b>	<b>63,68,957</b>
<b>Schedule # 17</b>		
<b>Administrative &amp; General Expenses</b>		
Audit Fees	15,000	11,030
Demat Charges	14,712	-
General Expenses	28,103	10,031
Director's Remuneration	3,00,000	60,000
Postages, Courier & Photocopy	87,942	5,086
Printing & Stationery	68,714	3,891
Rates & Taxes	1,05,443	-
Legal Expenses	2,40,000	4,300
Organisational Expenses	96,974	-
Travelling & Conveyance	1,77,997	-
Salaries and Wages	7,00,440	8,18,000
Bank Charges	-	3,750
Filing Fees	-	5,500
Listing Fees	-	79,944
Registrar Fees	-	16,407
Rent	-	18,000
Professional Fees	-	7,500
Profession Tax	-	8,384
Trade Licenses	-	1,850
	<b>18,35,325</b>	<b>10,53,673</b>

## SARANG VINIYOG LIMITED

<b>Sarang Viniyog Limited</b> Kolkata Schedule 3 Fixed Assets								
Description	Gross Block			Depreciation			Net Block	
	As at 01/04/2009 (Rs.)	Additions (Rs.)	As at 31/03/2010 (Rs.)	As at 01/04/2009 (Rs.)	For The Year (Rs.)	As at 31/03/2010 (Rs.)	As at 31/03/2010 (Rs.)	As at 31/03/2009 (Rs.)
Furniture & Fixtures	-	3,24,109	3,24,109	-	45,967	45,967	2,78,142	-
Office Equipment	-	1,29,145	1,29,145	-	36,090	36,090	93,055	-
Electrical Equipment	-	2,74,342	2,74,342	-	35,371	35,371	2,38,971	-
		<b>7,27,596</b>	<b>7,27,596</b>		<b>1,17,428</b>	<b>1,17,428</b>	<b>6,10,168</b>	-
Previous Year		-	-		-	-	-	-

**SCHEDULE – 18**  
**NOTES ON ACCO UNITS**

**1. Significant Accounting Policies**

**i. General**

The Financial Statements are prepared on the basis of historical cost convention, adopting mercantile system of accounting and recognizing income and expenditure on accrual basis unless there are any specified remarks otherwise against any item.

**ii. Fixed Assets**

Fixed Assets are stated at cost less depreciation as per the written down value method.

**iii. Contingent Liability**

No provision is made for liabilities which are contingent in nature. Provision is made for those contingencies which are likely to materialize into liabilities after the year end till the date of finalization of accounts and have material effect on the position stated in the Balance Sheet.

**iv. Revenue Recognition**

Revenue is recognized on accrual basis, when significant certainty as to its determination or realization exists.

**v. Inventories**

Inventories are valued at cost or market price, whichever is lower.

**2. Particulars of Employees**

There is no employee who is in receipt of remuneration in excess of the limits specified.

**3. Conservation of Energy & Technology absorption**

In view of the Trading activities of the Company the matters related to Conservation of Energy & Technology absorption are not applicable to the company.

**4. Due to Micro/Small Industrial Enterprises**

The Company has not received any information from any of the suppliers of their being a micro/ small scale industrial enterprise, hence the amount due to such units outstanding as at the year ended 31.03.2010 is not ascertainable.

**5. Income Tax**

Provision is made for Income Tax on a yearly basis under the tax payable method based on tax liability as computed after taking credit for allowances, expenses. In case of matters under appeal due to disallowance or otherwise, full provision is made when the liabilities are accepted.

**6. Directors Remuneration and Commission**

The Directors during the year under review have waived their sitting fees for attending the meeting of the Board.

**7. General**

The Company has a policy of authorizing expenditure based on reasonable checks and balances. The policy is intended to ensure that expenses are authorized on the basis of contractual obligations or accepted business practices having regard to the company's business need and exigencies. In terms of these observations we have not come across any expenses charged to the Revenue Account of the Company, which, in our opinion and according to explanations given to us could be regarded as personal expenses.

**8. Previous Year figures have been re-arranged and are grouped wherever necessary.**



**SARANG VINIYOG LIMITED**

**BALANCE SHEET AND COMPANY'S GENERAL BUSINESS PROFILE PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956**

<b>I</b>	<b>REGISTRATION DETAILS</b>	
	Registration No	031561
	State Code	21
	Balance Sheet Date	31-03-2010
<b>II</b>	<b>CAPITAL RAISED DURING THE YEAR</b>	
	(Amount in Rs.)	
	Public Issue	0
	Rights Issue	0
	Private Placement (including Premium)	0
	Bonus Issue	0
<b>III</b>	<b>POSITION OF MOBILISATION &amp; DEPLOYMENT OF FUNDS</b>	
	(Amount in Rs.)	
	Total Liabilities	144043764
	Total Assets	144043764
<b>IV</b>	<b>SOURCE OF FUNDS</b>	
	Paid up Capital	100215000
	Reserves & Surplus	43828764
	Secured Loans	0
	Un secured Loans	0
<b>V</b>	<b>APPLICATION OF FUNDS</b>	
	Net Fixed Assets	610168
	Investments	1400000
	Net Current Assets	142033404
	Miscellaneous Expenditure, not adjusted or written off	0
	Accumulated Loss	0
<b>VI</b>	<b>PERFORMANCE OF THE COMPANY</b>	
	(Amount in Rs.)	
	Turnover	559782340
	Total Expenditure	538117751
	Profit/(Loss) before Tax	21664589
	Profit/(Loss) after Tax	14223281
	Earnings per Share	1.42
	Dividend Rate (%)	0
<b>VII</b>	<b>GENERIC NAMES OF PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (AS PER MONEY TARY TERMS)</b>	
	Item code (ITC Code)	NA
	Product Description	NA

As per my Report of even date  
for CA Anupam Sarkar  
Chartered Accountant

Sd/-  
Anupam Sarkar  
Membership No.: 050083

Place: Kolkata  
Date: 13.09.2010

For and on behalf of the Board

Sd/-  
Monoranjan Roy  
Managing Director

Sd/-  
Amar Nath Kundu  
Director



**NO TICE**

Notice is hereby given that the 32<sup>nd</sup> Annual General Meeting of the members of Sarang Viniyog Limited will be held on Friday, 30<sup>th</sup> September, 2010 at 11:00 A.M. at P-223, C.I.T. Road, Scheme VI M, Kolkata – 700 054 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, Consider and adopt the Audited Statements of Accounts of the Company together with the Directors' Report and also the Auditors' Report thereon for the financial year ended 31<sup>st</sup> March, 2010.

2. Regularization of post of Managing Director of the company:

**“RESOLVED THAT** pursuant to provisions of Article 143 of Article of Association of the Company and Sections, 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) subject to such other consents, approvals and permissions if any needed. Mr. Monoranjan Roy be and is hereby appointed as the Managing Director of the company for a period of five years with effect from 10.08.2010 on the terms and conditions hereinafter mentioned.”

**“RESOLVED FURTHER** that pursuant to the Articles of Association of the Company, Mr. Monoranjan Roy shall not retire by rotation.”

**“RESOLVED FURTHER THAT** any of the Directors are being and are hereby authorized jointly and/or severally to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”

3. To reappoint Auditor, CA Anupam Sarkar, Chartered Accountant, 81/2, Regent Estate, Kolkata – 700 092 to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

**“RESOLVED THAT** pursuant to the provisions of Section 224(1) of the Companies Act, 1956 and subject to the approval of the members at the Annual General Meeting of the Company **CA. Anupam Sarkar**, Chartered Accountants, be and are hereby appointed as the Auditors of the Company to hold office, from the conclusion of ensuing Annual General Meeting to the conclusion of the next Annual General Meeting of the Company at a remuneration as may be decided by the Board with the mutual consent of the auditors.”

**On behalf of the Board of Directors**  
For Sarang Viniyog Limited

Place: Kolkata,  
Date: September 13, 2010

**Sd/-**  
**Monoranjan Roy**  
**Managing Director**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. The instrument appointing the proxy in order to be effective, should be duly stamped, completed and signed and deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
3. Members/Proxy should bring dully filled attendance slips sent herewith to attend the meeting.
4. The register of Members and Share Transfer Books will remain closed from Friday, 23<sup>rd</sup> September, 2010 to Friday 30<sup>th</sup> September, 2010 (both days inclusive).
5. Members are requested to notify any changes in their address to the Registrar and Share Transfer Agents, Niche Technologies Pvt. Ltd., Room No. D-511, Bagree Market, 71, Canning Street, Kolkata – 700 001 or to the Company and always quote their Folio No. or DP ID and Client ID in all Correspondence.
6. Information about Directors proposed to be appointed at the Annual General Meeting as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange are provided in the report of Corporate Governance forming part of the Annual General Report.

**EXPLANATORY STATEMENT**

(Pursuant to Section 173(2) of the Companies Act, 1956)

**ITEM NO.2**

- Mr. Monoranjan Roy be and is hereby appointed as Managing Director of the Company, whose period of office shall be not liable to retire by rotation.
- Mr. Roy is a first generation entrepreneur. He is in full time employment of the company.
- Mr. Roy does not hold any Equity Share in the Company.
- Mr. Roy is Husband of Mrs. Mousumi Roy, Director of the Company.
- Except Mr. Roy herself & Mrs. Mousumi Roy, no other Director is concerned or interest in this resolution
- The Board of Directors recommends the resolution for approval of the members

**On behalf of the Board of Directors**  
For Sarang Viniyog Limited

Place: Kolkata,  
Date: September 13, 2010

**Sd/-**  
**Monoranjan Roy**  
**Managing Director**

**SARANG VINIYOG LIMITED**  
**Regd. Office: P-223, CIT Road, Scheme VI M, Kolkata – 700 054.**

**ATTENDANCE SLIP**

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the THIRTY-SECOND ANNUAL GENERAL MEETING of the Company at \_\_\_\_\_, at 11:00 AM on Thursday, the 30<sup>th</sup> September, 2010.

.....  
Full name of the Shareholder ..... Signature  
(in block capitals)

Folio No. .... /DP ID No.\* ..... & Client ID No.\* .....  
\* Applicable for members holding shares in electronic form.

.....  
Full name of Proxy ..... Signature  
(In block capitals)

NOTE: Shareholder/Proxy Holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

**SARANG VINIYOG LIMITED**  
**Regd. Office: P-223, CIT Road, Scheme VI M, Kolkata – 700 054.**

**PROXY**

I/We ..... of ..... in the district of ..... being a Member/Members 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 attend and vote for me/us and on my/our behalf at the THIRTY SECOND ANNUAL GENERAL MEETING of the Company, to be held on Thursday, the 30<sup>th</sup> September, 2010 and at any adjournment thereof.

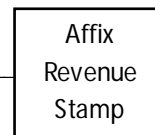
Signed this ..... day of ..... 2010.

Folio No. .... /DP ID No.\* ..... & Client ID No.\* .....

\* Applicable for members holding shares in electronic form

Signature \_\_\_\_\_

No. of Shares



This form is to be used @ in favour of the resolution. Unless otherwise instructed, the proxy will act as he thinks fit.

@ Against

@ Strike out whichever is not desired.

NOTES : (i) The proxy must be returned so as to reach the Registered Office of the Company at **P-223, CIT Road, Scheme VI M, Kolkata – 700 054.**, not less than FORTY-EIGHT HOURS before the time for holding the aforesaid meeting. (ii) Those members who have multiple folios with different joint holders may use copies of this Attendance Slip/Proxy.