



**ANNUAL
REPORT**

2011 - 2012

YERROWDA INVESTMENTS LIMITED

10-B, BAKHTAWAR, NARIMAN POINT, MUMBAI - 400 021.

NOTICE

NOTICE is hereby given that the 58th Annual General Meeting of the Members of Yerrowda Investments Limited will be held on Tuesday, 24th July, 2012 at 10:30 a.m. at the Registered Office of the Company at 10-B, Bakhtawar, Nariman Point, Mumbai-400 021 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012 and the Profit & Loss Account for the financial year ended on that date together with the Directors' Report and the Auditors' Report thereon.
2. To appoint a Director in place of Shri Deepak Desai, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Somnath Patil, who was appointed as an Additional Director of the Company by the Board of Directors and who holds office up to the date of the Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has, under Section 257 of the said Act, received notice in writing proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri R. Sriraman, who was appointed as an Additional Director of the Company by the Board of Directors and who holds office up to the date of the Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has, under Section 257 of the said Act, received notice in writing proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

YERROWDA INVESTMENTS LIMITED

10-B, BAKHTAWAR, NARIMAN POINT, MUMBAI - 400 021.

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Shirish Desai, who was appointed as an Additional Director of the Company by the Board of Directors and who holds office up to the date of the Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has, under Section 257 of the said Act, received notice in writing proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

For and on behalf of the Board of Directors,


Somnath Patil
Chairman

Place: Pune
Date: 17th May, 2012

Registered Office:
10-B, Bakhtawar,
Nariman Point,
Mumbai-400 021

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. An Explanatory Statement pursuant to section 173 (2) of the Companies act, 1956 in respect of Special Business as set out above is annexed hereto.
3. Proxies, in order to be effective, should be completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
4. Record date to determine entitlement of members to attend and vote at the Annual General Meeting is 24th July 2012.

Regd. Office: 10-B, Bakhtawar, Nariman Point, Mumbai-400 021

YERROWDA INVESTMENTS LIMITED

10-B, BAKHTAWAR, NARIMAN POINT, MUMBAI - 400 021.

Annexure to the Notice

Explanatory Statement pursuant to Section 173 (2) of the Companies act, 1956

Item No. 4

Shri Somnath Patil was appointed by the Board of Directors as an Additional Director of the Company at its meeting held on 16th December, 2011. In terms of the provisions of Section 260 of the Companies Act, 1956, Shri Somnath Patil holds office upto the date of ensuing Annual General Meeting of the Company. Notice under section 257 of the Companies Act, 1956 has been received from a member of the Company proposing Shri Somnath Patil as a candidate for the office of Director, liable to retire by rotation.

The Board of Directors is of the view that the services of Shri Somnath Patil will be of immense value to the Company. Your Directors, therefore, recommend his appointment as a Director of the Company.

None of the Directors of the Company except Shri Somnath Patil is concerned or interested in the resolution.

Item No. 5

Shri R. Sriraman was appointed by the Board of Directors as an Additional Director of the Company at its meeting held on 16th December, 2011. In terms of the provisions of Section 260 of the Companies Act, 1956, Shri R. Sriraman holds office upto the date of ensuing Annual General Meeting of the Company. Notice under section 257 of the Companies Act, 1956 has been received from a member of the Company proposing Shri R. Sriraman as a candidate for the office of Director, liable to retire by rotation.

The Board of Directors is of the view that the services of Shri R. Sriraman will be of immense value to the Company. Your Directors, therefore, recommend his appointment as a Director of the Company.

None of the Directors of the Company except Shri R. Sriraman is concerned or interested in the resolution.

Item No. 6

Shri Shirish Desai was appointed by the Board of Directors as an Additional Director of the Company at its meeting held on 16th December, 2011. In terms of the provisions of Section 260 of the Companies Act, 1956, Shri Shirish Desai holds office upto the date of ensuing

YERROWDA INVESTMENTS LIMITED

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Annual General Meeting of the Company. Notice under section 257 of the Companies Act, 1956 has been received from a member of the Company proposing Shri Shirish Desai as a candidate for the office of Director, liable to retire by rotation.

The Board of Directors is of the view that the services of Shri Shirish Desai will be of immense value to the Company. Your Directors, therefore, recommend his appointment as a Director of the Company.

None of the Directors of the Company except Shri Shirish Desai is concerned or interested in the resolution.

For and on behalf of the Board of Directors,



Somnath Patil
Chairman

Place: Mumbai
Date: 17th May, 2012

YERROWDA INVESTMENTS LIMITED

10-B, BAKHTAWAR, NARIMAN POINT, MUMBAI - 400 021.

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the 58th Annual Report together with the Audited Statement of Accounts for the financial year ended 31st March, 2012.

FINANCIAL RESULTS

The Summarised financial results for the year are as under:

	(in Rupees)	
	For the year ended 2011-12	For the year ended 2010 - 2011
Gross Revenue	-	-
Profit / (Loss) Before Tax	(19,574,408)	(4,142,413)
<i>Less:</i>		
Current Tax	110,000	30000
<i>Add:</i>		
Balance of Profit / (Loss) Brought Forward	(1,30,121,494)	(125,949,081)
Profit / (Loss) carried to Balance Sheet	(149,805,902)	(130,121,494)

DIVIDEND

In view of the accumulated losses of the Company, your directors do not recommend any dividend for the year under review.

PROJECTS/OPERATIONS

Your Company is taking care of management and maintenance of the premises occupied by the members by regularly paying Municipal taxes and other dues and providing general facilities. Your Company has recovered the amount spent from the members on time.

CHANGE IN SHAREHOLDING OF THE COMPANY

During the year under review, Deepak Fertilisers And Petrochemicals Corporation Limited (DFPCL) acquired additional 63% (approx) of the paid-up capital of the Company from the existing members of your Company. DFPCL has further acquired 1.20% of the paid up capital from Deepak Nitrite Limited in April, 2012. Post these acquisitions, the total holdings of DFPCL stood at 85% of the paid-up capital of the Company and your Company has become a Subsidiary Company of DFPCL.

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DIRECTORS

During the year under review, Shri Digant Mehta and Shri Nilesh Sheth resigned as Directors of the Company. The Board wishes to place on record its deep appreciation of their long and fruitful association with the Company.

Shri Deepak Desai retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

During the year under review, DFPCL has appointed Shri Somnath Patil, Shri R. Sriraman and Shri Shirish Desai as its representative Directors on the Board of the Company. These Directors were appointed as Additional Directors of the Company and hold office up to the date of ensuing Annual General Meeting and are eligible for appointment as Directors of the Company.

DEPOSITS

During the year under review, your Company has not accepted any deposits from the public.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of sub-section (2AA) of Section 217 of the Companies Act, 1956, your Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (ii) the accounting policies selected had been applied consistently and judgments and estimates made 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 on 31st March, 2012 and of the Loss of the Company for that period;
- (iii) proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) the annual accounts have been prepared on a 'going concern' basis.

YERROWDA INVESTMENTS LIMITED

10-B, BAKHTAWAR, NARIMAN POINT, MUMBAI - 400 021.

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

Your Company does not fall in the categories of Companies specified in Schedule of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988. Hence, the provisions of the said Rules are not applicable to your Company.

During the year under review, your Company has neither imported any Technology nor earned or used any Foreign Exchange.

EMPLOYEES

None of the employees are in receipt of remuneration exceeding the limits prescribed under the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended from time to time.

COMPLIANCE CERTIFICATE

Pursuant to the proviso to sub-section (1) of Section 383A of the Companies Act, 1956, compliance certificate obtained from a secretary in whole-time practice has been enclosed with the report and which forms part of the report.

AUDITORS

M/s. Sanjeev V. Joshi & Co., Chartered Accountants, Mumbai, the Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. The Board of Directors recommend their re-appointment.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation to the Banks and Financial Institutions, Government Authorities and all other agencies for their continued support during the year.

For and on Behalf of the Board of Directors,



Somnath Patil
Chairman

Place : Mumbai
Date : 17th May, 2012



COMPLIANCE CERTIFICATE

The Members,
YERROWDA INVESTMENTS LIMITED
10-B, Bakhtawar, Nariman Point,
Mumbai - 400 021.

I, have examined the registers, records, books and papers of YERROWDA INVESTMENTS LIMITED as required to be maintained under the Companies Act, 1956 and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March 2012**. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me / us by the Company, its officers and agents, I, certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Maharashtra during the financial year ended 31st March, 2012 as per the provisions under the Act and rules made thereunder.
3. The Company being a public company, the clause as regards the requisite paid up capital in respect of private companies is not applicable.
4. Board meetings on 29th April 2011, 29th August 2011, 16th December 2011, 25th January 2012 and 9th March 2012 were held pursuant to the provisions of the Act and the proceedings were properly recorded, signed and kept in the Minutes Book maintained for the purpose. There were no circular resolutions passed during the financial year ending on 31st March, 2012.
5. The company was not required to close its Register of Members during the financial year. Therefore compliance of Section 154 of the Act is not required.
6. The Annual General Meeting for the financial year ended on 31st March, 2011 was held on 29th September 2011, after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. One Extra-ordinary General Meeting was held on 16th January 2012 during the financial year after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
8. The Company has not advanced any loans to its directors, persons and companies in contravention of Section 295 of the Companies Act, 1956.
9. The Company has duly complied with the provisions of Section 297 of the Act in respect of contracts specified in that Section.




10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, as informed to us, the Company has not obtained any approvals from the Board of Directors, members and the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. During the financial year ended 31st March 2012 :
 - (a) there was no allotment / / transmission of securities during the financial year;
 - (b) The Company delivered all the certificates on lodgement thereof for transfer of equity shares in accordance with the provisions of the Act.
 - (c) no dividend was declared during the financial year under review, so the question of depositing any amount in a separate Bank Account does not arise.
 - (d) no dividend was declared during the financial year, so the question of posting warrants to any member of the Company does not arise.
 - (e) duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointment of additional directors has been duly made. There was no appointment of alternate directors and directors to fill casual vacancies during the financial year.
15. The Company has not made any appointment of Managing Director / Whole-time Director / Manger during the financial year.
16. The Company has not appointed any sole-selling agent during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares during the financial year.
20. The Company has not bought back any shares during the financial year.
21. As the Company has not issued any preference shares / debenture during the year, there is no question of redemption of the same.
22. There were no transactions necessitating the Company to keep in abeyance right to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not accepted any public deposits as defined under Section 58A and Section 58AA of the Companies Act, 1956, during the year.
24. During the year, the Company has complied with the provisions of Section 293(1)(d) of the Act.



25. The Company has made loans and investments in compliance with the provisions of the Act and has made necessary entries in the Registers kept for the purpose. The Company has neither given any guarantee to any bodies corporate. The Company has created a charge which operates as security for the loans given by Canara Bank to Deepak Fertilisers And Petrochemicals Corpn. Ltd.
26. The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny and complied with provisions of the Act.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered its Memorandum of Association with respect to share capital of the Company.
30. The Company has altered its Articles of Association after obtaining approval of members in the Extra Ordinary General Meeting held on 16th January, 2012 and the amendments to the articles of association have been duly registered with the Registrar of Companies.
31. There were no prosecution initiated against or show cause notices received by the Company during the financial year, for alleged offence under the Act.
32. The Company has not received any amount as security from its employees during the year.
33. The Company has not deducted any contribution towards Provident Fund with prescribed authorities pursuant to Section 418 of the Act, during the financial year.

PLACE : Mumbai
DATED : 17th May, 2012.



Signature : 
Name : PRATIK M. SHAH
Company Secretary
C.P. No. : 7401

ANNEXURE-A

Registers as maintained by **YERROWDA INVESTMENTS LIMITED** during the financial year ended 31st March, 2012.

1. Register of Members.
2. Register of Contracts U/s. 301
3. Register of Contracts, Companies and Firms in which directors are interested U/s. 301(3)
4. Register of Directors, Managing Directors etc. U/s. 303
5. Register of Directors Shareholding U/s. 307
5. Register of Transfers of shares U/s. 108
6. Register of Investments U/s. 372A
7. Register of Charges U/s. 143.

ANNEXURE - B

Forms and Returns filed by the by **YERROWDA INVESTMENTS LIMITED** with the Registrar of Companies during the financial year ended on 31st March, 2012.

Sr. No.	Form No.	Description	Date of Filing	SRN	Whether Additional Fee paid or not
1	66	Filing of Compliance Certificate for FY 2010-11	21/11/2011	P79825956	Yes
2	20B	Filing of Annual Return for the year 2011	28/11/2011	P80980535	No
3	23AC and 23ACA	Filing of Balance Sheet and Profit and Loss Account for FY 2010-11	07/12/2011	P82304866	Yes
4	32	Filed for appointment of Shri R. Sriraman, Shri Somnath Patil and Shri Shirish Desai	06/01/2012	B28973535	No
5	32	Filed for resignation of Shri Dignat Mehta and Shri Nilesh Seth	13/01/2012	B29510468	No
6	17	Satisfaction of charge of Rs. 50 crores	27/01/2012	B30582365	No
7	17	Satisfaction of charge of Rs. 45.24 crores	27/01/2012	B30581599	No
8	DIN 4	Intimation Change of PAN no. of Shri Shirish Desai	01/02/2012	B30914980	N.A.
9	23	Registration of resolution regarding change in Articles of Association and Memorandum of Association	14/02/2012	B31996077	No



Signature :
Name : **PRATIK M. SHAH**
Company Secretary
C.P. No. : 7401

PLACE : Mumbai
DATED : 17th May, 2012.

AUDITOR'S REPORT

TO THE MEMBERS OF YERROWDA INVESTMENTS LIMITED

We have audited the attached Balance Sheet of YERROWDA INVESTMENTS LIMITED as at 31st March, 2012 and also the Profit and Loss Account of the Company 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 the financial statements based on our audit.

We have conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain a reasonable assurance about whether the financial statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as, evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors Report) Order, 2003 read with the Companies (Auditors Report) (Amendment) Order, 2004 Issued by the Central Government in terms of the sub section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in the paragraphs 4 & 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

1. 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.
2. In our opinion, proper Books of Account, as required by law, have been kept by the Company so far as it appears from our examination of the Books.
3. The Balance Sheet and Profit and Loss Account referred to in this report are in agreement with the Books of Account.
4. In our opinion, the Balance Sheet and Profit and Loss Account are in compliance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.
5. On the basis of the written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March, 2012, from being appointed as a Director of the Company under Section 274(1) (g) of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said Accounts read together with the other notes thereon and attached thereto, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - I. In the case of the Balance Sheet, of the state of affairs of the Company, as at 31st March, 2012 and,
 - II. In the case of the Profit and Loss Account, of the Loss of the Company for the year ended on that date.

PUNE
DATED : 16/05/2012



For Sanjeev V. Joshi & Co.
Chartered Accountants

S. V. Joshi

(Sanjeev V. Joshi)
Proprietor
M. No. 35522
FRN: 109197W

Annexure to Auditor's Report for the year ended 31st March, 2012

TO THE MEMBERS OF
YERROWDA INVESTMENTS LIMITED

1. In respect of Fixed Assets:
 - (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of its fixed assets on the basis of available information.
 - (b) As explained to us, all the fixed assets have been physically verified by the management at reasonable intervals having regard to the size of the company and nature of its assets and no material discrepancies have been noticed during such verification.
 - (c) As per information and explanations given to us, the company has not disposed off any of its fixed assets during the year.
2. In respect of inventories:
 - (a) As per information and explanations given to us, physical verification of inventories represented by Lohegaon Flats: Stock-in-Trade has been conducted by the management, at reasonable intervals during the year.
 - (b) In our opinion and as per information and explanations given to us, the procedures followed for physical verification of inventories, by the management, are reasonable and adequate, in relation to the size of the company and nature of its business.
 - (c) In our opinion and as per information and explanations given to us, the company is maintaining proper records of inventory. As explained to us, there are no material discrepancies noticed on physical verification of inventories, as compared to book records.
3. In respect of loan granted / taken:
 - (a) According to information and explanations given to us, the company has not granted any secured or unsecured loans to the company, firms or parties in the Register maintained under section 301 of the Companies Act, 1956. Hence the question of our comment on para 4(iii)(a), 4(iii)(b), 4(iii)(c) and 4(iii)(d) of the order does not arise.
 - (b) According to information and explanations given to us, the company has not taken any secured or unsecured loans from the company, firms or parties in the Register maintained under section 301 of the Companies Act, 1956. Hence the question of our comment on Para 4(iii)(e), 4(iii)(f) and 4(iii)(g) of the order does not arise.
4. As explained to us, there is adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of other assets. We have not observed any major weakness in the internal control system.
5. According to information and explanations given to us and records examined by us, there are no transactions of purchase of goods and material and sale of goods, material and services made in pursuance of contracts or arrangements entered in register maintained Under Section 301 of the Companies Act, 1956 as aggregating during the year to Rs.500,000/- or more. As such question of reporting on Clause (b) does not arise.
6. In our opinion and according to information and explanations given to us, the company has not accepted any deposit from public to which directives issued by Reserve Bank of India, provisions of Section 58A, Section 58AA or any other relevant provisions of the Act, and the rules made there under, applies.

Contd...2/-



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7. In our opinion and according to information and explanations given to us, the company has adequate internal audit system commensurate with the size of the company and the nature of its business.
8. The question of Maintenance of cost records under section 209 (1)(d) of the Companies Act, 1956 does not arise as the Company is not engaged in any manufacturing activity.
9. (a) According to information and explanations given to us and based on the books and records produced and examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including Provident fund, Investor Education and Protection fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs duty, Excise Duty, Cess, and any other statutory dues with the appropriate authorities. According to information and explanations given to us, no undisputed amounts payable in respect of statutory dues were outstanding as at 31st March, 2012, for a period more than 6 months from the date they became payable.
(b) There are no disputed dues on account of sales tax, income tax, customs duty, wealth tax and cess matter that has not been deposited as at 31st March, 2012.
10. The accumulated losses of the company at the end of financial year are not more than fifty per cent of its net worth. The company has incurred cash loss during the current financial year as well as in the financial year immediately preceding such financial year.
11. The company has not borrowed any funds from financial institutions, bank or through issue of debentures and hence the question of our comment on any default in repayment of dues, does not arise.
12. Based on our examination of records and the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Para 4(xii) of the order are not applicable.
13. In our opinion, the company is not a chit fund or nidhi / mutual beneficial fund / society. Therefore the provisions of Para 4(xiii) of the order are not applicable.
14. According to information and explanations given to us, the company is not dealing or trading in shares, securities, debentures and other investments. The shares and other investments have been held by the company in its own name. Therefore the provisions of Para 4(xiv) of the order are not applicable.
15. According to information and explanations given to us and records examined by us, the company has given guarantee by way of charge on company's fixed assets for loan taken by others from Financial Institutions. The terms and conditions of the said guarantee are not prejudicial to the interest of the company.
16. The company has not obtained any term loans and hence the question of our comment on its application does not arise.
17. According to information and explanations given to us and on an overall examination of the balance sheet of the company, in our opinion there are no funds raised on short term basis which have been used for long term investment.

Contd... 3/-



Sanjeev V. Joshi & Co.

CHARTERED ACCOUNTANTS

53 / 57, Laxmi Insurance Building,
Sir P. M. Road, Mumbai - 400 001.
Tel. : 22 66 0945

: 3 :

18. According to information and explanations given to us, within the period covered by our audit report, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1958.
19. The company has not issued any debentures during the period covered by our audit and hence the question of our comment on creation of securities or charge in respect of issue of debentures does not arise.
20. The company has not raised any money by way of public issue during the year and hence the question of our comment on disclosure of end use of money raised does not arise.
21. According to information and explanations given to us, and on the basis of enquiries conducted, no fraud on or by the company have been noticed or reported during the course of our audit.

For Sanjeev V. Joshi & Co.
Chartered Accountants

S. V. Joshi

(Sanjeev V. Joshi)
Proprietor
M. No. 35522
FRN: 109197W



PUNE
DATED : 15/05/2012

YERROWDA INVESTMENTS LIMITED

10-B, BAKHTAWAR, NARIMAN POINT, MUMBAI - 400 021.

YERROWDA INVESTMENTS LIMITED

10-B, Bakhtawar, Nariman Point, MUMBAI - 400 021.

BALANCE SHEET AS AT 31ST MARCH, 2012

(FIGURES IN NUMBERS)

	Note No.		AS AT 31.03.2012	AS AT 31.03.2011
I EQUITY AND LIABILITIES				
(1) Shareholders' Funds				
(a) Share Capital	2		2,400,000	2,400,000
(b) Reserves & Surplus	3		443,294,099	462,978,506
Total Shareholders' Fund			445,694,099	465,378,506
(2) CURRENT LIABILITIES				
(a) Short-term borrowing	4			1,000,000
(b) Other current liabilities	5		14,850,541	15,402,985
(c) Short term provision	6		170,000	185,000
TOTAL		TOTAL	15,020,541	16,587,985
			460,714,640	481,966,491
II ASSETS				
(1) Non Current Assets				
(a) Fixed Assets				
Tangible assets	7		490,514,154	450,335,199
(b) Non Current Investments	8		3,015,000	3,015,000
TOTAL		TOTAL	493,529,154	453,350,199
(2) Current Assets				
(a) Cash and cash equivalents	9		3,607,291	2,910,257
(b) Short term loans and advances	10		20,489,557	22,618,719
(c) Other current assets	11		3,088,627	3,087,316
TOTAL		TOTAL	27,185,475	28,616,292
			460,714,639	481,966,491
Significant Accounting Policies The accompanying notes are integral parts of The financial statements.	1			

As per our Report of even date

For SANJEEV V. JOSHI & CO.
Chartered Accountants

(SANJEEV V. JOSHI)
PROPRIETOR
M.No. 35522
FRN - 109197W
PUNE, Dated: 18/05/2012



For YERROWDA INVESTMENTS LIMITED

(SOMNATH PATIL) (R SRIRAMAN)
CHAIRMAN DIRECTOR

YERROWDA INVESTMENTS LIMITED

10-B, BAKHTAWAR, NARIMAN POINT, MUMBAI - 400 021.

YERROWDA INVESTMENTS LIMITED

10-B, Bakhtawar, Nariman Point, MUMBAI - 400 021.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED : 31ST MARCH, 2012.

(FIGURES IN RUPEES)

	Note No.	AS AT 31.03.2012	AS AT 31.03.2011
INCOME			
I Revenue from Operation (Net)			
II Other Income	11	19,246,180	13,967,749
TOTAL REVENUE (I+II)		19,246,180	13,967,749
IV Expenses :			
(a) Depreciation and Amortization Expenses		6,986,800	3,890,972
(b) Other Expenses	12	31,857,610	14,019,790
(c) Provision for Diminution in Value of Investment			200,000
TOTAL EXPENSES		38,844,510	18,110,162
V Profit/(Loss) before exceptional and extraordinary items and tax		(19,598,330)	(4,142,413)
VI Exceptional Items		25,922	-
VII Profit/(Loss) before extraordinary items and tax (V - VI)		(19,572,408)	(4,142,413)
IX Profit / (Loss) Before Tax		(19,574,408)	(4,142,413)
X Tax expenses :	13		
1) Current tax		110,000	30,000
XI Profit/(Loss) for the period (IX-X)		(19,684,408)	(4,172,413)
XVI Earning per equity share:			
1) Basic		(82)	(17)
1) Diluted		(82)	(17)
Significant Accounting Policies	1		
The accompanying notes are integral parts of The financial statements.			

As per our Report of even date

For SANJEEV V. JOSHI & CO.
Chartered Accountants

S. V. Joshi

(SANJEEV V. JOSHI)
PROPRIETOR
M.No. 35522

FRN - 109197W

PUNE, Dated : 19/05/2012



For YERROWDA INVESTMENTS LIMITED

Somnath Patil
(SOMNATH PATIL)
CHAIRMAN

R. Sriraman
(R SRIRAMAN)
DIRECTOR

YERROWDA INVESTMENTS LIMITED

10-B, BAKHTAWAR, NARIMAN POINT, MUMBAI - 400 021.

Schedules forming part of the Balance Sheet dated March 31st, 2012

Note - 1 : NOTES FORMING PART OF ACCOUNTS :

I) ACCOUNTING POLICIES:

A) Basis of Accounting:

Financial statements are prepared under historical cost convention on accrual basis in accordance with the requirements of the Companies Act, 1956.

B) Use of Estimates:

The preparation of Financial Statements requires the Management of the Company to make estimate and assumption that affect the reported balances of assets and liabilities and disclosure relating to the contingent liabilities as at the date of financial statements and reported amounts of income and expenses during the year, e.g. of such estimate include provision for tax, advances etc. Actual amount may differ from those estimates.

C) Fixed Assets:

The Fixed Assets are stated at cost less accumulated depreciation.

D) Depreciation:

The Depreciation in respect of Residential Buildings and Commercial Building has been provided at straight line and on Other assets as per written down value method, on pro-rata basis at the rates specified in Schedule XIV of the Companies Act, 1956.

E) Inventories:

Stock-in-trade represented by "Lohegaon flats": Stock-in-Trade" is valued at cost or net realizable value which ever is lower.

F) Investments:

Long term Investments are stated at cost. Provision for diminution, if any, in the value of each long term investment, is made to recognize a decline, other than of a temporary nature.

G) Contingent Liabilities:

Provision in respect of present obligation, arising out of past events is made in the accounts when reliable estimate can be made of the amount of obligation. Contingent liabilities in respect of possible obligation arising from past events are stated by way of notes to the accounts to the Balance sheet.



YERROWDA INVESTMENTS LIMITED

10-B, BAKHTAWAR, NARIMAN POINT, MUMBAI - 400 021.

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H) Impairment of Assets :

The Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If such indication exists, the recoverable amount of the asset is estimated. Impairment loss is recognised if the carrying value exceeds the recoverable amount.

II) Taxes on Income:

1. **Current Tax:** Provision for Income Tax is determined in accordance with the provisions of Income Tax Act, 1961.
2. **Deferred Tax Provision:** Deferred Tax is recognized, on timing differences, being the difference between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets, subject to the consideration of prudence, are recognized and carried forward only to the extent that there will be reasonable / virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

III) Employee Benefits:

The Company did not have any employees on its payroll during the year.

IV)

The Company has granted occupancy rights on 26.02.1996 to the shareholders in respect of premises developed on the plot of Land situated at Yerrowda, Pune. The Company, as a matter of policy for the benefit of the members to enable them to borrow the funds to the extent of Rs.73.46 Crores, has created charge on the above fixed assets of the Company to that extent only.

V)

The Company had Net Deferred Tax Assets in the form of brought forward Capital Loss which has been carried forward to subsequent period, as per the provisions of the Income Tax Act, 1961. However, there is no virtual certainty of sufficient future taxable capital gain being available against which such Deferred Tax Assets can be realised. In view of the same, the management of the Company considers it prudent to defer any recognition of Net Deferred Tax Assets as on 31.3.2011 as well as on 31.3.2012.

VI) There are no Small-Scale Industry (SSI) units to whom any amounts are due as on 31st March, 2012.

Since the Company is in the process of procuring the information of suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006, the information required under section 22 of the said Act is not furnished.



YERROWDA INVESTMENTS LIMITED

10-B, BAKHTAWAR, NARIMAN POINT, MUMBAI - 400 021.

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- VII) Depreciation on Residential Buildings for current year includes an amount of Rs.678,248/- of earlier years
- VIII) Previous year's figures have been regrouped / rearranged wherever necessary.

SIGNATORIES TO THE NOTE 1 TO 14.

As per our Report of even date.

For Sanjeev V. Joshi & Co.
Chartered Accountants

FOR YERROWDA INVESTMENTS LIMITED

S. V. Joshi

(SANJEEV V. JOSHI)
Proprietor
M.No. 35522
FRN - 109197W

[Signature]
(SOMNATH A PATIL)
CHAIRMAN

[Signature]
(R SRIRAMAN)
DIRECTOR

MUMBAI, Dated : 15/05/2012.



YERROWDA INVESTMENTS LIMITED

10-B, BAKHTAWAR, NARIMAN POINT, MUMBAI - 400 021.

Note 2
Share Capital

Particulars	31 March 2012	31 March 2011
	Rupees	Rupees
Authorised		
2,50,000 (P. Y. 2,50,000) Equity Shares of Rs. 10/- each	2,500,000	2,500,000
Issued		
2,40,000 (P. Y. 2,40,000) Equity Shares of Rs. 10/- each	2,400,000	2,400,000
Subscribed & Paid Up		
2,40,000 (P. Y. 2,40,000) Equity Shares of Rs. 10/- each fully paid.	2,400,000	2,400,000
Total	2,400,000	2,400,000

Note 2 A

Reconciliation fo number of shares outstanding at the beginning and end of the reporting

Particulars	31 March 2012		31 March 2011	
	Number	Rupees	Number	Rupees
Share outstanding at the beginning of the year	240,000	2,400,000	240,000	2,400,000
Share issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	240,000	2,400,000	240,000	2,400,000

Terms and Rights attached with Equity Shares

The company has only one class of issued Equity Shares having at par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company the holders of equity share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the numbr of equity shres held by the shareholders.

In respect of residential, commercial and binarius buildings, the Company has in accordance with the provisions of Memorandum of Association & Articles of Associations granted exclusive rights to use & occupy the buildings to its share holders in proportions to their shareholding.

Note 2 B

Details of Share holding more than 5% shares in the Company

Particulars	31 March 2012		31 March 2011	
	No. of Share	% of Holding	No. of Share	% of Holding
Equity Shares				
Shri Chimanlal K Mehta			21,208	8.84%
Deepak Fertilisers and Petrochemicals Corporation Limited	201,120	83.80%	48,652	20.89%
Sofotel Infra Private Limited	36,000	15.00%	115,160	47.98%



YERROWDA INVESTMENTS LIMITED

10-B, BAKHTAWAR, NARIMAN POINT, MUMBAI - 400 021.

Note 3
Reserves & Surplus

Particulars	31 March 2012	31 March 2011
	Rupees	Rupees
a. Reserve		
Share Premium		
Opening Balance	592,800,000	592,800,000
(+) Addition during the year	-	-
Closing Balance	592,800,000	592,800,000
b. General Reserve		
Opening Balance	300,000	300,000
(+) Addition during the year	-	-
Closing Balance	300,000	300,000
c. Surplus		
Opening balance	(130,121,494)	(125,949,081)
(+) Net Profit / (Loss) for the year	(19,684,408)	(4,172,413)
(-) Closing Balance	(149,805,902)	(130,121,494)
Total	443,294,098	462,978,506

Note 4
Short Term Borrowing

Short Term Loan

Particulars	31 March 2012	31 March 2011
	Rupees	Rupees
Unsecured Loan		
Opening Balance	1,000,000	1,000,000
Repaid Loan during the year	1,000,000	-
Closing Balance	-	1,000,000

Note 5
Other Current Liabilities

Short Term

Particulars	31 March 2012	31 March 2011
	Rupees	Rupees
Payable to Suppliers	991,443	3,170,319
Provision for Expenses	3,178,259	1,581,711
Retention Money	10,558,479	10,403,892
Statutory Dues	11,236	74,708
Audit Fees Payable	101,124	99,270
Compensation Payable	10,000	73,085
Total	14,850,541	16,402,985

Note 6
Short Term Provisions

Short Term

Particulars	31 March 2012	31 March 2011
	Rupees	Rupees
Provision for Taxation	170,000	185,000
Total	170,000	185,000



YERROWDA INVESTMENTS LIMITED

10-B, BAKHTAWAR, NARIMAN POINT, MUMBAI - 400 021.

YERROWDA INVESTMENTS LIMITED

Schedules forming part of the Balance Sheet as on March 31st, 2012.

Note - 7 : **FIXED ASSETS** [Refer Note 1 (Note - 1V)]

Tangible Assets	Land						Computer	Total
	(Freehold)	Residential	Commercial	Construction Work in progress	Binarius Building			
Cost or Valuation								
At 1st April, 2010	212,412	66,325,632	178,985,846	270,000,000	-	-	123,950	515,627,839
Addition	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-
Other Adjustment	-	-	-	-	-	-	-	-
		Exchange Difference						
		Borrowing Costs						
At 31st March, 2011	212,412	66,325,632	178,985,846	270,000,000	-	-	123,950	515,627,839
Addition	-	-	-	270,000,000	-	270,000,000	-	270,000,000
Disposal	-	19,296,765	-	-	-	-	1	289,296,765
Other Adjustment	-	-	-	-	-	-	-	-
		Exchange Difference						
		Borrowing Costs						
Gross carrying amount 31st March, 2012	212,412	47,028,867	178,985,846	-	270,000,000	-	123,949	486,331,073
Accumulated depreciation on 1st April, 2011	-	21,534,707	43,633,985	-	-	-	123,949	85,292,641
Provision/adjustment	-	6,462,632	-	-	-	-	-	6,462,632
Depreciation During the year	-	1,705,074	3,081,326	-	2,200,500	-	-	6,986,900
Accumulated Depreciation on 31st March, 2012	-	19,777,149	46,715,311	-	2,200,500	-	123,949	85,816,909
Net carrying amount as on 31st March, 2012	212,412	30,251,718	132,270,535	-	267,799,500	-	-	430,514,164
Net carrying amount as on 31st March, 2011	212,412	44,790,925	135,331,861	270,000,000	-	-	1	480,335,199



NOTE : 1)

2)

The Company has provided depreciation on Residential Buildings and Commercial Building as per Straight line method and on Computer as per Written down value method, on pro-rata basis as mentioned in Schedule XIV of the Companies Act, 1956. In respect of Residential Commercial and Binarius buildings, the company has in accordance with the provisions of Memorandum of Association and Articles of Association granted exclusive rights to use and occupy the buildings to its shareholders. Four Residential Buildings occupied by some shareholders have been demarcated for redevelopment and the written down value of such buildings has been removed from the Block of Assets in 2011-2012.

YERROWDA INVESTMENTS LIMITED

10-B, BAKHTAWAR, NARIMAN POINT, MUMBAI - 400 021.

Note 8

Non-Current Investment
Long Term Investment - At Cost

Investment in Shares (Unquoted)	31 March 2012	31 March 2011
	Rupees	Rupees
3,000 Equity Share of Sodium Metal Pvt Ltd of Rs 100/- each fully paid (Previous Year : 3,000 Shares)	3,015,000	3,015,000
10,000 Equity Shares of Priyank Mercantile Ltd of 10/- each fully paid (Previous Year : 10,000 Shares)	100,000	100,000
Less : Provision for Diminution in value	(100,000)	(100,000)
10,000 Equity Shares of Sandhya Commercial Ltd of 10/- each fully paid (Previous Year : 10,000 Shares)	100,000	100,000
Less : Provision for Diminution in value	(100,000)	(100,000)
Total	3,015,000	3,015,000

Note 9

Cash and Bank Balance

Particulars	31 March 2012	31 March 2011
	Rupees	Rupees
a. Balance with Banks In current account	1,956,867	1,255,255
b. Cash in Hand	1,650,424	1,655,002
Total	3,607,291	2,910,257

Note 10

Short Term Loan and Advance
(Unsecured Considered Good)

Particulars	Short Term Loan	
	31 March 2012	31 March 2011
	Rupees	Rupees
Loans		
Checkpoint Credits & Capital Pvt. Ltd.	12,900,000	12,900,000
Other Loans	-	2,606,000
Prepaid Insurance	55,940	53,496
Advances		
Advance payment of Tax	298,873	259,906
Advance recoverable	2,121,344	5,345,957
Deposits with Government Authorities		
Deposits	6,113,600	1,453,360
Total	20,489,557	22,818,719



Note 11

Other Current Assets

Particulars	Non Current		Current	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	Rupees	Rupees	Rupees	Rupees
Interest Accrued on MSEB deposits			228,883	227,572
Lohegaon Flats - Stock in Trade	0		2,859,744	2,859,744
Total	0	0	3,088,627	3,087,316

YERROWDA INVESTMENTS LIMITED

10-B, BAKHTAWAR, NARIMAN POINT, MUMBAI - 400 021.

Note 12

Other Income

Particulars	31 March 2012	31 March 2011
	Rupees	Rupees
Non-Operating Income	18,942,057	13,882,794
Interest Income Others	304,123	84,955
Total	19,246,180	13,967,749

Note 13

Other Expenses

Particulars	31 March 2012	31 March 2011
	Rupees	Rupees
Property Tax	7,132,575	7,132,575
Audit Fees	100,000	100,000
Service Tax	12,360	10,300
Professional Fees	8,000	11,000
Repairs & Maintenance	54,120	52,170
Property Tax of Lohegaon Flats	72,282	70,175
Sundry Expenses	119,890	45,901
Printing & Stationary	578	-
Bank Charges	17,098	44,846
Filing Fees	10,500	6,500
Profession Tax - Company	2,500	2,500
Electricity Charges	11,003,270	6,252,613
Insurance Charges	269,632	265,540
Demat Expenses	672	670
Water Charges	-	25,000
Loss on Demolition of Residential Bldgs.	12,834,133	-
Demarcation of Plot Charges	180,000	-
Scrutiny Fees	40,000	-
Total	31,857,610	14,019,790

Note 14

Tax Expenses

Particulars	31 March 2012	31 March 2011
	Rupees	Rupees
Current Tax		
Provision for Taxation	110,000	30,000
Total	110,000	30,000

