

**18TH
ANNUAL REPORT
2011-2012**

ANKA INDIA LIMITED

BOARD OF DIRECTORS

Harpreet Singh Sethi
Whole-Time Director

Arshdeep Singh Sethi
Joint Managing Director

Paramjit Sethi
Director

Shri Hari Upadhya
Director

AUDITORS

V. K. Dhingra & Co.
Chartered Accountants
E-1/15, Jhandewalan
New Delhi-110055

INTERNAL AUDITORS

H. Kumar & Associates

REGISTERED OFFICE

Village & P.O. Kherki Daula,
Distt. Gurgaon, Haryana - 122001.

WORKS & PLANT

Village & P.O. Kherki Daula,
Distt. Gurgaon, Haryana - 122001.

NOTICE

Notice is hereby given that the 18th Annual General Meeting of the members of Anka India Ltd., will be held on Saturday, 29th September, 2012 at Village & P.O. Kherki Daula, Distt. Gurgaon, Haryana-122001 at 9.30 A.M. to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012, Together with the Profit & Loss Account on that date alongwith the Auditors & Directors Report thereon.
2. To appoint a Director in place of Mrs Paramji Kaur Sethi , who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors to hold Office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to authorize the Board of Directors of the Company to fix their Remuneration. M/s. H. Kumar & Co., Chartered Accountants, have confirmed that their appointment, if made, will be with in the limits specified in Section 224(1B) of the Companies Act, 1956.

By the Order of Board

Place: Gurgaon
Date : 3rd September, 2012

(Harpreet Singh Sethi)
Whole Time Director

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. SUCH 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 COMMENCEMENT OF THE MEETING.**
2. The Register of Members and the Share Transfer Books of the Company shall remain closed from 28/09/2012 to 3/10/2012 (both days inclusive).
3. Members attending the meeting are requested to bring their own copy of the Annual Report and attendance slips sent herewith duly filled and signed.
4. Members are requested to notify change in address, if any, to the Company at its Registered Office, quoting correct folio number(s).
5. In the case of Joint holders, if more than one holder intend to attend the meeting they must obtain additional admission slips on request from the Registered Office of the Company.
6. Details under Clause 49 of the Listing Agreement with the Stock Exchanges in Respect of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting is separately annexed hereto.
7. Corporate members intending to send their authorized representative/(s) u/s 187 of the Companies Act, 1956 are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the meeting.
8. Members desirous of making nomination in respect of their shareholding in the Company , as permitted under Section 109A of the Companies Act, 1956 are requested to write to the Company's Registrar for the prescribed form.
9. Members having any questions with regard to the accounts are requested to write to the Compliance Officer of the Company i.e. Mr. H. S. Sethi at least ten days in advance, to enable the Company to keep the information ready.

ANKA INDIA LIMITED

10. Shareholders are requested to address all correspondence relating to their dmat shareholding to the Company's Registrars and Share Transfer Agents at the Following address;

Alankit Assignments Ltd.
Alankit House, 2E/21
Jhandewalan Extension
New Delhi-110055.

Details of the Directors seeking appointment/ re-appointment in Annual General Meeting fixed on 29th September, 2012. (In Pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr Paramjit Sethi
Date of Birth	05.06.1940
Date of Appointment	01.10.2008
Expertise in specific	29 Years
Functional area	PERSONNEL & ADMINISTRATION
Qualifications	Graduate
Lists of Outside Directorship held	NIL
Chairman /Member of the committee of the Board of Directors of the company.	Audit Committee Nil Anka India Ltd Share Transfers & Investors Grievances Committee Anka India Ltd (Member)
Chairman/Member of the Committee of the Board of Directors of other company	Nil
Details Of shares Held in Company	Nil

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless Compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Reports can be sent by E-mail to its members. To support this green initiative of the Government, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses with Company's Registrars & Transfer Agents, Alankit Assignments Ltd at the Address given above in the Notice in Note 10.

CEO / CFO CERTIFICATION IN TERMS OF CLAUSE 49(V) OF THE LISTING AGREEMENT

**To the Board of Directors
Anka India Ltd
Village & PO Kherki Daula,
Distt. Gurgaon, Haryana-122001**

Dear Sir,

1. I Harpreet Singh Sethi, Whole Time Director of the Company hereby certify that I have reviewed the Balance Sheet , Profit & Loss Account and all its Schedules and Notes and Accounts as well the Cash Flow Statement as at 31st March,2012 and certify that to the best of our knowledge and belief:
 - 1) These Statements do not contain any materially untrue statement of omit any Material fact or contain any Statement that might be misleading:
 - 2) These Statements read together present a true and fair view of Companies affair and are in Compliance with existing Accounting Standards, applicable laws and regulations.
2. We further certify that, to the best of our knowledge and belief, no transactions have been entered into by the company during the year under review which are fraudulent, illegal or voliative of the Company's Code of Conduct.
3. We are responsible for establishing and maintaining disclosure control s and procedures and internal controls over financial reporting for the Company and we have:
 - a) Designed such disclosure controls and procedures to ensure that material information relating to the Company is made known to us by others within the Company, particularly during the period in which this report is being prepared.
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.
 - c) Evaluated the effectiveness of the Company's disclosures, controls and Procedures.
 - d) Disclosed in the report any change in the Company's internal control over financial reporting that occurred during the Company's most recent financial year that has materially affected, or is reasonably likely or materially affect, the Company's internal control over financial reporting.
5. We have disclosed based on our most recent evaluations, wherever applicable, to the Company's auditors and the Audit Committee of The Company 's Board (and performing the equivalent functions)
 - a) all deficiencies in the design or operation of the internal controls , which could adversely affect the Company's ability to record, process ,summaries and report financial data, and have identified for the Company's auditors, any material weakness in internal controls over financial reporting including any corrective actions with regard to deficiencies.
 - b) Significant changes in internal controls during the year covered by this report.
 - c) All the significant changes in accounting policies during the year , if any. And that the same have been disclosed in the notes to the financial statements.
 - d) Instances of significant fraud of which we are aware, that involve management or other employees who have a significant role in the Company's internal controls system.

**Place: New Delhi
Date: 18th June, 2011**

**Harpreet Singh Sethi
Chairman & Whole Time Director**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Indian Economy - The year under review was very challenging year for the India economy, during the year India recorded 6.5% increase in the GDP, which is lower than recorded in the previous years. That was attributed to numbers of factors like weak global demand high crude oil prices and other factors which continuously hampered the Indian economic growth. The authorities are obliged to sacrifice the growth rather to reduce the interest rates. The disposable income available to consumer has reduced leading to lower demand and slow down.

The Indian Footwear Industry - Structure and Development: Indian Footwear Industry exists both in the traditional and modern sector. The traditional sector is mainly dominated by the small scale units, which accounts for nearly 55% of total production of Indian Footwear Industry. Whereas, the modern sector is characterized by the large scale manufacturers, who are more organized and focused towards serving the Industry with large installed capacities, latest technology base and skilled manpower. Our Industry has expected to reach a total turnover in Over of a period of time, Indian Footwear Industry has adopted the systems of automated footwear manufacturing by replacing the manual footwear manufacturing methods. Most of the organised manufacturers are now equipped with In-house Design Studios incorporating state-of-the-art facilities having latest technologies.

Footwear Industry has emerged as an important sector not only in India but at globally as well. India has been the second largest global producer of footwear after China, accounting for nearly 13% of global footwear production of 16 billion pairs. India produces 2065 million pairs of different categories of footwear (leather footwear - 909million pairs, leather shoe uppers -100 million pairs and non-leather footwear - 1056million pairs). India exports about 115 million pairs. Thus, nearly 95% of its production goes to meet its own domestic demand.

Opportunities/Threats, Risk and Concern: Being an Manufacturers of P.U. & TPR shoe soles Anka has always catered to the needs of its customers updating the latest trends and fashion to maintain its presence in the market. Anka has constantly been evolving to keep pace with the changing trends, styles, beliefs and aspirations of customers while maintaining the sanctity of certain traditions like workmanship and good value for money.

Internal Control System and its Adequacy: Anka has an adequate system of internal controls involving authorisation levels, supervision, checks, procedures through documented guidelines, which provide that all Company's transactions are authorised, recorded and reported correctly. Liberty also places its utmost importance on the effective internal audit systems.

The CEO/CFO certification provided elsewhere in the Annual Report discusses the adequacy of internal control systems and procedures followed by the Company.

COMPANY'S FINANCIAL PERFORMANCE & ANALYSIS**A. FIXED ASSETS**

The composition of assets is as under:

(Amount in Rs.)

Particulars	March 31 2012	March 31 2011
Land	2111880.00	2111880.00
Building	11497292.31	11497292.31
Plant & machinery	49956523.35	49956523.35
Electrical Equipments	901705.21	901705.21
Furniture & fixture	1262893.36	1262893.36
Office equipment	1407138.49	1407138.49
Vehicles	1120410.00	1120410.00
Total	68257842.72	68257842.72
Less accumulated depreciation	49143142.40	46845316.07
Impairment	2881304.95	2881304.95
Add: cwip	—	—
Net fixed assets	16233395.37	18531221.70

B. Results Of Operations

The summary of operating performance for the year is given below:

(Amount in Rs.)

Particulars	Year Ended 31-Mar-12	Year Ended 31-Mar-11
INCOME		
Sales & Job work(Net)	—	2836903.00
Other Income	—	2548.69
Increase/(Decrease) in Finished goods & work in Progress	—	(123360.00)
Total Income	—	2716091.69
EXPENDITURE		
Material cost	—	1630500.00
Other Manufacturing Expenses	—	—
Payment & Benefits to Employees	256052.00	163657.00
Administrative Selling & Other Expenses	1937383.00	904320.00
OPERATIVE EXPENSES	2193435.00	2698477.00
Expenses Allocated to self Constructed Assets	—	—
EBIDT	(2177371.00)	17614.69
Less Depreciation	2297826.00	1364631.64
Interest & Financial Charges	167487.00	10155.00
Earning Before Tax Prior Period Adjustment & Extra Ordinary Item	(4658749.00)	(1357171.95)

Human Resources Developments: Indian Footwear Industry has come a long way to occupy a place of prominence in view of its massive potential for growth & exports while providing opportunities for employment over 25 Lacs people in the industry, of whom 30% are women. Considering the ample opportunities available in the footwear sector, a fairly good institutional base has now been established in India, which is providing the requisite training and Human Resource development in the organized industry. The Footwear industry has employment potential of 3 Lacs jobs in next 3 years across all sections of the economy.

Anka makes a continual efforts for training, upgradation and development needs of its Human Capital for their growth along with its own growth. Various in-house training programmes have been organised and also encouraged its employees to different external training programmes.

Cautionary Statement: Statements in the Management's discussion and analysis, describing the Company's objectives, expectations and industrial outlook, may constitute forward looking statement' within the meaning of applicable laws. The actual results might differ materially from those either expressed or implied.

DIRECTORS' REPORT

Dear Members,

Your Directors are submitting their 18th Annual Report alongwith Audited Statement of Accounts for the period ended on 31st March, 2012. The Management Discussion & Analysis (MDA) report has been included at the appropriate places in the report.

1. FINANCIAL HIGHLIGHTS

	(Current Year)	(Previous Year)
NET SALES (Net of Returns)	0.00	2836903.00
PROFIT/(LOSS) FOR THE YEAR (BEFORE DEPRECIATION & INTEREST)	(2177371.00)	(1357171.95)
PRIOR PERIOD ADJUSTMENT	(16064.00)	(12281.00)
INTEREST	167487.00	10155.00
DEPRECIATION	2297826.00	1364631.64
NET PROFIT / (LOSS) FOR THE YEAR (Includes prior period provisions of Liquidated damages & penal interest of IDBI)	(1862268.00)	(1369452.95)

2. OPERATIONS

During the year under review the no manufacturing operations were under taken by the company. The Company has incurred a net Loss of Rs. 18.62 Lacs as against the net loss of Rs. 13.70 lacs in the previous year. It was attributed to the number of factors like lack of working capital.

3. INSURANCE

All the Properties of the Company including its buildings, Plant & Machinery and stocks are adequately insured

4. BOARD OF DIRECTORS***Retire by Rotation***

In accordance with the provisions of the Section 256 Companies Act, 1956 and the Articles Of Association of the Company Mrs Paramjit Sethi, Director who will be retiring by rotation, being eligible offers herself for re- appointment. Brief resume of the Director seeking re-appointment at this Annual General Meeting, Nature of his expertise and other details as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges are given in the Annexure to the Notice Convening the 18th Annual General Meeting.

Resignation of Mr. Srihari Upadhayay, Independent Director

During the year under review Mr. Srihari Upadhayay, Independent Director of the Company submitted his resignation to the Company due to some preoccupation . the Board acknowledges and placed on record its sincere appreciation for the services rendered by Mr Srihari during his tenure as Director.

Further after the resignation of Mr. Srihari Upadhayay on independent Director was appointed in the Company and in this behalf efforts are being made to appoint two non executive independent Directors to meet the requirement of Clause 49 of the Listing Agreement of the Stock Exchange.

5. Audit Committee

The Audit Committee has been Functioning since January 2000 and the scope of the committee meets the requirements of the Cause 49 of the Listing Agreement with the Stock Exchange and Section 292A of the Compaiaes Act 1956.

6. CORPORATE GOVERNANCE REPORT

Your Company has implemented the Corporate Governance Practice set out by the Securities Board of India (SEBI) and as set out in Clause 49 of the Listing Agreement entered into with the Stock Exchanges alongwith the Auditors Certificate (Practising Company Secretary) on its Compliance by the Company is included in this Annual Report.

7. DIRECTORS RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF THE COMPANIES ACT, 1956.

On the basis of the compliance certificate received from the concerned executive of the Company, subject to the disclosures in the Annual Accounts and also on the basis of the discussions with the Statutory Auditors of the Company from time to time Your directors hereby confirm:

- i) that in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for that period.

that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- iii) That the directors had prepared the annual accounts on a going concern basis.

9. FIXED DEPOSITS:

During the year under review the Company has not accepted/renewed, any Fixed Deposits with in the meaning of Section 58 A of the Companies Act, 1956.

10. LISTING ON STOCK EXCHANGE

The Companies shares are listed on Mumbai Stock Exchange.

11. INTERNAL CONTROL SYSTEMS

The Company has an effective system of accounting and administrative controls which ensure that all asstes of the company are safe guarded and protected against loss from unauthorized use or disposition. The Company has a well defined organizational structure with clear functional authority limits for the approval of all the transactions.

The company has a strong reporting system, which evaluates and forewarns the management on issues related to compliance . The performance is regularly reviewd by the Board of Directors o ensure that it is in keeping with the overall corporate policy and in line with the Companies objectives.

12. AUDITORS

M/s H. KUMAR & Co., Chartered Accountants, the Auditors of the Company to hold office until the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The necessary certificate as required u/s 224 (2B) of the Companies Act, 1956 has been received from the above named auditors.

14. AUDITORS' REPORT AND NOTES ON ACCOUNTS

Comments on the Auditors' Observations:

a. Reply to point no. 3 f (i) of the Auditors Report

The Company obtains the confirmations in ordinary course of business from time to time and no major variations are found.

b. Reply to point no. 3 f (ii) of the Auditors Report

The Company manufacture Shoe Soles and styles and forms of the soles depends upon the style of the Shoes and styles of the shoes changes from time to time due to the change in fashion. In this respect some sloes become out of fashion, which leads to the non use of certain moulds. It has also happened in past that some moulds were re used again. Now sometimes it becomes very difficult to assess or value the impairment loss of the Moulds on regular basis. As the Auditors have pointed out the company is making all the efforts to calculate on regular basis the impairment loss.

c. Reply to point no. 3 f (iii) of the Auditors Report

Efforts are being made to obtain the certificate from the qualified acturian.

15. PARTICULARS OF EMPLOYEES U/S 217 (2A) OF THE COMPANIES ACT, 1956.

During the year under review, no employee whether employed for the whole year or part of the year, was drawing remuneration exceeding the limits as laid down under section 217(2A) of the Companies Act, 1956. Therefore, the information as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is not required to be given.

16. PERSONNEL

The industrial relations scenario continued to be stable during the year under review. The Company has been taking various initiatives for the HR development and this continue in this ensuing year as well.

17. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT - GO.

The information pertaining to the captioned areas are briefed in the ANNEXURE to this report.

18. CEO/CFO Certificate

As required by the Clause 49 of the Listing Agreement, the CEO/CFO certificate on the accounts is attached and forms part of the Annual Reoprt.

19. APPRECIATION

Your Directors wish to place on record their appreciation for the valued Co-operation and assistance extended by various Government Agencies, Bankers of the Company, IDBI, loyal & dynamic executive staff and other workers of the Company. The Board also takes this opportunity to express its deep gratitude for the continuous support received from the shareholders of the Company.

For and on behalf of the Board

Place : New Delhi
Date : 3rd September, 2012

(HARPREET SINGH SETHI)
Chairman & Whole Time Director

ANNEXURE TO THE DIRECTORS' REPORT

Particulars as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of Directors' Report for the period ended 31st March, 2012

1. CONSERVATION OF ENERGY

The Company emphasizes optimization of energy consumption in every possible area in its units. Various avenues are explored at periodic intervals and after careful analysis, planning, measures are initiated to minimize the consumption of energy through the optimal utilization of energy consuming equipments. During the year under review not much manufacturing activities were conducted by the Company, hence there is nothing much to report about that :

(a) Future proposal for energy conservation

The Company will take all necessary measures as may be required from time to time for conservation of energy.

(b) Impact of measures (a) & (b) above for reduction of energy consumption

The above measures will result in energy saving and consequent decrease in cost of production.

2. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION**a) Research & Development**

It has been the endeavor of the Company to respond to the needs of its customers in the market with concurrent commitment to improve quality and productivity. During the period under review, the company had undertaken the repairs of old mould and machinery.

b) Technology Absorption**Efforts**

- a) Efforts are being made continuously to adapt advanced technology and technical know-how for improving the quality of the product.
- b) New systems were implemented for developing high quality soles.

Benefits

- a) Development of sophisticated products and new materials.
- b) Exposure to new techniques for production.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs.) Lacs

Particulars	Current Year	Previous Year
Foreign Exchange Earning	NIL	NIL
Foreign Exchange Outgo	NIL	NIL

For and on behalf of the Board

Place : New Delhi
Date : 3rd September, 2012

(HARPREET SINGH SETHI)
Chairman & Whole Time Director

CORPORATE GOVERNANCE REPORT OF ANKA INDIA LTD
for the period ended as on 31st March, 2012.

1. Philosophy of Corporate Governance

The Company philosophy of Corporate Governance is to enhance the long term shareholders value, achieve operational efficiencies and business results in all areas of company's operations, with compliance of all statutory and regulatory provisions. The believes in transparency, openness and disclosure of information consistent with the business environment in which the company operates.

2. Composition of Board

The Board of Directors of the Company consists of Executive, Non-executive Directors. The Composition of the Board of Directors of the Company as on 31st March, 2012 as under : -

S. No.	NAME	STATUS	Other Directorship/ Comm. Membership
1	Sh. Harpreet Singh Sethi	Whole Time Director	Darsh Polymers (P) Ltd. Flamingo Homes Pvt. Ltd.
2	Sh. Arshdeep Singh Sethi	Jt. Managing Director	NIL
3.	Ms. Paramjit kaur	Non Executive Independent Director	Nil

As mandated by the revised clause 49, all the independent Directors on the Company's Board are Non-Executive and:

Do not have any material pecuniary relationships or transactions with the Company, its promoters, its Directors, its senior management and associates, which may affect independence of the Directors.

Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.

Have not been Executive of the company in the immediately preceding three Financial years of the Company.

Are not partner or executive of the or were not partner or executive of the Statutory Audit Firm or the Internal Audit Firm and legal Firms, Consulting Firms, which have association with the Company.

Are not material suppliers, services providers or customers or lessor or lessees of the Company, which may affect independence of the Directors

Are not substantial shareholders of the Company i.e. do not own two percent or more of the block of voting shares.

(a) Directors Attendance at Board Meetings

Four Board Meetings were held during the financial year 2011-2012.

30.04.2011, 02.07.2011, 05.07.2011, 15.07.2011, 25.07.2011, 28.09.2011, 31.10.2011, 08.11.2011, 15.11.2011, 30.01.2012

above meetings was as following:-

Name	No. of Board Meetings Attended	Attended Last AGM
Sh. Harpreet Singh Sethi	10	YES
Sh. Arshdeep Singh Sethi	10	YES
Ms Paramjit Kaur	10	No

Board Committees**3. Audit Committee**

The role and the powers of the Audit Committee are as per the provisions of the Companies Act ,1956 and the guidelines in the Listing Agreements with the Stock Exchanges. The Committee meets the statutory / Internal Auditors periodically and reviews the quarterly/ half yearly and Annual Auditors reports on Financial Statements and discusses their findings and suggestions and seeks clarifications thereon.

The Audit Committee comprises of Three Directors . Namely Mr H.S.SETHI & A.S.ETHI and Paramjit Kaur Sethi who is non-executive and independent Director. The Audit Committee met on 30th April ,2011, 25th July,2011,30th October2011, & 30th January 2012.

The terms of reference of Audit Committee are in conformity with the requirements of the Clause 49 of the listing agreement and also Section 292A of the Companies Act, 1956.

4. Remuneration Committee

The terms of reference of remuneration Committee consists of reviewing the compensation policy , service agreements and other employment conditions of the Managing Director.

The Company has constituted a Remuneration Committee which consists of two Directors Mr. Shri Hari Upadhayay who is non-executive and independent Director, is the Chairman of the Remuneration Committee.

No Remuneration was paid to the Managerial Personnel also No sitting fees was paid to any of the directors of the Company for attending the Board or any Committee Meetings.

5. Shareholders Grievances cum Share Transfer Committee

The investor/Shareholders grievances Committee deals with various matters relating to transfer / Transmissions of Shares , issues of duplicate share certificates , Exchange of new Certificates in lieu of old certificates and all other related matters , monitors expedition redressal of investors grievances and all other matters related to shares .

Mr. H.S.Sethi is the Chairman of the Shareholders Grievances Cum Share Transfer Committee. Mr. Arshdeep Singh Sethi is the Other Member of the Committee. All the complaints have been disposed off to the satisfaction of the shareholders. Moreover, all the valid requests for share transfer received during the year have been processed within 30 days by the company and no such transfer is pending as on 31.03.2012. Mr. Harpreet Singh Sethi, Whole time Director of the Company is the Compliance Officer of the company. During the period under review M/S Lekhraj & Associates, practicing Company Secretary conducted the secretarial Audit of the Company.

6. General Body Meeting

Location and time of last three Annual General Meetings are as under:

Year	Place	Date	Time	No. of Special Resolution
2011	Vill & Post Kherki Daula, Dist. Gurgaon (Haryana)	30.07.2012	9.30 A.M.	Nil
2010	Vill & Post Kherki Daula, Dist. Gurgaon (Haryana)	27.12.2010	9.30 A.M.	Nil
2009	Vill & Post Kherki Daula, Dist. Gurgaon (Haryana)	30.09.2009	9.30 A.M.	2

A) Whether Special Resolution were put through postal ballot last year : Yes

B) Is Special Resolution put through Postal Ballot this year : No

7. Disclosures:

1. No transaction was entered by the Company with its promoters, the directors or The management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the company at large.
2. There has not been any non- compliance by the Company and no penalties Or structures have been imposed on the company by the stock exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
3. Listing Fee of Mumbai Stock Exchange has been paid till the year 2012-2013.

8. MEANS OF COMMUNICATION

The Company is not sending half-yearly report to each household of shareholders. The quarterly, half yearly and annual results are generally published by the Company in STATE TIMES & CHARCHIT DUNIYA Published from Delhi. The Company does not have its own WEB Site. The Company does not display official news releases. The presentations to institutional investors or to the analysts is not applicable to the company. The Management Discussion and Analysis Report forms part of this report.

9. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting to be held:

Date and Time: Saturday the 29th September, 2012 at 9.30 A.M.

Venue : Vill & Post Kherki Daula, Dist. Gurgaon (Haryana) 122001

10. Financial Calender 2011-2012 (tentative):

(Unaudited Financial Results)

Results for the quarter ending 30th June 2012	15th August, 2012
Results for the quarter ending Sep. 30, 2012	Last week of October, 2012
Results for the quarter ending Dec. 31, 2012	Second Week of February, 2013
Results for the quarter ending March, 2013	Second Week of April , 2013

Book Closure Date : 27thSeptember, 2012, to1st October, 2012

Dividend Payment Date : No Dividend has been recommended by the Board of Directors of the Company during the year under review.

Listing on Stock Exchange: The Company's share are listed on the Stock Exchange, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street , Mumbai-400 001

Delisting Status

1. Delhi Stock Exchange Ass. Ltd : Delisting Approval Awaited
2. The Stock Exchange, Chennai : Do

Market Price Data: During the year under review the shares of the Company were not traded on any stock exchange .

Performance in Comparison to BSE Sensex, CRISIL index: Not Applicable

Registrar and share Transfer Agent :

Alankit Assignment Ltd.
RTA Division
Alankit Assignment Ltd.
Alankit House,
Jhandewalan Extension
New Delhi-110055.

ANKA INDIA LIMITED

Share Transfer System : Alankit Assignment Ltd is the Share Transfer Agent for effecting transfer of Shares in electronic modes. The transfer of shares in physical form is being done by the company.

Distribution Schedule:

SHARES HOLDING OF NOMINAL VALUE OF RS	SHAREHOLDERS		SHARE AMOUNT IN RS (%)	% TO TOTAL
	NUMBER	TOTOTAL		
Upto 2,500	813	86.032	892400	4.261
2,501 - 5,000	69	7.302	260200	1.242
5,001 - 10,000	29	3.069	218400	1.043
10,001 - 20,000	22	2.328	366000	1.748
20,001 - 30,000	1	0.106	30000	0.143
30,001 - 40,000	2	0.212	70000	0.334
40,001 - 50,000	0	0.000	0	0.000
50,001 - 1,00,000	4	0.423	311400	1.487
1,00,001 & Above	5	0.529	18794800	89.742
TOTAL	945	100.000	20943200	100.000

Dematerialization: The shares of the company are in compulsory de mat mode but only Central Depositories Services Ltd (CDSL) has given the connectivity to the Company. The approval from the National Securities Depositories Ltd (NSDL) is still awaited. The electronic share transfer take place at our share transfer agent.

Outstanding GDRs/ADRs/Warrants or any Convertible Instruments.: Not Applicable

Plant Location: VILLAGE & P.O. KHERKI DAULA , DISTT. GURGAON, HARYANA - 122001.

Address for Correspondence:

The Investors may address their Communication/ Grievances/queries/suggestions to:

Registered Office: VILLAGE & P.O. KHERKI DAULA, DISTT. GURGAON, HARYANA - 122001.

Corporate Office: 4A/35,OLD RAJINDER NAGAR,NEW DELHI-110060

The above report was placed before the Board at its meeting held on 3rd September, 2012 and the same was approved unanimously.

AUDITORS' REPORT

TO
THE MEMBERS

1. We have audited the attached Balance Sheet of ANKA INDIA LIMITED, as at 31st March, 2012 and statement of Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 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 we considered appropriate and the information and explanations given to us during the course of audit, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - a) *subject to our comments in paragraphs 4(f)(i) to 4(f) (iii) below, we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;*
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, the statement of Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the applicable Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 except for non-compliance of Accounting Standard 15 on "Employee's Benefits" with respect to actuarial valuation of gratuity liability and hence disclosures required there under (refer Para No. 15(c) of Note No. 18 ")
 - e) on the basis of written representations received from the directors of the Company as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f) in our opinion and to the best of our information and according to the explanations given to us and subject to:
 - i) *Para No. 3 of Note No. '18' regarding non-confirmation / reconciliation of balances of debtors, creditors and other parties, the effect of which on accounts upon confirmation and reconciliation not ascertainable;*
 - ii) *Para No. 7 of Note No. '18' regarding pendency of assessment of impairment loss, the effect of which on accounts of the Company upon assessment not ascertained;*
 - iii) *Para No. 13 of Note No. '18' regarding the accounts of the Company prepared on going concern basis;*

ANKA INDIA LIMITED

iv) *Para No. 15(c) of Note No. '18' regarding non-provision of gratuity liability on the basis of actuarial valuation, effect of which on accounts has not been ascertained and*

read with other notes thereon, 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;
- ii) in the case of the statement of Profit & Loss Account, of the loss for the year ended on that date; and
- iii) in the case of the Cash Flow Statement of the cash flows for the year ended on that date.

**For. H.KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 021518N**

**PLACE : NEW DELHI
DATED :**

**(H. Kumar)
M. NO. :010431**

ANNEXURE TO THE AUDITORS REPORT**REFERRED TO IN PARAGRAPH (3) OF OUR REPORT OF EVEN DATE ON THE ACCOUNTS OF ANKA INDIA LIMITED FOR THE PERIOD ENDED ON 31st MARCH, 2012**

1.
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) As explained to us, physical verification of fixed assets was conducted by the management at the end of the year which in our opinion is reasonable having regard to the size of the Company and nature of its business. No discrepancies were noticed on the aforesaid verification.
 - c) There was no disposal of fixed assets during the year.
2.
 - a) As per the information and explanation given to us, the inventories have been physically verified by the management during the year. In our opinion, the frequency of physical verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, 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.
 - c) On the basis of our examination of the records of inventory and according to the information and explanations given to us, we are of the opinion that the Company has maintained proper records of inventory. As per information and explanation given to us no discrepancy was observed on physical verification.
3.
 - (a) As per information and explanation given to us the company has not granted any loan to the companies, firms of other parties covered in the register maintained under section 301 of the Companies Act, 1956.
 - (b) The company has taken interest free secured loan aggregating to Rs. 92,58,175/- in the earlier years from one party covered in the register maintained u/s 301 of the Companies Act, 1956. A balance of Rs. 90,78,175/- was outstanding as on 31st March 2012 out of that loan.
 - (c) In our opinion and according to the information and explanations given to us the terms and conditions of interest free secured loan taken are not prima facie prejudicial to the interest of the company;
 - (d) In our opinion and according to the information and explanations given to us the payment of principal amount was regular as stipulated.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control systems.
5.
 - a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the contracts and arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
 - b) No transactions were made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year to Rs.5,00,000/- or more in respect of each party except for issue of Redeemable Preference Shares as stated in (18) below.
6. The Company has not accepted any deposit from public during the year within the meaning of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed thereunder.

ANKA INDIA LIMITED

7. The Company has an internal audit system which commensurate with the size of the Company and the nature of its business.
8. We have been informed that the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for the product of the Company.
9. a) *According to the records of the Company and the information and explanations given to us, the Company has made delays on various occasions in depositing, with appropriate authorities, undisputed statutory dues including Investor Education & Protection Fund, Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Custom Duty, Cess and other statutory dues. The undisputed statutory dues outstanding as at 31st March, 2012 for a period exceeding six months from the date they became payable are as follows:-*

S. No.	Nature of Dues	Period of Default	Amount (Rs.)
1.	Sales Tax Demand	2007-08	6,03,069.00

NOTE : Amount of custom duty of Rs.3,15,664/- which was outstanding prior to 01.04.03 has been written off and shown under the head extra ordinary items

- b) According to the information and explanations given to us, the details of dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty, Service Tax and Cess which have not been deposited on account of any dispute are given below:-

Name of Statute	Nature of Dues	Financial year to which the matter pertains	Amount (Rs.)	Forum where dispute is pending
Central	Penalty	1997 - 98	188319/-	Customs Excise & Service Tax Appellate Tribunal
HVAT	Sales Tax	2006 - 07	182760/-	Excise & Taxation Commissioner (Appeals)

10. *The Company has accumulated losses exceeding fifty percent of the net worth of the Company. The Company has incurred cash losses during the year covered by our audit and in the immediately preceding financial year.*
11. According to the information and explanation given to us, the Company has not defaulted in repayment of dues to financial institution and banks during the year. The company has not issued any debentures.
12. According to information and explanations given to us and based on the records produced to us, the Company has not granted loans and advances on the basis of securities by way of pledge of shares, securities, debentures and other investments.
13. In our opinion the Company is not a chit fund or Nidhi/mutual benefit fund/society.
14. In our opinion and according to the information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanation given to us, the Company has not guaranteed any loan taken by others from banks and financial institutions.
16. No term loan has been taken during the year.
17. In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis were used for long term investment.

ANKA INDIA LIMITED

18. In our opinion and according to the information and explanations give to us, the price at which the Company has made the preferential allotment of redeemable preference shares to parties covered in the register maintained under section 301 of the Companies Act, 1956, during the year, was not prima facie prejudicial to the interest of the company.
19. The Company did not have any outstanding debentures during the year.
20. The Company has not raised any money by a public issue during the year.
21. Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud on/or by the Company has been noticed or reported during the course of our audit for the year ended 31st March,2012.

**For. H.KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 021518N**

**PLACE : NEW DELHI.
DATED :**

**(H. Kumar)
M. NO. :010431**

ANKA INDIA LIMITED

Balance Sheet as at 31st March, 2012

Particulars	Refer Note No.	Figures as at the end of current reporting period	In ₹ (Rupees) Figures as at the end of previous reporting period
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share Capital	1	59,037,800	55,537,800
(b) Reserves and Surplus	2	(56,694,185)	(54,831,917)
(c) Money Received against share warrants			
2 Share application money pending allotment			
—			
3 Non-current liabilities			
(a) Long Term Borrowings	3	9,078,175	9,258,175
(b) Deferred Tax Liabilities (Net)			
(c) Other Long Term Liabilities			
(d) Long Term Provisions	4	455,123	450,855
4 Current liabilities			
(a) Short Term Borrowings	5	15,000	2,915,000
(b) Trade Payables			
(c) Other Current Liabilities	6	14,023,919	15,976,127
(d) Short Term Provisions			
Total		25,915,832	29,306,039
II. ASSETS			
Non-current assets			
1 (a) Fixed Assets			
(i) Tangible Assets	7	16,233,395	18,531,222
(ii) Intangible Assets			
(iii) Capital Work in Progress			
(iv) Intangible Assets under Development			
(b) Non Current Investments		—	—
(c) Deferred Tax Assets (Net)			
(d) Long Term Loans and Advances			
(e) Other Non Current Assets	8	3,538,533	3,432,201
2 Current assets			
(a) Current Investments			
(b) Inventories			
(c) Trade receivables	9	4,336,256	6,303,732
(d) Cash and Cash Equivalents	10	1,807,648	1,038,885
(e) Short Term Loans & Advances			
(f) Other Current Assets			
Total		25,915,832	29,306,039

Significant Accounting policies on notes on accounts

Notes on Financial Statements 1-18

As per our Report of even date

For H.KUMAR & ASSOCIATES

Chartered Accountants
Firm regn. No. 021518N

For and on behalf of the Board

H. Kumar
Proprietor
Membership No. 010431
Place: New Delhi
Dated: 29.08.2012

Harpreet Singh Sethi
Director

Arshdeep Singh Sethi
Joint Managing Director

ANKA INDIA LIMITED

Profit and loss statement for the year ended 31st March, 2012

Particulars	Refer Note No.	Figures for the current reporting period	In ₹ (Rupees) Figures for the previous reporting period
I. Revenue From Operations	11	—	2,836,903
II. Other Income	12	—	2,549
III. Total Revenue (I + II)		<u>—</u>	<u>2,839,452</u>
IV. Expenses:			
Cost of materials consumed	13	—	1,630,500
Purchases of Stock-in-Trade		—	—
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	14	—	123,360
Employee benefits expense	15	256,052	163,657
Finance Cost	16	167,487	10,155
Depreciation and amortization expense	7	2,297,826	1,364,632
Other expenses	17	1,937,383	916,601
Total expenses		4,658,749	4,208,905
V. Profit before exceptional and extraordinary items and tax (III-IV)		(4,658,749)	(1,369,453)
VI. Exceptional items		—	—
VII. Profit before extraordinary items and tax (V - VI)		(4,658,749)	(1,369,453)
VIII. Extraordinary Items		2,796,481	—
IX. Profit before tax (VII- VIII)		(1,862,268)	(1,369,453)
X Tax expense:			
(1) Current tax		—	—
(2) Deferred tax		—	—
XI Profit (Loss) for the period from continuing operations (VII-VIII)		(1,862,268)	(1,369,453)
XII Profit/(loss) from discontinuing operations		—	—
XIII Tax expense of discontinuing operations		—	—
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		—	—
XV Profit (Loss) for the period (XI + XIV)		<u>(1,862,268)</u>	<u>(1,369,453)</u>
XVI Earnings per equity share:			
(1) Basic		(0.56)	(0.16)
(2) Diluted		(0.56)	(0.16)

As per our Report of even date
For H.KUMAR & ASSOCIATES
Chartered Accountants
Firm regn. No. 021518N

For and on behalf of the Board

H. Kumar
Proprietor
Membership No. 010431
Place: New Delhi
Dated: 29.08.2012

Harpreet Singh Sethi
Director

Arshdeep Singh Sethi
Joint Managing Director

ANKA INDIA LIMITED

Notes to and forming part of Balance Sheet as at 31-Mar-2012

Note No. : 1

1.1 Authorized, Issued, Subscribed and Paidup share capital In ₹ (Rupees)

Particulars	as at 31-Mar-2012		as at 31-Mar-2011	
	Number of Shares	Amount	Number of Shares	Amount
Authorised Share Capital				
Equity Shares of 10.00 each (P.Y 5.00 each)	8,000,000	80,000,000	16,000,000	80,000,000
Redeemable Preference Shares of 100 Each	400,000	40,000,000	400,000	40,000,000
Total	8,400,000	120,000,000	16,400,000	120,000,000
Issued Share Capital				
Equity Shares of 10.00 each (P.Y 5.00 each)	2,094,320	20,943,200	4,188,640	20,943,200
5 % Redeemable Preference Shares of Rs. 100 Each	380,946	38,094,600	345,946	34,594,600
Total	2,475,266	59,037,800	4,534,586	55,537,800

1.2 Reconciliation of Preference share capital

Particulars	as at 31-Mar-2012		as at 31-Mar-2011	
	Number of Shares	Amount	Number of Shares	Amount
Shares outstanding at the beginning of the year	345,946	34,594,600	331,946	33,194,600
Shares Issued during the year	35,000	3,500,000	14,000	1,400,000
Shares bought back during the year				
Shares outstanding at the end of the year	380,946	38,094,600	345,946	34,594,600

1.3 Shareholders holding more than 5% of Equity Share

Particulars	as at 31-Mar-2012		as at 31-Mar-2011	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Harpreet Singh Sethi	137,950	6.59	275900	6.59
Arshdeep Singh Sethi	278,920	13.32	557840	13.32
Dildeep Singh Sethi	117,200	5.60	234400	5.60
Paramjeet Kaur Sethi	1,332,950	63.65	2665900	63.65

1.3 Shareholders holding more than 5% of Preference Share

Particulars	as at 31-Mar-2012		as at 31-Mar-2011	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Harpreet Singh Sethi	128,420	33.71	128,420	37.12
Arshdeep Singh Sethi	68,506	17.98	68,506	19.80
Dildeep Singh Sethi	52,000	13.65	52,000	15.03
Shelly Sethi	32,400	8.51	32,400	9.37
Auram Polymers Pvt Ltd	54,020	14.18	54,020	15.62
ABR Holdings Pvt Ltd	35,000	9.19	—	—

Refer Note no 18.19

ANKA INDIA LIMITED

Note No. : 2

Reserve & Surplus

Particulars	In ₹ (Rupees)	
	As at 31 March, 2012	As at 31 March, 2011
Surplus		
Opening balance	(54,831,917)	(53,462,464)
(+) Net Profit/(Net Loss) For the current year	(1,862,268)	(1,369,453)
(+) Transfer from Reserves	—	—
(-) Proposed Dividends	—	—
(-) Interim Dividends	—	—
(-) Transfer to Reserves	—	—
Closing Balance	(56,694,185)	(54,831,917)
Total	(56,694,185)	(54,831,917)

Note No. : 3

Long Term Borrowing

Particulars	As at 31 March, 2012	As at 31 March, 2011
Secured Term Loan From Other Parties		
Term Loan from Darsh Polymers Pvt. Ltd.	9,078,175	9,258,175
Total	9,078,175	9,258,175

Refer Note no 18.18

Note No. : 4

Long Term Provisions

Particulars	As at 31 March, 2012	As at 31 March, 2011
Provision For Employee Benefits		
Gratuity	455,123	450,855
Total	455,123	450,855

Note No. : 5

Short Term Borrowings

Particulars	As at 31 March, 2012	As at 31 March, 2011
Loan Repayable on Demand From Other Parties	15,000	2,915,000
Total	15,000	2,915,000

Note No. : 6

Other Current Liabilities

Particulars	As at 31 March, 2012	As at 31 March, 2011
Other Liabilities	12,474,055	15,440,263
Advance from customers	367,611	142,611
Due to Directors	1,182,253	393,253
Total	14,023,919	15,976,127

**Note No. : 7
Fixed Assets**

Fixed Assets	Gross Block		Accumulated Depreciation			Revaluations/ (Impairments)			Net Block	
	Balance asat 1 April 2011	Additions/ (Disposals)	Balance asat 31 March 2012	Balance asat 1 April 2011	Depreciation charge for the year	Balance asat 31 March 2012	Balance asat 1 April 2011	Revaluations/ (Impairments)	Balance asat 31 March 2012	Balance asat 31 March 2011
Tangible Assets										
Land	2,111,880	-	2,111,880	-	-	-	-	-	2,111,880	2,111,880
Building	11,497,292	-	11,497,292	5,154,029	384,010	5,538,039	-	-	5,959,254	6,343,263
Plant & Machinery	49,956,523	-	47,075,218	38,115,150	1,700,216	39,815,366	(2,881,305)	(2,881,305)	7,259,852	8,960,068
Electrical Equipment	901,705	-	901,705	546,053	42,5019	588,071	-	-	313,634	355,652
Furniture & Fixture	1,262,893	-	1,262,893	1,166,615	41,023	1,207,638	-	-	55,255	96,278
Office Equipments	1,407,138	-	1,407,138	1,276,632	26,195	1,302,827	-	-	104,311	130,506
Vehicles	1,120,410	-	1,120,410	586,836	104,364	691,200	-	-	429,210	533,574
Total (A)	68,257,843	-	65,376,538	46,845,316	2,297,826	49,143,142.40	(2,881,305)	(2,881,305)	16,233,395	18,531,222
Intangible Assets										
Total (B)	-	-	-	-	-	-	-	-	-	-
Capital Work In Progress										
Total (C)	-	-	-	-	-	-	-	-	-	-
Intangible Assets Under Development										
Total (D)	-	-	-	-	-	-	-	-	-	-
PREVIOUS YEAR	68,257,843		68,257,843	45,475,384	1,369,932	46,845,316	-2,881,305		18,531,222	19,901,153

ANKA INDIA LIMITED

Note No. : 8

Other Non Current Assets

In ₹ (Rupees)

Particulars	As at 31 March, 2012	As at 31 March, 2011
Long Term Recievables	—	—
Debt Due By Related Parties	—	—
Others	—	—
Unsecured, considered good	3,538,533	3,432,201
TOTAL	3,538,533	3,432,201

Note No. : 9

Trade Receivables

Particulars	As at 31 March, 2012	As at 31 March, 2011
Outstanding for more than six months from the due date Unsecured, considered good	4,336,256	6,303,732
Total	4,336,256	6,303,732

Note No. : 10

Cash and Cash Equivalents

Particulars	As at 31 March, 2012	As at 31 March, 2011
a. Balances with banks	1,793,833	15,013
b. Cash on hand	13,815	1,023,872
TOTAL	1,807,648	1,038,885

Note No. : 11

Revenue from Operation

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2012
Sale of Products	-	2,983,005
Less: Excise Duty	-	146,102
Total	-	2,836,903

Note No. : 12

Other income

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2012
Interest on Refund of Income Tax	-	2,549
Total	-	2,549

Note No. : 13

Cost of Material Consumed

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2012
Opening Balance of Raw Material	-	-
Purchase of Raw Material	-	1,630,500
Closing Balance of Raw Material	-	-
Total	-	1,630,500

ANKA INDIA LIMITED

Note No. : 14

Changes in inventories of finished goods work-in-progress and Stock-in-Trade

In ₹ (Rupees)

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2012
Opening Balance of Stock in Trade	-	123,360
Purchase of Stock in Trade	-	-
Closing Balance of Stock in Trade	-	-
Total	-	123,360

Note No. : 15

Employees Benefit Expenses

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2012
(a) Salaries and wages	235,673	134,500
(b) Bonus	-	3,500
(c) Gratuity	4,268	3,545
(d) Exgratia	-	(55,933)
(e) Labour Charges	-	66,872
(f) EMPLOYER'S CONT. TO P.F.	14,919	9,422
(g) EMPLOYER'S CONT. TO E.S.I.C	1,192	1,751
Total	256,052	163,657

Note No. : 16

Finance Costs

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2012
Interest expense	167,487	10,155
Total	167,487	10,155

Note No. : 17

Other Expenses

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2012
Power and Fuel	-	50,000
Travelling and Conveyance	40,200	2,000
Audit Fees	27,500	46,878
Rent	960,000	480,000
Legal & Professional Charges	132,404	220,248
Fee, Rates & Taxes	55,693	89,200
Miscellaneous Expenses	47,388	12,714
Prior Period Expense	16,064	12,281
Sales Tax Demand	603,069	-
Publication In Newspaper	55,065	3,280
Total	1,937,383	916,601

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2012.**NOTE `18' - NOTES ON ACCOUNTS****1. SIGNIFICANT ACCOUNTING POLICIES****a) General**

- i) The accounts are prepared on historical cost basis and as a going concern. Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles as applicable in India.
- ii) Income and Expenditure are accounted for on accrual basis.
- iii) During the year ended 31st March 2012 , revised schedule VI notified under Companies Act 1956 has become applicable to the company for preparation and presentation of its financial statements. The adoption of revised schedule VI did not have any impact on recognition and measurement principles followed for preparation of financial statements. However , it has significantly impacted the presentation and disclosures made in the financial statements. The company has also reclassified previous year figures in accordance to the requirements applicable in the current year.

b) Fixed Assets

Fixed assets are stated at cost of acquisition, including freight, duties and other incidental expenses related to acquisition and installation less depreciation.

Cost of fixed assets borne by other parties is reduced from the carrying value of the respective fixed assets.

c) Inventories

Inventories are valued at lower of cost or net realizable value. Cost is arrived on FIFO basis and is inclusive of taxes and duties paid/incurred (other than those recovered /recoverable from taxing authorities). Adequate provision is made in respect of non-standard and obsolete items.

d) Impairment of Assets

The Company identifies impairable assets at the year end in accordance with the guiding principles of Accounting Standard 28, issued by the Institute of Chartered Accountants of India, for the purpose of arriving at impairment loss thereon being the difference between the book value and recoverable value of relevant assets. Impairment loss, when crystallizes, are charged against revenues for the year.

e) Foreign Currency Translation

- i) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction
- ii) Assets and Liabilities receivable/payable in foreign currencies are translated at the year end exchange rates.
- iii) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Account.

f) Depreciation

Depreciation is provided on Straight Line Method at the rates prescribed under the Schedule-XIV of the Companies Act, 1956 on pro-rata basis.

g) Retirement and Other Employee Benefits**a) Defined Contribution Plan**

The Company makes defined contributions to Provident Fund which are recognized in the Profit and Loss Account on accrual basis.

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The Company's contribution to State Plan, viz. Employees' State Insurance Scheme are recognized in the Profit & Loss Account on accrual basis.

b) Defined Benefit Plan

- (i) Accruing liability for gratuity is accounted for on the basis of present salaries and length of service of each employee.
- (ii) Accruing liability for leave encashment is accounted for on the basis of present salaries and unclaimed leaves.

2. CONTINGENT LIABILITIES

Particulars	as at 31-Mar-2012	as at 31-Mar-2011
Contingent Liabilities		
Claims against the company not acknowledged as debt		
Guarantees		
Other money for which the company is contingently liable	2,276,743	568257
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for		
Uncalled liability on shares and other investments partly paid		
Other commitments		
Total	2276743	568257

Notes

Disputed Demand from Central Excise Deptt.	188319	195497
Disputed Demand under Land Reform Act.	190000	190000
Disputed Demand under Sales Tax	182760	182760
Unsecured Loan Written Back	1400000	-
Custom Duty Written Back	315664	-
	<u>2276743</u>	<u>568257</u>

3. Balances standing to the debit and credit of the debtors, creditors, and few other parties are subject to confirmation/reconciliation. Consequent impact on accounts upon confirmation/reconciliation is not ascertainable in the present circumstances.
4. In the opinion of the Board of directors, the value on realisation of current assets, loans & advances, in the ordinary course of business, shall not be less than the amount at which they are stated in the Balance Sheet and provision for all known liabilities have been made and contingent liabilities have been disclosed properly.
5. Prior Period Adjustment includes Rs.16,064/- for the current year and Rs.12,281/- for previous period.
Note : That during the year the company has written back a sum of Rs.27,96.481/- which has been shown under the head extraordinary items of statement of Profit & Loss Account.
6. The company has unabsorbed depreciation and carry forward losses under tax laws. In the absence of virtual certainty of sufficient future taxable income, net deferred tax asset has not been recognised on prudent basis in accordance with the Accounting Standard - 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.
7. In the absence of complete assessment for determining impairment loss on the assets in accordance with the Accounting Standard - 28 issued by the Institute of Chartered Accountants of India, an impairment loss amounting to Rs. 28,81,304.95 provided during the period ended on 30th June 2009 (i.e. to the extent of loss estimated as per the scheme sanctioned by the Board for Industrial and Financial Reconstruction) has been retained and no further provision has been made during the current period. In the opinion of management, no material impairment was there in the assets of the company.

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8. The Company being engaged only in the business of manufacture of Shoe -Soles, separate segment reporting, in terms of Accounting Standard AS - 17 on "Segment Reporting" issued by the Institute of Chartered Accountant of India, is not required.
9. **EARNING / (LOSS) PER SHARE:**

In accordance with Accounting Standard - 20 on 'Earning Per Share' issued by the Institute of Chartered Accountant of India, the earning per share has been computed as under:

		31.03.2012	31.03.2011
a) Net Profit / (Loss) for the period.	(Rs.)	(46,58,749)	(13,69,453)
b) Weighted Average Number of Equity Shares*	(Nos)	20,94,320	20,94,320
c) Nominal value per Equity Shares	(Rs.)	10.00	10.00
d) Earning / (Loss) Per Share (Basic & Diluted)	(Rs.)	(0.56)	(0.16)

*There were no potential equity shares. That during the year face value and paid up value of company has changed from Rs.5 to Rs.10 each due to which the no of shares for the said has been reclassified and rearranged.

10 **RELATED PARTY DISCLOSURE:**

Related party disclosure in accordance with the Accounting Standard (AS-18) on 'Related Party Disclosure' issued by the Institute of Chartered Accountant of India are as under:

i) **Related Parties :**

KEY MANAGEMENT PERSONNEL :

Mr. A.S. Sethi - Joint Managing Director
 Mr. H.S. Sethi - Wholetime Director
 Mrs. Paramjeet Kaur Sethi - Director

ENTERPRISES OVER WHICH ABOVE PERSON CAN EXERCISE SIGNIFICANT CONTROL

Darsh Polymers Pvt. Ltd.
 Auram Polymers (P) Ltd.

Note:- Related parties and their relationship are as identified by the management and relied upon by the auditors.

ii) **Summary of Transactions with related parties:**

Nature of Transactions	Key Management Personnel (Rs.)	Relatives (Rs.)	Enterprises Over Which Above Person Can Exercise Significant Control (Rs.)	Total (Rs.)
Issue of preference shares	-	-	-	-
	1400000.00	-	-	1400000.00
Loans Taken/(-)Repaid (Net)	-	-	(-)180000.00	(-)180000.00
	-	-	(-)2899000.00	(-)2899000.00
Amount Received/(-) Repaid (Net) in Current Accounts.	7,89,000.00	-	7,89,000.00	-
	1,59,880.00	-	1,59,880.00	-

Note: Figures in italics represent previous year's figures.

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iii) Disclosure in respect of material transactions with related parties.

Issue of Preference Shares	CURRENT PERIOD Rs.	PREVIOUS PERIOD Rs.
- Mr.H.S. Sethi :		1400000/-
Loans Taken / (-) Repaid (Net)		
- Darsh Polymers (P) Ltd. :	(-)180000/-	(-)2899000/-
Amounts Received/(-) Repaid (Net) in Current Accounts		
- Mr. H.S. Sethi :	789000/-	159880/-

11. Additional information pursuant to the provisions of Paragraph 3 and 4 of part-II of Schedule VI to the Companies Act, 1956.

	Current Period Rs.	Previous Period Rs.
a) CIF value of Imports		
- Capital Goods	NIL	NIL
- Raw Material	NIL	NIL
b) FOB Value of Export	NIL	NIL
c) Expenditure in Foreign Currency	NIL	NIL

d) Details of Installed Capacity and Actual Production :

Class of Goods	Installed * Capacity (Pcs. In Pairs)	Actual Production (PCS. In Pairs)	
		Current Period	Previous Period
Shoe Soles-PU	2200000	NIL	NIL
Shoe Soles-TPR	1050000	NIL	34221
	3250000	NIL	34221

* As certified by the Management but not verified by the auditors being a technical matter.

e) Particulars of Sales:-

	Current Period		Previous Period	
	Quantity (Pcs. In Pairs)	Value (Rs.)	Quantity (Pcs. In Pairs)	Value (Rs.)
Shoe-Soles				
- PU			5968	156884.00
-TPR			34221	2826121.00
(Quantities include free of cost samples)				
TOTAL				2983005.00

f) Particulars of Opening and Closing Stock

	Current Period		Previous Year	
	Quantity (Pcs. In Pairs)	Value (Rs.)	Quantity (Pcs. In Pairs)	Value (Rs.)
Shoe-Soles-PU				
- Opening Stock			5968.0	128442.00
- Closing Stock			—	—

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g) Raw Material Consumed

	Current Period		Previous Year	
	Quantity (Kgs.)	Value* (Rs.)	Quantity (Kgs.)	Value* (Rs.)
Rubber (TPR) Sheets			16500	1630500.00
TOTAL				1630500.00

* In view of large number of items having different units of measurement quantities of other material not given.

h) Consumption of Raw Material

	Current Period		Previous Year	
	Quantity (Kgs.)	Value* (Rs.)	Quantity (Kgs.)	Value* (Rs.)
Indigenous	100%		100%	1630500.00
Imported	—	—	—	—
TOTAL	—	—		1630500.00

i) Consumption of Stores

	Current Period		Previous Year	
	%	Value (Rs.)	%	Value (Rs.)
Indigenous	—	—	—	—
Imported	—	—	—	—
TOTAL	—	—	—	—

12. Disclosure pursuant to Note no. 16 of Part II of Schedule VI to the Companies Act, 1956

AMOUNT PAID/PAYABLE TO AUDITORS (excluding Service Tax)

	Current Period (Rs.)	Previous Year (Rs.)
a) Audit Fee	27,500.00	42,500.00
b) Tax Audit Fee		30000.00*
c) Taxation Matters		9700.00

* Including Rs. 15000/- relating to prior periods

13. Without considering the impact, if any, of the qualifications in the auditor's report, there is a positive net worth of the Company and the Company has no intention to discontinue its operations. Therefore, these accounts have been prepared on 'Going Concern Basis'.

14. Company, being unable to raise funds to purchase a car for official use, had purchased one Car for Rs.1098570/- during the F.Y 2005-2006 in the name of one of its directors and taken the car loan from ICICI Bank Ltd. in the name of that director.

Cost of car has been included in the Fixed Assets. Loan amount has already been fully repaid in the previous year. The company is in the process of getting the vehicle transferred in its own name.

15. EMPLOYEES BENEFITS**(a) Defined Contribution Plan**

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

	CURRENT PERIOD	PREVIOUS PERIOD
Employer's Contribution to Provident Fund	14919.00	9422.00
Employer's Contribution to Employees State Insurance Scheme	1192.00	1751.00

(b) There were no accumulated unavailed leaves in respect of any of the employees as on 31.03.2012, hence no actuarial valuation was required in this regard as on that date.

(c) Up to the period ended on 30th June 2009, the company had made the provision for gratuity on the basis of actuarial valuation. Considering the fact that only two employees are working in the company and high cost involved in the getting the actuarial valuation done, the provision for gratuity for the period from 01.04.2011 to 31.03.2012 has been made on estimated basis. In the absence of actuarial valuation as on 31st March 2012 the impact, of such deviation from the accounting standard - 15 as prescribed under the Companies Act, 1956, on the accounts is not ascertainable and also the required disclosures cannot be made.

16. The company has requested its suppliers to intimate whether they are registered under "The Micro, Small and Medium Enterprises Development Act 2006", No supplier has intimated to the company that they are registered under the said Act.

17. Directors have waived off their right to setting fee in respect of meetings of Board of Directors and committees thereof attended by them.

18. Secured Loan from Darsh Polymers Pvt. Ltd is secured by a first charge and mortgage of all immovable properties both present and future and first charge by way of hypothecation of movable assets (except book debts), and guaranteed by a Non executive Director, a Whole time Director and Joint Managing Director of the Company and further secured by way of pledge of 341800 Equity Shares of Rs.10 each (P.Y 683600 of Rs.5 each) of promoter group. Darsh Polymers Pvt. Ltd. has an option to convert 50% of the amount of loan into equity, subject to the approval of the shareholders of Anka India Ltd. and the Board for Industrial and Financial Reconstruction and also in accordance with prevalent norms , policies and statutory provisions.

19. During the year the company has increased its face value and paid up value from Rs.5 to Rs.10 each in an Extra Ordinary General Meeting held on 15.12.2011 at the registered office of the company.

20. During the year the company has ceased to be a sick industrial company within the meaning of section 3(1)(0) of the SICA, 1985 by the order passed by Board for Industrial and Financial Reconstruction Bench - II dated 19.12.2011 subject to the directions as stated in the order.

21. Current period comprises of twelve months .i.e from 01st April 2011 to 31st March 2012 as against corresponding previous period which comprised of six months only i.e. from October 01, 2010 to March 31, 2011. Therefore, the current period figures may not be comparable with those of previous year.

22. Previous year's figures have been reclassified/rearranged wherever considered necessary to conform to this year's classification.

Signatures to Notes '1' to '22'

For H.KUMAR & ASSOCIATES

Chartered Accountants
Firm regn. No. 021518N

For and on behalf of the Board

H. Kumar
Proprietor
Membership No. 010431

Harpreet Singh Sethi
Director

Arshdeep Singh Sethi
Joint Managing Director

Place: New Delhi
Dated: 29.08.2012

ANKA INDIA LIMITED

REGD. OFF. : VILLAGE & P.O. KHERKI DAULA ,DISTT. GURGAON -HARYANA - 122001.

PROXY FORM

I/We.....of.....in the district of.....being a member(s) of the above named company, hereby appoint Mr./Miss/Mrs.....of.....in the district of..... or failing him/her, Mr./Miss/Mrs.....of.....in the district of..... as my/our proxy to vote, for me/us on my/our behalf at the 18th Annual General Meeting of the Company to be held on Saturday, 29thSeptember, 2012 at 9.30 A.M. or at any adjournment thereof.

No. of shares held..... Registered Folio No.....

D.P.ID No.#..... Client ID No.#.....

Signed this.....day of2012.

Note: The proxy form must be deposited duly stamped, completed and signed at the Registered Office of the company not less than 48 hours before the time for holding the meeting.

For members holding shares in dematerialised mode.

ANKA INDIA LIMITED

REGD. OFF. : VILLAGE & P.O. KHERKI DAULA ,DISTT. GURGAON -HARYANA - 122001.

ATTENDANCE SLIP

Name of the shareholders :
(IN BLOCK LETTERS)

Registered Folio No. :

D.P.ID No.#..... Client ID No.#.....

I hereby record my presence at the 18th Annual General Meeting on Saturday, 29thSeptember, 2012 at Village & P.O. Kherki Daula, Distt. Gurgaon, Haryana-122001 at 9.30 A.M. I certify that I am a registered shareholder/proxy* for the registered shareholder of the company.

.....
(Name of the Proxy)

.....
(Signature of the member/proxy* to be signed at the attendance counter)

*Delete whichever is not applicable

#For members holding shares in dematerialised mode.

Notes:

1. For their own convenience, the members are requested to deliver their attendance slips at the attendance counter in a queue.
2. Incomplete attendance slips will not be accepted at the attendance counter. For any problem or information, please contact the enquiry counter, before proceeding to attendance counter.
3. **No gifts/coupons shall be distributed at the meeting.**

BOOK - POST

If undelivered, please return to :

ANKA INDIA LIMITED

VILLAGE & P.O. KHERKI DAULA,
DISTT. GURGAON, HARYANA - 122001.