

19th ANNUAL REPORT

BOARD OF DIRECTORS

MR. SORABH GUPTA

Managing Director

MR. GAUTAM GOEL

Director

MR. N. K. GUPTA

Director

MR. GAURAV GOEL

Director

MR. MURLI MANOHAR

Director

MR. DESHRAJ SINGH

Director

AUDITORS

M/S. S PRASAD AGARWAL & CO.

REGISTERED OFFICE & WORKS

Village - Pallawala, Tehsil - Dhampur

Distt. - Bijnor (U. P.) - 246761

CORPORATE OFFICE & INVESTORS' RELATION CELL

24, School Lane, Near World Trade Centre

New Delhi - 110001

E-mail : info@sugarindia.com

REGISTRAR & SHARE TRANSFER AGENT

MAS Service Ltd.

T-34, 2nd Floor, Okhla Industrial Area

Phase-II, New Delhi - 110020

E-mail : info@masserv.com

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NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the members of DHAMPURE SPECIALITY SUGARS LIMITED will be held on Friday, the 30th September, 2011 at 2.00 PM at its registered office at village Pallawala, Tehsil-Dhampur, Distt.-Bijnor (U.P.) - 246761 to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011, the Profit & Loss Account for the year ended on that date and reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Gautam Goel, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. N. K. Gupta who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

Notes :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member of the company. Proxy in order to be effective must be received by the company not later than 48 hours before meeting.
2. Members are requested to notify immediately to the company any change in their registered address.
3. Members/proxies should bring the attendance slip duly filled in for attending the meeting.
4. The accounts, the report and all other documents required under the law to be annexed thereto, will be available for inspection during working hours of the registered office of the company on any working day except Saturday and Sundays prior to the date of the Annual General Meeting.
5. Shareholders desiring any information as regards the accounts are requested to write to the company at an early date so as to enable the management to keep the information ready.
6. The register of members and shares transfer books of the company will remain closed from 27.09.2011 to 30.09.2011 (both days inclusive) for the purpose of Annual General Meeting.
7. Shareholders who are still holding physical share certificates are advised to dematerialize their shareholding to avail benefits of materialization which includes, easy liquidity since trading is permitted in dematerialized form, electronic transfers, savings in stamp duty and prevention of forgery.

For and on behalf of the Board

For **Dhampure Speciality Sugars Limited**

Place : New Delhi

Date : 31.08.2011

Registered Office :

Village - Pallawala, Tehsil - Dhampur

Distt. - Bijnor (U. P.)

Sorabh Gupta

Managing Director

For and on behalf of the Board

For **Dhampure Speciality Sugars Limited**

Place : New Delhi

Date : 31.08.2011

Registered Office :

Village - Pallawala, Tehsil - Dhampur

Distt. - Bijnor (U. P.)

Sorabh Gupta

Managing Director

DIRECTORS' REPORT

To
 The Members,
 Dhampure Speciality Sugars Limited

Your Directors have pleasure in presenting their **Nineteenth Annual Report** together with the Audited statement of Accounts for the accounting year ended on 31st March, 2011 for your consideration and adoption.

FINANCIAL RESULTS

The working results of the Company are briefly given below :

	(Rupees) Current Year	(Rupees) Previous Year
Sales & other income	385707303	365677462
Operating Profit before		
Depreciation & Tax	12334352	12604527
Less : Depreciation	2236151	2538575
Profit before tax	10098201	10065952
Less : Corporate Tax	2868155	2976845
Add : Deferred Tax	106204	176972
Profit after Tax	7336250	7266079
Add : Balance Brought Forward		
From Previous Year	61807935	54590316
Less : Tax for Previous Year	46215	48460
Balance carrier to the	69097970	61807935
Balance Sheet		

REVIEW AND PROSPECT

Company Produced 862 MT of Speciality Liquid Sugar during the year as against 551 MT in the previous year. Speciality dry value added Sugar produced 253 MT during the year against 334 MT in the previous year.

The Company has achieved a turnover of Rs. 385707303 doing value addition of speciality sugars and chemicals during the year as against Rs. 361871050 in the previous year. The overall performance of the company resulting profit during the year. This was achieved by leveraging the brand value of the company, using strategic relationship with the customers and utilization of the logistics infrastructure of the Company.

The company has not achieved significant success in exporting value added speciality sugars, due to restriction imposed by Govt. of India on export of sugar.

Company has taken major strides in becoming leader in supplying speciality sugar products not only in India but also internationally. In the next stage of the same, we are in focusing to increase the base in domestic market, for invert Sugar and Speciality Sugars.

At present, we are moving in the directions developing wider product range of Speciality sugar by acquiring technical expertise or by using in house Research & Development, Some of these are Sugar Cane Juice, fancy sugar cubes.

PUBLIC DEPOSIT

The Company has not accepted any deposits from the public during the financial year.

DIVIDEND

To conserve the resources, your Directors do not recommended and dividend on equity shares.

DIRECTORS

In accordance with the companies Act 1956 and articles of Association of the Company Mr. Gautam Goel and Mr. N.. K. Gupta are retiring by rotation but being eligible, have offered themselves for re-appointment.

DIRECTOR'S RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217 (2AA) OF THE COMPANIES ACT, 1956

The Board of Directors of the Company confirms :

- i. That in the preparation of the Annual Accounts, the applicable accounting standards have been followed and there has been no material departure;
- ii. That the directors had selected 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 as at March 31, 2011 and of the profit & loss of the company for that period
- iii. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. That the annual accounts have been prepared on a going concern basis.

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CORPORATE GOVERNANCE

The disclosures as required under the Corporate Governance Reporting System have been furnished in the Annexure to the Directors Report under the head "Corporate Governance" and the company is complying with the various requirements under the New Corporate Governance Reporting Systems.

AUDITORS

M/s. S Prasad Agarwal & Co., Chartered Accountants, the retiring statutory Auditors, being eligible, offers themselves for reappointment. They have confirmed that their reappointment if made would be within the limits in accordance with section 224 (1B) of the Companies Act, 1956.

THE PARTICULARS OF EMPLOYEES UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956 - Nil (Previous year - NIL)

LISTING OF THE SHARES

Company's shares are listed at Bombay Stock Exchange Ltd. and the listing fee for the year 2010-2011 has been paid to the stock exchange.

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

The particulars required to be included in terms of Section 217 (1) (e) of the Companies Act, 1956 with regard to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure.

EMPLOYEE RELATIONS

Employee relations remained cordial during the year under review.

ACKNOWLEDGMENT

Your Directors acknowledge with gratitude the timely assistance and help extended by the Banks and Financial Institutions. The Board also wish to place on record the valuable contribution of all the officers, staff and workers in ensuring the smooth operations of the company.

For and on behalf of the Board
For **Dhampure Speciality Sugars Limited**

Place : New Delhi
Date : 31.08.2011

Murli Manohar
Director

Sorabh Gupta
Managing Director

Registered Office :
Village - Pallawala, Tehsil - Dhampur
Distt. - Bijnor (U. P.)

ANNEXURE TO DIRECTORS' REPORT

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988,

CONSERVATION OF ENERGY

a) Energy conservation measures taken :

The Company continues its efforts to improve methods of energy conservation and utilization.

b) Total energy consumption per unit of production is given as per From - A enclosed.

FOREIGN EXCHANGE EARNING AND OUTGO

The foreign exchange earned and outgoing during the year are outlined in Note No. 6 (F) & 6 (E) of Notes to Accounts of Schedule No. 14.

FROM - A

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

	Current Year	Previous Year
A. POWER AND FUEL CONSUMPTION		
1. Electricity (Light & Power)		
a) Purchased units	110082	63413
b) Total Amounts (Rs.)	550868	253651
c) Rate/Unit	5	4
d) Own Generation		
Through Diesel Generator Unit	-	250247
Unit per ltr. of diesel oil	-	4
Cost / Unit (Rs.)	-	9.70
2. Consumption of Coal	—	—
3. Furnace Oil		
Quantity (Ltr.)	—	—
Total Cost	—	—
Average Rate	—	—

B) CONSUMPTION PER UNIT (M.T.) OF PRODUCTION

Product : Invert & Speility Sugars & Jaggery

Electricity : 85 71

Product : Jaggery & Khandsari

Electricity : 84 84

FROM - B

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

RESEARCH AND DEVELOPMENT (R & D)

1. Specific areas in which R & D carried out by the Company:

a) Company developed automatic & standardized process to produce and pack jaggery (Gur) under the brand name of Dhampure.

b) Company developed different types of Speciality Sugars Including Demerara Sugar, Natural Brown Sugar, Cane Syrup etc.

c) Company signed MOUs with various Technical Institutions of International repute for developing novel products.

d) Company offering several in-house developed technologies on lab scale, commercial scale & turnkey basis.

2. Benefits derived as a results of above R & D :

- Value addition of finished goods.
- Catering to an International market with quality products.
- Helping India enhance its position in the global market.

3. Future plan of action :

The company is constantly trying to improve the product quality with reduction in per unit cost and development and evaluation of alternate raw materials. Overall enhancement of quality, development of international market and offering a range of novel health-friendly sugar products remains the objective.

4. Expenditure on R & D :

Expenditure made is non-allocable

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. Efforts made towards technology absorption, adoption and innovation:

- Technology to make free flow demerara sugar and packing in various pack sizes from 5 gms to 50 Kg.
- Production of chemical free jaggery by retaining its natural health properties and taste appeal.
- Technology to develop new style of cost effective sugar sachets
- Technology to develop a refreshing & healthy sugarcane juice drink.

2. Benefit derived as a result of the above efforts :

- Increase in number of customers.
- Value addition of finished goods.
- Catering to the global market with quality products.

3. Imported Technology : Nil

For and on behalf of the Board
For **Dhampure Speciality Sugars Limited**

Place : New Delhi

Murli Manohar

Sorabh Gupta

Date : 31.08.2011

Director

Managing Director

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CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The company believes the good and effective corporate governance. Governance lies in managing the business in a transparent, fair accountable manner and sharing the information with the shareholders and not only complying with all the statutory obligations but also taking a role of a good corporate citizen. The philosophy of corporate governance as manifested in the company's functioning is to achieve business excellence by enhancing long term share holders value and interest of all, its stake holders such as customers, employees, financiers and to society in general.

2. BOARD OF DIRECTORS

The Board of Directors consists of Four non-executive Independent Director, one non-executive Director and one Managing Director.

During the year 2010-11, the Board met five times on the following dates, namely 30th April 2010, 31st July, 2010, 30th October, 2010, and 31st January, 2011.

The following table gives details of directors, attendance of directors at the Board meeting and at the last annual general meeting, number of memberships held by directors in the Board/Committees of various companies :-

Name of Director	Category of Membership	Attendance Particulars		Number of other directorships and committee Memberships/Chairmanships		
		BMs	Last AGM	Director-Ship	Committee Membership	Committee Chairman Ship
Mr. Sorabh Gupta	Executive (Managing Director)	4	Yes	4		
Mr. Gautam Goel	Non-Executive	4	No	6	1	1
Mr. Deshraj Singh	...do...	3	Yes	-	-	-
Mr. N. K. Gupta	...do...	4	Yes	-	4	-
Mr. Gaurav Goel	...do...	2	Yes	6	2	-
Mr. Murli Manohar	...do...	4	Yes	1	-	-

None of the directors is a member in more than ten committee and acts as a chairman in more than five committees across all companies in which he is a director.

3. AUDIT COMMITTEE

The Audit committee constituted by the Board of Directors consists of four non-executive directors namely Mr. N. K. Gupta, Mr. Murli Manohar & Mr. Gaurav Goel & Mr. Deshraj Singh.

The terms of reference of the committee covers all items stated in clause 49 of Listing Agreement with the stock exchanges and such other functions as may be

specifically delegated to the committee by the Board from time to time. The constitution of Audit committee also meets with the requirements under section 292A of the companies Act, 1956. The committee reviews the all financial statements before they are placed before the Board during the year. Under review the committee meet on 30th April 2010, 31st July, 2010, 30th October, 2010, 31st January, 2011.

4. SHARE TRANSFER COMMITTEE/SHAREHOLDERS GRIEVANCE COMMITTEE

The committee has been constituted with Mr. Sorabh Gupta, Mr. Murli Manohar & Mr. N. K. Gupta, Sorabh Gupta is the chairman of the committee. The Committee interalia, approves issue of duplicate certificates and overseas and reviews all matters connected with the shares transfer. The committee also looks into redressing of investors' complaints like transfer of shares, non-receipt of Balance Sheet etc. and also notes transfers/transmissions of share issued by the company. The committee oversees the performance of the registrar and share transfer agent and recommends measurers for overall improvement of the quality of investor services. The Board of Directors have delegate the power to Mr. Sorabh Gupta, Managing Director and Mr. Ilyas Ahmed, Manager - Accounts to approve the transfer and transmission of shares, folio consolidation change of name, transposition, certificate split and consolidation, dematerialisation or rematerialisation of share, replacement of certificate etc.

As on 31st March 2011, No request for transfer & dematerialisation was pending.

The Company has also adopted a code of conduct for prevention of insider trading in the shares of the company, pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. The Board has designated Mr. Ilyas Ahmad, Manager Accounts as the compliance officer and authorized the committee to monitor the compliance's as required under the aforesaid regulations.

5. DIRECTORS' REMUNERATION

The remuneration to the Directors and approved by the Board of Directors of the company and the interested Director is not present when such business is taken up. The remuneration is approved by the Board considering, the educational qualification, past experience and the dedication to the duties. None of the non-executive Directors of the company have any pecuniary relationship or transactions with the company.

Rs. 1500000 paid to the Managing Director towards remuneration & Rs. 60000 paid to the Directors towards sitting fee during the Financial year 2010 - 11

6. GENERAL BODY MEETING

The last three Annual General Meeting were held as under :-

Financial Year	Date	Time	Location
2009 - 10	30.09.2010	2.00 P.M.	Village-Pallawala, Dhampur
2008 - 09	30.09.2009	2.00 P.M.	-- do --
2007 - 08	30.09.2008	2.00 P.M.	

All the resolutions set out in respective notice were passed by the shareholders

7. DISCLOSURES

(a) Disclosures of transactions with related parties during the financial year 2010-11, there were no materially significant transactions entered into between the company and its promoters, Directors or the managements, subsidiaries or relatives, etc. that may have potential conflict with the interests of the company at large. Further details of related party transactions are presented in Note No. 8 II (b) of schedule 14.

(b) Disclosures of Accounting Treatment in preparation of Financial Statements.

The company has followed the Accounting Standards laid down by the companies (Accounting Standards) Rules, 2006 in preparation of its financial statements.

8. MEANS OF COMMUNICATION

(a) The company is not sending half-yearly report to each household of shareholders.

(b) The results are being sent to all the stock exchanges where the shares of the company are listed for putting in their own website.

(c) The company has published its quarterly results in Financial Express (English) & Jansatta (Hindi).

(d) Management discussion and analysis forms part of the annual report which is posted to the shareholders of the company.

9. GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting

Date : 30th September, 2011 at 2.00 pm
 Venue : Dhampure Speciality Sugars Limited
 Village : Pallawala, Dhampur
 Distt - Bijnor (U. P.)

b) Book Closure Date :

27.09.2011 to 30.09.2011
 (both days inclusive)

c) Financial Calendar 2011 - 2012 (Tentative)

Adoption of Quarterly Result Ended	Date of Submission to Stock Exchange
30th June, 2011	Last week of July, 2011
30th September, 2011	Last week of October, 2011
31st December, 2011	Last week of January, 2012
31st March, 2012	Last week of April, 2012

d) Dividend

No dividend recommended for the year 2010-11.

e) Stock Exchange Listing

Shares of the company are listed on Bombay Stock exchanges and pursuant to clause 38 of the Listing Agreement. The annual listing fee have been paid and there is no outstanding payment towards the exchanges as on 31st March 2011.

f) Stock Code

(i) Trading Symbol at
 The Stock Exchange, Mumbai - DHAMPURE SGR
 BSE Scrip Code - 531923
 (ii) Demat ISIN Numbers in - INE 956B01013
 NSDL & CDSL

g) Registrar & Share Transfer Agent :

MAS Services Ltd.
 T-34, II Floor,
 Okhla Indl. Area, Phase-II, New Delhi-110020

h) Distribution of shareholding

a) Shareholding Pattern as on 31st March 2011

Category	No. of Shares held	Percentage of Shareholding
Promoters	2765751	38.62
Private Corporate Bodies	1243219	17.36
Indian Public	3002247	41.92
NRIS/OCBS	37190	0.52
Clearing Member	112301	1.57
Trust	492	0.01
Total	7161200	100.00

b) Shareholding Pattern as on 31st March 2011

No. of Shares	No. of Share Holders	% of Share Holders	No. of Shares Held	% of Share Holding
Upto 5000	3678	80.01	7248450	10.12
5001 - 10000	424	9.17	3507880	4.90
10001 - 20000	206	4.46	3275620	4.57
20001 - 30000	83	1.79	2170500	3.03
30001 - 40000	44	0.95	1563510	2.18
40001 - 50000	37	0.80	1766420	2.47
50001 - 100000	64	1.39	4651420	6.50
10001 & above	66	1.43	47428200	66.28
Total	4622	100	71612000	100

i) Dematerialisation of shares

6248450 shares were dematerialised upto 31st March, 2011. The dematerialisation level as at 31st March, 2011 stands at 87.25%

j) PLANT LOCATIONS

- Village - Pallawala, Dhampur,
Distt - Bijnor (U. P.)
- Village - Bachhawala, Tehsil Nehtaur,
Distt - Bijnor (U. P.)

k) Address for Correspondence :

Ilyas Ahmed, Manager-Account
 Dhampure Speciality Sugars Ltd.
 24, School Lane, Near World Trade Centre,
 New Delhi - 110001

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AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To,

The Members of

Dhampure Speciality Sugars Limited

We have examined the compliance of the conditions of Corporate Governance by Dhampure Speciality Sugars Limited for the year ended 31st March 2011, as stipulated in Clause 49 of the Listing Agreement of said company with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the clause 49 of the Listing Agreement. We state that in respect of investor grievances received during the year ended 31st March 2011, no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the Company and presented to the Shareholders/Investors' Grievance/Share Transfer and Transmission Committee. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **S. Prasad Agarwal & Co.**
Chartered Accounts
Firm Regn. No. 021225N

Place : New Delhi
Date : 31.08.2011

(S. P. Agarwal)
Proprietor
M. No. : F-092194

AUDITORS' REPORT

To the Members of

DHAMPURE SPECIALITY SUGARS LIMITED

1. We have audited the attached Balance Sheet of DHAMPURE SPECIALITY SUGARS LTD., as at March, 31, 2011 and the related Profit and Loss account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. 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 have conducted our audit in accordance with the auditing standards generally accepted in India. These 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 test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 of India (the 'Act') and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we further report that :
 - (i) (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
 - (c) In our opinion and according to the information and explanations given to us, a substantial part -of fixed assets has not been disposed off by the company during the year.
 - (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion, the procedures of physical verification of inventory 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 inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (iii) The company has neither granted nor taken any loans, secured or unsecured, to / from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
 - (iv) In our opinion, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods. Further, on the basis of our examinations of the books and records of the company, and according to the information and explanations given to us. We have neither come across nor have been informed of any major weakness in the aforesaid internal control procedures.
 - (v) (a) In our opinion and according to the information and explanation given to us, the transactions that need to be entered into the register in pursuance to Section 301 of the Act, have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into the register in pursuance of Section 301 of the Act exceeding the value of rupees Five Lakhs in respect of any party during the year.
 - (vi) The company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Act and the rules framed there under.
 - (vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
 - (viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the company.
 - (ix) (a) According to the information and explanations given to us and the records of the company 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, customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities.

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- (b) According to the information and explanations given to us and the records of the company examined by us there are no disputes and dues with Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty etc.
- (x) According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in payment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- (xi) The company has not granted any loan on the basis of security by way of pledge of shares.
- (xii) The provisions of any special statute applicable to chit fund/Nidhi/mutual benefit fund/societies are not applicable to the company.
- (xiii) In our opinion, the company is not a dealer or trader in shares, securities, debentures and other investment; however the company made some trading & investment in some quoted & unquote shares.
- (xiv) In our opinion and according to the information and explanations given to us the company has not obtained any type of term loan facility.
- (xv) On the basis of an overall examination of the balance sheet of the company, and according to the information and explanations given to us, there are not funds raised on a short-term basis which have been used for long-term investment, and vice versa.
- (xvi) The company has not made preferential allotment shares to the parties and companies covered in the register maintained under section 301 of the Act during the year.
- (xvii) The company has not issued any debentures which have remained outstanding at the year end.
- (xviii) The company has not raised and money by public issues during the year.
- (xix) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we have been informed of such case by the management.
4. Further to our comments in paragraph 3 above, we report that :
- (a) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purposes 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 deal with by this report are in agreement with the books of accounts;
- (d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement deal with by this report company with the accounting standards referred to in sub-section (3C) of Section 211 of the Act.
- (e) On the basis of written representations received from the directors, as on March 31st 2011, and taken on record by the Board of Directors, none of the directors disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
- (f) In our opinion an to the best of our information and according to the explanations given to us, the said financial statement together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act 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 March 31, 2011.
- (ii) In the case of the Profit and Loss Account, of the profit 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 **S. Prasad Agarwal & Co.**
Chartered Accountants
Firm Regn. No. 021225N

S. P. AGARWAL
PROPRIETOR
M. No. F-092194

Place : New Delhi
Date : 31.08.2011

Balance Sheet as at 31st March' 2011

Particulars	Schedule	As at 31.03.2011		As at 31.03.2010	
		Rupees	Rupees	Rupees	Rupees
SOURCES OF FUNDS					
1. Shareholders Funds :	1				
a) Share Capital		71612000		71612000	
b) Reserve & Surplus		<u>102167970</u>	173779970	<u>94877935</u>	166489935
2. Loan Funds:	2				
Secured Loan			1673620		
TOTAL			<u>175453590</u>		<u>166489935</u>
APPLICATION OF FUNDS					
1. Fixed Assets	3				
Gross Block		91997223		88658591	
Less : Depreciation		<u>70839514</u>		<u>68874271</u>	
Net Block			21157709		19784320
2. Investments	4		2495793		2581941
3. Deferred Tax Assets			8915267		8809063
4. Current Assets, Loans & Advances	5				
a) Inventories		16555169		23062988	
b) Sundry Debtors		58838688		65689298	
c) Cash & Bank Balance		11900105		2893279	
d) Advances		<u>97472643</u>		<u>78080815</u>	
TOTAL		<u>184766605</u>		<u>169726380</u>	
Less : Current Liabilities & Provisions	6				
a) Current Liabilities		39013629		31609924	
b) Provisions		<u>2868155</u>		<u>2976845</u>	
TOTAL		<u>41881784</u>		<u>34586769</u>	
Net Current Assets			142884821		135139611
Miscellaneous Assets					175000
TOTAL			<u>175453590</u>		<u>166489935</u>

NOTES TO THE ACCOUNTS 14

Auditors' Report
 As per our Separate Report of even date annexed

For **S. Prasad Agarwal & Co.**
 Chartered Accountants
 Firm Regn No. 021425N

For **DHAMPURE SPECIALITY SUGARS LTD.**

(S. P. Agarwal)
 Proprietor
 M. No. : F-092194
 Place : New Delhi
 Dated : 31.08.2011

Murli Manohar
 Director

Sorabh Gupta
 Managing Director

Registered Office :
 Village - Pallawala, Tehsil-Dhampur
 Distt - Bijnor (U.P.) Pin - 246761

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Profit & Loss Account for the Year Ended 31st March' 2011

Particulars	Schedule	As at 31.03.2011		As at 31.03.2010	
		Rupees	Rupees	Rupees	Rupees
INCOME					
Sales (Net of Returns)	7	383455810		361871050	
Other Income	8	<u>2251493</u>		<u>2652174</u>	
TOTAL			385707303		364523224
EXPENDITURE					
Materials & Manufacturing Expenses	9	347391803		324991082	
Personnel Expenses	10	3998921		3867981	
Administrative & Other Expenses	11	4684995		5534937	
Financial Charges	12	302167		843214	
Selling & Distribution expenses	13	13895780		15543676	
Excise Duty		3099285		1137807	
Depreciation		<u>2236151</u>		<u>2538575</u>	
TOTAL			<u>375609102</u>		<u>354457272</u>
Profit/(Loss) before Tax			10098201		10065952
Less : Provision for Tax					
- Income Tax			2868155		2976845
Add : Deferred Tax Assets			106204		<u>176972</u>
Profit / (Loss) after Tax			7336250		7266079
Add / (Less) Brought forward from previous year			61807935		54590316
Less : Income Tax Paid for Earlier years			46215		<u>48460</u>
Profit / (Deficit) Carried to Balance Sheet			<u>69097970</u>		<u>61807935</u>
Basic & Diluted Earning per share (Refer Note No. 11 of II of Schdule No. 14)			1.02		1.01
NOTES TO THE ACCOUNTS	14				

Auditors' Report

As per our Separate Report of even date annexed

For **S. Prasad Agarwal & Co.**

Chartered Accountants

Firm Regn No. 021425N

(S. P. Agarwal)

Proprietor

M. No. : F-092194

Place : New Delhi

Dated : 31.08.2011

Registered Office :

Village - Pallawala, Tehsil-Dhampur

Distt - Bijnor (U.P.) Pin - 246761

For **DHAMPURE SPECIALITY SUGARS LTD.**

Murli Manohar

Director

Sorabh Gupta

Managing Director

Schedules Annexed to and Forming Part of Accounts

	<u>As at 31.03.2011</u>		<u>As at 31.03.2010</u>	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE 1 : SHAREHOLDERS FUNDS				
a) SHARE CAPITAL				
Authorised				
25000000 (Previous year 25000000) Equity Shares of Rs. 10/- each		<u>250000000</u>		<u>250000000</u>
Issued, Subscribed and Paid Up				
7161200 (P.Y. 7161200) Equity Shares of Rs. 10/- each fully paid up in cash		71612000		71612000
b) RESERVE & SURPLUS				
Share Premium Account :				
As per last Balance Sheet	33070000		33070000	
Surplus				
As per Profit & Loss Account	<u>69097970</u>	102167970	<u>61807935</u>	94877935
SCHEDULE 2 : LOAN FUNDS				
c) SECURED LOANS				
Bank Loan				
From PNB				
(Secured by way of Hypothication of stock & debtors)		<u>1673620</u>		

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SCHEDULE 3 : FIXED ASSET

PARTICULARS	CROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01/04/10	Addition During the year	Sale / adj Druring the year	TOTAL As on 31/03/11	Upto 31/03/10	Dep. for the year	Sale / adj Druring the year	TOTAL As on 31/03/11	As on 31/03/11	As on 31/03/10
LAND	2173745	-	-	2173745	-	-	-	-	2173745	2173745
BUILDING	13752323	3200978	-	16953301	5189849	455867	-	5645716	11307585	8562474
PLANT & MACHINERY	54659555	209267	28616	54840206	51547632	717320	-	52264952	2575254	3111924
ELECTRICAL INSTALLATION	1133183	-	-	1133183	1025235	80116	-	1105351	27832	107950
GENERATOR SETS	2354868	145374	524	2499718	1106994	115734	-	1222728	1276990	1247874
COMPUTERS	4256601	-	-	4256601	3890548	258536	-	4149084	107517	366053
MISC.ASSETS	2143245	467198	16670	2593773	1021900	111431	-	1133331	1460442	1121345
FURNITURE & FIXTURE	763892	-	-	763892	334829	48355	-	383184	380708	429061
VEHICLES	7421179	-	638375	6782804	4757285	448792	270909	4935168	1847636	2663893
CAPITAL IN PROGRESS	-	-	-	-	-	-	-	-	-	-
TOTAL	88658591	4022817	684185	91997223	68874272	2236151	270909	70839514	21157709	19784319
PREVIOUS YEAR	87157618	2434367	933394	88658591	66335698	2538574	-	68874272	19784319	-



Schedule 4 : INVESTMENTS

Name of Script	Opening Balance As at 1.04.2010		Purchase During the year		Sold During the year		Closing Balance As at 31.03.2011		Closing Balance As at 31.03.2010	
	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)
“A” QUOTED SHARES										
Adani Power		14006	100	14006			100	14006		
Alok Industries		57860	2000	57860	500	14465	1500	43395		
Bajaj Hindustan	200	39271	300	39479	500	78750			200	39271
Binani Cement	500	37905	700	59983	1200	97888			500	37905
Delta Corporation		21580	200	21580			200	21580		
Development Credit Bank		61333	1200	61333	700	35777	500	25556		
Dhampur Sugar Mills	1000	106718	1000	80354	500	46765	1500	140307	1000	106718
Dhan Laxmi Bank	500	76225			500	76225			500	76225
Dishman Pharma & Chemicals		34658	150	34658			150	34658		
Dwarkesh sugar mills	500	58000			100	11600	400	46400	500	58000
East India Hotel Ltd.	100	12531	100	14251			200	26782	100	12531
Edelweiss Capital		6411	100	6411			100	6411		
Eiha Hotels		2609	11	2609			11	2609		
Essar Oil		31258	200	31258	100	15629	100	15629		
Fortis health care	200	36574	300	49749	200	34530	300	51793	200	36574
Gee Kay Exim	56000	249200					56000	249200	56000	249200
Gujrat Industries Power co. Ltd.	200	25915					200	25915	200	25915
Gujrat Mineral Development Corp	200	36686					200	32640	200	36686
Gujrat Narmada Valley Fertilizer Co.	500	64110	100	12274	100	16320			500	64110
Gujrat State Fertilizer Co.	200	46886			200	46886			200	46886
HEG Ltd.		37777	100	37777			100	37777		
Housing Development of India Ltd.	50	19056					50	19056	50	19056
IFCI		13956	200	13956			200	13956		
India Cement	250	32260			250	32260			250	32260
Indian Overseas Bank	500	57343			500	57343			500	57343
Indowind	2500	156456			500	31291	2000	125165	2500	156456
InformationTech	5000	84017					5000	84017	5000	84017
J K Lakshmi Cement		90535	1250	90535			1250	90535		
J.P. Associates		169326	1250	169326	1000	135460	250	33866	250	33866
K Soils		11956	200	11956			200	11956		

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Name of Script	Opening Balance As at 1.04.2009		Purchase During the year		Sold During the year		Closing Balance As at 31.03.2010		Closing Balance As at 31.03.2009	
	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)
KCP Sugar			500	10958			500	10958		
Kohinoor Food			500	35415			500	35415		
Maharashtra Krishna Valley Bond	1	23750					1	23750	1	23750
Mahindra Forg			500	60295			500	60295		
Mukand Ltd			300	24847			300	24847		
NRB Bearing			500	30815			500	30815		
Oswal Chemicals & Fertilizers	1000	21880			1000	21880			1000	21880
Peninsulalnd			100	7982			100	7982		
Prime CAPITAL Market Ltd.	1500	8658			1500	8658			1500	8658
Prism Cement	500	25909			500	25909			500	25909
Raj Oil			500	31760			500	31760		
Rana Sugar			2000	21340			2000	21340		
Reliance Ind	150	252637	565	576571	705	817611	10	11597	150	252637
Reliance Power Ltd.	200	35454			200	35454			200	35454
Satyam Computer			100	7256			100	7256		
Shree Renuka sugar			4200	328829	3700	289683	500	39146		
Sparc systems	200	20553	100	7948	300	28501			200	20553
Tin Plate	200	16524			200	16524			200	16524
Unitech Ltd.	100	9739					100	9739	100	9739
Visa Steel	500	22684					500	22684	500	22684
Sub Total "A"	72751	1576941	19326	1953371	15455	2039519	76622	1490793	72751	1576941
"B" UNQUOTED SHARES										
Magic Software Pvt. Ltd.	10000	1000000					10000	1000000	10000	1000000
United Service Pvt. Ltd.	500	5000					500	5000	500	5000
Sub Total "B"	10500	1005000					10500	1005000	10500	1005000
GRAND TOTAL (A+B)	83251	2581941	19326	1953371	15455	2039519	87122	2495793	83251	2581941
Previous year	78776	1411592	45667	6505241	41192	5334892	83251	2581941	78776	1411592



Particulars	As at 31.03.2011		As at 31.03.2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE 5 : CURRENT ASSETS, LOANS & ADVANCES				
a) Inventories (as taken, valued and certified by the Management)				
Store, Spares & Fuel (at cost)	47470		39523	
Finished Goods (at lower of cost or net realizable value)	3115882		5495976	
Raw materials (at cost)	13187288		16906478	
Packing Material (at cost)	204529	16555169	621011	23062988
b) Sundry Debtors : (unsecured, considered good)				
outstanding for more than six month	426552		2086143	
outstanding for Less than six month	58412136	58838688	63603155	65689298
c) Cash & Bank Balance				
Cash in hand (as certified by the Management)	229920		1201420	
Balance with Scheduled Bank				
- Current Accounts	1152759		1418733	
Fixed Deposits with bank (Including intt. accrued thereon)	10517426	11900105	273123	2893276
d) Advance (Unsecured - Considered Goods)				
Advance recoverable in cash or in kind and /or for value to be received and / or adjusted	94338742		70499489	
Security Deposits	129496		129496	
Balance with Excise Department	58856		214679	
Advance Tax & Tax deducted at source	2324359		2146826	
Advance to Suppliers	564997		5071199	
Prepaid Expenses	56193	97472643	19126	78080815

SCHEDULE 6 : CURRENT LIABILITIES & PROVISIONS

a) Current Liabilities :				
Sundry Creditors and Liabilities for expenses	28640617		24454714	
Advance from Customers	2159441		1986535	
Duties & Taxes Payable	1152190		1343989	
Security deposit received	100331		100331	
Advance against sale of car			300000	
Book overdraft with Banks	6961050	39013629	3424355	31609924
b) PROVISIONS :				
For Income Tax		2868155		2976845

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Particulars	As at 31.03.2011		As at 31.03.2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE 7 : SALES				
Domestic Sales	369744055		349124323	
Export Sales	<u>13711755</u>	383455810	<u>12746727</u>	361871050
SCHEDULE 8 : OTHER INCOME				
Income from Logistic Service	373718		-	
Income from Investment	409048		1686527	
Agriculture Income	1011059		810569	
Income from Dividend	9148		3960	
Miscellaneous Income	168000		46579	
Sundry Balance Written Off	119917		-	
Interest received	<u>160603</u>	2251493	<u>104539</u>	2652174
SCHEDULE 9 : MATERIALS & MANUFACTURING EXP.				
Raw Material consumed				
Opening Stock	16906478		12113153	
Add : Purchases	<u>333932331</u>		<u>324788967</u>	
	350838809		336902120	
Less : Closing Stock	<u>13187288</u>	337651521	<u>16906478</u>	319995642
Manufacturing Expenses :				
Production Expenses	890003		1202579	
Power & Fuel	550868		1018969	
Stores & Spares Consumed	50208		19004	
Packing Expenses	5544337		3426841	
Machinery Repair & Maintenance	<u>324772</u>	7360188	<u>140527</u>	5807920
Increase () decrease in stocks				
A) Closing Stock :				
Finished Goods	3115882		5495976	
B) Opening Stock :				
Finished Good	<u>5495976</u>		<u>4683496</u>	
Net increase () / decrease in stock (B - A)		2380094		(812480)
TOTAL		<u>347391803</u>		<u>324991082</u>
SCHEDULE 10 : PERSONNEL EXPENSES				
Salary, Wages & Allowances	3203016		3229502	
Bonus	430811		292979	
Employees Welfare Expenses	85810		81794	
Security Expenses	<u>279284</u>	3998921	<u>263706</u>	3867981

Particulars	As at 31.03.2011		As at 31.03.2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE 11 : ADMINISTRATIVE EXPENSES				
Printing & Stationery	74988		98477	
Communication Expenses	364932		395555	
Travelling & Conveyance	323341		144726	
Repairs & Maintenance :-				
- Building	71462		55992	
-Others	473096		398138	
Vehicle Repair & Maintenance	55779		192893	
Insurance Charges	29751		1010982	
Rent, Rates & Taxes	563543		165926	
Directors Remuneration	1500000		900000	
Director Sitting Fee	60000		-	
Auditors Remuneration				
- as Audit Fee	24818		24818	
Filing Fee	176500		176000	
Additional Sales Tax Demand	246711		77868	
Legal & Professional Charges	424369		742628	
Miscellaneous Expenses	75895		1108410	
Loss on sale of Fixed Assets	67466		-	
Loss on sale of share (Short Term)	81615		-	
Share Transfer Expenses	43305		41215	
Penalty	27424	4684995	1309	5534937
SCHEDULE 12 : FINANCIAL CHARGES				
Interest Paid	210477		432161	
Bank Charges	91690	302167	411053	843214
SCHEDULE 13: SELLING & DISTRIBUTIONS EXPENSES				
Mandi Samiti Tax	1800		98754	
Advertisement & Publicity	42048		80482	
Business Promotion & Entertainment	469841		552892	
Freight (Outward)	-		711754	
Commission Paid	11222715		9263819	
Discount & Rebates	293475		1308351	
Godown Handing Expenses	209300		828203	
Selling Expenses (Misc)	16000		100880	
Exports Expenses	1640601	13895780	2598541	15543676

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SCHEDULE 14 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

(a) BASIS OF ACCOUNTING

The financial statements are prepared under historical cost convention, on an accrual basis and in accordance with applicable mandatory accounting standards notified by The Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

(b) FIXED ASSETS & DEPRECIATION

All fixed assets are stated at cost of acquisition less depreciation. Costs of acquisition include related pre-operational expenses. Depreciation on fixed assets (other than Land & Live Stock where no depreciation is provided) has been provided on straight line method at the rates specified in Schedule XIV to the Companies Act, 1956 on prorata basis.

(c) IMPAIRMENT OF ASSETS

The Company identifies improbable tangible fixed assets at the year end in term of cash generating unit concept for the purpose of arriving at impairment loss thereon being the difference between the book value and recoverable value of relevant assets if indication of impairment exists within the meaning of para 5 to 13 of AS-28 issued by ICAI. Impairment loss if any when crystallizes is charged against revenue of the year.

(d) INVENTORIES

Inventories are valued at lower of cost or net realizable value. Cost is determined on FIRST IN FIRST OUT basis. Cost comprises of all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Raw material cost is exclusive of excise duty paid / payable on purchases, as the same has been set off against excise duty payable on sale of finished goods under CENVAT scheme.

(e) INVESTMENTS

Investments are stated at cost. However, diminution in value other than temporary is provided. The profit / loss arising on accounts of sales is recognized in the Profit & Loss Account.

(f) REVENUE RECOGNITION

Revenue is recognized on sale of goods. Sales are inclusive of excise duty but net of Sales Tax. Duty drawback is accounted for on accrual basis. Commission is recognized at the time of delivery of goods effected by the principal. Transportation services are recognized on provision of services. Income from securities transaction is recognized on "Settlement" date basis. Income on speculative transaction is made on settlement basis.

(g) FOREIGN EXCHANGE TRANSACTIONS

- (i) Transactions in foreign currencies are recorded at the exchange rates prevailing at the date of transactions.
- (ii) The exchange rate fluctuation in revenue accounts is adjusted in the respective head in Profit and Loss Accounts.

(h) RESEARCH & DEVELOPMENT

Research & Development expenses of revenue nature are charged to Profit & Loss Account in the year in which these are incurred.

(i) PRIOR PERIOD ITEMS

The expenditure and income pertaining to prior period are included under the respective head of accounts in the Profit & Loss Accounts.

(j) INCOME TAXES AND DEFERRED TAX

Income tax expenses comprise current tax and deferred tax charge or credit. The deferred tax charge or credit is recognized using current tax rates. Deferred tax assets arising from unabsorbed depreciation or carry forward losses are recognized only if there is virtual certainty there is reasonable certainty of realization in future. Such assets are to be reviewed at each Balance Sheet date to reassess the reliability.

(k) RETIREMENT BENEFITS

- (i) The Company's contribution to Provident Fund & Family Pension Scheme is charged to the Profit & Loss Account.
- (ii) Accrued liability for Gratuity in accordance with the provision of the Payment of Gratuity Act, 1972 calculated on the assumption that such benefits are payable to all the employees at the end of accounting year, has been charged to Profit and Loss Account.

(l) Accounting policies not specifically referred to are otherwise consistent and in consonance with generally accepted accounting practices.

NOTES TO ACCOUNTS :

1. Contingent liability not provided for

Undertaking executed in favour of Central Excise Department upto a limit of Rs. 1,50,000/- for clearance of Export Goods without payment of Excise Duty.

2. In the opinion of Board, all current assets, loans and advances have value on realization in the ordinary course of business at least equal to the amount at which these are stated in the balance sheet.
3. Sundry debtors and creditors are subject to confirmation.
4. Logistic service Income and commission income are stated net of expenses amounting to Rs. 373718/- (Previous year Rs. Nil) and Rs. 1226722 (Previous year Rs. Nil.) Respectively.
5. As per the information available with the Company, there is no amount payable as at 31st March 2011 to Small Scale Industrial Undertakings.
6. Managerial Remuneration U/s 198 of the Companies Act, 1956 paid to the director of the company.

	Current Year	Previous Year
	(Rs.)	(Rs.)
	1500000	900000

7. Additional information as required by Part II Schedule VI to the Companies Act, 1956.

(A) Licensed & Installed Capacity, Actual Production (as certified by the management)

Product	Licensed capacity	Installed capacity	Actual Production
Invert Sugar	60 MT per day (60 MT per day)	60 MT per day (60 MT per day)	861900 Kg. (550584 Kg.)
Jaggery	9 Rollers of 33 x 46.0 Cms 9 Rollers of 28x 35.5 Cms (9 Rollers of 33x46.0 Cms) (9 Rollers of 28 x 35.5 Cms)	(300 Qtl per day) (300 Qtl per day)	1737.61 Qtls. (3054 Qtls.)
Specialty Sugar	-N.A.- (N.A.)	-N.A.- (N.A.)	252712 Kg. (333634 Kg.)

(B) Sales, Closing Stock and Opening Stock

Product	Unit	Sale		Closing Stock		Opening Stock	
		Qty.	Value	Qty.	Value	Qty.	Value
			(In Rs.)		(In Rs.)		(In Rs.)
Invert Sugar	Kg.	866836	35684552	19494	671339	24430	781760
		(572132)	(20972908)	(24430)	(781760)	(45978)	(837688)
Specialty Sugar	Kg.	277300	14868134	38762	1290690	63350	2127154
		(276201)	(12432231)	(63350)	(2127154)	(5917)	(107804)
Jaggery	Qtls.	2295	6302175	593	1153853	1150	2300400
		(3835)	(6854247)	(1150)	(2300400)	(1931)	(3738004)

(C) Sales, Closing Stock and Opening Stock for Trading

Product	Unit	Sales	Closing Stock	Opening Stock
		Value	Value	Value
		(In Rs.)	(In Rs.)	(In Rs.)
Chemicals & Spl. Sugars		326600949	6885795	7716099

(D) Raw Materials consumed (100% indigenous)

		Qty. in Kg.		Value in Rs.	
		Current	Previous	Current	Previous
		Year	Year	Year	Year
(i)	Sugar	893230	707615	26876614	18514847
(ii)	Activated Carbon	2370	2500	101753	92763
(ii)	Sugarcane (in Qtls.)	17278	33443	3076147	5858865
(E)	Stores Consumed			50208	13371
(F)	Expenditure in foreign currency			-	-
(G)	Earnings in foreign currency			13541571	12614857

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8. Segment Disclosures

The Company operates in single Segment of Speciality Sugars and Chemicals Therefore Accounting Standard-17 issued by ICAI on the Segment operating is not applicable.

9. Disclosure of details pertaining to related party transactions entered during the year in terms of Accounting Standard - 18. Related party disclosures issued by the Institute of Chartered Accountants of India.

I. List of Related Parties

- a) **Under Common Control**
Dhampur Alco Chem Limited.
- b) **Key Management Personnel**
Mr. Sorabh Gupta, Managing Director

II. Details of transactions between into with related parties

- (a) Key Managerial Personnel and other relatives
Mr. Sorabh Gupta Remuneration 1500000
- (b) List of Related Parties
Dhampur Alco Chem Ltd. Transportation Income 100000
Delhi Int. Educational Society Agricultural Exp. 494296

10. Deferred Taxation

As per Accounting Standard 22 on "Accounting for taxes on Income". The deferred tax credit/debit for the year has been recognised in the Profit & Loss Account.

The break-up of deferred tax debit / credit is as under :

Provision for Deferred Tax	(Rs. in Lakh)		
	Opening As at 1.4.2010	Debit / Credit during the year	Closing As at 31.3.2011
Timing differences on accounts of			
Difference between book depreciation and depreciation under the Income Tax Rules	88.09	1.06	89.15
Net Deferred Tax Liability (-) / Asset (+)	88.09	1.06	89.15

11. Calculation of Earning per Share

Particulars	31.03.2011	31.03.2010
Net Profit as profit & Loss Accounts (Rs.)	7336250	7266079
Weighted average number of equity shares (Normal value of Rs. 10 per share)	7161200	7161200
Basic & Diluted Earning per share (Rs.)	1.02	1.01

12. Paise have been rounded off to the nearest of rupee.
13. Previous year's figures have been regrouped/rearranged wherever considered necessary to make these comparable with those of current year.
14. Schedules 1 to 14 form an integral part of the statement of accounts for the year ended 31st March 2011.

Signatures to Schedules 1 to 14

For **S. Prasad Agarwal & Co.**

Chartered Accountants
Firm Regn No. 021425N

(S. P. Agarwal)
Proprietor
M. No. : F-092194

For **DHAMPURE SPECIALITY SUGARS LTD.**

Murli Manohar
Director

Sorabh Gupta
Managing Director

Place : New Delhi
Dated : 31.08.2011

Registered Office :

Village - Pallawala, Tehsil-Dhampur
Distt - Bijnor (U.P.) Pin - 246761

Cash Flow Statement for the year ended 31st March, 2011

	<u>As at 31.03.2011</u>	<u>As at 31.03.2010</u>
	(Rupees in Thousand)	(Rupees in Thousand)
A. NET CASH FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX	10098	9961
ADJUSTMENT FOR :		
*Depreciation	2236	2538
Interest (Net)		105
Miscellaneous Expenditure Written off	175	(2)
Operating Profit before working capital Changes	12509	12602
ADJUSTMENT FOR :		
Trade & other receivables	(12526)	12143
Inventories	6508	(5926)
Trade Payable	7295	(5182)
Tax Payments	(3201)	(242)
NET CASH FROM OPERATING ACTIVITIES	10585	13395
B. CASH FLOW FROM INVESTING ACTIVITIES		
Fixed Assets (Net Sales)	(3338)	(1501)
Purchase of Investments	86	(1170)
Increases in Capital work in progress/ Project expenditure	-	-
NET CASH EARNED IN INVESTING ACTIVITIES	(3252)	(2671)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital	-	
Increase / (decrease) Share Application Money	-	
Increase in Share Premium	-	
Net Proceeds of Long Term Borrowings	1674	(9099)
NET CASH FROM FINANCING ACTIVITIES	1674	(9099)
Net increase in cash equivalents	9007	1625
Opening cash and cash equivalents	2893	1268
Closing cash and cash equivalents	11900	2893

Auditors' Report
As per our Separate Report of even date annexed

For **S. Prasad Agarwal & Co.**
Chartered Accountants
Firm Regn No. 021425N

For **DHAMPURE SPECIALITY SUGARS LTD.**

(S. P. Agarwal)
Proprietor
M. No. : F-092194
Place : New Delhi
Dated : 31.08.2011

Murli Manohar
Director

Sorabh Gupta
Managing Director

Registered Office :
Village - Pallawala, Tehsil-Dhampur
Distt - Bijnor (U.P.) Pin - 246761

19th ANNUAL REPORT

Additional Information as required by Schedule VI to the Companies Act., 1956 Balance Sheet abstract & Company & General Business Profile.

I. REGISTRATION DETAILS

Registration Number	14478	State	20
Balance Sheet Date	31 03 2011		
	Date Month Year		

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)

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

III. POSITION AND MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousands)

Total Liabilities	175453.59	Total Assets	175453.59
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SOURCES OF FUNDS

Paid up Capital	71612	Reserves & Surplus	102167.97
Secured Loans	1673.62	Unsecured Loans	Nil

APPLICATION OF FUNDS

Net Fixed Assets	21157.71	Investments	2495.79
Net Current Assets	142884.82	Miscellaneous	-
Accumulated Losses	Nil	Expenditure	8915.27

IV. PERFORMANCE OF COMPANY (Amount in Rs. Thousands)

Sales & Other Income	385707.30	Total Expenditure	375609.10
(+) Profit/(-) Loss before tax	10098.20	Profit/Loss after tax	7336.25
Earning per Share in Rs.	1.02	Dividend Rate (%)	Nil

V. GENERIC NAME OF THREE PRINCIPAL PRODUCTS OF COMPANY

Item Code No. (ITC Code)	17029090	17019990	17011110
Production Description	INVERT SUGAR	DEMERARA SUGAR	JAGGERY

BOOK - POST

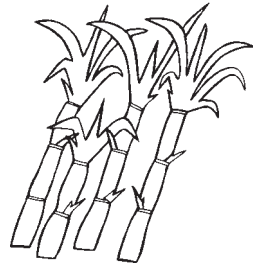
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Dhampraze Speciality Sugars Ltd.

24, School Lane

Near World Trade Centre,

New Delhi - 110 001



Dham*pure* Speciality Sugars Ltd.

**19th Annual Report
2010 - 2011**

www.sugarindia.com