



AUROMA COKE LIMITED

**REPORT
AND
ACCOUNTS
2011**

EIGHTEENTH ANNUAL REPORT

2010-2011

BOARD OF DIRECTORS

Mr. Vimal Kumar Tulsyan
Mr. Rajiv Tulsyan
Mr. Sanjeev Tulsyan
Mr. Prashant Tulsyan
Mr. Binod Kumar Singh
Mr. Nawal Kishore Singh
Mr. Alok Sawa
Mr. Swapan De Choudhury

REGISTERED OFFICE

Shanti Niketan Building, Suit No. 706
8, Camac Street, Kolkata - 700 017

AUDITORS

Agarwal Khemka & Associates
Chartered Accountants

BANKER

State Bank of India

REGISTRARS & SHARE TRANSFER AGENTS

Niche Technologies Pvt. Ltd.
71, B. R. B. Basu Road
D-511, Bagree Market, Kolkata - 700 001
Phone : 033-2234 3576, Fax : 033-2215 6823

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Notice

NOTICE is hereby given that the 18th Annual General Meeting of the Members of Auroma Coke Limited will be held at the Registered Office at Suite no. 706, Shanti Niketan Building, 8 Camac Street, Kolkata-700017 on Friday, 30th September, 2011 at 11.30 a.m. 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 Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Binod Kumar Singh who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Rajiv Tulsyan who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Prasant Tulsyan who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310 and all other applicable provisions of the Companies Act 1956 read with Schedule XIII to the said Act, approval of the Company be and is hereby accorded to the re-appointment of Mr. Rajiv Tulsyan as the Managing Director of the Company with effect from 01.01.2011 for a period of five years upto 31.12.2015 upon terms and conditions including remuneration as briefly set out in the explanatory statement, with liberty to the Board of Directors (hereinafter referred to as the Board which expression shall include any committee of the Board) to alter and vary the terms and conditions including remuneration and other benefits, from time to time, subject to the same not exceeding the limit specified under Schedule XIII to the Companies Act 1956 or any statutory modification or re-enactment thereof.

“RESOLVED FURTHER THAT in the event of any loss, absence or inadequacy of profit in any financial year during the aforesaid term of office, the remuneration payable to him shall not without the approval of the central government exceed the limits prescribed under Schedule XIII or other applicable provisions of the Companies Act 1956 including any amendment, modification or re-enactment thereof.”

“RESOLVED FURTHER THAT THE Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents, agreements, etc. as may be required with the power to settle all questions, difficulties and doubts that may arise in regard to the said reappointment as it may in its sole discretion deem fit and to delegate all or any of its powers herein conferred to any Director(s) and or officer(s) of the Company to give effect to this resolution.”

Date : 1st September 2011

Place : Kolkata

By Order of the Board

Rajiv Tulsyan

Managing Director



NOTES

1. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the company. The instrument appointing the proxy, in order to be effective should, however be deposited at the registered office of the company not less than forty eight hours before the schedule time for commencement of the meeting.**
2. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 relating to special business to be transacted at the meeting is appended hereto.
3. Corporate Members intending to send their Authorised representative to attend the Annual General Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. Members are requested to bring Attendance Slip along with their copy of Annual Report to the Meeting.
5. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio no. in the attendance slip for attending Annual General Meeting.
6. In case of Joint Holders attending the Meeting, only such joint holder whose name appears first in the order of names will be entitled to vote.
7. Register of members and share transfer books of the Company shall remain closed from Monday 26th September 2011 to Friday, 30th September 2011. (Both days inclusive).
8. Members are requested to notify immediately to the Company about the change in their addresses along with PIN Code Number, if any.

Explanatory Statement Pursuant To Section 173(2) Of The Companies Act, 1956 in respect to the Special Business

Item No. 6

Upon the completion of the term of Mr. Rajiv Tulsyan, Managing Director, the Board of Directors of the Company had re-appointed him as Managing Director of the company upon the following terms and conditions and remuneration payable to him:

- (a) Date of Appointment : 01.01.2011
- (b) Tenure : Five years
- (c) Remuneration : As under

Salary

- a) Basic Salary : Rs. 43,000/- per month
- b) Allowances : Rs. 26500/- per month

Perquisites

Mr. Rajiv Tulsyan shall be entitled to Perquisites and Allowances as classified in the following categories

Category A

- a) Housing : The Company will provide furnished residential accommodation together with reimbursement of expenses or allowances for gas, electricity, water, furnishings and repairs.
- b) Medical reimbursement : Expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
- c) Leave Travel Concession : For self and family once in a year incurred in accordance with the rules of the Company.
- d) Club Fees : Fees of two clubs

The said perquisites shall be evaluated as per the provisions of the Income Tax Act 1961 or any rules framed thereunder, and in absence of such rules or provisions, the perquisites shall be valued at cost.

For the purpose of Category A, family means the spouse, dependant children and dependants parents.



Category B

Mr. Rajiv Tulsyan shall be eligible to the following perquisites which shall not be included for the purpose of computation of his overall ceiling of remuneration :-

- a) The Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the provisions of the Income Tax Act 1961.
- b) Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
- c) Encashment of leave at the end of the tenure

Category C

Provision of Car for official purposes and telephone at residence shall be reimbursed and shall not be considered as perquisites.

Disclosure of Interest of Directors : Mr. Vimal Kumar Tulsyan, Mr. Sanjeev Tulsyan, Mr. Rajiv Tulsyan and Mr. Prasant Tulsyan are concerned or interested in passing of this Resolution. None of the other Directors are concerned or interested in passing of this Resolution.

Date : 1st September 2011

Place : Kolkata

By Order of the Board

Rajiv Tulsyan

Managing Director

Information about the Directors who are proposed to be appointed / re-appointed.

(as required under clause 49 of the listing agreement)

Name of the Director	Mr. Rajiv Tulsyan	Mr. Binod Kumar Singh	Mr. Prasant Tulsyan
Date of Birth	20.02.1963	14.01.1962	15.04.1971
Experience in specific functional area and qualification	26 years of experience in coal & coke industry	Rich experience in legal matters related with the corporate affairs.	20 years of experience in coal & coke industry
Directorship held in other public limited companies	ACM Fuels Ltd.	None	None
Membership of committees in other public limited companies	None	None	None
No. of shares held in the Company	52800	Nil	154800



Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 18th Annual Report of the Company for the year ended on 31st March 2011.

Financial Result :

The Financial performance of the company for the financial year ended March 31, 2011 is summarized below.

(Rs. In lacs)

	Financial Year 2010-11	Financial Year 2009-10
Total Income	5075.08	5222.41
Total Expenditure	4749.99	5031.79
Profit before Depreciation and Interest	325.09	190.62
Less: Interest	177.66	64.83
Less : Depreciation	66.50	65.10
Profit before Tax	80.93	60.69
Provision for Income Tax	26.40	19.00
Deferred Tax (Net of Assets) provided/ (written back)	(3.49)	(0.14)
Profit after Tax	58.02	41.84
Surplus brought forward from previous year	340.26	298.43
Balance Carried over to Balance Sheet	398.28	340.26

OPERATION

During the year under review, the Company's total sales had declined to Rs. 4631.10 lacs as against Rs. 5196.17 lacs recorded in the previous year. However, due to improved realization in coal & coke, the Company has been able to achieve PBIDT Rs. 325.09 lacs as against Rs. 190.62 lacs, **an increase of 70% over the previous year**. Profit After Tax (PAT) for the year was Rs. 58.02 lacs as against 41.84 lacs during previous year, **an increase of 39% over the previous year**.

DIVIDEND

The Board has decided to plough back the entire profit generated during the year to conserve resources to meet the future capital needs.

DIRECTORS

The tenure of Mr. Rajiv Tulsyan, Managing Director had ended on 31.12.2010 and he has been re-appointed by the Board as Managing Director for a period of five years w.e.f. 01.01.2011.

Mr. Rajiv Tulsyan, Mr. Prasant Tulsyan and Mr. Binod Kumar Singh, Directors retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

AUDITORS AND AUDITORS' REPORT

M/s Agarwal Khemka & Associates, Chartered Accountants, Statutory Auditors of the Company, hold the office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for their re-appointment as Statutory Auditors.

The company has received letter from M/s Agarwal Khemka & Associates, Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under section 224(1B) of the Companies Act, 1956 and that they are not disqualified from being appointed as Statutory Auditors.

The Report of the Auditors read with significant accounting policies and notes on the accounts as annexed are self explanatory and therefore need no further explanation by the Board in this Report.

PARTICULARS OF EMPLOYEES

During the year, no employee of the Company was in receipt of remuneration exceeding the sum prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended. Hence, disclosure of particulars of employees are not applicable.



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

The Company has no particulars to disclose under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

Foreign exchange earning and outgo

Foreign exchange earning - Nil

Foreign exchange outgo - Rs. 397.19 lacs

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed that :

- a. In the preparation of the annual accounts for the financial year ended 31st March, 2011, the applicable accounting standards, had been followed and there is no material departure from the same;
- b. That your directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2011 and the profit of the Company for the year ended on that date.
- c. That your directors have taken proper and sufficient care for the maintenance of adequate with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d. Your directors had prepared the annual accounts of the company on a "Going Concern" basis.

LISTING

The Company's equity shares are listed at the Bombay Stock Exchange Ltd. and the Company is regular in payment of the listing fees to the Stock Exchange.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to clause 49 of the Listing Agreement with the Stock Exchange in India, Management's Discussion and Analysis Report for the year under review, is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE

The report on Corporate Governance as stipulated under clause 49 of the Listing Agreement along with the requisites Certificate from the Auditors of the Company is attached and form part of the Annual Report.

ACKNOWLEDGEMENT

Your Directors would like to place on record their appreciation for assistance and co-operation received from the Financial Institutions, Banks, Government Authorities, Customers, Vendors and members during the year under review. Your Directors also wish to express their deep sense of appreciation for the committed services by the Executives, Staff, and Workers of the Company. The Directors also place on record their sincere thanks to the Shareholders for their continued support, co-operation and confidence in the Management of the Company.

Date: 1st September 2011
Place: Kolkata

For and on behalf of the Board
V. K. Tulsyan
(Chairman)



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

With the Government's increased emphasis on infrastructure, it is believed that the Indian Steel sector is poised for significant growth over medium to long term. As a matter of fact, India's per capita steel consumption continues to be low at 46 kg as against the global average of 198 kg. Due to the increase production in the Indian Steel sector and additions of new capacities to cater the infrastructure needs of the country, the demand for coking coal, a critical input in steel making, is on the rise, while supply has not been able to match the same. This supply-demand imbalance is expected to continue for a while thereby implying that shortage of prime hard coking coal in the near future.

Metallurgical Coke being a derivative of Coking Coal naturally follows the same trend as that of coking coal. With global steel production set to rise further, primarily being led by increased production in China and India, the demand for met coke is bound to be much higher. India has acute shortage of premium quality hard coking coal and even the available metallurgical coal is of inferior quality which can be used mostly as a blender with imported superior quality coking coal. Consequently the bulk of India's requirement of hard coking coal is met through imports, with Australia accounting for substantial part of the India's import requirement.

India has been one of the major importers of met coke in the world. The scarcity of coking coal has many a time resulted in steel makers buying met coke directly from the market to keep their blast furnaces burning. Hence the shortage of coking coal translates into supply constraints in met coke in India as well. Hence, the coking coal and met coke are going to be critical and most sought after commodities in the Steel sector world wide.

OPPORTUNITIES & THREATS

The increasing demand of steel in the country has caused a severe shortfall of coking coal and met coke. This augurs well for the met coke as well as coking coal producers. However, China being the largest consumer of both coking coal and metcoke plays a critical role in determining its global demand and supply and consequently, the prices of both. Therefore, any major shift in policy by China may pose a threat to the industry. Most of the Indian steel plants use blast furnace route for manufacturing steel and in the process creates huge demand for coking coal. Any variation in the steel making i.e. Electric Arc Furnace by Steel Industry might act as threat to the met coke and coking coal industry. The Company procures its coking coal requirements mainly from Coal India Ltd. and as such its availability and prices are venerable to Govt. policies. This may adversely impact the cost of raw materials for the Company.

RISK & CONCERN

Since the company is not getting sufficient and suitable raw coal against its linked quota from CIL / BCCL, the company is finding it difficult to improve the performance substantially. Also any increase in the cost of raw coal by CIL / BCCL may adversely affect the performance of the company. Any reduction in the cost of imported coal / coke, may also affect the performance of the company.

FINANCIAL PERFORMANCE

The financial performance has been discussed in the Directors' Report.

INTERNAL CONTROL SYSTEM

The company has an adequate internal control system including suitable monitoring and procedures commensurate with its size and the nature of the business. The internal control system provide for all documented policies, guidelines, and authorization and approval procedures. The Company has also internal audit in place, which carries out audits at suitable intervals.

HUMAN RESOURCES

In the current business scenario, the need of human resource development is being felt as never before. The corporate of late started recognizing the importance of relationship with its human force. Given the above context, the importance of human resources is amply recognized by your Company. The least employee turnover ratio of your Company manifests the employees' satisfaction.

CAUTIONARY NOTE

Statement in this report describing the Company's objectives, projections, estimates, expectations and predictions may be forward looking statements. Actual results could differ materially from those expressed or implied due to variations in prices of raw materials, pricing in the company's principal markets, changes in government regulations, tax regimes, economic developments within India and other incidental factors.



CORPORATE GOVERNANCE REPORT

INTRODUCTION

Corporate governance is a multi-faceted subject and based on principles of integrity, fairness, equity, transparency, accountability, and commitment to values. It is company's firm belief that good Corporate Governance is the back bone of the entire business organization and is a key to success of business. We believe that, a sound governance process is imperative for two reasons:

1. To protect the stakeholders' interest and to ensure that no stakeholder benefits at the expenses of others.
2. Board of Directors remains committed towards this end.

"Auroma" has been practicing the principles of good Corporate Governance over the years and recognizes that good Corporate Governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of the shareholders. Your company's philosophy envisages an attainment of highest level of the transparency, accountability, and equity in all facets of its operations, and in all its interactions with its stakeholders, including shareholders, employees, lenders, Government and the society at large.

Keeping in view the Company's size, complexity, operations, corporate traditions and in accordance with Clause 49 of the Listing Agreement with the Stock Exchanges, the report containing the details of governance systems and processes at "Auroma Coke Limited" is as under:

1. BOARD OF DIRECTORS

A. Composition of Board

The Board of the Company is well structured with adequate blend of professional and independent Directors. The Board of Directors of the Company consists of eight directors, four of whom are independent. The Board in all has a balance of three executive and five non-executive directors.

Following is the Board of Directors of the Company as on 31.3.2011.

<u>Name</u>	<u>Category</u>
1. Mr. Vimal Kumar Tulsyan	Chairman (Non-executive), Promoter
2. Mr. Rajiv Tulsyan	Managing Director, Promoter
3. Mr. Sanjeev Tulsyan	Executive Director, Promoter
4. Mr. Prashant Tulsyan	Executive Director, Promoter
5. Mr. Binod Kumar Singh	Non Executive, independent
6. Mr. Nawal Kishore Singh	Non Executive, independent
7. Mr. Alok Sawa	Non Executive, independent
8. Mr. Swapan De Choudhury	Non Executive, independent

B. Attendance of each director at the Board Meetings and last Annual General Meeting

Name of the Director	Category	Attendance		No. of Directorship in public limited companies
		Board Meetings	Last AGM	
Mr. Vimal K Tulsyan	Non Executive, Non Independent	6	Y	1
Mr. Sanjeev K Tulsyan	Executive, Non Independent	6	Y	1
Mr. Rajiv Tulsyan	Executive, Non Independent	6	N	1
Mr. Prashant Tulsyan	Executive, Non Independent	6	Y	1
Mr. Binod Kumar Singh	Non Executive, independent	4	N	Nil
Mr. Nawal Kishore Singh	Non Executive, independent	4	N	Nil
Mr. Alok Sawa	Non Executive, independent	4	N.A	Nil
Mr. Swapan De Choudhury	Non Executive, independent	6	N.A.	1

Number and the dates of the Board Meetings held during 2010-11

6 (Six) Board Meetings were held during the Financial Year 2010-11 on 15.05.2010, 31.07.2010, 30.09.2010, 03.11.2010, 31.12.2010 and 14.02.2011.



2. Code of Business Conduct and Ethics for Board of Directors and Senior Management Personnel

The Code of Business Conduct and Ethics as adopted by Board of Directors is equally applicable to all the Board members whether executive or non executive and to the members of senior Management. This code is comprehensive enough and adopted for the effective and responsible conduct of the operations of the company and to reflect the responsiveness towards the shareholders and other stakeholders of the company. Compliance to the above code is expected to be both in letters and in spirit.

The Code has been circulated to all the board Members and to the senior Management personnel of the Company and the compliance of the same has been affirmed by them annually

3. Committees of the Board

The Board has constituted committees of Directors to deal with matters which need quick decision and timely monitoring of the activities falling within the terms of reference. The Board Committees are as follows :

A. Audit Committee :

Composition :

The Audit Committee of the Board comprises three Independent Non- Executive Directors, namely,

Mr. Binod Kumar Singh	Chairman
Mr. Nawal Kishore Singh	Member
Mr. V. K. Tulsyan	Member

Objectives :

The Audit committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing, and reporting practices of the company and its compliance with the legal and regulatory requirements. The committee's purpose is to :

- Oversee the accounting and financial reporting process of the Company,
- Make arrangement of the Audit of the Company's Financial Statements,
- Recommend appoint, of the Statutory Auditors,
- Check the performances of the Internal Auditor, and
- Prepare the Company's Risk management Policies.

Terms of Reference

The role and terms of reference of the Audit Committee covers the areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. Following are some of brief terms of reference.

- Overseeing of Company's financial reporting process and disclosure of its financials information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the Board about appointment, re-appointment, and if required the replacement or removal of the Statutory Auditor, and fixation of audit fees.
- Reviewing the financial statements with management before submission to the Board for approval focusing primarily on the crucial points under consideration.
- Reviewing the Internal Control System and internal Audit results.
- Review with the management, quarterly financial statements of the accounts.
- Reviewing with the management, performance of statutory auditors and internal auditors.
- Reviewing the adequacy of internal audit function.
- To review the matters reported under Whistle Blower Policy.

The Committee met four times during the year 2010-11 on 15.05.2010, 31.07.2010, 03.11.2010 and 14.02.2011.

Name of member	Category	No. of Meeting attended
Mr. Binod Kumar Singh	Independent	4
Mr. Nawal Kishore Singh	Independent	4
Mr. V. K. Tulsyan	Non-independent	4

B. Remuneration Committee

The remuneration committee of the Board comprises three independent Directors, namely,

Shri Binod Kumar Singh	Chairman
Shri N. K. Singh	Member
Shri V. K. Tulsyan	Member



Terms of Reference :

The remuneration committee has been constituted to recommend/review and approve the remuneration of the Managing Director, non executive Directors and senior Management Personnel, based on their performance and defined assessment criteria and subject to the consent of the shareholders as per provisions of the Companies Act, 1956.

One meeting of the Remuneration Committee was held during the year.

Details of remuneration paid/payable to the directors for the year ended 31st March 2011.

Name	Salary (in Rs.)
Shri Rajiv Tulsyan	Rs. 8,34,000/-
Shri Sanjeev K Tulsyan	Rs. 8,34,000/-
Shri Prashant Tulsyan	Rs. 8,16,000/-

C. Shareholders'/Investors Grievance Committee

Composition :

The Company's Shareholders'/Investors' Grievance committee of the Board comprises of three Directors, namely,

1. Shri Binod Kumar Singh - Chairman
2. Shri Rajiv Tulsyan - Member
3. Shri Prashant Tulsyan - Member

Mr. Subhas Srivastav acts as Compliance Officer.

Objectives :

The Committee monitors and redresses the complaints of the shareholders relating to share transfer, non-receipt of Annual Report, and other related grievances. The committee oversees the performance of the Registrar and Transfer Agent of the Company, and recommends measures for overall improvement in the quality of investor services.

Investor Grievance Redressal :

During the year Company had received two complaints which were resolved during the year. There is no investors grievance pending as on 31st March, 2011.

4. General Body Meetings

A. Annual General Meeting :

Location, date, and time of the Annual General Meeting held during the preceding 3 years and the Special Resolution passed thereat are as follows :

Year	Location	Date & Time	Special Resolution Passed
2009-10	Suite No. 706, Shanti Niketan Building, 8, Camac Street, Kolkata-700017.	September 30, 2010 at 12.00 noon	No special resolution passed
2008-09	Suite No. 706, Shanti Niketan Building, 8, Camac Street, Kolkata-700017.	September 29, 2009 at 11.00 a.m.	No special resolution passed
2007-08	Suite No. 706, Shanti Niketan Building, 8, Camac Street, Kolkata-700017.	September 29, 2008 at 11.00 a.m.	Special resolution passed 1. De- listing of shares of the Company from Calcutta, Ahmedabad and Jaipur stock exchanges.

B. Special Resolution passed through Postal Ballot :

Neither at the last Annual General Meeting nor at the ensuing Annual General Meeting to be held on 24.09.2009 any special resolution was passed/ proposed to be passed through postal ballot.

5. Disclosures :

A. Related Party Disclosures :

No transaction of material nature that may have potential conflict with the interests of the Company at large has been executed/ entered with promoters, directors or management and their relatives etc. The register of contracts containing transactions in which Directors are interested is placed before the Board regularly. Attention of the members is drawn towards the disclosures of transactions with the related parties as detailed in Notes on Accounts-Schedule 23, clause 13 forming part of the Annual Report.



All related party transactions are negotiated on arm's length basis and intended to further the Interest of the Company.

B. Non-compliances/ penalty or strictures :

There has been no instance of non compliance by the Company on any matter related to Capital Market during the last three years and hence no penalty or strictures have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority.

C. Compliances of the corporate governance :

The Company has complied with the mandatory compliances of the corporate governance in respect of :

- a) Remuneration Committee: The Company has constituted a remuneration Committee to review the remuneration of the Managing Director and Whole-time Directors and other senior management personnel on the basis of their performance and according to the criteria agreed by the company.
- b) Whistle Blower Policy: The Company has set up a whistle blower policy whereby the employees are free to report to the management of the Company any unethical behavior, fraud or violation of the law, rules, code of conduct to their immediate management concerned. All such reports are reviewed by the audit committee from time to time. The victimization of the person reporting violations shall not be allowed and confidentiality of such reports will be maintained and such persons shall not be subjected to any discriminatory practices.

6. Means of Communication :

A timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance.

- a) The quarterly / yearly results in the format prescribed by the Stock Exchange in India are approved and taken on record by the Board of Directors within the stipulated time and sent immediately to all Stock Exchanges on which the company's equity shares are listed.
- b) Quarterly un - audited financial results are generally published in Dainik Lipi or Kalantar (in vernacular language) and in Financial Express in English, all published from Kolkata.
- c) Annual Report containing, inter-alia, Audited Annual Accounts, Director's Report, Auditor's Report and other important informations are circulated to the members and others entitled thereto. The Management Discussion & Analysis Report forms part of the Annual Report.
- d) Exclusive e-mail Id for investors servicing : info@auroma.in
- e) The company has no web site and the Company has not made any presentations to institutional investors or to the Financial Institution or to any other analysts.
- f) The company has no practice to send the quarterly reports to the shareholders.

7. General Shareholders Information :

- Date, Time and Venue of AGM : Friday, 30th September, 2011 at 11.30 a.m.
at Suite No. 706, Shanti Niketan
8, Camac Street, Kolkata-700017.
- Book Closure Period : Monday, 26th September, 2011 to Friday, 30th September, 2011 (Both days inclusive).
- Dividend payment date : The Board has not recommended the payment of dividend.
- Listing on Stock Exchanges : Bombay Stock Exchange Limited. Code : AUROCOK
- ISIN no. of the Company : INE662I01012

Month	High	Low	Month	High	Low
April, 10	20.03	10.22	October, 10	13.86	10.65
May, 10	17.15	11.10	November, 10	14.17	10.90
June, 10	16.65	12.69	December, 10	13.65	12.20
July, 10	15.85	12.85	January, 11	11.60	11.60
August, 10	13.65	10.60	February, 11	13.19	11.55
September, 10	12.28	10.70	March, 11	13.15	11.29

(Source : BSE Website)



- Registrar and Transfer Agents : Niche Technologies Pvt. Ltd.
71, B. R. B. Basu Road
D-511, Bagree Market, Kolkata-700 001
Phone- 033-2234 3576, Fax: 033-2215 6823
- Plant Location : G. T. Road, Govindpur, PO - KG Ashram,
Dhanbad – 828 109
- Investor Correspondence : Investor correspondence may be addressed to :
Company Secretary
Auroma Coke Limited
Suite No.706, Shanti Niketan Building,
8, Camac Street, Kolkata - 700017
Phone : 033 - 2282 5759

- Share Transfer System :

Presently, Shares lodged with the Company or Share Transfer Agent for transfer are processed and registered within a period of 10 to 15 days from the date of receipt, provided all documents are complete, proper and valid in all respects. The Board has delegated the authority for approving transfer; transmission etc. of the Company's securities to the shareholders/investors grievance committee. In this regard, the Committee meets every fortnight to approve the transfers and transmission and matters. A Summary of transfer / transmission of securities of the Company so approved by Managing Director or Company Secretary is placed at every Board Meeting.

- Shareholding Pattern as on 31.3.2011 :

Category	No. of Shares	% to Total Shares
Promoters	1341894	21.24
Mutual Funds and Financial Institutions	264400	4.18
NRIs	96900	1.53
Others Indian Nationals and Domestic Companies	4615706	26.95
TOTAL	6318900	100.00

- Distribution of Shareholding as on 31.03.2011 :

Number of Shares	No. of Share holders	% to Total Shares holders	Total no. of Shares	% of Holding
1-500	283	42.75	99806	01.58
501-1000	222	33.53	187600	02.97
1001-5000	104	15.71	260900	04.13
5001-10000	11	01.66	96700	01.53
10001-50000	10	01.51	298000	04.72
50001-100000	10	01.51	787000	12.45
100001-Above	22	03.32	4588894	72.62
TOTAL	662	100.00	6318900	100.00

- Dematerialization of Shares :

The Securities and Exchange Board of India (SEBI) has included company's scrip in compulsory demat settlement for all type of investors. Thus the dealing in company's equity share can be in demat form only. To facilitate the holding and trading of securities in electronic form, your company has established connectivity with the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited. As on March 31, 2011, a total of 2644982 equity shares comprising 42% of the total equity capital of the company have been dematerialised.

- Outstanding GDRs/ADRs/Warrants and Convertible Bonds, Conversion Date and likely impact on Equity :

The company has never issued GDRs/ADRs/Warrants or any convertible instruments.

For and on behalf of the Board

Date : 1st September 2011
Place : Kolkata

V. K. Tulsyan
Chairman



DECLARATION

I, Rajiv Tulsyan, Managing Director of Auroma Coke Limited, to the best of my knowledge and belief, declare that all the members of the Board of Directors and senior management personnel have affirmed compliance with the code of conduct of the company for the year ended March 31, 2011.

Rajiv Tulsyan
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members,
Auroma Coke Limited

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

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof adopted by the company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. 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 explanation given to us, and based on the representations made by the Directors and Management, we certify that the company has complied with the conditions of corporate governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

On the basis of share transfer register and other records produced before us, we state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the shareholders' 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 **AGARWAL KHEMKA & ASSOCIATES**

Chartered Accountants

A. K. Agarwal

Proprietor

Membership No. 52791

Date : 1st September 2011

Place : Kolkata



Auditors' Report

To the Members

Auroma Coke Limited

1. We have audited the attached Balance Sheet of Auroma Coke Limited, as at 31st March, 2011 and also the Profit and Loss Account, 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 auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating 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, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order on the basis of information and explanations given to us during the course of audit.
4. Further, to our comments in the Annexure referred to above, we report that :
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) 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;
 - (iii) The Balance Sheet, Profit and Loss Account, and Cash Flow Statement dealt with by this report are in agreement with the books of account ;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account, Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (v) On the basis of written representation received from the directors as on 31st March, 2011. and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) During the year the company has changed the method of accounting of sales by excluding VAT & CST being charged due to which related item of sales and consequently VAT/CST expenses in Profit & Loss Account are lower by Rs. 13757454/-. This change, however, has no impact on profit for the year (Refer Note No. 10 of Schedule – 23).

Subject to above, in our opinion and to the best of our information and according to the explanations given to us, the said Accounts 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March'2011.
- (b) In the case of the Profit and Loss Account, of the Profit for the year ended on that date.
- (c) In the case of Cash Flow Statement of the cash flows for the year ended on that date.

For **AGARWAL KHEMKA & ASSOCIATES**

Chartered Accountants

A. K. Agarwal

Proprietor

Membership No. 52791

Firm No. 314133E

Place : Kolkata

Dated : This 1st day of September, 2011



Annexure to the Auditors' Report

Referred to in paragraph 3 of our report of even date

- (a) We have been informed that the Company is in the process of preparing fixed assets register. No substantial part of fixed asset has been disposed off during the year.
- (b) We have been informed that the management has conducted physical verification of finished goods, raw materials, spare parts and construction work in progress at the year end and no material discrepancies have been noticed on such verification as compared to book records. The procedures followed for such verification are reasonable in relation to the size of the Company and the nature of its business. The company is maintaining proper records of inventory.
- (c) The company has not taken any loans secured or unsecured from companies which are covered in the register maintained under section 301 of the Act.
- (d) The company has granted unsecured loans to companies which are covered in the register maintained under section 301 of the Act. The transactions involved during the year is as follow :

<u>No. of Companies</u>	<u>Amount Paid (Rs.)</u>	<u>Amount Received (Rs.)</u>
1	884.00 lacs	883.00 lacs

The rate of interest and other terms and conditions of above loans are not prima-facie prejudicial to the interest of the Company. There is no stipulation regarding repayment of principal and interest and they are payable on demand, and the company is paying/receiving the principal and interest as and when demanded.

- (e) In respect of loans taken from or given to other parties, the terms and conditions of such loans are not prima – facie prejudice to the interest of the company. They are payable / repayable on demand and are being paid/repaid as and when demanded.
- (f) In our opinion there is adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. We have not observed any continuing failure to correct major weaknesses in internal control system.
- (g) The particulars of contracts or arrangements referred to in section 301 of the Act have been so entered in the register maintained under that section. The transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time, wherever available.
- (h) We have been informed that the Company has not accepted any deposits from public, share holders or others as defined under Section 58A of the Companies Act, 1956 during the year.
- (i) The Company has appointed a firm of Chartered Accountants to conduct the internal audit periodically which is considered to be adequate and commensurate with the size and nature of its present activities.
- (j) We have been informed that the company is generally regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, Employees State Insurance, income tax, sales tax, wealth tax, custom duty, service tax, excise duty, cess and any other statutory dues with the appropriate authorities, wherever applicable, except with minor delays. In respect of sales tax dues there are no arrears of outstanding liabilities as at the end of the year for a period of more than six months from the date they became payable except Rs. 1.00 lacs.

The disputes in respect of sales tax dues, which are yet to be deposited, are as follow :

<u>Year</u>	<u>Amount involved</u>	<u>Forum where dispute pending</u>
2006-07	Rs. 14.32 lacs	Jt. Comm. of Comml. Taxes (Appeal)
2007-08	Rs. 27.07 lacs	- Do -

- (k) The company does not have any accumulated losses at the end of the financial year. The company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (l) The company has not defaulted in repayment of dues to any bank/financial institutions. The company has not raised any amount by way of Debenture from bank or financial institution.
- (m) In respect of investment in shares, securities, debentures and other investments, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities, debentures and other securities have been held by the company, in its own name except to the extent of the exemption, if any, granted under section 49 of the Act;
- (n) The company has not granted any loans and / or advances on the basis of security by way of pledge of shares, debentures and other securities or any guarantee.
- (o) The company has not given any guarantee for loans taken by others from any bank or financial institution.
- (p) The term loans were applied for the purpose for which the loans were obtained.
- (q) According to the information and explanations given to us, no funds raised on short term basis by the Company during the year under audit have been used for long term investment.
- (r) The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act during the year.
- (s) During the year, the company has not raised any amount by public issues.
- (t) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.
- (u) The other provisions of the said Order are not applicable in case of this Company.

For **AGARWAL KHEMKA & ASSOCIATES**
Chartered Accountants
A. K. Agarwal
Proprietor
Membership No. 52791
Firm No. 314133E

Place : Kolkata
Dated : This 1st day of September, 2011



Balance Sheet as at 31st March, 2011

(Amount in Rs.)

	Schedule	As at 31st March, 2011		As at 31st March, 2010	
I. SOURCES OF FUNDS					
(1) Shareholders' Funds					
[a] Share Capital	1	66251500		66251500	
[b] Reserves & Surplus	2	40131267	106382767	34334384	100585884
(2) Share Application Money			277850000		96700000
(3) Loan Funds					
[a] Secured Loans	3	177009506		192718429	
[b] Unsecured Loans	4	11825192	188834698	85448803	278167232
(4) Deferred Tax Liability(Net)	5		9148800		9498000
TOTAL			582216265		484951116
II. APPLICATION OF FUNDS					
(1) Fixed Assets					
[a] Gross Block	6	163319588		151554149	
[b] Less : Depreciation to date		56804491		50306551	
[c] Net Block		106515097		101247598	
[d] Capital Work in progress		13864267	120379364	12862438	114110036
(2) Investments	7		100000		100000
(3) Current Assets, Loans & Advances					
[a] Inventories	8	300557865		206165396	
[b] Sundry Debtors	9	81713650		54548265	
[c] Cash & Bank Balances	10	15448632		32319063	
[d] Loans & Advances	11	142170088		144861817	
		539890235		437894541	
Less : Current Liabilities and Provisions					
[a] Current Liabilities	12	76147582		66896079	
[b] Provisions	13	2005752		257382	
		78153334		67153461	
Net Current Assets			461736901		370741080
TOTAL			582216265		484951116
III. Significant Accounting Policies and Notes on Accounts					
	23				

Schedules referred to above form an integral part of the Balance Sheet

Signed in terms of our report of even date.

For AGARWAL KHEMKA & ASSOCIATES

Chartered Accountants

A. K. Agarwal

Proprietor

Membership No. 52791, Firm No. 314133E

Place : Kolkata

Dated : This 1st day of September, 2011

For and on behalf of the Board of Directors

Vimal Kumar Tulsyan

Chairman

Rajiv Tulsyan

Managing Director



Profit and Loss Account for the year ended 31st March, 2011

(Amount in Rs.)

	Schedule	For the Year Ended 31st March, 2011	For the Year Ended 31st March, 2010
INCOME			
Sales (Including other related income)	14	463110246	540583500
Less : Excise Duty		187833	—
Other Income	15	2118863	2405960
Increase/(Decrease) in Stock	16	(20748703)	(20748703)
TOTAL		507508478	522240757
EXPENDITURE			
Raw Materials Consumed / Sold	17	401160525	426506552
Purchase of Finished / Trading goods		23268039	14237772
Employees Cost	18	7579616	6552291
Manufacturing Expenses	19	18977829	24377364
Other Expenses	20	24012685	31504937
Finance Cost	21	17766591	6482619
Depreciation (Refer Note No. 6 of schedule 23)	6	6649995	6510007
TOTAL		499415280	516171542
Profit before Income Tax		8093198	6069215
Less : Income Tax (for the year)		2550000	1900000
Income Tax & FBT for earlier year		90309	—
Deferred Tax (Net of Assets) Provided /(Written Back)		(349200)	(14300)
Profit after tax effect		5802089	4183515
Balance brought forward from last year		34026491	29842976
Balance carried over to Balance Sheet		39828580	34026491
Basic & Diluted Earnings per Equity Share of Rs. 10/- each	23 (11)	0.92	0.48
Significant Accounting Policies and Notes on Accounts	23		

Schedules referred to above form an integral part of the Profit & Loss Account.

Signed in terms of our report of even date.

For AGARWAL KHEMKA & ASSOCIATES

Chartered Accountants

A. K. Agarwal

Proprietor

Membership No. 52791, Firm No. 314133E

Place : Kolkata

Dated : This 1st day of September, 2011

For and on behalf of the Board of Directors

Vimal Kumar Tulsyan

Chairman

Rajiv Tulsyan

Managing Director



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

(Amount in Rs.)

	For the Year Ended 31st March, 2011	For the Year Ended 31st March, 2010
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before Tax and Extraordinary Items	8093198	6069215
Adjustments for :		
Depreciation	6649995	6510007
Interest (Net)	17244050	5629053
Loss / (Profit) on Sale of Assets	4890	47320
Operating Profit before Working Capital Changes	31992133	18255595
Adjustments for :		
Trade and Other Receivables	(24473656)	(30715560)
Inventories	(94392469)	(34823850)
Trade Payables	10999873	32741831
Cash Generated from Operations	(75874119)	(14541984)
Income tax / Fringe Benefit tax	(2640309)	(1900000)
NET CASH FROM OPERATING ACTIVITIES	(78514428)	(16441984)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets/Capital Advances/Capital Expenditure	(12932569)	(16346982)
Proceeds from Sale of Fixed Assets (Net)	3150	277000
Dividend Earned	—	—
Interest Earned	522541	853566
Proceeds from Sale of Investments	—	—
NET CASH USED IN INVESTING ACTIVITIES	(12406878)	(15216416)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of Share Capital/Share allotment money (Net)	—	—
Interest Paid	(17766591)	(6482619)
Advance Against Shares	181150000	(10600000)
Increase in H. P. Loans	(151982)	(605131)
Increase in Cash Credit	(15556941)	(13284396)
Increase in Term Loan	—	(8610168)
Increase in Unsecured Loans	(73623611)	78657967
NET CASH USED IN FINANCING ACTIVITIES	74050875	39075653
Net Increase/(Decrease) in Cash and Cash Equivalents	(16870431)	7417253
Cash and Cash Equivalents (Opening Balance)	32319063	24901810
CASH AND CASH EQUIVALENTS (Closing Balance)	15448632	32319063

- Notes : 1. Figures in brackets after "operating profit before working capital changes" represent cash outflows.
2. Previous year's figures regrouped / reconsidered wherever appropriate to make them comparable.

Signed in terms of our report of even date.

For AGARWAL KHEMKA & ASSOCIATES

Chartered Accountants

A. K. Agarwal

Proprietor

Membership No. 52791, Firm No. 314133E

Place : Kolkata

Dated : This 1st day of September, 2011

For and on behalf of the Board of Directors

Vimal Kumar Tulsyan

Chairman

Rajiv Tulsyan

Managing Director



Schedules to the Accounts

(Amount in Rs.)

SCHEDULE - 1 : SHARE CAPITAL

Authorised :

90,00,000 Equity Shares of Rs.10/- each

Issued, Subscribed and Paid up :

63,18,900 (63,18,900) Equity Shares of Rs.10/- each out of which

- a) 1,00,000 Equity Shares of Rs.10/- each have been issued to erstwhile partners of Auroma Coke Manufacturers for a consideration other than Cash
 b) 5,00,000 Equity Shares of Rs.10/- each have been issued as Bonus Share by capitalising Revaluation Reserves

Add : Shares Forfeited

As at
31st March, 2011

As at
31st March, 2010

90000000

90000000

63189000

63189000

3062500

3062500

66251500

66251500

SCHEDULE - 2 : RESERVES AND SURPLUS

Capital Reserves :

Revaluation Reserve (b/f)

Less : To Profit & Loss A/c (Depreciation)

On disposal of assets

Revenue Reserves :

Balance in Profit & Loss A/c

307893

313865

5206

5206

— 302687

766 307893

39828580

34026491

40131267

34334384

SCHEDULE - 3 : SECURED LOANS

A. From State Bank of India

(a) Cash Credit Account

(Secured against hypothecation of entire inventory and receivables.

They are further secured by present and future fixed assets of the company including equitable mortgage of land and building, landed property, personal guarantee of four directors of the company and corporate guarantee of 3 companies.)

(b) Interest Accrued

B. Dues under H. P. Agreement

(Secured by hypothecation of Car)

175901467

191857166

398758

—

709281

861263

177009506

192718429

SCHEDULE - 4 : UNSECURED LOANS

From Bodies Corporate
(including interest due)

11825192

85448803

11825192

85448803

SCHEDULE - 5 : DEFERRED TAX LIABILITY (NET)

A. Liabilities due to timing difference :

Depreciation

9584000

9790300

9584000

9790300

B. Assets due to timing difference :

Revenue Expenses

435200

292300

435200

292300

C. Net Liability (A-B)

9148800

9498000

Schedules to the Accounts (Contd.)

SCHEDULE - 6 : FIXED ASSETS

(Amount in Rs.)

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	Cost as at 31-3-2010	Additions during the year	Sale/disposal during the year	Cost as at 31-3-2011	Balance as on 31-03-2010	For the year	Adjustment during the year	Balance as on 31-03-2011	Balance as on 31-03-2010
Land	33473155	7892353	-	41365508	-	-	-	41365508	33473155
Shed & Building	4555049	-	-	4555049	1447453	128771	-	2978825	3107596
Plant and Machinery	98165993	2955356	-	101121349	44124252	4961659	-	52035438	54041741
Furniture & Fixtures	3115272	1248	-	3116520	417432	195509	-	2503579	2697840
Computer & Software	1643224	230950	165301	1708873	750078	235818	157261	880238	893146
Vehicles	10601456	850833	-	11452289	3567336	1133444	-	6751509	7034120
Total :	151554149	11930740	165301	163319588	50306551	6655201	157261	106515097	101247598
Previous Year	139624577	12601244	671672	151554149	44137924	6515213	346586	101247598	95486653
Capital Work-in-Progress (Including pre-operative expenses)								13864267	12862438

NOTES : [1] The land is held in the name of erstwhile Partnership Firm Auroma Coke Manufacturers and is yet to be registered in the name of the Company. The Company has applied for registration to the authorities in terms of Section 575 of the Companies Act, 1956 but the effect is yet to be given by the authorities concerned.

[2] Vehicles includes Car Rs. 24,69,687/- (Rs. 19,18,105/-) acquired under hire purchase agreement.

[3] Additions during the year includes Rs. Nil (Nil) preoperative expenses. Details required to be disclosed under Part - II of Schedule - VI to the Companies Act, 1956 have been disclosed vide Schedule - 22 attached to the accounts.





Schedules to the Accounts (Contd.)

(Amount in Rs.)

SCHEDULE - 7 : INVESTMENTS

Long Term : Other than trade (At Cost)

Unquoted

10000 units of SBI Mutual - Infrastructure Fund
[NAV Rs. 93700/- (Rs. 103400/-)]

As at
31st March, 2011

100000

100000

As at
31st March, 2010

100000

100000

SCHEDULE - 8 : INVENTORIES

- (a) Raw Materials
(Refer Note No. 8 of Schedule 23)
(b) Finished Goods
(c) Loose Tools & Spares

206466601

93457818

633446

300557865

154045706

50990616

1129074

206165396

SCHEDULE - 9 : SUNDRY DEBTORS

(Unsecured; considered good)

Outstanding for a period exceeding six months
Others
(Refer Note No. 5(b) of Schedule 23)

16960927

64752723

81713650

12608247

41940018

54548265

SCHEDULE - 10 : CASH AND BANK BALANCES

Cash-in-Hand (as per books & certified)

Balance with scheduled banks :

In Current A/c
In Fixed Deposit A/c
[Under lien with Bank]
Cheque-in-Hand

582604

10670424

4195604

—

15448632

539396

4179625

10544886

17055156

32319063

SCHEDULE - 11 : LOANS AND ADVANCES

Unsecured Loans (considered good) (Refer Note No. 5(a) of Schedule No. 23)
Advances (Unsecured, considered good)
(Recoverable in cash or in kind or for value to be received)

Advance for Capital Goods

Prepaid Expenses

Advance for Raw Materials

[including paid to A C M Fuels Ltd., Rs. NIL (NIL)
a company under the same management [maximum balance
outstanding during the year Rs. 55.09 (Rs. NIL)]

Other Advances/Receivables

Security Deposits

VAT Receivable

694217

18499767

1408270

102252380

1470942

10832437

7012075

142170088

2958799

10382438

1965696

115321765

996448

10457462

2779209

144861817



Schedules to the Accounts (Contd.)

(Amount in Rs.)

SCHEDULE - 12 : CURRENT LIABILITIES

	As at 31st March, 2011	As at 31st March, 2010
Advance from Customers	26044855	14273366
Sundry Creditors for goods and expenses	48380809	51826420
Sundry Creditors for Capital Goods	246954	398131
Interest accrued but not due on loans	4903	6017
Due to Directors	860310	140230
Others	609751	251915
	76147582	66896079

SCHEDULE - 13 : PROVISIONS

For Income Tax and Fringe Benefit Tax	4450000	5208000
Less : Paid	<u>2444248</u>	<u>4950618</u>
	2005752	257382

SCHEDULE - 14 : SALES AND OTHER RELATED TURNOVER

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
Clean Coal	115965212	105421919
Hard Coke	293574052	317062163
Middling/ Rejects	19648250	48147362
Slurry	8337526	9019939
Raw Coal / Slurry [8338.610 (15003.075) MT]	25584004	39965117
Commission Earned (Refer Note No. 3 of Schedule - 23)	-	20967000
Others	1202	-
	463110246	540583500

SCHEDULE - 15 : OTHER INCOME

Weighment Charges	473605	351850
Rent & Maintenance Recovered	126000	126000
Interest (Gross) [T.D.S Rs. 13,350/- (Rs. 64,985/-)]	522541	853566
Written Off Amount Recovered	930624	-
Exchange Fluctuation on Foreign Transactions	66093	1074544
	2118863	2405960

SCHEDULE - 16 : INCREASE / (DECREASE) IN STOCK

Closing Stock of Finished goods	93457818	50990616
Less : Opening Stock of Finished Goods	<u>50990616</u>	<u>71739319</u>
Increase/ (Decrease) in Stock	42467202	(20748703)



Schedules to the Accounts (Contd.)

(Amount in Rs.)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
SCHEDULE - 17 : COST OF RAW MATERIAL CONSUMED / SOLD		
Opening Stock	154045706	98498263
Purchases	423061288	448221319
Transporting Charges (including related expenses)	22225497	23059533
Clearing & Handling Charges	–	3054435
Other Expenses	30545	524858
Colliery Expenses	8421450	7193850
	<hr/>	<hr/>
	607784486	580552258
Less : Used for heating ovens	157360	–
Less : Closing Stock	206466601	154045706
	<hr/>	<hr/>
	401160525	426506552
	<hr/> <hr/>	<hr/> <hr/>
SCHEDULE - 18 : EMPLOYEES' COST		
Wages	1309945	1716036
Salaries	5412156	4226263
Bonus	496693	328560
Contribution to ESI	19212	20555
Gratuity	65810	44572
Leave Wages & Salary	275800	216305
	<hr/>	<hr/>
	7579616	6552291
	<hr/> <hr/>	<hr/> <hr/>
SCHEDULE - 19 : MANUFACTURING AND OTHER OPERATIONAL EXPENSES		
Carriage Inward	656863	594291
Chemical Consumed	295291	380907
Coal Screening, Picking & Stacking Charges	1664800	1744000
Hard Coke Breaking & Sizing Charges	1171300	1470950
Materials used for heating Coke ovens	157360	–
Payloader Running & Maintenance Expenses	3379520	3597569
Dumper/Tractor Running & Maintenance Expenses	2045805	1917347
Oven Cleaning Charges	584100	936000
Water Procurement Expenses	316750	266500
Stores Consumed	903375	1184254
Iron Materials (net of scrap sales)	745459	1961747
Lease Rent	–	1867523
Testing & Laboratory Expenses	52109	86615
Generator Running & Maintenance Expenses	3090992	3042218
Power Charges	3914105	5327443
	<hr/>	<hr/>
	18977829	24377364
	<hr/> <hr/>	<hr/> <hr/>



Schedules to the Accounts (Contd.)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
SCHEDULE - 20 : OTHER COSTS & EXPENSES		
Insurance Premium	119526	208048
Telephone Charges	277190	326292
Vehicle Running & Maintenance Expenses	787929	704109
Sales Tax/VAT	–	17131463
Registration Charges	50118	–
Commission on Sales	2113774	542262
Commission on Purchase	–	533132
Loading & Unloading Expenses	445670	523350
Office Electricity & Generator Charges	150567	94636
Legal & Professional, Consultancy Charges	152628	442965
Staff & Labour Welfare Expenses	86882	114002
Depository & Registrar Fees	46326	51473
Donation	21200	7100
Advertisement	260950	120615
Travelling & Conveyance	336419	295924
Printing & Stationery	144534	194227
Bank Charges & Commission	1841455	2280899
Office Expenses	34721	28641
Loss on Non-lifting of Material	233265	135077
Pollution Fees	19250	31500
Security Charges	1028116	1098900
Stock Exchange Listing Fees	16545	16545
Quality Rebate & Discount allowed	5031386	1707676
Repairs & Maintenance :		
a) To Machineries	3346803	3017983
b) To Building	83314	211119
c) To Others	151561	252772
News Paper & Periodicals	2868	28017
Filing Fees	5000	1000
Entertainment Expenses	28232	39055
Carriage Outward (Net)	6603239	479785
Service Tax (Net)	171781	231991
Rent, Rates & Taxes	212737	480523
Postage & Courier Charges	26892	28037
Weighbridge Charges	84854	–
Sundry Balances written off (Net)	237	712
Miscellaneous Expenses	23786	44917
Loss on Disposal / Discard of fixed assets (Net)	4890	47320
Prior Period Adjustments (Net)	38040	32870
Auditors' remuneration :		
Audit Fees	30000	20000
	24012685	31504937
SCHEDULE - 21: FINANCE COST		
Interest on Fixed Loans	80112	309551
On others	17686479	6173068
	17766591	6482619



Schedules to the Accounts (Contd.)

(Amount in Rs.)

SCHEDULE - 22 : PRE-OPERATIVE EXPENSES ALLOCATED TO FIXED ASSETS

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
Bank Charges	–	–
Travelling & Conveyance	–	–
Professional Fees	100000	10000
	100000	10000
Add : B/F from previous year	277033	267033
Carried over to next year	377033	277033

SCHEDULE - 23 : NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

[1] Significant Accounting Policies

(a) Accounting Concept

The company generally follows the mercantile system of accounting and recognises revenue on accrual basis, except sale of scrap and insignificant items/amounts, which are accounted for on cash basis. The accounts are prepared on historical cost basis and as a going concern concept. The accounting policies not referred to otherwise are consistent with generally accepted accounting principles.

(b) Fixed Assets

Fixed Assets are stated at cost of acquisition inclusive of inward freight, duties, taxes and incidental expenses related to acquisition and installation. In respect of major projects involving construction, related pre-operative expenses, including finance cost on borrowed funds attributable to acquisition of fixed assets for the period upto the date of commencement of commercial production is capitalised. In case of revaluation, acquisition cost is replaced with revalued figures.

(c) Investments

Investments are classified as long-term and current investments. Long term investments are stated at cost less permanent diminution in value of such investments.

(d) Depreciation

Depreciation on fixed assets is provided under straight line method at the rates and in the manner prescribed under the Companies Act, 1956. Assets acquired / disposed off during the year is depreciated with reference to the month of addition / disposal. Assets under construction / installation are not depreciated. Assets used during construction of the project are depreciated and such depreciation forms part of the pre-operative cost. Annual depreciation on written up value due to revaluation of assets is charged to revaluation reserve account proportionately to the extent of balance held in the account.

(e) Retirement Benefits

The company is not covered by Employee's Provident Fund Act and there is no scheme of Provident fund in vogue. Liability for gratuity is provided on actual basis, computed on the tenure of the service of the eligible employees as at the end of the year, in terms of paragraph 52 of Accounting Standard – 15 (Revised) issued by The Institute of Chartered Accountants of India , in view of few numbers of employees eligible for gratuity at present.

(f) Inventories

Raw materials are valued at lower of yearly weighted average cost (including related acquisition cost) or market prices. Cost of interdivisional transfer of goods has been taken as per policy enumerated in paragraph (i) below. Stock of such material, and consequential finished goods at balance sheet date, are valued taking the said transfer price and any unrealised profit on such transaction is eliminated while valuing the stock.

Rejects, Middling, Slurry are valued at estimated realisable value. Other finished goods are valued at lower of weighted average cost or market / estimated realisable value. Cost includes material cost, labour and appropriate systematic allocation of fixed and variable production overheads on actual basis, based on estimated production facilities used by different divisions.

Stock in transit, spares and stores etc. are valued at actual cost of purchase including related expenses. Scrap, being not material in amount, is not accounted for.

Contract work in progress is valued at lower of amount expected to be realised / attributable allocable cost incurred, less contract revenue recognized as revenue till the valuation date.

(g) Proposed Dividend

Dividend as proposed by the directors is provided in the books of account, pending approval at the Annual General Meeting.



Schedules to the Accounts (Contd.)

- (h) Foreign Exchange Transactions:
Foreign exchange transactions are accounted for at the exchange rates prevailing on the date of transaction. Monetary items denominated in foreign currency are restated at the exchange rate prevailing at the Balance sheet date. In case of transactions covered by forward contract, they are restated at that rate and premium, if any, is allocated over the tenure of credit.
- (i) Inter-Division transfer
Inter-divisional transfer of goods as independent marketable products of separate divisions for captive consumption are assigned value at lower of cost of production (wherever feasible) and estimated net realizable value. This accounting treatment has no impact on the profit of the company. Such transactions are neither included in turnover nor in consumption of materials, except for valuation purposes.
- (j) Sales :
Sales are inclusive of all taxes, except VAT & CST, less returns. In respect of service tax the same is not included in turnover if collected over and above the agreed charges.
- (k) Accounting of Construction Contracts
The company follows percentage completion method measured with reference to the various factors, including surveys of work performed, completion of the physical proportion of the contract work etc. Losses for contracts are fully accounted for as and when incurred/recognised.
- (l) Purchases:
Purchases are accounted for net of MODVAT / CENVAT/VAT/ Set off of taxes as applicable.
- (m) Borrowing Costs:
Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised. Other borrowing costs are expensed out.
- (n) MODVAT / CENVAT/VAT/Set off of taxes:
Any set off / credit of taxes is adjusted against purchase cost of that item / goods if relates to current year. Adjustment of prior year is accounted for in profit & loss account separately.
- (o) Contingent Liabilities
Contingent liabilities are not provided for and are disclosed in notes attached to the accounts.
- (p) Impairment of Assets
Loss / gain on impairment of assets is recognised in accounts after reviewing net selling price / value in use and net carrying amount of individual assets (if independently generating cash flow) and cash generating units at each Balance Sheet date.
- (q) Taxes on Income
Current income tax is determined in accordance with the provisions of the Income Tax Act, 1961, as the amount of tax payable to the taxation authorities in respect of taxable income for the year.
Deferred tax is accounted for under the liability method, subject to the consideration of prudence for deferred tax assets, at the current rate of tax, on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
Deferred tax assets and liabilities are offset if they are governed by same taxing laws.

[2] Contingent Liabilities

No provision has been made in respect of following contingent liabilities:-

- (a) VAT demand for the year 2006-07 & 2007-08 (Net of payments and input adjustments) against which the company has preferred appeals: Rs. 12.98 Lacs (Rs. 2.96 Lacs) and also input claimed but disallowed Rs. 28.41 Lacs (Rs. 11.36 Lacs) which is also part of appeal.
- (b) Estimated value of contracts of capital nature not provided (net of advances) : Rs. 18.99 lacs (Rs. 20.85lacs).
- (c) Unexpired Bank Guarantees outstanding: Rs. 238.65 lacs (Rs. 238.65 lacs).

[3] Sales / Turnover

Excludes service tax realised and deposited with the authorities on receipt of commission earned Rs. NIL (Rs. 21.60Lacs)

[4] As per information available with the company there are no dues payable to any small scale industrial undertaking as at 31-03-2011.

- [5] (a) Unsecured Loans Given includes Rs. 2,39,014/- (NIL) due from ACM Fuels Ltd., a company under the same management. Max. balance outstanding during the year was Rs. 361.00 lacs (NIL).
- (b) Sundry Debtors includes Rs. 54,20,633/- (NIL) due from ACM Fuels Ltd. a company under the same management. Max. balance outstanding during the year was Rs. 54,20,633/- (Rs. 18,47,304/-).

[6] Gross depreciation for the current year is Rs. 66,55,201/- (65,15,213/-) out of which Rs. 5,206/- (5,206/-) has been transferred to revaluation reserve.



Schedules to the Accounts (Contd.)

[7] The amount payable to micro, small and medium enterprises, to the extent identified on the basis of information available, are as follow :

(i) Principal amount outstanding as on 31-03-11	: Rs. NIL (NIL)
(ii) Interest due on outstanding amount as on 31-03-11	: Rs. NIL (Rs. Nil)
(iii) Interest paid during the year	: Rs. NIL (Rs. Nil)
(iv) Interest due and payable for the delay in making payment beyond the due date of payment (No payment made beyond due date to SME sector, wherever they were stipulated)	: Rs. NIL (Rs. Nil)

[8] Inventories include in transit/lying with others :

(a) Raw materials	: Rs. 788902/- (Rs. 503853/-).
(b) Finished Goods	: Rs. NIL (Rs. 67626/-).

[9] Balance confirmation certificate in respect of sundry parties has not been received from the parties in some cases.

[10] During the year the company has changed the method of accounting of VAT being charged on sales. Sales are accounted for net of VAT instead of inclusive of VAT as was being accounted for in earlier years. Due to this change the related item of sales and VAT Expenses in Profit & Loss A/c is lower by Rs. 13757454/- (NIL). However, this change in accounting treatment has no impact on the profit for the year.

[11] **Earning per share**

Earning per share has been computed as under :

		2010-11	2009-10
(a) Profit after taxation	(Rs.)	5802089	4183515
(b) Weighted Average number of equity shares used as denominator for calculating EPS		6318900	6318900
(c) Basic and diluted earnings per share of Rs. 10			
(i) Before extraordinary items	(Rs.)	0.92	0.66
(ii) After extraordinary items	(Rs.)	0.92	0.66

[12] Additional information required by the Part II of Schedule VI of the Companies Act, 1956. (These information have been certified by the management and relied upon by the auditors) :-

(A) Particulars of Raw Materials Consumed: (Indigenous)

		2010-2011		2009-2010	
		Qty. (M.T)	Value (Rs.)	Qty. (M.T)	Value (Rs.)
Indigenous					
Coal, slurry, middling/rejects		1,55,229	40,13,17,885	1,88,680	41,01,92,127
Less : Transfers (see note below)		6,348	3,64,73,803		
Less : Sold		7,499	1,83,76,850	9,734	2,87,16,783
Consumed for Production	91.95%	1,41,382	34,64,67,232	98.67%	1,78,946
Imported					
Coal		3,384	3,03,32,471	2,007	1,63,14,425
Less : Sold		NIL	NIL	269	21,89,432
Consumed for Production	8.05%	3,384	3,03,32,471	1.33%	1,738
Chemicals (Indigenous)			2,95,291		3,80,907

Notes :

- (1) Quantity of coal, slurry etc. includes interdivisional transfer out of own production amounting to 28,750.000 MT (49,639.070 M.T). The relative assigned value has been eliminated as per guidance issued by The Institute of Chartered Accountants of India.
 - (2) Transfer of coal denotes 6288 MT (NIL) amounting to Rs. 36316443/- (NIL) transferred to clean coal stock and 60 MT (NIL) amounting to Rs. 157360/- (NIL) used for heating ovens.
 - (3) It is not practical to identify separately the cost of material sold; as such the total cost after transfer has been allocated between consumption and sale on the basis of their respective quantity.
 - (4) Consumption of raw coal, slurry etc. is accounted for on estimated basis as per practice and convention prevailing in the industry.
- (B) The company did not consume any imported stores materials, capital goods during the year.
- (C) Earning in foreign currency: NIL (NIL).



Schedules to the Accounts (Contd.)

(D) Expenditure in foreign currency (on payment basis) :

(i) For Shipping Charges	:	NIL (Rs. 25,09,075/-)
(ii) For Misl. Expenses	:	NIL (Rs. 22,361/-)
(iii) For Raw Materials	:	Rs. 3,88,81,864/- (NIL)
(iv) For Bank Interest	:	Rs. 7,07,412/- (NIL)
(v) For Bank Charges	:	Rs. 1,30,126/- (NIL)

(E) Remuneration to Directors and Managing Director u/s 198 of Companies Act, 1956.

	2010-11	2009-10
	Rs.	Rs.
(i) Salary	24,84,000/-	16,26,000/-
(ii) Perquisites	NIL	NIL

[13] Related party transactions :

The company has identified all related parties and details of transactions are given below. No amounts have been written off or written back during the year in respect of debts due from or to related parties.

(a) Name of Key management personnel

- Mr. Rajiv Tulsyan
- Mr. Sanjeev K. Tulsyan
- Mr. Prashant Tulsyan

(b) Name of associates / companies :

- ACM Fuels Ltd.
- Auroma Coke Manufacturers Pvt. Ltd.

(c) Relatives of key management

- V. K. Tulsyan & Ors. (HUF)

(Rs. In lacs)

	Associates	Key Management Personnel	Relatives of Key Management Personnel	Total
Purchase of goods	1079.17 (1301.04)	– (–)	– (–)	1079.17 (1301.04)
Sale of goods/fixed assets	84.21 (108.91)	– (–)	– (–)	84.21 (108.91)
Receiving of services	17.28 (12.98)	24.84 (16.26)	0.69 (0.18)	42.81 (35.29)
Providing of services	2.80 (1.26)	– (–)	– (–)	2.80 (1.26)
Finance (including loans and Equity contributions in cash or or in kind)	1767.00 (–)	– (–)	– (–)	1767.00 (–)
Guarantees taken	4000.00 (4000.00)	– (–)	– (–)	4000.00 (4000.00)

[14] The Company has reviewed its individual assets and cash generating units for impairment in terms of Accounting Standard – 28 issued by The Institute of Chartered Accountants of India, and none of them were found to be materially impaired.

[15] The company has identified that it has no reportable segments as revenue from the construction activity and commission business is less than 10 % of its total revenue.

[16] Previous year's figures have been regrouped / reconsidered wherever appropriate to make them comparable with the current years' figures and have been indicated in brackets.



Balance Sheet Abstract and Company's General Business Profile

I. Registration No.	60154	State Code	21
Balance Sheet Date	31/03/11		
II. Capital raised during the year (Amount in thousand rupees)			
Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL
III. Position of Mobilization and deployment of funds (Amount in thousand rupees)			
Total Liabilities	660370	Total Assets	660370
Sources of Funds :		Application of Fund :	
Paid-up Capital	66252	Net Fixed Assets	120379
Reserves & Surplus	40131	Investments	100
Share Application Money	277850	Net Current Assets	461737
Secured Loans	177010	Miscellaneous Expenditure	Nil
Unsecured Loans	11825		
Deferred Tax	9149		
IV. Performance of Company (Amount in thousand rupees)			
Total Income	465229	Total Expenditure	457136
Profit/Loss before Tax	8093	Profit/Loss after Tax	5802
Earning per share (Rs.)	0.92	Dividend Rate	Nil
V. Generic Names of Principal products, services of the Company :			
(i) Item Code No.	270400.03		
Product Description	Hard Coke of Coal		
(ii) Item Code No.	9993009		
Product Description	Clean Coking Coal		
(iii) Item Code No.	9993009		
Product Description	Middling/Rejects/Slurry		

For and on behalf of the Board of Directors

Vimal Kumar Tulsyan
Chairman

Rajiv Tulsyan
Managing Director

Place : Kolkata

Dated : This 1st day of September, 2011

AUROMA COKE LIMITED

Registered Office : Shanti Niketan Building,
8, Camac Street, Suit No. 706, Kolkata - 700 017

PROXY FORM

Shares held

DP ID No.

Registered Folio No.

Client ID No.

I/We.....
of
being a Member(s) of the above Company, hereby appoint
..... of
or failing him/her
ofas my/our proxy to vote for me/us and on
my/our behalf at the 18th Annual General Meeting of the Company, to be held at the Registered Office at Suite no. 706,
Shanti Niketan Building, 8 Camac Street, Kolkata-700017 on Friday, 30th September, 2011 at 11.30 a.m.

Signed this day of 2011

Signature by the said

Affix
Re. 1/-
Revenue
Stamp

Note : The proxy to be effective should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

AUROMA COKE LIMITED

Registered Office : Shanti Niketan Building,
8, Camac Street, Suit No. 706, Kolkata - 700 017

ATTENDANCE SLIP

(Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall)

Shares held

DP ID No.

Registered Folio No.

Client ID No.

..... (Please write your name in BLOCK letters)

I hereby record my presence at the 18th ANNUAL GENERAL MEETING of the Company held at the Registered Office at Suite no. 706, Shanti Niketan Building, 8 Camac Street, Kolkata-700017 on Friday, 30th September, 2011 at 11.30 a.m.

Member's/Proxy's Signature
(To be signed at the time of handing over the slip)

NOTES :

1. Members/Proxy holders are requested to bring their copies of the Annual Report with them at the Meeting.
2. Please carry with you this Attendance Slip and hand over the same duly signed at the space provided, at the entrance of the Meeting Hall.

BOOK POST

If undelivered, please return to :

AUROMA COKE LIMITED
Shanti Niketan Building, Suite no. 706
8, Camac Street, Kolkata - 700017