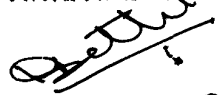


**17TH
ANNUAL REPORT
2010-2011**

ANKA INDIA LIMITED

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For ANKA INDIA LIMITED



Director

BOARD OF DIRECTORS

Harpreet Singh Sethi
Whole-Time Director

Arshdeep Singh Sethi
Joint Managing Director

Paramjit Sethi
Director

Shri Hari Upadhya
Director

AUDITORS

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

INTERNAL AUDITORS

H. Kumar & Associates

REGISTERED OFFICE

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

WORKS & PLANT

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

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For ANKA INDIA LIMITED



Director
12/08/2018

ANKA INDIA LIMITED

NOTICE

Notice is hereby given that the 17th Annual General Meeting of the members of Anka India Ltd., will be held on Saturday, 30th July, 2011 at Village & P.O. Kherki Daula, Distt. Gurgaon, Haryana-122001 at 9.30 A.M. to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011, Together with the Profit & Loss Account on that date alongwith the Auditors & Directors Report thereon.
2. To appoint a Director in place of Mr. Srihari Upadhayay, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors to hold Office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to authorize the Board of Directors of the Company to fix their Remuneration. M/s. H. Kumar & Co., Chartered Accountants, have confirmed that their appointment, if made, will be with in the limits specified in Section 224(1B) of the Companies Act, 1956.

By the Order of Board

Place: Gurgaon
Date : 4th July, 2011

(Harpreet Singh Sethi)
Whole Time Director

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The Register of Members and the Share Transfer Books of the Company shall remain closed from 29/07/2011 to 2/08/2011 (both days inclusive).
3. Members attending the meeting are requested to bring their own copy of the Annual Report and attendance slips sent herewith duly filled and signed.
4. Members are requested to notify change in address, if any, to the Company at its Registered Office, quoting correct folio number(s).
5. In the case of Joint holders, if more than one holder intend to attend the meeting they must obtain additional admission slips on request from the Registered Office of the Company.
6. Details under Clause 49 of the Listing Agreement with the Stock Exchanges in Respect of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting is separately annexed hereto.
7. Corporate members intending to send their authorized representative/(s) u/s 187 of the Companies Act, 1956 are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the meeting .
8. Members desirous of making nomination in respect of their shareholding in the Company , as permitted under Section 109A of the Companies Act, 1956 are requested to write to the Company's Registrar for the prescribed form.
9. Members having any questions with regard to the accounts are requested to write to the Compliance Officer of the Company i.e. Mr. H.S.Sethi at least ten days in advance, to enable the Company to keep the information ready .

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For ANKA INDIA LIMITED



Director

ANKA INDIA LIMITED

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

Alankit Assignments Ltd.

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

Details of the Directors seeking appointment/ re-appointment in Annual General Meeting fixed on 30th July, 2011. (In Pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr Srihari Upadhayay
Date of Birth	01.01.1973
Date of Appointment	28.12.2005
Expertise in specific	15 Years
Functional area	PERSONNEL & ADMINISTRATION
Qualifications	Graduate
Lists of Outside Directorship held	NIL
Chairman /Member of the committee of the Board of Directors of the company.	Audit Committee (Chairman) Anka India Ltd Share Transfers & Investors Grievances Committee Anka India Ltd (Member)
Chairman/Member of the Committee of the Board of Directors of other company	Nil
Details Of shares Held in Company	Nil

Important Communication to Members

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

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For ANKA INDIA LIMITED

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Director

ANKA INDIA LIMITED

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

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

Dear Sir,

1. I Harpreet Singh Sethi, Whole Time Director of the Company hereby certify that I have reviewed the Balance Sheet, Profit & Loss Account and all its Schedules and Notes and Accounts as well the Cash Flow Statement as at 31st March, 2011 and certify that to the best of our knowledge and belief:
 - 1) These Statements do not contain any materially untrue statement or omit any Material fact or contain any Statement that might be misleading:
 - 2) These Statements read together present a true and fair view of Companies affair and are in Compliance with existing Accounting Standards, applicable laws and regulations.
2. We further certify that, to the best of our knowledge and belief, no transactions have been entered into by the company during the year under review which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company and we have:
4.
 - a) Designed such disclosure controls and procedures to ensure that material information relating to the Company is made known to us by others within the Company, particularly during the period in which this report is being prepared.
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.
 - c) Evaluated the effectiveness of the Company's disclosures, controls and Procedures.
 - d) Disclosed in the report any change in the Company's internal control over financial reporting that occurred during the Company's most recent financial year that has materially affected, or is reasonably likely or materially affect, the Company's internal control over financial reporting.
5. We have disclosed based on our most recent evaluations, wherever applicable, to the Company's auditors and the Audit Committee of The Company 's Board (and performing the equivalent functions)
 - a) all deficiencies in the design or operation of the internal controls, which could adversely affect the Company's ability to record, process, summaries and report financial data, and have identified for the Company's auditors, any material weakness in internal controls over financial reporting including any corrective actions with regard to deficiencies.
 - b) Significant changes in internal controls during the year covered by this report.
 - c) All the significant changes in accounting policies during the year, if any. And that the same have been disclosed in the notes to the financial statements.
 - d) Instances of significant fraud of which we are aware, that involve management or other employees who have a significant role in the Company's internal controls system.

Place: New Delhi
Date: 18th June, 2011


Harpreet Singh Sethi
Chairman & Whole Time Director
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For ANKA INDIA LIMITED



Director

ANKA INDIA LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Indian Economy - Outlook: Year 2010-11 staged a fragile recovery of the world economy from the deepest recession since the World War II. The recovery was mainly due to unprecedented Government intervention and exceptionally large interest rate cuts by most of the central banks in anticipation and contribution of emerging economies such as India, Brazil, China, Mexico, Russia, and Indonesia to pull the global economy up. Indeed, Indian economy has seen an unprecedented economic expansion during such global meltdown. Rising input cost are forcing the corporations in the industrialized economies to shift their sourcing to the cost-effective regions like India to keep up the pricing competitiveness in the specific industry, they are in. In view of this, over the last few years Indian trade has also seen a decent growth in its global presence.

Indian economy has been passing through a transition phase in the last few years but has recorded a strong manufacturing output growth in 2010-11, especially in the case of capital goods and durable consumer goods. Overall, a rise has been expected in GDP in the industrial sector to 9.6 per cent in 2011-12 and 10.3 per cent in 2012-13. The expansion in the services sector is also expected to approach 9 per cent in 2011-12 and 9.6 per cent in 2012 -13.

Considering the above positive developments in India, your Company has a considerable potential to grow and witness an improvement in its working.

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

Footwear Industry has emerged as an important sector not only in India but at globally as well. India has been the second largest global producer of footwear after China, accounting for nearly 13% of global footwear production of 16 billion pairs. India produces 2065 million pairs of different categories of footwear (leather footwear - 909million pairs, leather shoe uppers -100 million pairs and non-leather footwear - 1056million pairs). India exports about 115 million pairs. Thus, nearly 95% of its production goes to meet its own domestic demand. During the year 2008-09, export of Footwear (Leather, Footwear Components and Non-Leather Footwear) has increased to Rs. 7053.80Crores from previous years' export of Rs. 5996.21 Crores, registering a compounded annual growth of 13.91%. Footwear segment has always been the major contributor of the leather products exports from India, which is also evident from the following categorisation of export made during the year 2008-09:

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

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

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

COMPANY'S FINANCIAL PERFORMANCE & ANALYSIS

A. FIXED ASSETS

The composition of assets is as under:

(Amount in Rs.)

Particulars	March 31 2011	September 30 2010
Land	2111880.00	2111880.00
Building	11497292.31	11497292.31
Plant & machinery	49956523.35	49956523.35
Electrical equipments	901705.21	901705.21
Furniture & fixture	1262893.36	1262893.36
Office equipment	1407138.49	1407138.49
Vehicles*	1120410.00	1120410.00
Total	68257842.72	68257842.72
Less accumulated depreciation	46845316.07	45475384.43
Impairment	2881304.95	2881304.95
Add: cwip	—	—
Net fixed assets	18531221.70	19901153.34

B. Results Of Operations

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

(Amount in Rs.)

Particulars	Year Ended 31-Mar-11	Year Ended 30-Sep-10
INCOME		
Sales & Job work(Net)	2836903.00	182000.00
Other Income	2548.69	2564200.43
Increase/(Decrease) in Finished goods & work in Progress	(123360.00)	(126000.00)
Total Income	2716091.69	2620200.43
EXPENDITURE		
Material cost	1630500.00	—
Other Manufacturing Expenses	—	—
Payment & Benefits to Employees	163657.00	146574.00
Administrative Selling & Other Expenses	904320.00	2825212.70
OPERATIVE EXPENSES	2698477.00	2971786.70
Expenses Allocated to self Constructed Assets	—	—
EBIDT	17614.69	(351586.27)
Less Depreciation	1364631.64	4117944.67
Interest & Financial Charges	10155.00	37077.86
Earning Before Tax Prior Period Adjustment & Extra Ordinary Item	(1357171.95)	(4506609.00)

Deethi

ANKA INDIA LIMITED

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

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

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

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For ANKA INDIA LIMITED



Director

ANKA INDIA LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors are submitting their 17th Annual Report alongwith Audited Statement of Accounts for the period ended on 31st March, 2011. The Management Discussion & Analysis (MDA) report has been included at the appropriate places in the report.

1. FINANCIAL HIGHLIGHTS

	(Rs.)	
	(Current Year)	(Previous Year)
NET SALES (Net of Returns)	2836903.00	182000.00
PROFIT/(LOSS) FOR THE YEAR	(1357171.95)	(351586.27)
(BEFORE DEPRECIATION & INTEREST)		
PRIOR PERIOD ADJUSTMENT	(12281.00)	(129240.35)
INTEREST	10155.00	37077.86
DEPRECIATION	1364631.64	4117944.67
NET PROFIT / (LOSS) FOR THE YEAR	(1369452.95)	(4635849.15)
(Includes prior period provisions of Liquidated damages & penal interest of IDBI)		

2. OPERATIONS

Due to continues acute liquidity crisis being faced by the Company in the last few Financial years the Company could not deliver the goods at its best. The Company has incurred a net Loss of Rs. 13.70 Lacs as against the net loss of Rs. 46.50 lacs in the previous year. It was attributed to the number of factors like lack of working capital, the fierce competition with the unorganized sector, the slump in demand and recessional depressive economic conditions prevailing in the Market which have continued to bring the profit margin under pressure. In spite of the continuing recessionary conditions the Company is quite hopeful of making a turn around in a time to come.

3. INSURANCE

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

4. BOARD OF DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles Of Association of the Company Mr. Srihari Upadhyay, Director who will be retiring by rotation, being eligible offers himself for re- appointment.

Brief resume of the Director seeking re-appointment at this Annual General Meeting, Nature of his expertise and other details as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges are given in the Annexure to the Notice Convening the 17th Annual General Meeting.

5. Audit Committee

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

6. CORPORATE GOVERNANCE REPORT

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

ANKA INDIA LIMITED

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

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

- i) that in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for that period.
that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iii) That the directors had prepared the annual accounts on a going concern basis.

9. FIXED DEPOSITS:

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

10. LISTING ON STOCK EXCHANGE

The Companies shares are listed on Mumbai Stock Exchange .

11. INTERNAL CONTROL SYSTEMS

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

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

12. AUDITORS

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

14. AUDITORS' REPORT AND NOTES ON ACCOUNTS

Comments on the Auditors' Observations:

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

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

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

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

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For ANKA INDIA LIMITED



Director