

ANNUAL REPORT
2011-12

ASHOK KUMAR NATWARLAL & CO.

CHARTERED ACCOUNTANTS

161/1 MAHATMA GANDHI ROAD, 3RD FLOOR, ROOM 70B

KOLKATA – 700007

ASSOCIATED CEREALS LIMITED

ASSOCIATED CEREALS LIMITED
27, BENTINCK STREET, GROUND FLOOR, KOLKATA-700001

DIRECTORS REPORT TO THE SHARE HOLDERS

Your Directors have pleasure in presenting their report together with the audited account for the year ended on 31st March, 2012.

Working Results

The working results for the ended on 31st March, 2012 shows Net Profit of Rs. 19,160.69/- (after income tax but before Provision for standard Assets).

Dividend

In the absence of suitable Profit, the Directors do not recommend any dividend for the year 2011-2012.

Auditors

M/s. Ashok Kumar Natwarlal & Co., Chartered Accountants, retires and is eligible for re-appointment.

Directors' Responsibility Statement

As stipulated, your Directors affirm their commitment to the Directors' Responsibility Statement as below :

The directors state that in preparation of the Annual Accounts, your Company has followed the applicable accounting standards with proper explanations relating to material departures. The Directors have 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 your Company at the end of the financial year ended 31st March, 2012 and of the profit or loss for the year. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 : safeguarding the assets of your Company and for preventing and detecting frauds and other irregularities. The annual accounts of your Company have been prepared on a going concern basis.

ASSOCIATED CEREALS LIMITED

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Auditors Report :

The observations made in the auditors report are self-explanatory and therefore do not call for any further comments under section 217(3) of the Companies Act, 1956.

CEO/ CFO Certification

As required by Clause 49 of the Listing Agreement, the Certificate issued by the Chairman and CFO is forming part of this report.

Auditors' Certificate of Corporate Governance

As required by Clause 49 of the Listing Agreement, the Auditors' Certificate is given as an Annexure to this Report.

Acceptance of Public Deposits

Since your company has neither accepted any public deposit nor does it propose to accept any public deposit during the current year and resolution to this effect has already been passed at board meeting as such the "Non Banking Financial Companies Acceptance of Public Deposit (Reserve Bank) Directions 1998" to the extent applicable are not applicable to the company.

Conservation of Energy

In accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with companies (Disclosures of particulars in the report of Board of Directors) Rules, 1988, regarding conservation of energy, this is to stated that the Company not being a manufacturing Company, has not consumed energy of any significant level and accordingly no measures are required to be taken for energy conservation.

Foreign Exchange

accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with companies (Disclosures of particulars in the report of Board of Directors) Rules, 1988, regarding Foreign Exchange, it is to state that there has been no transaction relating to Foreign exchange during the year.

Particulars

Provision of Section 272(2A) of the Companies Act, 1956 is not applicable as no employees were in receipt of remuneration to the extent laid down therein.

**Dated :
Kolkata**

BY ORDER OF THE BOARD


**BINOD CHAND KANKARIA
(DIRECTOR)**



ASSOCIATED CEREALS LIMITED

27, BENTINCK STREET, GROUND FLOOR, KOLKATA-700001

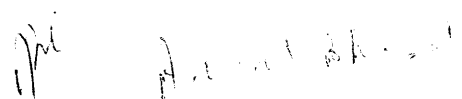
CHAIRMAN & CFO CERTIFICATION

We Binod Chand Kankaria, Chairman and Anant Bhagat, Chief Financial Officer of Associated Cereals Limited, to the best of our knowledge and belief, certify that :

1. We have reviewed the balance sheet and profit and loss account, and all its schedules and notes on accounts, as well as the cash flow statements, and the director's report;
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made;
3. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations;
4. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct;
5. We are responsible for establishing and maintaining disclosures controls and procedures and internal controls over financial reporting for the Company, and we have:
 - a. designed such disclosure control and procedures to ensure that material information relating to the Company
 - b. disclosed in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonable likely to materially affect, the Company's internal control over financial reporting.
6. We have disclosed based on our most recent evaluation, wherever applicable, to the Company's auditors and the audit committee of the Company's Board of Directors (and persons performing the equivalent functions)
 - a. all deficiencies in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize 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 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.
7. We affirm that we have not denied any personnel, access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to 'whistle blowers' from unfair termination and other unfair or prejudicial employment practices; and
8. We further declare that all board members and senior managerial personnel have affirmed compliance with the code of conduct for the current year

Binod Chand Kankaria
Chairman

Anant Bhagat
Chief Financial Officer



ASHOK KUMAR NATWARLAL & CO.
CHARTERED ACCOUNTANTS

161/1, Mahatma Gandhi Road
3rd Floor, Room No. 70B
Kolkata-700007
Phone:9433725999

Auditors' Certificate on Corporate Governance

To the Members of

Associated Cereals Limited

We have examined the compliance of conditions of corporate governance by **Associated Cereals Limited** ('the Company') for the year ended on March 31, 2012 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 procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

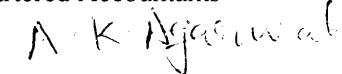
In our opinion and to the best of our information and according to the explanations given to us and representation made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month as on 31st March, 2012 against the Company as per the records maintained by the Investors Grievance Committee.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

161/1, Mahatma Gandhi Road,
3rd Floor, Room No. 70B,
Kolkata – 700 007

For, Ashok Kumar Natwarlal & Co.
Chartered Accountants


ASHOK KUMAR AGARWAL
Proprietor
Membership No. 056189
Firm Rgn. 322307E

Dated : **05 SEP 2012**



AUDITOR'S REPORT TO THE MEMBERS OF M/S. ASSOCIATED CEREALS LIMITED

We have audited the attached Balance Sheet of **ASSOCIATED CEREALS LIMITED**, as at 31st March, 2012, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed hereto. 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.

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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.

As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, (the Order) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to in paragraph (3) above, we report that:

- 1) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - 2) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of the books;
 - 3) The Balance Sheet and Profit and Loss account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - 4) In our opinion, the Balance Sheet and Profit and Loss Account and the 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;
 - 5) On the basis of the written representation received from the Board of Directors and taken on record by the Board of Directors, none of the directors of the Company was disqualified as on 31st March, 2012 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- In our opinion and to the best of our information and according to the explanations given to me, 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, 2012; and
- b) in the case of the Profit and Loss Account, Loss of the company for the year ended on that date.
- c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date

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Dated :

For, Ashok Kumar Natwarlal & Co.
Chartered Accountants

A K Agarwal
ASHOK KUMAR AGARWAL
Proprietor
Membership No. 056189
Firm Regn No.322307E