

Creating Quality, Winning Trust

19th Annual Report 2011-2012



Emmsons International Limited



www.emmsons.com

MANAGING DIRECTOR'S MESSAGE



Anil Monga, Chairman & Managing Director

Dear Shareholders,

My last communication highlighted our vision to carry on Creating Quality and Winning trust though staying Focussed on our goals, Confident in our approach and Committed in delivering the right results for everyone associated with Emmsons. I am very happy to share that despite the challenging times, The Company was able to grow its business, profitably and at the same time, make our clients feel more secure about their Food and Energy requirements.

The General Macro environment was highlighted with civil unrest in Middle-East, Drought in Eastern Europe, Flooding in the US and a greater Political uncertainty in India, amongst many other events. The company had to navigate through all of these as almost all the events, directly or indirectly, affected the Commodities and the currencies that the company based its Trading model on. In spite of all that, to create the set of results that Emmsons has is a testament to the guidance of the Board of Directors and the efforts of the Emmsons TEAM, on the ground and in the offices world-wide. The Emmsons TEAM, with the right mixture of experienced and seasoned professionals and ambitious youth, was able to translate the vision and goals of the company into a great set of numbers, both on the Top line basis and Profitability.

Due to the events highlighted above, The Company remains a staunch supporter of the belief that it holds in the importance and future of the business in not just merely trading Food and Energy commodities but also to eventually get deeper into the Supply Chain management through ownership of either the source or the distribution networks. All this, in the coming years will complement our Global sourcing and Distribution of various commodities, shipping capability as well as ability to get funding at the right costs. The Projects undertaken are being worked on at a fast pace and full efforts are on to get them off the ground in the most efficient and effective a time as possible.

In spite of global markets again looking uncertain and clients facing the kind of volatility never seen before in our commodities; We, at Emmsons, stand Committed and confident, to build on the solid foundation of results this year and marching ahead in another year of creating More Quality and even Winning more Trust.

Thanking you and the Board for their support and Guidance in building an organisation that operates with excellence and keeps creating shareholder value, at the same time, serving the clients to secure their most basic needs- Food and Energy.

Thanking you,

Sd/-

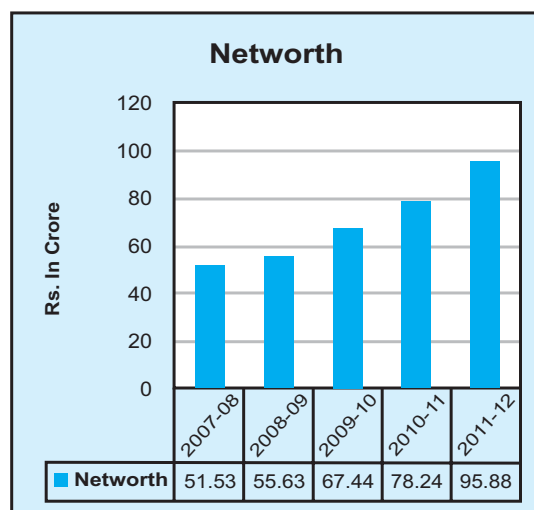
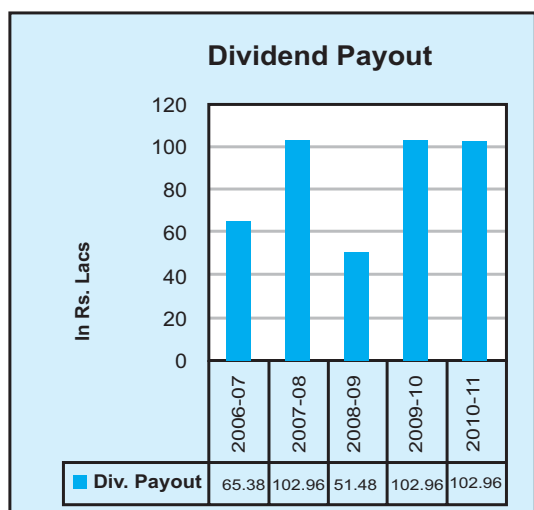
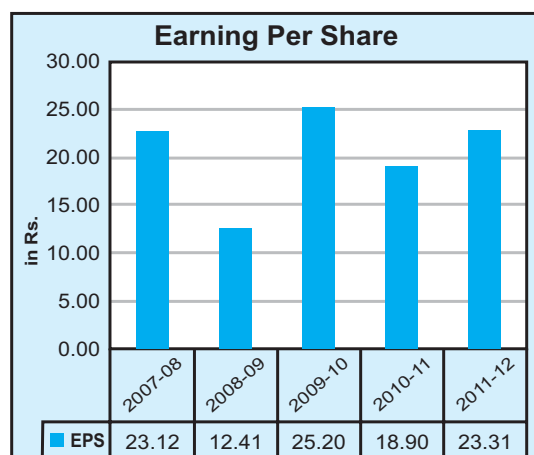
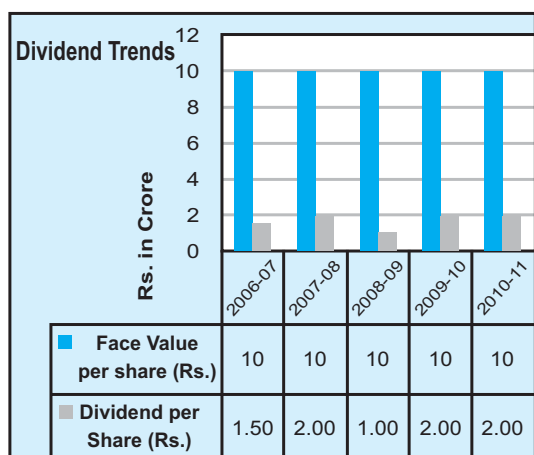
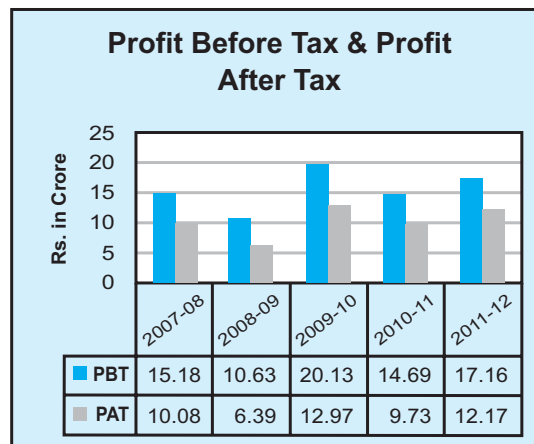
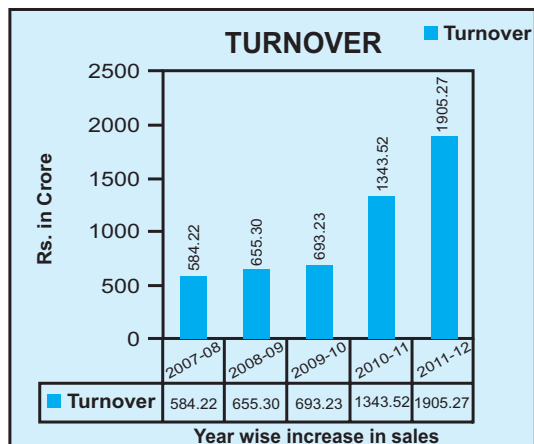
**(Anil Monga)
Chairman & Managing Director**

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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 Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, 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 send an email to emmsonsgogreen@linkintime.co.in giving details like Name and Folio No. to register the same at our Registrar and Transfer Agents.



FINANCIAL HIGHLIGHTS

(Rs. in lacs)					
PARTICULARS	2011-12	2010-11	2009-10	2008-09	2007-08
1 Gross Turnover/Income	190527.45	134351.70	69322.86	65530.05	58422.06
2 Earnings Before Depreciation, Interest and Tax (EBDIT)	6824.99	4420.83	4147.22	2410.87	2534.60
3 Depreciation	72.97	58.94	49.97	46.18	33.46
4 Profit before Tax	1716.39	1469.20	2013.15	1062.55	1517.98
5 Profit After Tax	1217.23	973.21	1297.23	638.68	1008.09
6 Equity Dividend %	25.00	20.00	20.00	10.00	20.00
7 Dividend Payout	149.95	102.96	102.96	51.48	102.96
8 Equity Share Capital	599.80	514.80	514.80	514.80	514.80
9 Equity Share Warrants Allotment / Application Money	0.00	22.50	0.00	195.00	197.50
10 Reserve and Surplus	8988.28	7286.86	6229.04	4852.70	4440.93
11 Net Worth	9588.09	7824.16	6743.85	5562.50	5153.24
12 Gross Fixed Assets	1668.73	1397.32	1085.52	882.68	511.02
13 Net Fixed Assets	1346.63	1120.84	863.37	703.34	591.27
14 Total Assets	77353.31	58303.02	38218.94	30374.21	15934.62
15 Total Liabilities	67765.23	50478.86	31475.09	24811.70	10781.39
16 Market Capitalisation	7095.66	4290.87	4728.46	2059.21	7904.78

KEY INDICATORS

PARTICULARS	2011-12	2010-11	2009-10	2008-09	2007-08
1 Earning Per Share (Basic) - Rs.	23.31	18.90	25.20	12.41	23.12
2 Turnover Per Share - Rs.	3176.52	2607.73	1346.59	1272.92	1134.85
3 Book Value Per Share - Rs.	159.85	151.55	131.00	104.26	96.26
4 Debt : Equity Ratio	5.53:1	2.44:1	2.47:1	2.45:1	1.47 :1
5 EBDIT / Gross Turnover - %	3.58	3.29	5.98	3.68	4.34
6 Net Profit Margin - %	0.64	0.72	1.87	0.97	1.73

CORPORATE INFORMATION

BOARD OF DIRECTORS**Anil Monga**

Chairman & Managing Director

Rajesh Monga

WholeTime Director

Shivaz Monga

Executive Director

Satish Chandra GuptaProfessional and
Independent Director**Vijay Kumar Kakkar**Professional and
Independent Director**Viresh Shankar Mathur**Professional and
Independent Director**GENERAL MANAGER (FINANCE) AND CFO****Hamant Paul****COMPANY SECRETARY & COMPLIANCE OFFICER****Suvindra Kumar****AUDITORS****SURESH & ASSOCIATES**

3A Bigjo's Tower, Netaji Subhash Place, Pitampura, Delhi-I 110034.

BANKERS**ORIENTAL BANK OF COMMERCE**Overseas Branch, M-33, Greater Kailash-II,
New Delhi-I 110048**INDIAN OVERSEAS BANK**A-19/22, Moolchand Shopping Complex,
Defence Colony, New Delhi-I 110024**ALLAHABAD BANK**International Branch, 3rd Floor, I7,
Parliament Street, New Delhi - I 110001**BANK OF BARODA**1st Floor, I6, Parliament Street,
New Delhi-I 110001**OFFICES****REGISTERED OFFICE**

2637, First Floor, Naya Bazar, Delhi-I 110006

ADMN. OFFICE101, South Delhi House, 12, Zamrudpur
Community Centre, Kailash Colony,
New Delhi-I 110048**EMMSONS S.A.**Place du March 3, CP 156,
1860 Aigle, Switzerland.**EMMSONS GULF DMCC**3406, I - Lake Plaza Plot No.T2,
Jumeirah Lakes Towers, Dubai, U.A.E.**EMMSONS GRAINS LIMITED**6, Karaiskaki Street,
3032, Limassoi, Cyprus**SHARE REGISTRAR
LINK INTIME INDIA PVT LTD**A-40, 2nd Floor, Naraina Industrial Area, Phase-II,
Near Batra Banquet Hall, New Delhi-I 110028

NOTICE

NOTICE is hereby given that 19th Annual General Meeting of M/s Emmsons International Limited will be held on Tuesday, the 25th Day of September, 2012 at 11.00 A.M. at Niryat Bhawan, Rao Tula Ram Marg, Opp. Army Hospital Research & Referral, New Delhi -110057, to transact the following businesses :

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012 and Profit & Loss Account for the year ended on that date together with Report of Board of Directors and Auditor's Report thereon.
2. To Declare a Dividend on Equity Shares for the financial year 2011-12.
3. To appoint a Director in place of Mr. S.C. Gupta, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Rajesh Monga, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint M/s Suresh & Associates, Chartered Accountants, as Auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

For and on behalf of the Board

Date : 14.08.2012
Place : New Delhi

Sd/-
(ANIL MONGA)
Chairman & Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF, AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. (Blank proxy form is enclosed).
2. Corporate members intending to send their authorised representative to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. The Register of Members and the Share Transfer Books of the company shall remain closed from Saturday, the 15th Day of September, 2012, to Tuesday, the 25th Day of September, 2012 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend, if approved/declared.
4. The Dividend on equity shares, if declared at the meeting, will be payable to those share holders, whose names appear on the Companies Register of Members at the close of business hours on Friday, the 14th Day of September, 2012. In respect of shares held in dematerialized form, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the depositories as at the close of business hours on Friday the 14th Day of September, 2012.
5. Members are requested to notify immediately the changes in their address, if any.
6. Members holding shares in identical order of names in more than one folio are requested to write to the Company / Share registrar, enclosing their share certificates, to enable the Company to consolidate their holding in one folio.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for identification.
9. **Members / Proxies are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature registered with the company for admission to the meeting hall.**

For and on behalf of the Board

Date : 14.08.2012
Place : New Delhi

Sd/-
(ANIL MONGA)
Chairman & Managing Director

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-APPOINTMENT IN FORTHCOMING ANNUAL GENERAL MEETING:

Mr. Satish Chandra Gupta is a former Chairman & Managing Director of Punjab National Bank and Indian Overseas Bank. He is a Commerce Graduate from Agra University, Master of Commerce from Meerut University and also a Certified Associate of Indian Institute of Bankers.

He started his career with State Bank of India in the year 1966 and moved to Syndicate Bank as a probationer officer. In 1972 he joined Oriental bank of Commerce and worked for over 27 years in different capacities from Manager to General Manager (Credit) in Corporate office at New Delhi, where he handled Credit, Credit Policy, Planning and Development, Marketing, International Banking Division, Domestic & International Treasuries, Accounts, Merchant Banking and Recovery & Law etc. He was also associated in merger of two Co-operative Banks namely Bari Doab Mercantile Bank Limited and Punjab Co-operative Bank Limited with Oriental Bank of Commerce. He also participated actively in the public issue of Oriental Bank of Commerce as General Manager.

In the year 1999 he was promoted and transferred to Indian Overseas Bank as an Executive Director thereafter in the year 2001 he got another promotion in the same bank as Chairman & Managing Director.

In May, 2005, he was given charge of the largest Public Sector bank i.e. Punjab National bank as its Chairman & Managing Director which he retained till his superannuation in May, 2007. He has been associated with our Company since 6th June, 2008. He holds Directorship in the following companies apart from your company :

Sl. No.	Name of the Company	Year of Appointment
1.	Jai Balaji Industries Ltd	30/06/2008
2.	ISMT Limited	31/07/2008
3.	Cordial LT Communications Pvt. Ltd.	12/09/2008
4.	Sagacious Financial Services Pvt. Ltd.	17/10/2008
5.	Solar Industries India Ltd.	25/10/2008
6.	Gujarat Foils Ltd.	31/01/2009
7.	Brahmputra Infra Project Ltd.	24/02/2009
8.	Brahmputra Infrastructure Limited	15/06/2009
9.	PUG Securities Pvt. Ltd.	01/10/2009
10.	Gita Energy Generation Pvt. Ltd.	20/10/2009
11.	Vandana Global Ltd.	12/04/2011
12.	Orbit Corporation Ltd.	24/05/2011
13.	SMC Global Securities Ltd.	30/05/2011
14.	Prudent ARC Limited	05/10/2011

He was appointed as a Director of the company in year 2008 and has been guiding the company with his rich experience, ever since.

Mr. Rajesh Monga is a graduate and having vast, rich and varied experience of 27 years in the field of procurement and trading of Agri Commodities. Due to his effort, the Company has a good reputation of quality of products traded in domestic as well as international market.

He has successful result oriented track record and completely dedicated towards the work assigned to him, his rich and varied experience in the field of procurement and trading of Agri -Commodities and his active involvement in the affairs of the Company has helped the Company in its immense growth. He does not hold any Directorship in other companies apart from your company.

He was appointed as a Director of the company since its incorporation and served the Company ever since.

DIRECTOR'S REPORT

**Dear Members,
Emmsons International Limited**

Your Directors have pleasure in presenting this 19th Annual Report on the business and operations of the Company together with Audited Accounts for the financial year ended March 31, 2012.

FINANCIAL HIGHLIGHTS

The highlights of financial results of the Company for the Financial Years 2011-12 and 2010-11 are as under:

Particulars	2011-2012		2010-2011	
	Amount (Rs. in Lacs)	Amount (US\$ in Million)	Amount (Rs. in Lacs)	Amount (US\$ in Million)
Gross Sales and Income	190527.45	374.54	134351.70	301.30
Profit before interest, Depreciation and taxation	7030.72	13.82	4420.83	9.91
Less: Interest and financial Charges	5241.36	10.30	2892.70	6.49
Depreciation	72.97	0.14	58.94	0.13
Profit before taxation	1716.39	3.37	1469.19	3.29
Less: Provision for taxation	531.89	1.05	499.72	1.12
Provision for deferred taxation/ (tax effect of timing differences during year)	(32.73)	(0.06)	(3.73)	(0.01)
Profit after taxation	1217.23	2.39	973.20	2.18
Add : Balance brought forward from the previous year	3598.01	7.07	2860.69	6.42
Less: Short/(Excess) Provision of Income Tax in Earlier Years	(44.03)	(0.09)	43.23	0.10
Disposable Profits	4771.21	9.38	3790.66	8.50

DIVIDEND

Your Directors are pleased to recommend dividend @ 25% on 5998020 Equity Shares of Rs.10 each (i.e. Rs. 2.50/- per share) for the financial year ended 31st March, 2012, which if approved at the ensuing Annual General Meeting, will be paid to:

- All those shareholders whose names appears in the Register of Members as on 14th Day of September, 2012 and;
- All those whose names appears on the date, as mentioned above, as beneficial owners, furnished by National Securities Depository Limited and Central Depository Services (India) Limited.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Overview

The Company firmly believes that good corporate governance practices ensure efficient conduct of the affairs of the Company while upholding the core values of transparency, integrity, honesty and accountability and help the Company in its goal to maximize value for all its stakeholders. The Company adopts and adheres to the best recognized corporate governance practices and continuously strives to better them.

The Company is in compliance with the requirements of the guidelines on corporate governance stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges.

We understand that the corporate governance is about maximizing shareholder value legally, ethically and on a sustainable basis, while ensuring fairness to every stakeholder - our customers, employees, investors, the governments of the countries in which we operate, and the community. Thus, corporate governance is a reflection of our culture, policies, our relationship with stakeholders and our commitment to values. We believe that sound corporate governance is critical to enhance and retain investor trust. Accordingly, we always seek to ensure that we attain our performance rules with integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term. We endeavor to enhance long-term shareholder value and respect minority rights.

Industry Structure and Developments

Last year we had committed that, we will not rest on our laurels and will be looking forward to grow further with improved performance, meeting our words with action, we done the same. Since the last year was remarkable as we had crossed first time Rupees thousand Crore milestone in terms of turnover in the history, repeating the same glory in this year also we are about to touch the milestone of Rupees two thousand Crore in terms of turnover. The growth and the pace of growing says the story of success and effort which were put in to achieve the same.

Certainly the policies of the Government for the industries affect considerably in terms of business strategy, plans, internal policies and business as a whole and the most of the business plans, strategy are decided and based on the said policies of the government. The Economic Survey 2011-12, as tabled in the parliament says that the "Minimum agricultural growth is required for inclusive growth of the nation."

It further says that the share of agriculture in real GDP have fallen, given its lower growth rate relative to industry and services. However, the main concern is that the growth in the agricultural sector has quite often fallen short of the planned targets. The survey says that during the period 1960-61 to 2010-11, food grains production grew at a compounded annual growth rate (CAGR) of around 2 per cent.

In fact, the Ninth and Tenth Five Year Plans witnessed agricultural sectoral growth rate of 2.44 per cent and 2.30 per cent respectively compared to 4.72 per cent during Eighth Five Year Plan. During the current Five Year plan, agriculture growth is estimated at 3.28 per cent against a target of 4.00 per cent.

The Approach Paper to the Twelveth Five Year Plan emphasises the need to "redouble the efforts to ensure that 4.00 per cent average growth" is achieved during the Plan.

It seems that without proper technology diffusion across regions, achieving this higher growth may not be feasible and may raise concern on the economic stability given the rising demand of the 1.2 billion people for food. Achieving minimum agricultural growth is a pre-requisite for inclusive growth, reduction of poverty levels, development of the rural economy and enhancing of farm incomes.

In India, the agriculture and agricultural products has been a way of life and continues to be the single most important livelihood of the masses. Agricultural policy focus in India across decades has been on self-sufficiency and self-reliance in foodgrains production. Considerable progress has been made on this front. Foodgrains production rose from 52 million tonnes in 1951-52 to 244.78 million tonnes in 2010-11.

Therefore the government plan to maintain the pace in the growth of the Agriculture and to enhance the productivity for the mass population, raise the opportunity for the company to look into that and to have sufficient products in the country to add to its main business.

We always strive to add more to the Company and to maintain the pace of the growth, we once again commit that the growth, development and achievements will not be stopped on its glory, The momentum will be maintained to write some more story of the success.

Future Directions

Your Company believes that the next phase of growth will come from business with South- East Asian Markets along with the Third Country trade. The business opportunities from these regions, have added to the Company's performance considerably and the strategies are being made to explore much from these regions.

The global infrastructure created by your company by setting subsidiaries at strategic locations will help the future directions of business.

The UAE subsidiary has also gained the remarkable growth in the year of reporting and has notably added to the growth and development of the Group. The subsidiary has added in terms of the increased market, more products and the increased customer based to the group.

The Cyprus subsidiary has now completed its farming infrastructure acquisitions in Ukraine and is expected to build on the vast expanse of agricultural land bank.

Singapore set-up started its operations a shortwhile ago and is expected to lead the growth in South East Asian markets.

The Company is also focused on the Indonesian Coal Mining business, and efforts are being put to start the project as soon as possible, after getting necessary clearances from the local government and obtaining the required licences, as early possible.

With all these efforts, your Company has very content objective to grow bigger and add more for their stakeholders.