

CASH FLOW STATEMENT

For the year ended 30th September, 2009

(Rupees in Lacs)

	Year ended 30th September, 2009		Year ended 30th September, 2008	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax and Extraordinary Items		24960.75		12263.83
<i>Adjustments to reconcile Net Profit before Tax to Cash Flow provided by Operating Activities :</i>				
Depreciation & Amortisation	10794.38		11720.50	
Interest	9694.24		8965.11	
Provision for Doubtful Debts / Advances	6.00		310.30	
Provision for Retirement Benefits of Employees	1.02		(1.54)	
Dividend	-		(154.20)	
Unspent Liabilities / Balances written back	(148.94)		(108.72)	
Sundry Debit Balances / Advances written off	54.68		59.72	
Profit on Sale of Fixed Assets	(35.09)		(5.36)	
Loss on Sale/discard of Fixed Assets	683.30		92.51	
Profit / Loss on Sale of Investments	(41.78)		0.02	
Unrealised Exchange Rate Fluctuation - Gain	-		(122.50)	
Unrealised Exchange Rate Fluctuation - Loss	14.77		504.00	
Employee Stock Option Expense	891.11		168.77	
Share Issue Expenses written off	124.83		143.09	
Storage Fund for Molasses written back	-		(64.11)	
Transfer to Storage Fund for Molasses	17.94	22056.46	30.35	21537.94
Operating Profit before Working Capital changes		47017.21		33801.77
<i>Adjustments to reconcile Operating Profit to Cash Flow provided by changes in Working Capital :</i>				
Trade Debtors & Other Receivables	4267.96		207.71	
Inventories	21296.06		(12340.13)	
Trade Payables and Other Liabilities	(4394.73)	21169.29	(14264.86)	(26397.28)
Cash Generated from Operations		68186.50		7404.49
Direct Taxes Paid /Refund Received		(4010.01)		(1280.50)
Cash Flow before Extraordinary Items		64176.49		6123.99
Extraordinary Items		-		-
Net Cash Generated / Used ~ Operating Activities		64176.49		6123.99
B. CASH FLOW FROM INVESTING ACTIVITIES				
Additions to Fixed Assets (Including Intangibles)	(1090.06)		(8246.22)	
Sale of Fixed Assets	278.63		129.18	
Purchase of Investments	-		(56761.84)	
Sale of Investments	-		56758.26	
Sale/ Purchase of Shares of Associates	136.44		(100.00)	
Investment in Shares of a Subsidiary	-		(102.42)	
Purchase of Post Office National Saving Certificates	(2.69)		-	
Sale of NPC & Post Office National Saving Certificates	1.37		-	
Fixed Deposits made with Banks	(586.43)		-	
Fixed Deposits redeemed from Banks	593.15		30.25	
Loan Given to a Subsidiary	(4182.34)		(466.32)	
Loan Received back from a Subsidiary	4182.34		-	
Loan Given to Others	(12050.00)		(2500.00)	
Loan Received back from Others	9300.00		2500.00	
Dividend Received	-		154.20	
Interest Received from a Subsidiary	1002.07		1036.82	
Interest Received on Fixed Deposits / Loan / Govt. Securities	103.70		44.44	
Net Cash Generated / Used ~ Investing Activities		(2313.82)		(7523.65)

CASH FLOW STATEMENT (Contd...)

(Rupees in Lacs)

	Year ended 30th September, 2009		Year ended 30th September, 2008	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Issuance of Equity Shares /Exercise of Stock Options	548.44		6776.90	
Deposit against Convertible Warrants	-		920.00	
Proceeds from Long Term Borrowings	5570.23		15347.40	
Repayment of Long Term Borrowings	(10468.53)		(8739.35)	
Repayment/Proceeds from Other Borrowings (Net)	(32990.04)		(486.06)	
Interest Paid	(11036.25)		(10505.21)	
Dividend Paid including Tax thereon	(1494.82)		-	
Net Cash Generated / Used ~ Financing Activities		(49870.97)		3313.68
Net Increase in Cash & Cash Equivalents (A+B+C)		11991.70		1914.02
Opening Cash & Cash Equivalents		3280.05		1366.03
Closing Cash & Cash Equivalents		15271.75		3280.05

Notes :

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement notified under the Companies (Accounting Standard) Rules, 2006.
- Interest paid is exclusive of, and Purchase of Fixed Assets is inclusive of, interest capitalised Nil (Previous year Rs.382.63 lacs).
- Additions to Fixed Assets include movement of Capital Work-in-Progress during the year.
- Consideration for Sale and Purchase of Shares of Associates fully discharged by means of Cash.
- Repayment / Proceeds from Other Borrowings have been shown on net basis.
- Current Investments carry insignificant risk and are readily convertible into known amount of Cash, hence considered as part of Cash & Cash Equivalents.
- Cash & Cash Equivalents do not include any amount which is not available to the Company for its use.
- Cash & Cash Equivalents at the end of the year consists of:

(Rupees in Lacs)

	As at 30th September, 2009		As at 30th September, 2008	
a) Cash on hand		127.90		240.65
b) Cheques on hand		637.00		1780.24
c) Balance with Banks on Current Accounts		2304.90		1258.70
d) Balance with Post Office on Savings Bank Accounts		0.46		0.46
e) Current Investments (In Liquid Schemes of Mutual Funds)		12201.49		-
		15271.75		3280.05

- Reconciliation of items of Cash & Cash Equivalents as disclosed in Cash Flow Statement with the equivalent items as reported in the Balance Sheet :

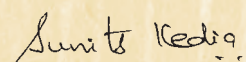
(Rupees in Lacs)

	As at 30th September, 2009		As at 30th September, 2008	
Cash & Cash Equivalents as per Cash Flow Statement		15271.75		3280.05
Add : Fixed Deposits classified as Investing Activities		130.14		136.86
Add : Bank Balance in Unclaimed Dividend Accounts not considered as an item of Cash & Cash Equivalents in Cash Flow Statement		96.99		95.76
Less : Current Investments classified as Cash Equivalents		12201.49		-
Cash and Bank Balance as reported in Balance Sheet		3297.39		3512.67


- Figure in brackets represent cash outflow from respective activities.
- Previous year's figures have been regrouped / rearranged where ever found necessary to make them comparable with those of the current year.

This is the Cash Flow Statement referred to in our report of even date.

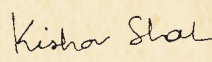
For **G. P. Agrawal & Co.**
Chartered Accountants


(CA. Sunita Kedia
Membership No. 60162)
Partner

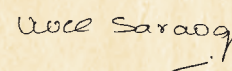
7A, Kiran Shankar Ray Road,
Kolkata - 700 001.
25th November, 2009.



S. K. Agrawala
Secretary



Kishor Shah
Director cum Chief Financial Officer



Vivek Saraogi
Managing Director