
INDO AQUATICS LIMITED

TWENTIETH ANNUAL REPORT

2011-2012

INDO AQUATICS LIMITED

TWENTIETH ANNUAL REPORT 2011-12

BOARD OF DIRECTORS

Sri J Ravindra Reddy
Sri K Niranjana Reddy
Sri J Boyi Reddy

AUDITORS

M/s J B Reddy & Co.,
Chartered Accountants
206, Sreenilaya Estates,
Ameerpet, Hyderabad - 500 016

BANKERS

CANARA BANK,
Ameerpet, Hyderabad -500 016

UNION BANK OF INDIA
Nellore, Andhra Pradesh

REGISTERED OFFICE

502, Vamsee Estate
Ameerpet, Hyderabad - 500 016

FARM & HATCHERY

Kothakodur Village
T.P.Gudur Mandal
Nellore District
Andhra Pradesh

INDO AQUATICS LIMITED

NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the company will be held on 29th September 2012 at 12.30 PM at 5th Floor, Flat No.502, Vamsee Estate, Ameerpet, Hyderabad – 16 to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st March, 2012 together with the Auditors Report and the Directors Report thereon.
2. To appoint a Director in place of Sri J. Ravindra Reddy, who retires by rotation in pursuance of Article 51 of the Articles of Association of the Company and being eligible offers himself for re-appointment.
3. To appoint auditors and fix their remuneration. M/s. J B Reddy & Co., Chartered Accountants, the auditors of the Company retire at the ensuing annual general meeting and are eligible for re appointment in terms of section 224 of the Companies Act 1956.

SPECIAL BUSINESS:

4. **To consider and if deemed fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** the consent be and is hereby accorded under section 293(1)(a) of the Companies Act, 1956 and other applicable provisions, if any, to lease out Acres 27.65 cents of land owned by the company at Survey No.504, 505, 506 at Kothakoduru Village, Thotapalli Guduru Mandal, Nellore District, as and where condition to Mr. P. Yanadayya of Sri Ramapuram Village for a period upto 31.12.2013, consideration being development of ponds, infrastructure facilities etc., subject to the other terms and conditions that may be mentioned in the lease agreement according to the decision of the Board.”

INDO AQUATICS LIMITED

DIRECTORS' REPORT

To
The Members of
INDO AQUATICS LIMITED

The Directors of the company present herewith the Twentieth Annual Report on the Business and Operations of the company along with the Audited Accounts for the year ended 31st March 2012.

1. FINANCIAL RESULTS:

(Rs.in lakhs)

	Year Ended 31 st March,2012	Year Ended 31 st March,2011
1. Sale of Fish	31.29	-
2. Other Income	21.30	1.75
3. Extraordinary Items of Income (Net)	1176.85	-
4. Profit/Loss before depreciation	1166.72	0.36
5. Depreciation	65.79	0.00
6. Profit/(Loss) after depreciation	1100.93	0.36
7. Loss brought forward from earlier year	-2878.13	-2878.49
8. Total Net loss carried to Balance Sheet	-1777.20	-2878.13

2. REPORT ON OPERATIONS OF THE COMPANY:

During the year under report the company settled under one time settlement scheme the Term Loan and interest dues to ICICI Bank Ltd., which has assigned the said dues to the Standard Chartered Bank. Under the said one time settlement scheme the bank waived the total amount of interest of Rs.1366.40 lakhs and principal amount of Rs.370.00 lakhs. The said amount of interest waived has been shown as income under the head extraordinary items of income and the principal amount of loan waived was transferred to Capital Reserve.

The company also started culture of the fish and made sale of fish of Rs.31.29 lakhs during the year. In order to generate some income and maintain the property in good condition the Board has proposed to lease out some extent of land and hatchery and accordingly recommended the resolutions for approval by the share holders.

3 LISTING

The company is also taking steps to list its shares in Kolkata and Chennai stock exchanges.

NOTES:

1. The Register of Members and share transfer book of the company will remain closed on 29-09-2012.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company.

**Explanatory Statement under Section 173(2) of the Companies Act, 1956
Item Nos 4 and 5:**

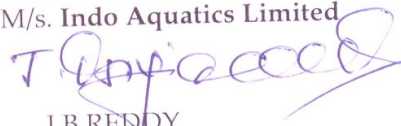
In order to generate some income and maintain the property in good condition, it is proposed to lease out Acres 27.65 cents owned by the company at Survey No.504, 505, 506 at Kothakoduru Village, Thotapalli Guduru Mandal, Nellore District, as and where condition to Mr. P. Yanadayya of Srirampuram village for a period upto 31.12.2013, consideration for the Company being development of ponds, infrastructure facilities etc subject to the other terms and conditions that may be mentioned in the lease agreement according to the decision of the Board."

Further it is also proposed to lease out the Hatchery Building owned by the Company at Survey No.507, 508, 509, 510, 511 and 512 at Kothakoduru Village, Thotapalli Guduru Mandal, Nellore District, as and where condition to Mr. Rayudu Raju of Sri Vakadaripeta Village for a period upto 30.09.2015 with a consideration being development and up keep of hatchery with necessary Plant & Machinery so as to enable it for the production of seeds for the first year i.e till 30/09/2013, Rs. 6 lakhs for the second year and Rs.8 lakhs for the third year subject to the other terms and conditions that may be mentioned in the lease agreement according to the decision of the Board.

As per the provisions of Section 293(1)(a) of the Companies, 1956 any proposal for lease of Company's property, consent of the shareholders is required authorizing the Board of Directors to execute such lease agreements on the assets of the Company. Therefore the resolutions no.4 and no. 5 are proposed in the Notice for your approval.

None of the Directors are deemed to be interested or concerned in the above said resolutions.

By Order of the Board
For M/s. Indo Aquatics Limited

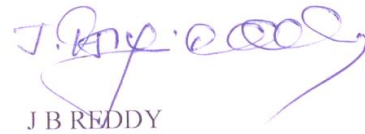

J B REDDY
Director

Date : 31-08-2012
Place: Hyderabad

5. To consider and if deemed fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT the consent be and is hereby accorded under section 293(1)(a) of the Companies Act, 1956 and other applicable provisions, if any to lease out the Hatchery Buildings owned by the company at Survey No.507, 508, 509, 510, 511 and 512 at Kothakoduru Village, Thotapalli Guduru Mandal, Nellore District, as and where condition to Mr. Rayudu Raju of Sri Vakadaripeta Village for a period upto 30.09.2015 with a consideration being development and up keep of hatchery with necessary Plant & Machinery so as to enable it for the production of seeds for the first year i.e till 30/09/2013, Rs. 6 lakhs for the second year and Rs.8 lakhs for the third year subject to the other terms and conditions that may be mentioned in the lease agreement according to the decision of the Board.”

By order of the Board
For M/s.INDO AQUATICS LTD.,



J B REDDY

Place : Hyderabad

Date : 31-08-2012

Director

INDO AQUATICS LIMITED

4 NSECURED LOANS

The unsecured loans obtained from the promoter directors and their associates under the stipulation made by the banks at the time of release of the term loans are continuing and outstanding for want of funds, though the term loans were settled and closed under one time settlement schemes. The Directors had the discussion with the above loan creditors for allotment of equity shares against these loans in near future with the necessary approvals from the shareholders and other relevant authorities.

5. DELAY IN PAYMENT OF INCOME TAX DUES OF THE EARLIER YEAR(S):

Due to liquidity problem, the Company has already approached the Income Tax department and negotiated for payment of the income tax dues for the earlier year(s) in installments and accordingly the company has already paid an amount of Rs.75,000/- in the preceding year/s. The Balance amount of Rs.5,95,813/- would be paid in due course in installments as agreed with the department.

6. DIRECTORS RESPONSIBILITY STATEMENT AS PER SECTION 217 (2AA) OF THE COMPANIES ACT, 1956.

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

- I. In the preparation of the accounts for the financial year ended 31st March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- II. 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 the Company for the year under review.
- III. The Directors have taken proper and sufficient care for the maintenance of adequate records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. The Directors have prepared the accounts for the financial year ended 31st March, 2012 on a 'going concern' basis.

7. DIRECTORS:

Sri J. Ravindra Reddy director of the company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

INDO AQUATICS LIMITED

8. AUDITORS

M/s J B REDDY & Co., Chartered Accountants the Company's Auditors retire at the conclusion of the ensuing annual general meeting. They have indicated their willingness for re-appointment and confirmed that the same will be within the limits prescribed under section 224(1B) of the Companies Act 1956.

9. FIXED DEPOSITS:

During the year the company has not accepted any deposits from the public and there are no such deposits outstanding as at the year-end, other than the unsecured loans obtained by the company from the promoter directors and their associates at the time of releasing of the term loans by the banks under stipulated conditions. These loans could not be repaid for want of funds.

10. PARTICULARS OF EMPLOYEES:

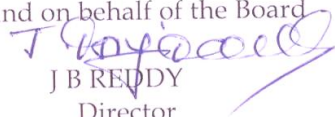
The particulars of employees to be furnished as required under Section 217(2A) of the Companies Act, 1956 is not applicable as none of the employees was in receipt of remuneration of Rs.5,00,000/- or more per month or Rs.60,00,000/- or more per annum.

11. STATUTORY INFORMATION:

Information on Conservation of Energy, Technologies Absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 217(1)(e) of the Companies Act, 1956 is enclosed.

12. ACKNOWLEDGEMENTS:

Directors take this opportunity to place on record their deep and sincere appreciation for the co-operation and efforts put in by the staff of the company and the co-operation and support extended by the Company's Bankers during the period under review.

For and on behalf of the Board

J B REDDY
Director

PLACE: HYDERABAD

Date: 31-08-2012

J.RAVINDRA REDDY

Director

INDO AQUATICS LIMITED

ANNEXURE TO THE DIRECTORS' REPORT

STATEMENT CONTAINING PARTICULARS PURSUANT TO THE COMPANIES DISCLOSURES OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS RULES 1988 AND FORMING PART OF DIRECTORS' REPORT.

A.CONSERVATION OF ENERGY

During the year under report, the company incurred expenditure of only Rs.3,91,994/- on consumption of power and the Company is taking all steps to conserve the power consumption .

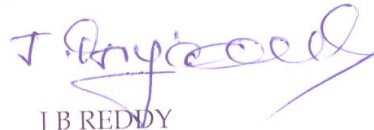
B.RESEARCH AND DEVELOPMENT /TECHNICAL ABSORPTION

The Company did not carry any research and Development activity in any of the areas during the year under report and hence no expenditure has been incurred by the company under this head.


C.FOREIGN EXCHANGE EARNINGS & OUTGO

During the year, the Company did not earn any income in foreign exchange nor there was any foreign exchange outgo.

For and on behalf of the Board



J B REDDY
Director



J RAVINDRA REDDY
Director

Place: Hyderabad
Date: 31-08-2012

J B REDDY & CO.,
CHARTERED ACCOUNTANTS

206, 2nd Floor,
Srinilaya Estates,
Ameerpet, Hyderabad - 73
Ph. Nos:040-23746229,23736593

AUDITORS' REPORT

To
The Members of
INDO AQUATICS LIMITED

We have audited the attached Balance Sheet of Indo Aquatics Limited as at 31st March 2012, and also the Profit and Loss Account and the 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.

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. Our audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our 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.

As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies ((Auditor's Report)(Amendment) Order, 2004, 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 paragraphs 4 and 5 of the said Order.

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 purpose of our Audit.
- II. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of such books.
- III. The Balance Sheet, Profit and Loss Account and Cash Flow Statement referred to in the report are in agreement with the books of account.
- IV. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the mandatory Accounting Standards referred to in Sub-section (3C) of section 211 of the Companies Act, 1956.
- V. On the basis of the written representations received from the directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as Director in terms of clause(g) of Sub-section(1) of section 274 of the Companies Act, 1956.



J B REDDY & CO.,
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VI. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- a) In case of Balance sheet, of the State of affairs of the company as at 31st March,2012
- b) In case of Profit and Loss Account, of the profit for the year ended on that date: and
- c) In case of the Cash flow statement, of the cash flows for the year ended on that date.

For J B REDDY & CO.,
Chartered Accountants
Firm Registration No.003256S



Place: Hyderabad
Date: 31/08/2012

M Raja Reddy
Partner
ICAI Member ship No.23110

ANNEXURE TO THE AUDITORS' REPORT
(Referred to in Paragraph 3 of our report of even date)

- a. a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its business. No material discrepancies were noticed on such verification.
c) During the year the company has not disposed off any item of its fixed assets.
- b. As there are no stocks of finished goods, raw-material, stores and spares, the matters specified in clauses (ii)(a), (ii)(b), and (ii)(c) of paragraph 4 of the said Order are not applicable.
- c. The Company has not granted any loans secured or unsecured, to any party. However, the interest free loans obtained in the earlier years and also during the year from the parties covered in the register maintained under section 301 of the Companies Act, 1956, with no specific terms as to their repayment, are being continued. The total amount of these loans outstanding at the end of the year is Rs.6,32,39,389/- and the maximum amount of these loans outstanding during the year was Rs. 6,32,39,389/-.
- iv) During the year the Company has not accepted any deposits from the public. However, the interest free unsecured loans obtained from the Directors Past and present, during the earlier year(s), when these loans were treated as exempted deposits for the purpose of section 58A of the companies Act, 1956 and as stipulated by the banks at the time of releasing of term loans, to the extent they are not repaid are being continued.
- v) During the year, there were no transactions exceeding the value of five lakh rupees in respect of each party which need to be entered in the register in pursuance of section 301 of the companies Act, 1956.
- vi) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- vii) According to the information and explanations given to us the Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the companies Act, 1956 for any of the products of the company.



J B REDDY & CO.,
CHARTERED ACCOUNTANTS

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- viii) a) As per the information and explanations given to us, the provisions of Employees' Provident Fund Act and employees' State Insurance Act are not applicable for the year under audit.
- b) According to the information and explanations given to us, the Income Tax of Rs.5,95,813/- for the earlier year(s) became due and is outstanding for a period of more than six months as on the date of balance sheet. There are no other undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs duty, excise duty and cess which are outstanding as at 31.03.2012 for a period of more than six months from the date they became payable.
- ix) The amount of accumulated losses at the end of the financial year is far in excess of the net worth of the company. The Company has not incurred cash loss either for the year under report or for the immediate preceding year.
- x) The company has repaid dues to the ICICI Bank which has assigned the debt in favour of Standard Chartered Bank under one time settlement scheme and there are no outstanding dues to any other banks/financial institutions.
- xi) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xii) The company is not a chit/nidhi/benefit company
- xiii) The company is not dealing/trading in Shares, Securities, Debentures and other investments.
- xiv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- xv) During the year the company has not obtained any term loans.
- xvi) Based on the examination of the books of account and related records and according to the information and explanations provided to us, the company has not utilized funds raised on short term basis for long term investment and vice versa.
- xvii) The company has not made any fresh allotment of equity shares during the year.
- xviii) The company has not issued any debentures.
- xix) During the year the company has not raised any money by public issue of its shares.



J B REDDY & CO.,
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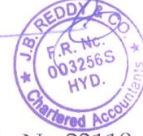
xx) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

Place: Hyderabad
Date : 31/08/2012

For J B Reddy & Co.,
Chartered Accountants
Firm Registration No.003256S



M Raja Reddy
Partner
ICAI Member ship No.23110



INDO AQUATICS LIMITED
Balance Sheet as at 31st March 2012


Particulars		Note No.	2011-12 Amount in (Rs.)	2010-11 Amount in (Rs.)
1		2	3	4
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
(a)	Share capital	2	75,614,000	75,614,000
(b)	Reserves and surplus	3	(108,254,891)	(255,348,097)
2	Share application money pending allotment		-	-
3	Non-current liabilities			
	Long-term borrowings	4	63,239,389	239,409,429
4	Current liabilities			
	Other current liabilities	5	945,830	2,834,953
	TOTAL		31,544,328	62,510,285
II.	ASSETS			
1	Non-current assets			
a)	Fixed assets			
(i)	Tangible assets	6	29,779,872	36,359,580
(ii)	Capital work-in-progress		-	17,467,440
b)	Other non-current assets	7	-	1,090,876
2	Current assets			
(b)	Inventories	8	1,470,500	4,406,630
(d)	Cash and cash equivalents	9	24,786	12,218
(e)	Short-term loans and advances	10	-	1,350,000
(f)	Other current assets	11	269,170	1,823,541
	TOTAL		31,544,328	62,510,285

Vide our report of even date

for J B Reddy & Co.,
Chartered Accountants
Firm Registration No. 003256S

M. Raja Reddy
Partner
ICAI MEMBERSHIP No. 23110


for and on behalf of the Board


J.B. Reddy
Director


J. Ravindra Reddy
Director

Place : Hyderabad
Date : 01/08/2012

INDO AQUATICS LIMITED
Profit and loss statement for the year ended 31st March 2012

Particulars		Refer Note No.	2011-12 Amount in (Rs.)	2010-11 Amount in (Rs.)
1		2	3	4
I. Revenue from operations				
Sale of Fish			3,129,248	-
II. Other income		12	2,130,498	174,600
III. Total Revenue (I + II)			5,259,746	174,600
IV. Expenses:				
Cost of materials consumed		13	261,610	222,900
Changes in inventory of work-in-progress		14	2,936,130	(684,365)
Employee benefits and expenses		15	673,415	213,390
Finance costs			-	-
Depreciation		6	6,579,708	-
Other expenses		16	2,401,168	386,974
Total expenses			12,852,031	138,899
V. Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)			(7,592,285)	35,701
VI. Exceptional items			-	-
VII. Profit / (Loss) before extraordinary items and tax (V - VI)			(7,592,285)	35,701
VIII. Extraordinary Items (Net)		17	117,685,491	-
IX. Profit before tax (VII- VIII)			110,093,206	35,701
X Tax expense:			-	-
XI Profit / (Loss) for the year			110,093,206	35,701
XII Earnings per Equity Share :				
(1) Basic			14.56	0.00
(1) Diluted			14.56	0.00
Significant Accounting Policies		1		

Vide our report of even date

for J B Reddy & Co.,
Chartered Accountants
Firm Registration No.003256S

M.Raja Reddy
Partner
ICAI MEMBERSHIP No.23110

Place : Hyderabad
Date : 01/08/2012



for and on behalf of the Board

J. B. Reddy
J.B. Reddy
Director

J. Ravindra Reddy
J.Ravindra Reddy
Director

INDO AQUATICS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 1

Significant Accounting Policies

Note 2

Share capital

Share Capital	AS AT 31st MARCH'2012	AS AT 31st MARCH'2011
	Amount (Rupees)	Amount (Rupees)
Authorised 7850000 Equity Shares of Rs.10/- each	78,500,000	78,500,000
Issued, Subscribed & Paid up 7561400 Equity Shares of Rs.10/- each fully paid	75,614,000	75,614,000
Total	75,614,000	75,614,000

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :

Particulars	AS AT 31st MARCH'2012		AS AT 31st MARCH'2011	
	No. of Shares	Rupees	No. of Shares	Rupees
a) at the beginning of the period	7,561,400	75,614,000	7,561,400	75,614,000
b) at the closing of the period	7,561,400	75,614,000	7,561,400	75,614,000

Details of Equity Shareholders holding more than 5%

Name of the Person	AS AT 31st MARCH'2012		AS AT 31st MARCH'2011	
	No. of Shares	%	No. of Shares	%
J. Bharathi	913,627	12.08	584,227	7.73
J. Vamsi Krishna	995,770	13.17	677,150	8.96
J. Venkata Krishna	913,580	12.08	582,100	7.70

Note 3

Reserves and surplus

	AS AT 31st MARCH'2012	AS AT 31st MARCH'2011
a. Capital Reserves		
Opening Balance	32,465,830	32,465,830
(+) Principal amount of the Term Loan waived by the ICICI Bank	37,000,000	-
Closing Balance	69,465,830	32,465,830
b. Surplus		
Opening balance	(287,813,927)	(287,849,628)
(+) Net Profit For the current year	110,093,206	35,701
Closing Balance	(177,720,721)	(287,813,927)
Total	(108,254,891)	(255,348,097)

Note 4

Long Term Borrowings

	AS AT 31st MARCH'2012	AS AT 31st MARCH'2011
Secured		
a) Term loans from Banks	0	186639521
b) From Others	0	473519
	0	187113040
Unsecured		
a) Loans From Companies	44239919	31172919
b) Loans From Directors	18999470	21123470
	63239389	52296389
Total	63239389	239409429



J. Bharathi

INDO AQUATICS LIMITED

NOTE - 6 FIXED ASSETS

Particulars	Gross Block			Depreciation			Net Block		Amount in Rupees
	As on 01.04.2011	Additions/ (Deletions) During Year	Total As on 31.03.2012	As on 01.04.2011	(Deletions) During Year	Total As on 31.03.2012	As on 31.03.12	As on 31.03.2011	
Land	16231189	-	16231189	-	-	-	16231189	16231189	
Building	31954627	-	31954627	24218514	2096486	26315000	5639627	7736113	
Borewell	311967	-	311967	250025	16786	266811	45156	61942	
Ponds	40756424	-	40756424	35775408	1802854	37578262	3178162	4981016	
Other Machinery	46716003	-	46716003	40732737	2165613	42898350	3817653	5983266	
Electrical Equipments	9922032	-	9922032	8697545	443197	9140742	781290	1224487	
Furniture & Fixtures	628023	-	628023	597554	13731	611285	16738	30469	
Office Equipment	976935	-	976935	869422	38914	908336	68599	107513	
Vehicles	425327	-	425327	421742	2127	423869	1458	3585	
Total	147922527	-	147922527	111562947	6579708	118142655	29779872	36359580	



J. Ram Reddy

INDO AQUATICS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 5

Other Current Liabilities

Amount in Rs.

	AS AT 31st MARCH'2012	AS AT 31st MARCH'2011
1) Creditors -		
(a) for capital goods	-	1,656,979
(b) for supplies & services	30,054	13,236
(c) for expenses and others	915,776	780,813
2) Advance from Customers	-	383,925
Total	945,830	2,834,953

Note 7

Other non-current assets

	AS AT 31st MARCH'2012	AS AT 31st MARCH'2011
Advance for Capital Items (Unsecured, considered doubtful)	-	1,090,876
	-	1,090,876

Note 8

Inventories

	AS AT 31st MARCH'2012	AS AT 31st MARCH'2011
Work-in-progress (Fish Under Culture)	1,470,500	4,406,630
Total	1,470,500	4,406,630

Note 9

Cash and cash equivalents

	AS AT 31st MARCH'2012	AS AT 31st MARCH'2011
a. Balances with banks	10673	4,880
b. Cash on hand	14113	7,338
	24,786	12,218

Note 10

Short-term loans and advances

	AS AT 31st MARCH'2012	AS AT 31st MARCH'2011
Advance for supplies (Unsecured, considered good)	-	1,350,000
	-	1,350,000

Note 11

Other Current Assets

Particulars	AS AT 31st MARCH'2012	AS AT 31st MARCH'2011
Electricity Deposit	269,170	225,430
Security Deposit with Excise Department	-	1099087
Other Receivables (doubtful of recovery)	-	499,024
	269,170	1,823,541



J. Ramakrishna

INDO AQUATICS LIMITED

Note 12

Other income

Amount in Rs.

Particulars	2011-12	2010-11
a) Outstanding sundry credit balances in the parties a/cs not claimed by the said parties for more than three yrs written back	2130498	-
b) Sale of wood branches	-	174600
Total	2130498	174600

Note 13

Cost of materials consumed

Particulars	2011-12	2010-11
a) Baby Fish	73410	-
b) Chicken Manure & Dung	188200	222900
Total	261610	222900

Note 14

Changes in inventory of work-in-progress

Particulars	2011-12	2010-11
Opening Stock :		
Fish Under Culture	4406630	3722265
Closing Stock :		
Fish Under Culture	1470500	4406630
Increase / (Decrease) :	2936130	(684365)

Note 15

Employee Benefits Expenses

	2011-12	2010-11
(a) Salaries and incentives	671715	213390
(f) Staff welfare expenses	1700	-
Total	673415	213390

Note 16

Other expenses

Particulars	2011-12	2010-11
Power and fuel.	391994	248075
Repairs & Maintenance		
Plant & Machinery	216570	-
Others	38413	9238
Rates and taxes, excluding, taxes on income.	8450	1720
Payments to the auditor as		
audit fee	20000	20000
Miscellaneous expenses,	132766	107941
Sundry Debit balances not recoverable written off	1592975	-
Total	2401168	386974

Note 17

Extraordinary Items

Particulars	2011-12	2010-11
a) Waiver of Interest on Term Loan	136,639,521	-
b) Capital work in Progress written off	(17,467,440)	-
c) Prior Period Expenses representing excise duty paid for the earlier years after final settlement	(1,486,590)	-
Total	117,685,491	-



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INDO AQUATICS LIMITED

1. Significant Accounting Policies:

- a) Consequent to total erosion of net-worth, the company was referred to the Board for Industrial and Financial Reconstruction (BIFR), but the application was rejected. Subsequently, the Directors approached the Banks/Financial Institutions for One Time Settlement (OTS). The Directors had already negotiated and settled the dues to State Bank of India and the State Bank of Hyderabad under one time settlement Scheme and released the properties of the Company attached by these Banks. During the year under report the company has negotiated and settled the dues to Standard Chartered Bank which is the assignee of ICICI Bank Ltd., under one time settlement scheme and released the properties of the company attached to this bank also. As the Company stopped the business operations only temporarily till last year due to the above financial problems and during the year the company started again the operations the accounts have been prepared on the basis of principles applicable to a going concern.

- b) Cost Conventions:

The Accounts have been prepared under Historical Cost Convention.

- c) Revenue Recognition:

All Income and expenditure are accounted on accrual basis except in respect of interest on loans originally obtained from ICICI Bank Ltd which had assigned the said loan in favour of Standard Chartered Bank. In respect of the interest on the said loan, no provision has been made in the accounts for and from the Financial Year 2002-03 since Company became sick. During the year under report as the company settled the said loan under one time settlement scheme, the interest of Rs.1366.39 lakhs waived by the bank under the said scheme has been recognized as income and the principal amount of Rs.370 lakhs waived has been transferred to Capital Reserve.

- d) Fixed Assets:

Fixed Assets are stated at cost less depreciation.

- e) Depreciation:

Till the year ended on 31st March'2009, depreciation on fixed assets, had been provided on written down value method at the rates prescribed in schedule XIV to the companies Act,1956, in order to cover natural wear and tear to the assets of the company due to sea water. No depreciation had been provided for two years i.e.,



2009-10 and 2010-11 in the absence of commercial operations. During the year under report as the company has again started operations, and in order to cover natural wear and tear due to sea water the depreciation has been provided for all the three years including the year under report on written down value method at the rates prescribed in schedule XIV to the Companies Act, 1956.

f) Capital work in progress :

As the expenditure under this head represents the expenses incurred on earthwork relating to ponds and bunds formation, these were destroyed due to rains and floods in the absence of regular maintenance, the same has been written off during the year under consideration.

2) a) Related party transactions:-

<u>Name of the Related person</u>	<u>Nature of Relations ship</u>		
Sri J B Reddy	Director – Key Managerial Person		
Nature of Transactions:			
Particulars	2011-12	2010-11	
Un secured loans			
Opening Balance	21123470	21401470	
Receipts during the year	126000	-	
Payments during the year	2250000	278000	
Closing Balance	18999470	21123470	

b) Accounting standard 19(Leases) is not applicable as there are no lease transactions entered into by the company.

c) Earnings per share as computed in accordance with the Accounting standard – 20.

	<u>Rs.</u> <u>2011-12</u>	<u>Rs.</u> <u>2010-11</u>
Net Profit/loss after tax(Rs)	110093206	35701
No. of Equity Shares of Rs.10/-each	7561400	7561400
Earning per Share (Rs.)	14.56	---

d) Deferred / Current Taxation:

Though the company has unabsorbed depreciation, carry forward Losses and current losses, deferred Tax assets has not been recognized in the books of account since generation of sufficient taxable income in the near future is not certain.



3) AUDIT COMMITTEE:

As a part of good corporate governance and in order to facilitate the Board of Directors in fulfilling the financial responsibilities an audit committee has been constituted.

The brief description of Terms of Reference of the Audit Committee.

- a) To review the company's financial reporting process and the disclosure of its financial information to ensure the financial statement as correct, sufficient and credible.
- b) To review financial and risk management policies.
- c) To review the financial statement audited by the statutory auditors.
- d) The Audit committee has been constituted with the following three directors

1) J Boyi Reddy	Chairman
2) K.Niranjana Reddy	Member
3) J. Ravindranath Reddy	Member

The Audit committee has met 4 times during the year and all the members of the committee were present for the meetings.

4) Contingent Liabilities:

	<u>As on</u> <u>31.03.2012</u> Rs.	<u>As on</u> <u>31.3.2011</u> Rs.
a) Excise demands against the company contested and pending in appeal	NIL	14,86,590/-
5) Dues to the Micro, Small and Medium Enterprises	NIL	NIL

6) During the year the company settled under one time settlement scheme the term loan Originally obtained from ICICI Bank Ltd which has assigned the said loan in favour of the Standard Chartered Bank. The said term loan was secured by first charge on all movable and immovable properties both present and future. The said loan was further guaranteed by the personal guarantee of one of the present Directors of the company.

- 7) a) No provision has been made for gratuity in the absence of the eligible employees for the year.
- b) As Per the information and explanations given to us, the provisions of Employees Provident Fund Act and Employees State Insurance Act are not applicable to the company for the year of account.



INDO AQUATICS LIMITED

8) Deposits and advances receivable, creditors and advances from the customers are subject to confirmation from the concerned parties.

9) Earnings Per Share:	<u>2011-2012</u>	<u>2010-2011</u>
	Rs.	Rs.
Profit/loss after Tax	110093206	35701
Nominal Value of Ordinary Share	10/-	10/-
Basic / Diluted earnings per Ordinary Share	14.56	----

10) The revised Schedule VI has become effective from 1st April'2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Vide our report of even date

For J B Reddy & Co.,
Chartered Accountants

Firm Registration No.003256S

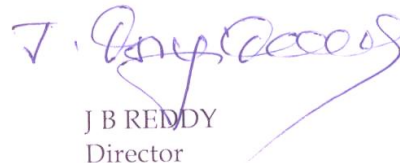
M.RAJA REDDY
PARTNER

ICAI MEMBERSHIP No.23110



Place : Hyderabad
Date: 31-08-2012

for and on behalf of the Board


J B REDDY
Director


J Ravindra Reddy
Director

INDO AQUATICS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012
(Figures Rs. In Lakhs)
2011-12 2010-11

A) Cash Flow from Operating Activities

Profit / Loss Before Tax & Extraordinary items	-75.92	0.36
Adjustment for Depreciation	65.80	-
Waiver of Interest on term Loans	-	-
Adjustment for Prior Period Expenses	-	-
Misc. Expenses Written off	-	-
Operating Profit/Loss before working capital Changes	-10.12	0.36

Working Capital Changes

Deposits	-0.44	0.20
Inventories	29.36	6.85
Advances	29.48	-14.93
Trade & Other Payables	-18.89	-0.33

Cash Generated from Operations	29.39	-7.85
Interest written off	-	-
Direct Taxes Paid	-	-
Cash Flow before Extra-Ordinary items	29.39	-7.85
Extraordinary items	1176.85	-
Net Cash Flow from Operating Activities	1206.24	-7.85

B) Cash flow from investing Activities

Fixed Assets	185.59	-
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NET CASH USED IN INVESTING ACTIVITIES

C) Cash flow from financing activities		
Long Term & Other Borrowing	-1761.70	7.77
Increase the capital Reserves	370.00	-

NET CASH USED IN FINANCING ACTIVITIES

Net charge In Cash and Cash Equivalents (A+B+C)	0.13	-0.08
Cash and Cash Equivalents (Opening Balance)	0.12	0.20
Cash and Cash Equivalents (Closing Balance)	0.25	0.12

Note: Figures in brackets represent cash outflows
for and on behalf of the Board

Vide our report of even date

For J B Reddy & Co.,

Chartered Accountants

Firm Registration No. 0032565

M Raja Reddy

Partner

ICAI Membership No. 23110



For and on behalf of the
board

J. B. Reddy

Director

J. Ravindra Reddy

Director

INDO AQUATICS LIMITED

Reg. Office: 502 Vamsee Estate, Ameerpet, Hyderabad-16.

PROXY FORM

I/We _____
Of _____
In the district of _____ being
The Members/ Members of INDO AQUATICS LIMITED, hereby appoint _____
_____ as my /our proxy to vote
For me/ us on my /our behalf at the 20th Annual General Meeting of the
Company to be held on 29th September '2012 at 502, 5th Floor, Vamsee Estate,
Ameerpet Hyderabad 16. at 12.30 P.M. and adjournment thereof.

Signature

Regd. Folio No.:

Note: The Proxy duly completed must be deposited at the Registered office of
The Company not less than 48 hours before the time for holding the meeting.
A proxy need not be a member.

INDO AQUATICS LIMITED

Reg. Office: 502 Vamsee Estate, Ameerpet, Hyderabad-16

ATTENDANCE SLIP

I hereby record my presence at the 20th Annual General Meeting of **INDO AQUATICS LIMITED** at 502, 5th Floor, Vamsee Estate, Ameerpet, Hyderabad-16. on 29th September ' 2012 at 12.30 P.M.

1. Full Name of the Member :
(in Block Letters)
2. Full name of the Proxy :
(in Block Letters)
3. Regd. Folio No. :
4. Number of Shares held :
5. Signature of the Members/
Proxy attending

Note: 1. Members attending must fill in the attendance slip and hand it over at the
Entrance of the Venue of the Meeting.
2. Members are requested to bring their copy of the Annual report for the meeting.