

**ANDAMAN & NICOBAR ISLANDS  
INTEGRATED DEVELOPMENT CORPORATION LTD.  
(ANIIDCO)**

**BOARD OF DIRECTORS**

Shri Sakti Sinha, <b>IAS</b>	Chairman
Shri. Jalaj Shrivastava, <b>IAS</b>	Managing Director
Shri A.S. Dagar	Director
Shri K.K. Jindal, <b>IAS</b>	Director
Shri. Ajai Saxena, <b>IFS</b>	Director
Shri Abraham Varickamackal, <b>IAS</b>	Director
Shri S.K. Goyal	Director
Shri M.N. Murali	Director
Shri Iqbal Khan	Director

Company Secretary : **Basuki Nath Sah**

**BANKERS :** Indian Bank, Port Blair.  
State Bank Of India, Port Blair.  
AXIS Bank, Port Blair.  
SyndicateBank, Secretariat, Port Blair.

**AUDITOR :**

M/s D.K Chhajer & Co  
CA, FRN-304138E,  
Gurudwara Lane  
Port Blair

**REGISTERED OFFICE :**

**Vikas Bhawan**

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Port Blair - 744 101  
Telephone: 03192 - 232098, 236242,  
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# ANDAMAN & NICOBAR ISLANDS INTEGRATED DEVELOPMENT CORPORATION LTD.

## REPORT OF THE BOARD DIRECTORS TO THE MEMBERS

The Board of Directors has pleasure in presenting the twenty third Annual Report and the audited statement of accounts for the year ended 31<sup>st</sup> March, 2011. The performance of the Corporation for the year under report has been satisfactory. Its turnover has been recorded all time high of ₹ 168 crore against ₹ 144 crore, in the previous year. However Profit before tax of the Corporation has also increased from ₹ 8.17 crore to ₹10.82 crores.

### FINANCIAL RESULTS

The highlights of the performance and the financial results for the financial year 2010-2011 are given below:

	(₹ in lakh)	
	2010-11	2009-10
Total Turnover	16793.30	14350.94
Profit for the year (Before tax)	1082.00	817.74
Provision for tax	350	251.00
Net Profit for the year	625.57	579.75

### Appropriations

Dividend	54.85	54.85
Transfer to Reserves	561.60	524.89

### OPERATIONS:

#### (i) IMFL Division

The A&N Administration renewed the licence for retail sale of IMFL and Beer within the territory of A&N Islands for the financial year 2010-11. The Licence fee, Excise Duty and Octroi paid by the Corporation is as under:

(₹ in crore)

Year	2010-11	2009-10
Licence fee	23.91	19.73
Excise Duty	6.71	7.20
Octroi	8.95	6.82

The turnover and profit before tax of the division during the financial year was ₹ 86.92 crore and ₹ 5.22 crore respectively against ₹ 77.99 crore and ₹ 5.01 crore during the previous year.

#### Performance of IMFL Division for last three years (₹ in lakh)

Year	Expenditure	Income	Trading Surplus
2008-2009	6095.46	6936.12	840.65
2009-2010	8761.18	9470.52	709.34
2010-2011	9650.91	10463.89	812.98

(ii) **Steel Division**

The Corporation functions as the nodal agency for procurement and distribution of Iron & Steel to various Government Departments and also to the SSI units in Andaman. The Division sold 3124.42 MT of Steel during the financial year as against 2613.54 MT of steel sold last year. The turnover and profit before tax of the division during the financial year was ₹ 15.42 crore and ₹ 17.87 lakh respectively against ₹ 10.52 crore and ₹ 25.17 lakh during the previous year. The performance of the Division is mainly depended on requirement of Government departments like APWD, DSS and Electricity.

**Performance of Steel division for last three years**

(₹ in lakh)

Year	Expenditure	Income	Trading Surplus
2008-2009	1769.81	1886.34	116.53
2009-2010	1020.73	1073.99	53.26
2010-2011	1510.61	1580.02	69.42

(iii) **POL Division**

The Corporation is operating IOC retail outlets and consumer pumps in various parts of the islands. The Division sold 124.92 lakh ltrs., POL products during the financial year as against the sale of 116.59 lakh ltrs. during the previous year. The turnover and Loss before tax of the division during the financial year was ₹ 52.94 crore and ₹ 59.48 lakh respectively against ₹ 42.69 crore and ₹ 3.92 lakh during the previous year. With the approval of Petroleum Ministry, the Corporation has implemented uniform pricing of POL in southern group of islands with effect from 12.7.2010, because of which the profitability of the division is mainly linked to freight equalization factor approved by the IOC.

**Performance of POL Division for last three years**

(₹ in lakh)

Year	Expenditure	Income	Trading Surplus
2008-2009	3558.03	3650.42	92.39
2009-2010	4262.57	4372.20	109.63
2010-2011	5311.61	5495.16	183.56

(iv) **Tourism Division**

The Corporation is engaged in operation of Megapode Resort and Camping Resort. The occupancy of Megapode Resort during the financial year was 73.12%, as against 80.13 %, in the previous year. The turnover and profit before tax of the division during the financial year was ₹ 393.52 lakh and ₹ 4.68 lakh respectively against ₹ 392.22 lakh and ₹ 35.07 lakh during the previous year.

**Performance of Tourism Division for last three years**

(₹ in lakh)

Year	Expenditure	Income	Trading Surplus
2008-2009	313.88	401.72	87.84
2009-2010	366.31	420.11	53.79
2010-2011	411.38	429.22	17.84

(v) **Milk Division**

The Corporation is engaged in production and marketing of milk and milk products. The turnover of the division during the financial year was ₹ 464.71 lakh against ₹ 431.77 lakh last year. The division sustained loss of ₹ 71.51 lakh during the financial year against last year's loss of ₹ 83.94 lakh, due to sharp increase in input cost and

overhead cost like milk powder and wages etc. This division is incurring losses for last six years. The selling price of milk has been increased, however, it is still being sold at lower than the production cost. The Corporation has undertaken the upgradation of Milk Plant which will reduce the operational cost and increase the production capacity of milk to meet the demand of local market.

**Performance of Milk Division for last three years**

(₹ in lakh)

Year	Expenditure	Income	Trading Surplus
2008-2009	491.42	437.54	(-) 53.88
2009-2010	638.55	566.14	(-) 72.41
2010-2011	604.34	548.36	(-) 55.98

**(vi) Credit and Finance Division**

The Corporation has been designated as a State Financial Corporation by Government of India. The C&F Division has provided financial assistance to industrial concerns as per SFC Act, for setting up technically and financially viable projects in the Andaman & Nicobar Islands. The scale of operation of the division has remained small due to limited scope of industrial activity, easy availability of credit from commercial bank. The financial assistance extended during the year is given below:

		Nos. of units		Amount (₹ in lakh)	
		2010-11	2009-10	2010-11	2009-10
i)	General Scheme	14	10	75.05	23.92

The interest income of the division and profit before tax during the financial year was ₹ 34.58 lakh and ₹ 20.12 lakh respectively against ₹ 19.24 lakh and ₹ 6.26 lakh respectively, during the previous year. During the year a sum of ₹ 8.36 lakh has been provided for Non Performing Assets (NPA) against ₹ 9.14 lakh during the previous year, as per RBI guidelines.

**Performance of C&F Division before NPA for last three years (₹ in lakh)**

Year	Expenditure	Income	Trading Surplus
2008-2009	9.78	14.14	4.36
2009-2010	12.59	19.36	6.26
2010-2011	14.46	49.58	35.13

**(vii) Vegetable Division (Green Shop)**

The Corporation started vegetable business in the year 1997 procuring fruits and vegetables from mainland. The main objective was to control the market price and it was decided to sale fruits & vegetables at subsidised rate & not to charge corporate expenditure, depreciation and other overhead in the selling price. Gradually, private vendors have also started procurement of vegetables from mainland in reefer containers and due to their low overheads ANIIDCO's price and market price were almost at par. The Corporation also tried procurement and sale of local vegetables from Diglipur, Neil and Little Andaman, but due to non availability of vegetables throughout the year, transportation bottlenecks, etc., had to discontinue the local procurement.

Therefore the Board of Directors after noting the fact that it is running in loss even after selling the goods at market rate, decided to close this division during the year. After closure of this division, the staff has been re-deployed and assets are auctioned/ transferred to other units.



### **POL Division**

- The Corporation plans to undertake construction of POL storage facilities at Kamorta, Katchal, Campbel Bay and Terressa at the estimated cost of ₹ 8.71 crore through APWD and PDIL and recover the capital cost by factoring the same in the uniform POL retail price which has already been approved by the Government of India.

### **Milk Plant**

- The Corporation has undertaken renovation and upgradatiion of Milk Plant at the estimated cost of `3.08 crore through IDMC. After renovation, the processing capacity of Milk Plant will increase to 10,000 ltrs. per day and there will be better production efficiency and improvement in quality of milk and milk products. Besides, there will be energy saving due to replacement of energy efficient pasteurizer, homogenizer, refrigeration system and heating system. The effluent treatment plant for treatment of dairy effluent conforming to pollution control norms will be installed and new products like khoa, ghee and long life flavoured milk will be introduced.

### **Iron & Steel Division**

- The Corporation has constructed a steel stockyard at Dollygunj, Port Blair at the cost of ` 84.00 lakh and having 40 MTs weigh bridge and storage facility of 500 MTs steel.

### **Others**

- The Corporation has been appointed as State Level Agency for undertaking the work of preparation of Electronic Photo Identity Card for Andaman Constituency, and same work has been successfully completed.
- The Corporation has been appointed as Nodal Agency for connecting six islands to mainland, India by submarine optical fibre cable for providing reliable and secured telecom connectivity to A&N Islands at an estimated cost of ` 476.5 crores.

### **Directors responsibility statement**

In terms of provisions of section 217 (2AA) of the Companies Act, 1956 your Directors confirm as under:

Your Board of Directors confirm:-

- that in the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
- that they 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 at the end of the financial year and of the profit or loss of the Company for that period;
- that they have taken proper and sufficient care for the maintenance of adequate accounting 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 irregularities ; and
- That they have prepared the annual accounts on a going concern basis.

### **Quality Up gradation**

The management of your Corporation shall leave no stone unturned to upgrade the quality of service and products that are being offered by your Corporation. All workers and senior level management personnel are encouraged to strive for excellence and take measures for quality up gradation.

### **Auditors**

The Auditors M/s D.K. Chhajer & Co., Chartered Accountants, the statutory Auditor of your company, retire at the ensuing Annual General Meeting and for the financial year 2011-12, the appointment is yet to receive from the Comptroller and Auditor General of India.

### **Internal control system and their adequacy**

ANIIDCO has ventured into multifaceted business from trading activities to tourism, Liquor, POL, Steel, Air Ticketing, Fruit and Vegetable, Credit and Finance, development of tourism projects through Public Private Partnership.

A system has been put in place to ensure adequate Internal Audit System. Accordingly, your Corporation has engaged M/s Babu & Badat, Chartered Accountants, Port Blair to conduct the Internal Audit of our Corporation.

Further, to strengthen the movement of the stocks, debtor's collection and keep a close monitoring of overheads, efforts are being directed to put information technology to bring in online Management Information System.

### **Human Resources**

The Corporation owes its success to its people and strongly believes that competent employees alone can help in creating a cutting edge organization and in this behalf a lot of efforts are put in hiring professionals from mainland and nurturing talent within.

We are placing a strong emphasis on building a culture that focuses on performance, building trust, and openness in the organization. We are confident that all these initiatives put together will help ANIIDCO family of around 235 employees in building a new era in the development of this place. To motivate our employees, Corporation has engaged XLRI, Jamshedpur, to formulate an incentive Scheme on the basis of performance of the employees.

### **Acceptance of Fixed Deposit**

During the year under review, the Corporation has not accepted or renewed any fixed deposits from the public.

### **Particulars of Employees**

During the year under review no employees has been paid remuneration in excess of the limit specified under section 217 (2A) of the Companies Act, 1956.

### **Changes in Directors**

The following Directors are changed during the period from the last report:

1. Shri Vivek Rae, IAS ceased to be Director AND Chairman of the Corporation and Shri Sakti Sinha, IAS appointed in his place on 04.11.2010.

2. Shri Tapan Mondal, IAS ceased to be Director and Shri A.S. Dagar appointed in his place as Director of the Corporation on 04.11.2010.
3. Shri Ved Prakash, IAS ceased to be Director and Shri K.K. Jindal appointed in his place as Director of the Corporation on 04.11.2010.
4. Smti. S.K.P. Sodhi, IAS ceased to be Director and Shri Ajai Saxena, IFS appointed in his place as Director of the Corporation on 04.11.2010.
5. Ms. Archana Arora, IAS ceased to be Managing Director and Shri Jalaj Shrivastava, IAS appointed in his place as Managing Director of the Corporation on 16.05.2011.

The Board places on record its deep appreciation and thanks for the services rendered by Shri Vivek Rae, Shri Tapan Mondal, Ms. Archana Arora, Shri Ved Prakash and Smti. S.K.P. Sodhi during their tenure.

### **Activities relating to Conservation of Energy and Technology**

Information as per section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors ) rules 1988 are furnished as under:

#### **a) Conservation of energy**

The company is engaged in diverse activities and except for processing and packing of milk; it is not involved in any activity that would consume bulk energy. Hence, the energy consumption for the products of the company is negligible. However, your company has made suitable arrangements and it is conscious of the need for conservation of energy wherever possible.

#### **b) Technological Absorption**

Your Corporation has no collaboration arrangement with any foreign organization. All technological inputs are developed in house with the efforts to upgrade the quality of the products.

#### **c) Foreign Exchange**

Foreign Exchange Earning and outgo during the year 2010-2011

**Earning** : Foreign exchange received during the year: - NIL -

**Outgo** : During the year - Nil -

### **Acknowledgments**

Your directors would like to place on record their appreciation of the whole hearted support extended by the business associates, customers, bankers, shareholders, auditors and all those associated with the company during the year under review.

Your Directors also wish to extend sincere thanks to the Ministry of Commerce and Industry, Ministry of Home Affairs, Ministry of Corporate Affairs and the Ministry of Micro Small and Medium Enterprises. Your Directors sincerely wish to thank the Hon'ble Lt. Governor in particular and the A&N Administration in general for the continued guidance and support extended throughout the year.

**Port Blair**

**Dated : 08.09.2011**

**For and behalf of the Board of Directors.**

sd/-  
Director

sd/-  
Managing Director





- ii. 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 those books.
- iii. The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- iv. In our opinion, the Balance Sheet and Profit and Loss Account and 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;
- v. On the basis of written representations received from the directors, as on 31<sup>st</sup> March 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- vi. In our opinion and to the best of our information and according to the explanations given to us, 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 31<sup>st</sup> March 2011;
  - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
  - c) in the case of Cash Flow Statement, of the cash flow for the year ended on that date;

Dated : 09/09/2011  
Place : Port Blair

For M/s.D.K Chhajer & Co.  
Chartered Accountants  
FRN – 304138E  
(Mr. Niraj K. Jhunjhunwala)  
Partner  
Membership No.057170

**ANNEXURE TO THE AUDITORS' REPORT OF THE ANDAMAN & NICOBAR ISLANDS  
INTEGRATED DEVELOPMENT CORPORATION LIMITED, PORT BLAIR FOR THE YEAR ENDED 31<sup>st</sup>  
MARCH 2011.**

**PART: A**

- i. The accounts of the company are centralised and controlled from the administrative office on the basis of soft copy datas & reports that are sent by the concerned outlets situated at different locations of these Islands. The documents at all the outlets in Port Blair as well as at other Islands are being checked by way of internal audit (Professional Chartered Accountants) on quarterly basis.
- ii. Company carried Internal Audit through Professional Chartered Accountant Firms. Reports have been received on quarterly basis and the same has been reviewed by the Audit Committee. Considering the size and status of the organization, the company may adopt Interim Financial Reporting system in compliance with the Accounting Standard (AS) 25 issued by the Institute of Chartered Accountants of India.
- iii. The Company holds 10,00,000 Nos of equity shares of ₹10/- each, in Andaman Fisheries Limited, Port Blair (a subsidiary company), however 33,000 shares transferred from MPEDA is under arbitration. The Company had sanctioned earlier ₹132,00,000/- as term loan with interest and also Interest Free Loan ₹189,46,112/- in the previous year and ₹ 30,00,000/- during the year under audit for a total ₹ 2,19,46,112/-. Out of which the Company already made a bad debt provision for the total term loan and interest accrued and provided upto 2002-03, and ₹ 33,00,000 for interest free loan in the earlier years. The company did not calculate and provide interest on the term loan from 2002-03 onwards. Please refer to item 24 on Notes on Account of Schedule S.  
As no provision has been made for interest income on terms loan from 2003-04 to 31.03.2011 and aggregate interest amount remains undetermined, so the effect of same on the financial results is not ascertainable.
- iv. Direct Confirmation and reconciliation of the accounts of sundry debtors, creditors, receivables and other dues of any nature, if any, is a vital part of internal control system, which the company initiated to comply, please refer to para 8 of schedule S in Notes on Accounts.
- v. A sum of ₹ 5,62,60,921/- being Credit Guarantee Fund, is maintained under Scheme Fund account. Interest accrued on this fund ₹ 11,78,003/- has been credited to fund. Refer to item 6 in the Notes on Accounts Schedule S. Total Credit Guarantee given to the entrepreneurs is to the extent of ₹ 62.78 lakhs. (Previous Year balance was ₹62.78 Lakhs).
- vi. The Company received so far ₹150,00,000 (₹1,50,00,000 as on 31.3.2010) under the Interest free composite loan scheme from Government. A sum of ₹ 92.40 lakhs has been disbursed and the balance ₹ 57.60 lakhs pending from disbursement and ₹43.25 recovered from loanee are to be return along with unutilized amount as per note on accounts Point No.5.b.
- vii. The Company sustained loss in the hands of Employees by way of misappropriation/embezzlement of cash of ₹19,22,386/-. The Company has made a provision of ₹14,05,731/- in the account pending disciplinary proceedings. Please refer to para 10 of Schedule S in Notes on accounts.

**PART B:**

**MATTERS INCLUDED AS PER PARA 4 OF COMPANIES  
(AUDITOR'S REPORT) ORDER, 2003**

- i. In respect of Fixed assets
  - a. The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
  - b. The management carries out the physical verification of fixed assets only at the end of the financial year and the discrepancies, found if any, is properly dealt with in the books of account,( refer item 14 of Notes on Accounts, schedule S)
  - c. Substantial part of fixed assets have not been disposed of during the year under audit in such a way as to affect the going concern;
- ii. In respect of inventories:
  - a. Physical verification of inventory is carried out by the management only at the end of every financial year;
  - b. The procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of the business;
  - c. The company is maintaining proper records of inventory material discrepancies, noticed on physical verification are properly dealt with in the books of accounts;
- iii.
  - a. During the year, the Company has granted unsecured loan of `30,00,000/- to its Subsidiary Company covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was ` 2,19,46,112/- and the year end balance was ` 2,19,46,112/.
  - b. The said loan is interest free and other terms and conditions of the loan are not prima facie prejudicial to the interest of the Company.
  - c. In respect of aforesaid loan, there is no stipulation as to repayment thereof.
  - d. The company has not taken any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, hence sub clause (d) (e) & (f) of the said order are not applicable.
- iv. The internal control procedure commensurate with the size of the company and the nature of business for the purchase of inventory, fixed assets and for sale of goods is adequate subject to point no.(II) of Part A of this report.
- v. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act,1956, there are no such transactions that need to be entered into a Register in pursuance of sec. 301 of the Companies Act, 1956;
- vi. The Company has not accepted deposits from public hence the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act 1956 are not applicable to the company.
- vii. The company has Internal Audit system. Please refer to our point (II) of part A of this report;
- viii. Maintenance of Cost Records has been prescribed for this company by the Central Government under section 209(1)(d) of the Companies Act, 1956 and the same is not maintained adequately.
- ix. According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

Following are the amounts which are disputed and not paid by the company:

Nature of demand	Amount(₹)	Period	Forum where appeal has been filed
Provident Fund	21,29,568	2001-04	High Court
	44,76,556	2004-09	Disposed off by the High Court with a direction to re-examine the issue and fresh assessment is under process
Income Tax	67,69,274	2007-08	Commissioner Income Tax (Appeals)

- x. The Company has no accumulated losses at the end of the financial year. The company has incurred cash loss of ` 508,642/- in the current year, however no cash loss was incurred in the immediately preceding financial year. Please refer to our point No. vii of Part A of this Report.
- xi. The company has no dues to any financial institution during the financial year under audit. Accordingly, the provisions of clause 4 (iii)(e) of the Order are not applicable to the Company.
- xii. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. However, the company has taken sufficient securities by way of mortgage/hypothecation of properties / goods when they advanced for the same;
- xiii. This company has no activities related to Chit Fund/ Nidhi, Mutual Benefit Fund or a society and hence other provisions under this clause do not apply.
- xiv. The company is not dealing or trading in shares, debentures and other investments; and hence provisions under this clause do not apply.
- xv. The company has not given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company;
- xvi. No term loans were availed of by the company and hence other provisions under this clause do not apply.
- xvii. No funds were raised by the company on short-term basis during the year under audit and hence other provisions under this clause do not apply.
- xviii. According to the information and explanations given to us, the Company has not made any preferential allotment of shares during the year under review.
- xix. In our opinion and according to the information and explanations given to us, the Company has not issued any secured debentures during the year. Accordingly, the provisions of clause 4(xix) of the Order are not applicable to the Company.
- xx. During the year, the Company has not made any public issue and therefore the question of disclosing the end use of money raised by public issue does not arise.
- xxi. Fraud occurred in the Megapode Division of the Company and necessary disciplinary proceeding being initiated against the staff.(refer item 10 notes on accounts).

Dated : 09/09/2011  
Place : Port Blair

For M/s. D.K Chhajer & Co.  
Chartered Accountants  
FRN – 304138E  
Sd/-  
(Mr. Niraj K. Jhunjhunwala)  
Partner  
Membership No.057170

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF ANDAMAN & NICOBAR ISLANDS INTEGRATED DEVELOPMENT CORPORATION LIMITED, PORT BLAIR FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011.**

The preparation of financial statements of Andaman & Nicobar Islands Integrated Development Corporation Limited, Port Blair for the year ended 31<sup>st</sup> March, 2011 in accordance with the financial reporting frame work prescribed under the Companies Act, 1956 is the responsibility of the Management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of Companies Act, 1956 based on independent Audit in accordance with the Auditing and Assurance Standards prescribed by their professional body, The Institute of Chartered Accounts of India. This is stated to have been done by them vide their Audit Report dated 21<sup>st</sup> June, 2011.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 619(3)(b) of the Companies Act, 1956 of the financial statements of Andaman & Nicobar Islands Integrated Development Corporation Limited, Port Blair for the year ended 31<sup>st</sup> March, 2011. This supplementary audit has been carried out Independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' Report under section 619(4) of the Companies Act, 1956.

For and on behalf of the  
Comptroller and Auditor General of India

Place : Kolkata  
Dt: 14 October 2011

Sd/-  
(L.V. Sudhir Kumar)  
Principal Director of Audit (Central)  
Kolkata.

**ANDAMAN & NICOBAR ISLANDS  
INTEGRATED DEVELOPMENT CORPORATION LIMITED**  
(A Government Undertaking)  
**BALANCE SHEET AS AT 31st MARCH 2011**

	Schedule No.	As at 31.3.2011 (₹)	As at 31.3.2010 (₹)
<b><u>SOURCES OF FUNDS</u></b>			
<b><u>Shareholders' Fund</u></b>			
Capital	A	110700600	110700600
Reserves & Surplus	B	515003219	458843102
<b><u>Other Funds</u></b>			
Scheme Fund	C	77630283	71205588
<b><u>Loan Fund</u></b>			
Unsecured Loan	D	5806000	5806000
Deferred Tax liabilities (Net)	E	10202665	0
<b>TOTAL</b>		<b>719342767</b>	<b>646555290</b>
<b><u>APPLICATIONS OF FUNDS</u></b>			
Fixed Assets	F	161749231	145755165
Less: Depreciation		39571678	34553610
<b>Net Block</b>		<b>122177553</b>	<b>111201555</b>
<b>Capital Works in Progress</b>		25004128	5316278
<b><u>Investments</u></b>	G	6965100	6965100
<b><u>Current Assets, Loans &amp; Advances</u></b>			
Inventories	H	191588712	182575242.6
Sundry Debtors		68666147	60421461
Cash & Bank Balance		579863969	538888922
Other Current Assets		27546592	26317287
Loans & Advances		210725091	206250360
		<b>1078390511</b>	<b>1014453273</b>
<b><u>Less: Current Liabilities &amp; Provisions</u></b>			
Current Liabilities	I	356629306	375527816
Provisions	J	156565219	115853100
		<b>513194525</b>	<b>491380916</b>
<b>Net Current Assets =H - [I+J]</b>		<b>565195986</b>	<b>523072357</b>
<b>TOTAL</b>		<b>719342767</b>	<b>646555290</b>

*Accounting Policies & Notes on Accounts (S)*

**Place: Port Blair**

**Date :**

In terms of our report of even date

FOR M/S D.K. Chhajer & Co.

Chartered Accountants

FRN – 304138E

(Mr. Niraj K Jhunjunwala)

Partner

Membership No. 057170

Sd/-  
**Company Secretary**

Sd/-  
**Director**

Sd/-  
**Managing Director**

**ANDAMAN & NICOBAR ISLANDS  
INTEGRATED DEVELOPMENT CORPORATION LIMITED**  
(A Government Undertaking)  
**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st March 2011**

	Schedule No.	Year Ended 31.3.2011 (₹)	Year Ended 31.3.2010 (₹)
<b>Income:</b>			
Sales	K	1679330195	1435094216
Other Income	L	91371407	59465833
<b>Total</b>		<b>1770701602</b>	<b>1494560049</b>
<b>Expenditure:</b>			
Cost of Material Consumed	M	1519668586	1287192384
Remuneration to Employees	N	83105700	72007442
Administrative Expenses	O	26348971	21031425
Operation, Selling and Distribution Exp.	P	21550838	19952943
Provision for Bad and Doubtful Debts etc	Q	4322605	7278554
Loss on Sale of Assets		792829	31119
Term Loan Written Off		0	19448
Depreciation		6690993	5273195
<b>Total</b>		<b>1662480523</b>	<b>1412786509</b>
<b>Profit Before Taxation</b>		<b>108221079</b>	<b>81773540</b>
<b>Profit/Loss From Continue Operation</b>		<b>109255585</b>	<b>0</b>
<b>Profit/Loss From Dis-continued Operation</b>		<b>-1034506</b>	<b>0</b>
Less: Provision for Current Tax		35000000	25100000
Less: Provision for Deferred Tax		10202665	
<b>Profit After Taxation</b>		<b>63018414</b>	<b>56673540</b>
Add: Excess provision on I Tax		0	7458220
Less: Short Provision in I Tax		0	5021982
Less: Prior period Adjustment Dr	R	462272	1135352
Add: Balance brought forward from Previous		1012	616
<b>Balance available for appropriation</b>		<b>62557154</b>	<b>57975042</b>
Transferred to General Reserves		56160000	52489000
Proposed Dividend @ 5%		5485030	5485030
Tax on Proposed Dividend		910995	
Balance carried to Balance Sheet		1129	1012
<b>Total</b>		<b>62557154</b>	<b>57975042</b>

**Accounting Policies & Notes on Accounts (S)**

**Place: Port Blair**

**Date :**

In terms of our report of even date

FOR M/S D.K. Chhajer & Co.

Chartered Accountants

FRN – 304138E

(Mr. Niraj K Jhunjunwala)

Partner

Membership No. 057170

Sd/-  
Company Secretary

Sd/-  
Director

Sd/-  
Managing Director

**ANDAMAN & NICOBAR ISLANDS**  
**INTEGRATED DEVELOPMENT CORPORATION LIMITED**  
*(A Government Undertaking)*  
**SCHEDULE TO ACCOUNTS 2010-11**

Particulars	As at 31.3.2011 (₹)	As at 31.3.2010 (₹)
<b>SCHEDULE 'A' : <u>Share Capital</u></b>		
<u>Authorised</u>		
50,00,000 Equity shares of Rs. 100/- each	500000000	500000000
<u>Issued, Subscribed and Paid up</u>		
10,97,006 Equity Shares of Rs. 100/- each (Previous year 10,97,006 Equity sharers of Rs. 100/- each) issued as paid up (other than cash 17546 Equity shares of Rs. 100/- each)	109700600	109700600
Deposit for shares pending allotment	1000000	1000000
<b>TOTAL</b>	<b>110700600</b>	<b>110700600</b>
<b>SCHEDULE 'B' : <u>Reserves &amp; Surplus</u></b>		
General Reserves :		
Opening Balance	458842090	406353090
Add: Transfer from Profit & Loss Account	56160000	52489000
	<b>515002090</b>	<b>458842090</b>
Profit & Loss Account	1129	1012
	<b>515003219</b>	<b>458843102</b>
<b>SCHEDULE 'C' : <u>Scheme Fund</u></b>		
<u>Credit Guarantee Fund:</u>		
Opening Balance (Principal)	20000000	
Less: Utilized during the Year	0	
ADD: Income generated as per last account	35082918	
Add: Income generated during the year	1178003	56260921
<u>Grant-in-Aid from Govt. of India</u>	16122670	16122670
<u>Aside Scheme Fund</u>		
Fund Received during the Year	5700000	
Less: Utilised during the year	453308	5246692
	<b>77630283</b>	<b>71205588</b>
<b>SCHEDULE 'D' : <u>Unsecured Loan</u></b>		
Tiny Cottage Loan Scheme (unspent)	46000	46000
Interest free composite loan	5760000	5760000
<b>TOTAL</b>	<b>5806000</b>	<b>5806000</b>
<b>SCHEDULE 'E' : <u>Deferred Tax liabilities</u></b>		
<b>Deferred Tax Assets</b>	<b>Current Year</b>	<b>Previous Year</b>
Depreciation	624387	0
Provision of doubtful debts and advances	3612210	0
<b>Total</b>	<b>4236597</b>	<b>0</b>
<b>Deferred Tax Liabilities</b>		
Depreciation	14439262	0
Provision of doubtful debts and advances	0	0
<b>Total</b>	<b>14439262</b>	<b>0</b>
<b>Net Deferred Tax Asset/(Liabilities)</b>	<b>-10202665</b>	<b>0</b>

**ANDAMAN & NICOBAR ISLANDS**  
**INTEGRATED DEVELOPMENT CORPORATION LIMITED**  
(A Government Undertaking)

(Amount in ` )

SL No.	Particulars of the Assets	Gross Block			DEPRECIATION			Net Block			
		As at 1.4.2010	Addition	Sales/ Adjustment	As at 31.3.2011	Total as at 31.3.2011	Provided	Adjustment /Transfer	Total as at 31.3.2010	As at 31.3.2011	As at 31.3.10
	<b>TANGIBLE ASSETS</b>										
1	BUILDING	69,072,145	9,221,414	-	78,293,559	6,587,281	1,235,001	-	7,822,282	70,471,277	62,484,864
2	LAND (FREE HOLD)	4,362,595	1,442,500	-	5,805,095	-	-	-	-	5,805,095	4,362,595
3	SHIPS & VESSELS	1	-	-	1	-	-	-	-	1	1
4	PLANT & MACHINERY	38,053,757	1,082,802	2,929,653	36,206,906	11,436,124	1,716,857	701,071	12,451,911	23,754,994	26,617,632
5	VEHICLE	15,358,212	7,195,699	1,015,433	21,538,478	4,761,420	1,554,031	815,366	5,500,085	16,038,393	10,596,792
6	COMPUTER	5,437,406	540,570	218,490	5,759,486	1,948,606	820,264	156,489	2,612,381	3,147,105	3,488,800
7	FURNITURE & FIXTURE	7,902,788	457,430	-	8,360,218	5,337,582	326,974	-	5,664,556	2,695,663	2,565,207
8	CROCKERIES	1,934,855	-	-	1,934,855	1,732,782	202,073	-	1,934,855	-	202,073
9	LINEN	2,009,080	-	-	2,009,080	1,801,218	207,862	-	2,009,080	-	207,862
	<b>TOTAL TANGIBLE ASSETS</b>	<b>144,130,838</b>	<b>19,940,415</b>	<b>4,163,576</b>	<b>159,907,677</b>	<b>33,605,013</b>	<b>6,063,062</b>	<b>1,672,926</b>	<b>37,995,149</b>	<b>121,912,528</b>	<b>110,525,826</b>
	<b>INTANGIBLE ASSETS</b>										
	SOFTWARE	1,624,327	217,227	-	1,841,554	948,597	627,932	-	1,576,529	265,025	675,730
	<b>TOTAL ASSETS</b>	<b>145,755,165</b>	<b>20,157,642</b>	<b>4,163,576</b>	<b>161,749,231</b>	<b>34,553,610</b>	<b>6,690,994</b>	<b>1,672,926</b>	<b>39,571,678</b>	<b>122,177,553</b>	<b>111,201,556</b>
	CAPITAL WORK IN PROGRESS									25,004,128	5,316,278
	ADVANCE FOR CIVIL WORKS										

Particulars	As at 31.3.2011 (₹)	As at 31.3.2010 (₹)
<b>SCHEDULE 'G' : Investment</b>		
Trade Investments (Unquoted)		
(i)(a) In Andaman Fisheries Ltd. (A joint sector company)		
9,67,000 equity shares of Rs.10 each fully paid at cost (33000 equity shares@Rs.10/ each pending transfer )	6,965,100	6,965,100
(ii) In Lakshadweep Shilpi Aquaculture Ltd.		
4,00,000 equity shares of Rs.10 each fully paid at cost	4,000,000	
Less: provision for loss	4,000,000	-
<b>TOTAL</b>	<b>6,965,100</b>	<b>6,965,100</b>

### Schedule 'H' : Current Assets, Loans & Advances

#### A. Current Assets

<b>(a) Inventories</b>			
Petroleum products		12,968,313	9,984,508
Steel		-	-
Constituted Milk	93,711		
Raw Milk	-		
Whole Milk/Skimmed Milk Powder	7,623,070		
Paneer Item	9,515		
Curd	24,712		
Flavoured Milk	-		
Butter Milk	47		
Sweet Lassi	112		
Stores & Spares not consumed at Milk Plant	<u>588,545</u>	8,339,712	13,234,999
<u>Stock of victuals and provisions at cost</u>			
Hotel Megapode & Camping Resort		2,929,671	2,485,893
Vegetable Stock		-	98,585
IMFL Stock		112,010,930	96,367,671
Stock of Book Shop: Books, Stationery & Maps		46,240	72,190
		<b>1,36,294,866</b>	<b>122,243,846</b>
<u>Stock in Transit:</u>			
IMFL	53,615,762		
POL	-		
STEEL	1,678,084	55,293,846	60,331,397
<b>TOTAL</b>		<b>1,91,588,712</b>	<b>1,82,575,243</b>
<b>(b) Sundry Debtors</b>			
(unsecured, considered good unless otherwise stated)			
(i) Over six months	16,694,431		
(ii) Other Debts	<u>64,854,528</u>	81,548,959	70,569,864
Less: Provision for Bad and Doubtful debts		12,882,812	10,148,403
<b>TOTAL</b>		<b>68,666,147</b>	<b>60,421,461</b>

Particulars	As at 31.3.2011 (₹)	As at 31.3.2010 (₹)
<b>(c) Cash and Bank Balances</b>		
<i>Cash in hand</i>		
At Port Blair	860,061	533,469
Postal Stamps in hand	154	2,415
Cash-in-Transit/D.D. in Transit	1,795,269	-
Cash/cheque at shops	392,375	182,096
	<b>3,047,859</b>	<b>717,980</b>
<i>Current Account Balances with Scheduled Banks</i>		
Indian Bank, Port Blair	23,437,130	35,803,512
Indian Bank, Chennai	143,960	13,557
State Bank of India, Port Blair	8,554,861	8,309,088
Canara Bank, Calcutta.	-	2,679
Syndicate Bank, EC, Secretariat	4,048	6,684,939
State Bank of India, Hutbay	842,874	997,678
State Bank of India, Rangat	1,117,719	8,026,793
State Bank of India, Mayabandar	2	1
State Bank of India, Diglipur	10,118,031	10,174,928
State Bank of India, Billiground	5,000	1,812,355
State Bank of India, Bambooflat	6,022	6,022
State Bank of India, Car Nicobar	-	5,819
State Bank of India, RK Pur, L/Andaman	837,011	48,639
State Bank of India, Kamorta	340,375	376,418
	<b>45,407,033</b>	<b>72,262,428</b>
<i>Current Account Balances with Non-Scheduled Banks</i>		
A&N State Co-Operative Bank Ltd. Andamans	993,154	3,192,090
Axis Bank	35,527,757	33,828,258
	<b>36,520,911</b>	<b>37,020,348</b>
<i>Fixed Deposit Accounts with Scheduled Banks</i>		
Syndicate Bank, Port Blair	165,000,000	35,000,000
Indian Bank, Port Blair	167,328,427	231,828,427
State Bank of India, Port Blair	162,559,739	162,059,739
	<b>494,888,166</b>	<b>428,888,166</b>
Total Cash & Bank Balances	<b>579,863,969</b>	<b>538,888,922</b>
<b>(d) Other Current Assets :</b>		
(I) Interest accrued but not due	28,215,700	
Less: provision for loss	823,334	27,392,366
(II) Refund due from I.T. Authority		154,226
<b>TOTAL</b>		<b>27,546,592</b>
		<b>26,317,287</b>

## B. Loans & Advances

Unsecured, considered good unless otherwise stated.

(i) Advances recoverable in Cash or in kind or for value to be received	7,710,392		
Less Provision	1,405,731	6,304,661	15,593,864
(ii) Computer Advance (Secured)		1,132,090	1,205,005
(ii) Conveyance Advance (Secured)		100,246	182,556
(iii) Pre-paid expenses		620,122	586,839
(iv) Deposit with Govt. and other Agencies		1,846,064	1,029,106
(v) Advance Payment of Income Tax		157,586,340	108,160,356
(vi) House building Advance (secured)		920,155	435,390
(vii) Other Term Loan	32,701,137		
Less: Provision for Sub Standard Assets	16,533,641	16,167,496	14,512,158
(viii) Interest free loan to subsidiary company.	21,946,112		
Less: Provision for Sub Standard Assets	3,300,000	18,646,112	15,646,112
(X) Advance to supplier and Contractors	5,509,694		
Less: Provision for loss of Advance	237,457	5,272,237	39,269,406
(XI) Lease Rent Receivable		-	7,500,000
(XII) Provident Fund Deposit		2,129,568	2,129,568
<b>TOTAL</b>		<b>210,725,091</b>	<b>206,250,360</b>

Particulars	As at 31.3.2011 (₹)	As at 31.3.2010 (₹)
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### Schedule 'I' : Current Liabilities

Sundry Creditors			
i) Outstanding dues to SSI undertakings	0		
ii) Other Sundry Creditors	208399200	208399200	162927458
Deposit Payable		44301766	41774299
Advance from Customers		2637091	52082810
Other Current liabilities		63791249	51243249
Advance for Lease Rent		37500000	67500000
<b>TOTAL</b>		<b>356629306</b>	<b>375527816</b>

### Schedule 'J' : Provision

Provision for Taxation :			
Opening Balance	90877867		
Provision for the year	35000000		
Less: Adjustment	0	125877867	90877867
Provision for Leave encashment		15532380	13291010

Particulars	For the Year 31.3.2011 (₹)	For the Year 31.3.2010 (₹)
Provision for performance Related scheme	1800602	1855520
Proposed Dividend ( @ 5% of Paid-up Share Capital)	5485030	5485030
Provision for Rent of Megapode Nest to Director (IP&T)	123345	123345
Provision for IP&T W&E charges	91784	91784
Contingent provision against Std Assets	91046	45185
Provision for Loss of Fixed Assets	4083359	4083359
Provision for Dividend tax	910995	
Provision for LTC/AFSP	2568811	
<b>TOTAL</b>	<b>156565219</b>	<b>115853100</b>
<b>Schedule 'K' : Sales</b>		
Air Ticket	38386627	34179409
Liquor	869206710	779929865
Vegetable	2279433	6380244
Petroleum products	529430217	426917385
Steel	154151823	105219130
Milk	39887079	
Less: Internal consumption	0	
Paneer	1651323	
Sweet lassi/F.Milk	28960	
Curd	4888048	
Butter Milk	15640	46471050
Food Articles	14411563	
Bar	2414906	
Room tariff	20662579	
Telephone Charges	1520	
Tours & Travels	56788	
Camping Resort	1352683	
Others	452396	39352435
Book Shop	0	
Stationary	51900	51900
Indian Telephone Card	0	17472
<b>TOTAL</b>	<b>1679330195</b>	<b>1435094216</b>
<b>Schedule 'L' : Other Income</b>		
Interest on Fixed Deposits	32056647	30204493
Commission	2311108	1033904
Lease Rent Receipt	35000000	7500000
Cash discount	7488468	7101023
Shortage recovery	4265917	3241201
Miscellaneous Receipts	6758282	6695276
profit on sale of Assets	133896	199002
Interest on Term Loan	1879863	1924336
Handling Charges Steel(CA)	1477226	1566598
<b>TOTAL</b>	<b>91371407</b>	<b>59465833</b>

Particulars	For the Year 31.3.2011 (₹)	For the Year 31.3.2010 (₹)
<b>Schedule 'M' : Consumption of Materials</b>		
Opening Stock	182575243	97079507
<u>Purchases :</u>		
Air Tickets	38386627	34179409
Liquor	351542575	391955032
Petroleum Products	496972343	394593654
Steel	141221636	98785124
Raw Milk & Whole Milk Powder	33676983	45818964
Victuals & provisions for Catering Division	2459762	2821631
Vegetable	1507607	3888610
<b>Total Purchases</b>	1065767532	972042424
<u>Total of Opening Stock &amp; Purchases</u>	1248342775	1069121931
<u>Less : Closing Stock</u>	191588712	182575243
<b>Consumption of Material</b>	<b>1056754063</b>	<b>886546688</b>
<u>Add: Procurement Cost</u>		
Carriage Inwards	65156804	63117466
Octroi Charges	91560928	68225796
License fees	239064763	197288030
Import permit Fee/Excise Duty	67132028	72014403
<b>Cost of Material Consumed</b>	<b>1519668586</b>	<b>1287192384</b>

**Schedule 'N' : Remuneration to Employees**

Travelling expenses/LTC to Managing Director	0	0
<u>Salary, Wages, Bonus &amp; Benefits to Employees :</u>		
Salary	61743830	50786626
Contribution to P.F., Pension Fund & Leave Salary	5250682	6048668
TALTC to Staff i) LTC	1686981	
ii) TA	2130752	
Performance Related Incentive	1784000	2610852
Gratuity	4628964	1626345
Training expenditure	174274	50454
Rent of Employees Accommodation	84000	62532
Leave Encashment	38823	624253
Provision for Leave Encashment	3014583	7172902
Provision for LTC/AFSP	2568811	
<b>TOTAL</b>	<b>83105700</b>	<b>72007442</b>

Particulars	For the Year 31.3.2011 (₹)	For the Year 31.3.2010 (₹)
<b>Schedule 'O' : Administrative Expenses</b>		
Insurance	541197	484212
Printing & Stationary	719255	438007
Postage & Telegram	104313	94384
Telephone/Telex/Fax	767650	773836
Books & Periodicals	238746	68065
Electricity	4315385	5053163
Office Rent	106816	114189
Rates & Taxes	126956	128266
Stores & Articles	0	39055
Board meeting expenses	18369	17193
Tenders publishing Expenditure	1881623	555695
Entertainment	149013	64720
Gift & compliments	10600	1400
Legal expenses	100114	196955
Consultancy Expenditure	0	6920
Auditor's Remuneration	122000	107000
Auditor's Travelling & Other Expenses	39104	232931
Bank Charges	894939	919031
Repair & Maintenance of Computer	1393141	1353910
Repairs & Maintenance of Vehicles	872588	803360
Repairs & Maintenance of Buildings	1135918	1227905
Repairs & Maintenance of Furniture	35228	56123
Repairs & Maintenance of P& M	20812	
Conveyance Charges	5575	8522
Hindi week Expenses	8943	10683
Uniform & Liveries	121914	171640
General Expenses	22320	28761
COPU/Parliament Committee Expenditure	349465	0
ITF expenses	0	279715
Service Tax	126813	103812
Govt. Audit Expenses	42399	25224
Internal Audit Expenses	240531	220405
Outsourcing Man Power	4871277	3954113
Business Promotion Expenditure	360228	68000
Stipend	12000	20753
Inter Net Expenses	19775	14439
Watch and Ward	3048160	2424786
Membership fee	29292	1125
Professional charges	3337314	810371
Refreshment Expenditure	159198	152756
<b>TOTAL</b>	<b>26348971</b>	<b>21031425</b>





**8. Investments :**

Long term Investments are stated at cost. Provision for diminution in the value of each long term investment is made to recognize a decline, other than that of temporary in nature.

**9. Inventories :**

Inventories are valued at lower of historical cost and estimated net realizable value except raw materials and stores which are valued at historical cost. Historical cost is arrived at by adding purchase cost and any other cost incurred to bring the inventory to its respective location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**10. Revenue Recognition:**

**a. Sale of Goods**

Sales are recognized when significant risk and rewards of ownership of the goods have passed to the buyer which coincides with the delivery and are recorded net of trade discounts. Sales do not include inter-divisional transfers. Selling prices are determined as per formula approved by A&N Administration in respect of Steel & IMFL products.

Selling price of Milk is fixed by the Board. The petroleum products are sold at the selling price fixed by IOC Ltd, in the Petrol Pumps at Junglighat, Hut Bay and Diglipur. In case of other goods and services the selling prices are determined by the company.

**b. Revenue from Services**

Revenue from services rendered is recognized as the service is performed.

**c. Interest & Commission income is recognized on accrual basis.**

**11. Foreign Currency Transactions:**

**i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency prevailing at the date of the transaction or that approximates the actual rate at the date of the transaction.

**ii) Conversion/Exchange Differences**

Foreign currency assets and liabilities as on the Balance Sheet date are revalued in the accounts on the basis of exchange rates prevailing at the close of the period and exchange loss/gain arising there from, is adjusted to the cost of fixed assets or charged to the Profit & Loss Account, as the case may be.

**12. Employees Benefits:**

a) Provident Fund is a defined contribution scheme and contributions during the year re charged to Profit & Loss Account of the year.

b) Deposit Linked Insurance is recognized on accrual basis.

c) Provision for Leave Encashment is made for value of unutilized leave due to employees at the end of the year on the basis of actuarial valuation.

d) Gratuity liability are defined benefit obligations and provided for on the basis of actuarial valuation made at the end of each financial year by way of contribution to the Gratuity Fund to a Group Gratuity policy with Life Insurance Corporation of India.

e) Performance related incentives paid to employees, not covered under the Payment of Bonus Act, is charged to Profit & Loss Account on payment basis.



## 21. Segment Reporting Policies

(i) Identification of Segments:

**Primary Segment**

**Business Segment:**

The company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets.

**Secondary segment**

**Geographical segment:**

The analysis of geographical segment is based on the geographical locations.

The company does not have Geographical segment.

(ii) Allocation of common Costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

(iii) Unallocated Items:

The corporate and other segment include general corporate income and expense items, which are not allocated to any business segment.

## 22. Cash Flow Statement

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated. Cash and cash equivalents in the balance sheet comprise cash at bank, cash / cheques in hand and short-term investments with an original maturity of three months or less.

## 23. Rounding Off:

Figures in Rupees given in the financial statements are rounded off to nearest `1/-. Quantitative figures are rounded to the nearest unit wherever required.

### (B) Notes on Accounts

#### 1. Contingent Liabilities:

a) Estimated amount of contracts remaining to be executed on capital account and not accounted for: ` 250.04 lakh (Previous Year `53.16 lakh).

b) Company has furnished a Bank guarantees in following cases:-

Name of the Party	Amount	Purpose
Indian Airlines	₹ 5.6 Lakh	Air ticketing
Credit & Finance Division	₹ 54.57Lakh	Stand security against Loan
International Air Transport Association	₹ 33 Lakh	Air ticketing

c) Under an Order passed by The Assistant Provident Fund Commissioner Port Blair, under section 7A of the Employees Provident Fund and Misc. Provision Act,1952, a sum of ` 21,29,568/- for the period from 2001-2004 was attached by the said Commissioner against which an appeal was filed and the said case was defeated in Appellate Authority, New Delhi and as a consequence the Company proceeded to High Court Port Blair to recovery the such amount. Further a claim was made by the said commissioner ` 44,76,556/- for the period from 2004 to 2009 and stay petition was filed



## **6. Scheme Fund:**

a). The Company received a sum of ` 57 lakh from the Ministry of Micro & Small Industries as Nodal Agency of Assistance of State for Development of Export Infrastructure and allied Activities (ASIDE) scheme in previous years and the same has been paid to EE,CD-II, APWD, Prothrapur ` 45,338/- and the balance of ` 52,46,692/- is laying in Fund( previous year Nil).

### b) Grant-in-aid:

It represents capital grant of ` 1,61,22,670/- received from Andaman & Nicobar Administration in earlier years for infrastructure development and could not be related to any particular asset.

c) Credit Guarantee Fund: The Company received ` 2.00 Cores in earlier years from the Director of Industries, A&N Islands as guarantee provided to entrepreneurs for loan given to them by financial institutions. Interest Income generated from the investment of the said fund after tax has been credited to the fund. Balance at the end of the financial year is ` 5,62,60,921/- (previous year ` 5,50,82,918/-)

## **7. Contingent Assets:**

The Company acquired 2 numbers of confiscated power boats at a price of ` 1/- each in the year 1988-89 and 1991-92 respectively for which formal transfer of title from local govt. was not executed. However, one of the boats was transferred back in the year 1992-93. The Director of Education of the local govt. agreed for reimbursement of the amount spent for repairs and maintenance amounting to ` 3,07,799/- and the amount is yet to be settled and received. Necessary provision has been made as doubtful recovery. Other boat was not in operation during the year since the boat is not physically traceable after Tsunami.

## **8. Sundry Debtors, Loans & Advances & Creditors:**

1. The Company issued letter to the Customers /Suppliers requesting the confirmation of Balance, but few of them have replied in this respect.

2. The variance on the above are not confirmed till the date of Audit. However, variance if any will be considered/ adjusted accordingly in the next financial year.

3. The companies "Credit & Finance" division has provided Loan from it's available surplus fund called "General Scheme" and it has carried forward opening balance ` 302.09 Lakh. Total sum of ` 75.05Lakh (Previous year ` 23.92) was sanctioned towards loan under above scheme during the year. However the company recovered ` 76.14 lakh, (Previous year `71.9Lakh) including interest. A provision was made on standard and non standard assets during the year amounting to ` 8.83 Lakh (Previous year `9.14 Lakh).Total provision for the same is ` 129.75 Lakh.

## **9. Provision for Bad & Doubtful Debt**

During the year Provision for Bad & Doubtful Debt has been made on Loans & Advances and Advance Receivable Balances more than 3 years.

## **10. Embezzlement /Misappropriation of cash:**

During the year misappropriation of cash made by accountant of Megapode Nest amounting to `5,08,642/-, from 1.4.2010 to 31.3.2011 and the Company immediately

suspended the accountant. The said amount `5,08,642/- has been shown as receivable under the head "Loans & Advances"

**11. Handling Loss :**

**Liquor :**

Out of total Damage/Shortage of liquor ` 52.70 lakh, a sum of `32.47 lakh has been recovered from Suppliers/Contractor, the balance of `20.23 lakh being Handling loss has been written off in the accounts (previous year ` 15.24 lakh).

**POL :**

Out of total Shortage and Handling loss `21.82 lakh, a sum of `3.07 lakh has been recovered from the Transporters, balance Handling loss of Petroleum Products `18.75 lakh has been written off in the accounts (Previous year ` 23.09 lakh).

**Vegetables :**

The Wastage, Shortage and Transit loss of vegetables weighing 15.28 MTs and in numbers 7948 amounting to `4.03 lakh of which `0.72 lakh has been recovered and `3.31 lakh has been written off in the accounts. (Previous year 56.04 MTs and in numbers 14426 for ` 24.78 lakh.)

**Milk:**

Spoiled Milk during the year: 1115 liters. Valuing to ` 24,541/- has been

Written off in the accounts (previous year 1854ltr. For ` 40,788/-)

**Iron and Steel :**

Weightment variation and short delivery to the extent of 13.04MTs valuing ` 10.26 lakh has been fully recovered from the SAIL & transport contractor (Previous year 10.80MTs valuing ` 4.02 lakh)

**12. Deferred Tax:**

Deferred tax has been calculated as per the accounting standard No.22 as issued by ICAI.

Particulars	Amount	Tax Rate	Amount
<b>Amortization of Amalgamation Expenses</b>	-	30.90	-
<b>Fixed Assets :</b>			
Difference in Block Value of Fixed Assets	44,708,333	30.90	1,38,14,875
<b>Provisions disallowed</b>	10,447,920	30.90	36,12,210
<b>Unabsorbed Depreciation &amp; Business loss</b>	-	30.90	-
<b>Mat Credit Carried Forward</b>	-		-
<b>Total Deferred Taxation</b>			<b>102,02,665</b>

**13. Investments :**

a. The Company has invested ` 69,65,100/- in the equity shares (unquoted) of Andaman Fisheries Ltd by subscribing to 10,00,000 numbers of fully paid Equity Shares of `10/- each. Out of Shares held by the Corporation, 7 (seven) Shares are held in the name of the nominee of ANIIDCO. No income received so far on such Investment.

b. The Company has invested ` 40,00,000/- in the Equity Shares (unquoted) of Lakshadweep Shilpi Aquaculture Ltd. (a 100% EOU) by subscribing to 4,00,000 numbers

of fully paid Equity Shares of ` 10/- each. The said Company has not been able to commence its production since its formation in 1992. Since the Company, is highly indebted to Financial Institutions and could not commence its production, no income has been received so far on such Investments. As such Provision has already been made in the earlier year for the total amount of loss on such Investment.

**14. Fixed Assets:**

a. The Company took-over from Animal Husbandry Department Fixed assets comprising of Buildings, Plant & Machineries and Other assets of Milk production unit, as per decision of the A&N Administration, at free of cost in the year 1991-92. These Fixed Assets have not been included in the block of Fixed Assets shown in accounts.

b. Plant & Machinery includes 313 American Diamond processing machines at WDV ` 42,89,154/- (Original Cost ` 56,40,524/-). The Board of Directors in the meeting held on 31.10.2000 decided to dispose off these machines after referring the same to A&N Administration. Since Andaman & Nicobar Administration has accorded approval on 16.10.2002 provision for loss of assets to the extent of ` 40,83,359/- was made in the account in the year 2002-03 after assessing expected resale value. No depreciation has been provided on such assets during the year since the matter is Sub-Judice in Court on the point of recovery. However a sum of ` 1,21,801/- received for sale of assets has been kept in other liabilities.

c. Software being an Intangible Assets is generally depreciated over 5 year. Now after re-assessing the life it has been depreciated over 3 years life time and additional depreciation of ` 11,21,222/- had been charged to Profit & Loss account during the year.

d. Cookeries and Linen being individual item valued less than `5000/- and life span being less than a year has been decided to depreciate @ 100% within the year. Accordingly the written down value of Previous year amounted `111,516/- has been charged off during the year.

e. Physical verification of assets has been carried out by the officials of the company at the end of the year. Rectification of minor discrepancies are under process.

f. The company returned back the leasehold land measuring 2,000 sq. mtr at RK Pur vide letter No. ANIIDCO/POL/08/III/7662 dt 23.11.07 to the respective Tahsildar and premium amount of ` 50000/- shown under the head of receivable, though final approval is yet to received. Further construction made on the above mentioned land amounting to `1,24,696/- in the year 2006-07, is included under the head "Fixed Assets". Depreciation charged on the asset is NIL (Previous year NIL).

**15. Funds received towards Development activity/ work:**

a). Company received a sum of ` 150 lakh in earlier years from the Director (IP&T), A&N Administration for construction of wayside amenities in Andaman Trunk Road. Out of the same ` 53 Lakh was given to Andaman Harbor Work for the execution of the work as advance for civil work. However, the work was suspended due to public litigation on environment issue for Andaman Trunk Road. Out of the said advance, a sum of `37,32,059/- has been spent by Andaman Harbor Works Ltd and balance ` 15,67,941/- has been returned to the company on 14.5.2009. Pending further decision of the project, unspent amount of ` 112,67,941/- is shown under the Deposit payable account.

b). A sum of ` 2,40,15,050/- has been received from Director of Fisheries for construction of cold storages and fish-drying centers at various places is lying unspent and the same is shown in Deposit payable. Due to change of Administrative policy, the company has been



	Opening Balance	
	Current Year	Previous year
Add: Disbursed in Cash/ Bank	` 30,00,000/-	` 224,55,662/-
Add: Disbursed in Kind	` 3,786/-	` 11,829/-
Less: Recovered Closing Balance in	` 18,946/-	` 219,46,112/-

22. As per As-15 "Employee Benefits", the disclosures of Employee Benefits as defined in the Accounting Standard are given below:

**a) Defined Contribution Plan**

The Company provides Provident Fund benefit to all employees. Under the scheme fixed contributions are paid to the regional Provident fund authorities. The company has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay employee benefit. The company has made the following contributions which are recognized as expense in the profit and loss account for year in which the services are rendered by employees.

	<u>2010-2011</u>	<u>2009-2010</u>
Employer's Contribution to Provident Fund	` 46, 28,964/-	` 16, 26,345/-

**Defined Benefit Plan:**

**(i) Gratuity**

	<b>2010-2011</b>	<b>2009-2010</b>
<b>1. Basic Assumption</b>		
Discount rate	8.00%	8.00%
Salary escalation	6.50%	6.00%
<b>2. Present value of obligation</b>		
Present value of obligation at beginning of the year	115,09,396	-
Interest Cost	920752	-
Past Service Cost	-	-
Current Service Cost	1087979	-
Curtailment Cost	-	-
Settlement Cost	-	-
Benefit paid	(395165)	-
Actuarial (gain)/loss on obligation	2477594	-
<i>Defined Benefit obligation at year end</i>	<i>15600556</i>	-
<b>3. Fair value of plan assets</b>		
Fair value of plan assets at beginning of year	7978608	-
Expected return on plan assets	817928	-
Contributions	4384977	-
Benefits paid	(395165)	-
Actuarial gain/(loss) on plan assets	NIL	-
Fair value of plan assets at the end of year	12786348	-
<b>4. Table showing fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	7978608	-
Actual return on plan assets	817928	-
Contributions	4384977	-
Benefits paid	(395165)	-
Fair value of plan assets at the end of the year	12786348	-
Funded status	(2814208)	-
Excess of actual over estimated return on plan assets	NIL	-



During the year the Company has contributed ` 46,28,965/- (Previous year `16,26,345/-) towards premium in respect of LIC linked Group Gratuity Scheme and charged to revenue.

**23. Discontinued Operation of Vegetable unit as per Accounting Standard 24**

A	A description of the discontinuing operation	The Corporation started the business in 1997 by procuring vegetable from Mainland with a core objective to control the market price. Fruits and vegetables were sold without charging Corporate expenditure, depreciation and other overhead in the selling price. Gradually, private vendors have also started procurement of vegetable & fruits from mainland in refrigerated containers and due their low overheads ANIIDCO's Price was almost at par. The corporation also tried procurement of vegetables from Inter Islands, but due to non availability of vegetables throughout the year, transportation bottlenecks, etc. had to discontinue the local procurement. Therefore, the Board of Directors after noting the fact that the Division is running in loss even after selling the goods at market price, decided to close this division in it's Board Meeting 30 <sup>th</sup> July,10.
B	The business or geographical segments in which it is reported as per AS 17.	Since, line of business is one and the Region of Business is Port Blair only segmentation as per AS 17 not applicable.
C	The date and nature of the initial disclosure event.	1997 by procurement of fruits & vegetables from mainland.
D	The date or period in which the discontinuance is expected to be completed if known or determinable.	The business has been discontinued from August 2010.
E	The carrying amounts, as of the balance sheet date, of the total assets to be disposed of and the total liabilities to be settled.	- ` 345/- is booked as outstanding expenses Payable as on 31.03.11, subsequently paid. - All assets are transferred to other divisions and left over has been Sold as Scrap.
F	The amounts of revenue and expenses in respect of the ordinary activities attributable to the discontinuing operation during the current financial reporting period.	During FY 09-10 Income – 64.80 lakhs Expenditure – 83.25 lakhs During FY 10-11 Income – ` 22,53,209/- Expenditure – ` 32,87,715/-
G	The amount of pre-tax profit or loss from ordinary activities attributable to the discontinuing operation during the current financial reporting period, and the income tax expense related thereto.	Nil
H	The amounts of net cash flows attributable to the operating, investing and financing activities of the discontinuing operation during the current financial reporting period.	During FY 09-10 ( ` 16.54) Lakh During FY 10-11 ` 6.01 Lakh
I	Profit and loss, assets and liabilities and cash flow statement relating to the vegetable unit	Provided in <b>Annexure G</b>

**24. Subsidiary Company:**

The Andaman Fisheries Ltd. became a subsidiary company with effect from 19.8.2004 and a statement u/s 212(1) and audited accounts for the year ended 31.3.2011 as enclosed.

A Term Loan sanctioned to Andaman Fisheries Ltd in the earlier years, amounting to ₹ 132,00,000/- has been shown as "Other Term Loan". The Company treated the said Term Loan including interest upto 2002-03 as bad debt and made provision in full for same. Since then no interest is being calculated and provided.

Interest Free Loan was sanctioned to Andaman Fisheries Ltd during the year Rs.30 Lakh and the outstanding balance as on 31/3/2011 amounting to ₹ 2,19,46,112/-, (previous year ₹ 1,89,46,112/-). Out of this the company provided bad and doubtful debts to the extent of ₹ 33,00,000 in the earlier year, since the company became subsidiary w.e.f 19.08.2004, no further provision has been made.

**10. Applicable Disclosure Requirements for Financial Institutions :**

- e. Net Non-Performing Assets : ₹ 2,38,12,210/-(PY 2,03,21,077)
- f. Net Loans & Advances : ₹ 4,05,20,712/-(PY 3,02,09,195)
- g. Percentage of net NPA to net Loans & Advances: 58.71% (PY 33.60%)
- h. Amount of net NPA under the prescribed asset classification categories:
  - i. Sub-standard : ₹ 41,79,154/-(PY 47,79,774)
  - ii. Doubtful : ₹ 28,72,165/-(PY 23,40,297)
  - iii. Loss Assets : ₹ 1,32,00,000/-(PY 1,32,01,006)
- i. Amount of Provision made during the year towards NPA : ₹ 8,36,604/-(PY ₹ 9,14,448/-)

**26. Quantitative Disclosure:**

As required by Part-II of Schedule VI to the Companies Act, 1956, the Quantitative details are given in **Annexure – A**.

**27. Segmental Reporting:**

Division-wise Trading Account given in **Annexure – B** and Location-wise Trading Accounts for POL division is given in **Annexure – C** respectively.

**28. Cash Flow Reporting:**

As a statutory requirement under turnover criteria a Cash Flow Statement is prepared as per Accounting Standard – 3 (AS-3) issued by the Institute of Chartered Accountants of India and given in **Annexure – D**.

**29. General Business Profile:**

As required by Part-IV of Schedule VI to the Companies Act, 1956, the General Business Profile of the Company is given in **Annexure – E**.

**30. Subsidiary Company:**

Information regarding Subsidiary Companies pursuant to section 212(1)(e) of the companies Act, 1956 is given in **Annexure- F**

**31. Previous Year Figures:**

Figures of the previous year have been re-grouped / re-arranged wherever necessary to make them comparable with the previous year.

Dated : 09/09/2011  
Place : Port Blair

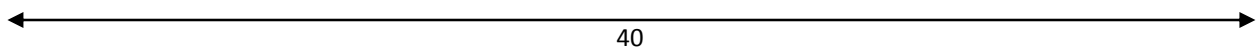
For M/s.D.K Chhajer & Co.  
Chartered Accountants  
FRN – 304138E

Sd/-  
(Mr. Niraj K. Jhunjhunwala)  
Partner  
Membership No.057170

Sd/-  
**Company Secretary**

Sd/-  
**Director**

Sd/-  
**Managing Director**



**ANDAMAN AND NICOBAR ISLANDS INTEGRATED DEVELOPMENT CORPORATION LIMITED (ANIDCO)**  
**Quantitative Details of Principle items of Goods Traded, Financial year 2010-11**

**ANNEXURE-A**

I.No	Items	Unit	Opening Balance		Purchase		Total		Sales/Transfer		Closing Balance		Qty. adjusted Shortage (+) Excess (-)	Shortage % to purchase quantity
			Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value		
1	Petroleum Products :													
A	Unleaded Petrol		50108.41	1995211.01	4103981.000 Ltr.	184354707.81	4154089.41	186349918.82	4042462.610 Ltr.	187755517.00	81244.170 Ltr.	4051919.55	30382.63	0.74
	(2009-10)	Ltr.	(39513.95)	(1352365.50)	(3554844.78)	(132301069.49)	(3594358.73)	(133653434.99)	(3517768.78)	(139061018.01)	(60108.41)	(1995211.01)	(26481.54)	0.74
B	Xtra Premium Petrol		15479.00	664049.10	644000.000 Ltr.	30555458.00	659479.000	31219507.10	637284.800 Ltr.	31078218.37	18628.000 Ltr.	989891.92	3566.20	0.55
	(2009-10)	Ltr.	(9582.29)	(337871.55)	(672000.00)	(25627972.00)	(681582.29)	(25965843.55)	(661831.50)	(27251884.49)	(15479.00)	(664049.10)	(4271.79)	0.64
C	HSD		150871.76	4908872.29	6160293.000 Ltr.	213993943.03	6311164.76	218902815.32	6141579.437 Ltr.	227393518.77	157554.230 Ltr.	5540339.97	12031.09	0.20
	(2009-10)	Ltr.	(206514.08)	(4201985.07)	(5415370.28)	(165614286.18)	(5621884.36)	(169816271.25)	(5459959.92)	(185229595.55)	(150871.76)	(4908872.29)	(11052.68)	0.20
D	X Mile HSD		16779.00	580553.40	1596000.000 Ltr.	58129110.00	1612779.000	58709663.40	1598734.600 Ltr.	61082153.07	11466.000 Ltr.	424700.64	2578.40	0.16
	(2009-10)	Ltr.	(197166.00)	(606952.30)	(1956000.00)	(62409082.00)	(1915166.00)	(63016034.30)	(1955128.71)	(65797755.99)	(16779.00)	(580553.40)	(3258.29)	0.17
E	Grease		400.00	60761.11	1652.000 Kgs	254473.30	2052.000	315234.41	1654.500	283685.60	397.500	60914.58	0.00	0.00
	(2009-10)	Kg.	(366.00)	(40215.40)	(1549.00)	(226985.58)	(1915.00)	(267213.98)	(1515.00)	(246004.20)	(400.00)	(60761.11)	0.00	0.00
F	Lubricant Oil		14014.45	1775060.92	69081.00	9684650.22	83095.45	11459711.14	69268.93	11042181.93	13656.52	1900546.59	170.00	0.25
	(2009-10)	Ltr.	(12568.75)	(1084195.66)	(64489.00)	(8414245.26)	(77057.75)	(9498440.92)	(62741.30)	(9331124.42)	(14014.45)	(1775060.92)	(302.00)	0.00
	<b>Total POL</b>		<b>247652.62</b>	<b>9984507.83</b>	<b>12575007.00</b>	<b>496972342.36</b>	<b>12822659.62</b>	<b>506956685.019</b>	<b>12490984.88</b>	<b>529430216.74</b>	<b>282946.42</b>	<b>12968313.25</b>	<b>48728.32</b>	<b>0.39</b>
	Total pol (2009-10)		(287711.07)	(9834691.00)	(11664253.06)	(394593653.51)	(11951964.13)	(40428344.51)	(11658945.21)	(426917382.66)	(247652.62)	(9984507.83)	(45366.30)	0.39
2	Steel	MT	0	0.00	3162.995	141223170.00	3162.995	141223170.00	3124.415	154151823	38.58	1678083.60	0.00	0.00
	(2009-10)	MT	(0.01)	0.00	(2613.53)	(98787037.47)	(2613.54)	(98787037.47)	(2613.54)	(105219130.00)	0.00	0.00	0.00	0.00
3	Liquor		3327744.00	156699068.37	8774584.00	351674199.65	12102328.00	508373268.02	8733925.00	869206710.00	3289513	165626692.75	49886.00	0.57
	(2009-10)	Btl	(1372286.00)	(82582803.00)	(10727928.00)	(391955032.36)	(12100214.00)	(474537835.36)	(8724937.00)	(779929865.00)	(3327744.00)	(156699068.37)	(47533.00)	0.44
4	Vegetable	Kg.	2834.30	98584.61	49239.50	1486307.00	52073.80	1584891.61	36791.28	2246732.41	0	0.00	15282.52	31.04
	(2009-10)	Nos.			20200.00	21300.00	20200.00	21300.00	12252.00	32701.00	0	0.00	7948.00	39.35
	(2009-10)	Kg.	(2978.26)	(91321.71)	(172626.36)	(3845326.00)	(175604.62)	(3936647.71)	(116730.68)	(6323199.13)	(2834.30)	(98584.61)	(56039.64)	32.46
	(2009-10)	Nos.	(33.00)	(37.95)	(41414.00)	(43284.00)	(41447.00)	(43321.95)	(27021.00)	(57044.50)	0.00	0.00	(14426.00)	34.83
5	Books & Stationery	No.	0	6639.89	0	0.00	0	6639.89	0	0.00	0	6639.89		
	(2009-10)	No.	0.00	(8573.00)	0.00	0.00	0.00	(8573.00)	(2462.40)	(6639.89)				
6	Andaman Maps	No.	437	65550.00	0	0.00	437	65550.00	173	519000.00	264	396000.00		
	(2009-10)	No.	(604.00)	(90600.00)	0.00	0.00	(604.00)	(90600.00)	(167.00)	(50100.00)	(437.00)	(65550.00)		
7	I.Cards													
	(2009-10)	No.	(158.00)	(17696.00)	0.00	0.00	(158.00)	(17696.00)	(158.00)	(17696.00)	0.00	0.00	0.00	
	<b>Total</b>		<b>3578262.92</b>	<b>166788832.70</b>	<b>21422193.50</b>	<b>991377319.01</b>	<b>25000861.41</b>	<b>1158231669.71</b>	<b>21277250.57</b>	<b>1555587183.12</b>	<b>3572762.00</b>	<b>180319329.49</b>		
	(2009-10)		(1663198.33)	(92535154.66)	(22608866.95)	(889224365.34)	(24272033.28)	(981759488.00)	(20530437.42)	(131846681.69)	(3578262.92)	(166788832.70)		

**I. Goods in Trade:**

(Amount in `)

**II. Licensed & Installed Capacity & Actual Production:**

Class of Goods	Unit	Capacity registered/licensed		Installed		Production	
		2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Reconstituted Milk	Ltr.	Not Applicable	5000 Per Day	5000 Per Day	1544888.00	1737883.10	
Paneer	Kg.	Not Applicable	NA	NA	8168.55	10017.16	
Flavoured Milk	Ltr.	Not Applicable	NA	NA	124.00	124.00	
Curd	Ltr.	Not Applicable	NA	NA	122944.00	137760.00	
Butter Milk	Btl	Not Applicable	NA	NA	3120.00	4700.00	
Sweet Lassi	Ltr.	Not Applicable	NA	NA	579.00	980.00	
Air Ticketing Unit		Not Applicable	NA	NA	NA	NA	
Tourist Accommodation	-	Not Applicable	NA	NA	NA	NA	
<b>Total</b>					<b>1679699.55</b>	<b>1891464.26</b>	

**III Particulars in respect of Sale**

Class of Goods	Unit	Quantity		Value in Rupees	
		2010-11	2009-10	2010-11	2009-10
Reconstituted Milk	Ltr.	1355233.500	1522739	39887079	36903644.4
Tours & Travels	-	Not Feasible	Not Feasible		257542.5
Food Stuff	-	Not Feasible	Not Feasible	14238381	14080329
Room Tariff	-	Not Feasible	Not Feasible	20662579	20927409
Bar	-	Not Feasible	Not Feasible	2414906	2357277
Telephone	-	Not Feasible	Not Feasible	1520	1545
Paneer	Kg.	8143.090	10020.4	1651322.75	1598306.25
Flavoured Milk	Ltr.				
Sweet Lassi	Ltr.	579.200	984.4	28960	49220.5
Curd	Ltr.	122201.200	136829.2	4888048	4594932
Butter Milk	BAL	3128.000	4718	15640	23590
Air Ticketing	-	Not Feasible	Not Feasible	38386627	34179409
Package Tour	-	Not Feasible	Not Feasible		0
<b>Total</b>				<b>122175063</b>	<b>114973205</b>

**IV Details of Finished Goods**

Class of Goods	Unit	Opening Balance		Closing Balance	
		2010-11	2009-10	2010-11	2009-10
Reconstituted Milk	Ltr.	379.10	7961.10	4259.60	93711.20
Paneer	Kg.	28.9	5059.25	54.37	9514.75
Flavoured Milk	Ltr.		0		0
Sweet Lassi	Ltr.	4.4	74.39	4.20	111.69
Curd	Kg.	573.0	22920.00	617.80	24712.00
Butter Milk	Btl.	20.00	79.00	12.00	47.40
<b>Total</b>		<b>1005</b>	<b>36093.74</b>	<b>4947.97</b>	<b>128097.04</b>
			<b>808</b>	<b>23783.00</b>	<b>1005</b>
				<b>93711.20</b>	<b>36093.74</b>

### V. Details of Raw Material Consumed

Sl. No	Items	Unit	Opening Balance		Purchase		Consumed/Transfer		Closing Stock		Qty. adjusted Less (-) Excess (+)	Shortage % to Purchase Qty.
			Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value		
1	Raw Milk (2009-10)	Ltr.	962	18238.80	376172.5	8026204.00	376019	7950399.74	0	0.00	1116	0.30
		Ltr.	1178	20941.00	389707.5	7389947.50	388069.5	7476263.12	962	18238.80	1854	0.48
2	Whole/Skimmed Milk powder (2009-10)	Ltr.	60560	12364599.90	121825	25707230.00	146435	30260041.40	35950	7623069.50	0	0.00
		Kg.	13000	1770433.00	216297.2	38429016.00	168737.2	28861879.78	60560	12364599.90	0	0.00
3	Beer	Bottle	83	4640.00	6360	613790.00	6224	605775.00	219	9428.71	0	0.00
	Liquor	Peg	1968	72170.20	22163.5	1574935.00	22268.5	1599855.00	1863	104928.73	0	0.00
		Bottle	42	2210.00	6253	352030.00	6212	581675.00	83	4640.00	0	0.00
		Peg	1445	35552.00	22557	707909.00	22034	1534150.00	1968	72170.20	0	0.00
4	Provision/Cold Drink/stores (2009-10)		0	2485893.00	0	25063210.46	0	25114470.71	0	2929671.11	0	0.00
				1011296.00		8676010.00		7201413.00		2485893.00	0	0.00
5	Champagne (2009-10)	Bottle	4.00	1900.00			2.00	2400.00	2	950.00	0	0.00
		Bottle	2.00	2400.00	9.00	10800.00	7.00	7200.00	4.00	1900.00	0	0.00
6	Wine (2009-10)	gl	131.00	10694.00	43	34400.00	125.00	38680.00	49 gl	498.80	0	0.00
		gl	139.00	11988.00	576.00	17040.00	584.00	51520.00	131.00	10694.00	0	0.00
7	RTD (2009-10)	Bottle	27	1215.00	771	61680.00	771	47200.00	27	1215.00	0	0.00
		Bottle	0	0.00	912	41040.00	885	70800.00	27	1215.00	0	0.00
8	Packing materials and stores of Milk Plant (2009-10)			816067.26		159941.00		387463.24		588545.02	0	0.00
				1575179.00		1391982.00		2151094.00		816067.26	0	0.00
	<b>Total</b>		<b>63735</b>	<b>12473458</b>	<b>527335</b>	<b>36018239</b>	<b>551845</b>	<b>40504351</b>	<b>38110</b>	<b>10669762</b>		
	<b>Total (2009-2010)</b>		<b>(15806)</b>	<b>(4429999)</b>	<b>(635399.70)</b>	<b>(56974734.50)</b>	<b>(585643.70)</b>	<b>(47865194.90)</b>	<b>(63708)</b>	<b>(15774203.16)</b>		

sdl/-

COMPANY SECRETARY

sdl/-

DIRECTOR

sdl/-

MANAGING DIRECTOR

**ANDAMAN AND NICOBAR ISLANDS INTEGRATED DEVELOPMENT CORPORATION LIMITED (ANIIDCO)**  
**SEGMENTAL TRADING ACCOUNT (DIVISION WISE) FOR THE YEAR 2010-11**

(Amount in ` )

**ANNEXURE-B**

Hheads of account	Iron & Steel	POL	C&F/NP	IMFL	TSM	MILK	Vegetable (Discontinued Operation)	AIR TICKET	Corporate	Total
Income									OFFICE	
sales	154151823	529430216.7		869206710	39352435	46471049.75	2279433.41	38386627	51900	1679330195
Direct Income	1477226	150502	1879863	0	0	0	0	2031662		5539253
Indirect Income	695234	367284	3078497	11555224	639496	25612	72361	353581	69044866	85832154
Closing stock	1678083.6	12968313		165626692	2929671	8339712	0		46240	191588712
<b>Total Income</b>	<b>158002367</b>	<b>542916315.5</b>	<b>4958360</b>	<b>1046388626</b>	<b>42921601.73</b>	<b>54836373.35</b>	<b>2351794.41</b>	<b>40771870</b>	<b>69143006.39</b>	<b>1962290314</b>
<b>Expenditure</b>										
Opening Balance	0	9984507		156699068.6	2485893	13235000	98585		72190	182575244
Purchase	141221636	496972342	0	351542575	2459762	33676983	1507607	38386627	0	1065767532
Direct Expenses	7930929	12112127	411	440336535	201266	2335763	358652	719	179318	463455720
<b>Gross Profit</b>	<b>8849802</b>	<b>23847339.48</b>	<b>4957949</b>	<b>97810447.44</b>	<b>37774680.73</b>	<b>5588627.35</b>	<b>386950.41</b>	<b>2384524</b>	<b>68891498.39</b>	<b>1711798496</b>
Administrative overheads Total	782529	1922456	130629	2425837	5546993	1837033	185979	232964	12743355	25807774
Operation, Selling & Distribution	28180	625136.53		2704911	13363643.87	3395684	169020	17225	1247037.8	21550838
Remuneration to Employees	966235	8914424	1135743	11318838	15700384	5769544	892549	429808	37978175	83105700
Depreciation	130997	629764	178876	62883	1379722	183912	107493	21867	3995479	6690993
<b>Total Expenditure</b>	<b>151060506</b>	<b>531160756</b>	<b>1445659</b>	<b>965090647</b>	<b>41137665</b>	<b>60433919</b>	<b>3319885</b>	<b>39089210</b>	<b>56215555</b>	<b>137155306</b>
<b>Profit before Corporate overhead</b>	<b>6941860</b>	<b>11755559</b>	<b>3512701</b>	<b>81297979</b>	<b>1783937</b>	<b>-5597545</b>	<b>-968091</b>	<b>1682660</b>	<b>12927452</b>	<b>113336513</b>
Previous Year	5325714	10963161	676962	70933506	5379308	-7241051	-1845981	515220	4396185	89103024
Less: Corp.Overheads	5154619	17703399	62860	29065045	1315890	1553926	76221	1283595	0	56215555
<b>Profit before Adjustment</b>	<b>1787241</b>	<b>-5947840</b>	<b>3449841</b>	<b>52232934</b>	<b>468047</b>	<b>-7151472</b>	<b>-1044312</b>	<b>399066</b>		<b>44193506</b>
Previous Year	2516960	392633	625593	50113804	3506555	-8393640	-2016297	-376743		46368865
Add: Interest on FD and other income										69143006
Adjustment Total										5115434
<b>Total profit before tax</b>										<b>108221079</b>
COMPANY SECRETARY				sd/-						
DIRECTOR										
MANAGING DIRECTOR										

**ANDAMAN AND NICOBAR ISLANDS INTEGRATED DEVELOPMENT CORPORATION LIMITED (ANIIDCO)**  
**SEGMENTAL TRADING ACCOUNT (POL DIVISION) FOR THE YEAR 2010-11**

(Amount in ` )

**ANNEXURE-C**

Heads of Account	Port Blair	Hut bay	Rangat	Mayabandar	Diglipur	Katchal	Teressa	C/Bay	Kamorta	R.K.Pur L/A	Total
Sales	305170452.6	21452064	32355646.5	16774681	97176662	4480550.98	3859694.26	27055569	6646189.81	14458706.55	529430216.7
Indirect Income	156690	466	2	27	22388	52107	65716	126253	83737	10401	517785.74
<b>Closing Stock</b>	<b>2802532</b>	<b>2911598</b>	<b>1186212</b>	<b>1349574</b>	<b>1714942</b>	<b>293419</b>	<b>496545</b>	<b>1614919</b>	<b>307084</b>	<b>291489</b>	<b>12968313.25</b>
<b>Total</b>	<b>308129675</b>	<b>24364128</b>	<b>33541860</b>	<b>18124282</b>	<b>98913991</b>	<b>4826077</b>	<b>4421955</b>	<b>28796741</b>	<b>7037011</b>	<b>14760596</b>	<b>542916315.7</b>
Expenditure											
Opening Balance	2613186	583770	1962685	1244656	1533599	411181	184790	406956	483508	560177	9984508
Purchase	296745857	23039505	26044524	13864996	94874832	2982823	2991017	20451147.5	4473871	11503771	496972342.6
Insurance	13481	5826	5514	4214	6814	2168	2168	2168	2168	2720	47241
Transportation charges	36817	184669	1803656	1103715	37874	862732	947192	5272484	1176392	639355	12064886
Total Direct expenditure.	299409341.4	23813769.93	29816378.68	16217581.12	9645318.43	4258904.17	4125166.01	26132755.91	6135939.05	12706022.66	519068977.4
Gross Profit	8720334	550358	3725481	1906701	2460873	567173	296789	2663985	901072	2054574	23847338
<b>Indirect Expenses</b>											
Administrative Overheads Total	425204	166287	133298	108790	365819	101152	257883	173628	101636	88758	1922455
Operation, Selling & Distribution Total	518015	69467	1348	11080	3746	0	0	0	9480	12000	625137
Remuneration to Employees Total	4466321	787220	787138	1030552	758592	205482	230642	242074	213391	193012	8914424
Depreciation	313004	75518	38487	19954	115593	5330	4591	32183	7906	17199	629764
Total Indirect cost	5722545	1098492	960271	1170376	1243750	311964	493116	447885	332413	310969	12091780
Total Expenditure	305131886	24912262	30776650	17387957	97696868	4570868	4618282	26580641	6468352	13016991	531160757
Profit before Corporate overhead	2997789	-548134	2765210	736325	1217123	255209	-196327	2216100	568659	1743605	11755559
Previous year	[3309100]	[-387102]	[2629794]	[1166478]	[1389796]	[-573669]	[202103]	[1784608]	[589369]	[852683]	[10963160]
Less: Corporate Exp..	10204469	717327	1081927	560922	3249450	149823	129063	904700	222239	483479	17703399
Profit before tax and adjustment	-7206680	-1265461	1683283	175403	-2032328	105386	-325390	1311400	346420	1260126	-5947840
Previous year	[-3136810]	[-904023]	[1948578]	[792067]	[-126123]	[-662468]	[104289]	[1348394]	[402152]	[626575]	[392632]
	sdl/-			sdl/-						sdl/-	
COMPANY SECRETARY				DIRECTOR						MANAGING DIRECTOR	

**Andaman & Nicobar Islands**  
**Integrated Development Corporation Limited**  
*(A Government Undertaking)*

Annexure - D

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2011**

Particulars	For Year ended 31.3.2011 (₹)	For Year ended 31.3.2010 (₹)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit before tax and extraordinary items	108,221,079	81,773,540
Adjustments for :		
Depreciation	6,690,993	5,273,195
Interest on Fixed Deposits	(32,056,647)	(30,204,493)
Lease Rentals	(35,000,000)	(7,500,000)
Loss on sale of fixed assets	792,829	31,119
Profit on sale of assets	(133,896)	(199,002)
Provision for Leave Encashment	2,241,370	
Provision for LTC/AFSP	2,568,811	
Provision for Performance Related Incentive	(54,918)	
Provision for Standard Assets	45,861	
Prior period expenditure	(462,272)	
<b>Operating profit before working capital changes</b>	<b>52,853,211</b>	<b>49,174,359</b>
Adjustment for :		
Trade and other receivables	(9,473,991)	35,625,733
Loans & Advances	47,951,254	4,612,634
Inventory	(9,013,470)	(85,495,736)
Trade and other payables	(18,898,510)	68,240,742
<b>Cash generated from operations</b>	<b>63,418,493</b>	<b>72,157,732</b>
Direct Taxes Received/(Paid)	(48,804,530)	(42,602,636)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>14,613,963</b>	<b>29,555,096</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed Assets	(20,157,642)	16,981,534
Capital WIP	(19,687,850)	5,288,467
Lease Rentals	35,000,000	7,500,000
Income from credit guarantee fund	1,178,003	1,355,609
Sale Of Fixed Assets ( Working 1)	1,831,718	180,998
Interest on Fixed Deposite	32,056,647	30,204,493
Advance to Subsidiary	(3,000,000)	(3,300,000)
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>27,220,876</b>	<b>58,211,101</b>

<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds/(Repayment) from/of borrowings	-	
ASIDE SCHEME FUND (NET)	5,246,692	
Term Loan & ECB	-	(2,023,391)
Dividend Paid	(5,485,030)	10,970,060
Dividend Tax Paid	(621,454)	
Prior Period Expenditure		1,135,352
<b>NET CASH FROM FINANCING ACTIVITIES (B)</b>	<b>(859,792)</b>	<b>10,082,021</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>40,975,047</b>	<b>97,848,218</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>538,888,922</b>	<b>441,040,704</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>579,863,969</b>	<b>538,888,922</b>
<b>Notes to the Cash Flow Statements for the period ended 31.3.2011</b>		
1. The above Cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India.		
2. Figures in brackets indicate cash outgo.		
3. Previous period figures have been regrouped and recast wherever necessary to conform to the current period classification.		
4. Cash and Cash Equivalent Comprises:-		
Cash in hand & Transit	3,047,859	717,980
Balances with Scheduled Banks	45,407,033	72,262,428
Balances with Non-Scheduled Banks	36,520,911	37,020,348
Fixed Deposit with Scheduled Banks	494,888,166	428,888,166
<b>TOTAL</b>	<b>579,863,969</b>	<b>538,888,922</b>

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

In terms of our report of even date  
**For M/S D.K.Chhajer & Co.**  
**Chartered Accountants**  
**FRN - 304138E**

**Place: Port Blair**

**Date:**

**(Mr. Niraj K Jhunjunwala)**  
**Partner**

Membership No. 057170

sd/-

(Managing Director)

sd/-

(Company Secretary)

sd/-

(Director)

**ANDAMAN & NICOBAR ISLANDS  
INTEGRATED DEVELOPMENT CORPORATION LIMITED (ANIIDCO)  
(A Government Undertaking)**

**Annexure – E**

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**I. Registration Details :**

CIN No. U74999AN1988SGC000028  
Registration No. 28 of 1988 State Code 52  
Balance Sheet Date **31.03.2011**

**II. Capital raised during the year : (Amount in ` Thousands)**

Public Issue	Rights Issue
NIL	NIL
Bonus Issue	Private Placement
NIL	NIL

**III. Position of Mobilization and Deployment of Funds :(Amount in ` Thousands)**

Total liabilities	Total Assets
<b>115150</b>	<b>115150</b>
Paid up Capital	Reserves & Surplus
<b>109701</b>	<b>592632</b>
Secured Loan	Unsecured Loan
NIL	<b>5806</b>
Net Fixed Assets	Investments
<b>12218</b>	<b>6965</b>
Net Current Assets	Misc. Expenditure
<b>56519</b>	NIL
Accumulated Losses	
NIL	

**IV. Performance of Company : (Amount in ` Thousands)**

Turnover	Total Expenditure
<b>16793</b>	<b>1655</b>
Profit / Loss Before Tax	Profit / Loss After Tax
<b>(+) 10822</b>	<b>(+) 63018</b>
Earning per share in `	Dividend %
<b>56.51</b>	<b>5</b>

**V. General Nature of Three Principal products/Services of the Company: (As per monetary terms)**

Item Code No. (ITC Code)	
Product Description	Iron & Steel, Hotel
Item Code No. (ITC Code)	
Product Description	Toned Milk, Vegetables
Item Code No. (ITC Code)	
Product Description	Petroleum Products, IMFL & Beer

sd/-  
(Company Secretary)

sd/-  
(Managing Director)

sd/-  
(Director)

