

SHREE PUSHKAR PETRO PRODUCTS LIMITED

BOARD OF DIRECTOR

1. Mr. Punit Makharia-Chairman & Managing Director
2. Mr. Gautam Makharia-Director
3. Mr. Gopi Kisan Makharia (upto 10.03.2011)
4. Mr. S.P. Arora -Nominee Director of IFCI Venture Ltd. (Upto 22.06.2011)
5. Mr. Akshay Dua - Nominee Director of IFCI Venture Ltd.(From 23.06.2011)
6. Mr. Nirmal Kedia – Independent Director.
7. Mr. Ramakant Nayak – Independent Director (from 4.12.2010)

STATUTORY AUDITORS

Parihar & Associates,
Mumbai

BANKERS

1. State Bank of India
2. State Bank of Patiala (upto September 2010)
3. Yes Bank Limited (from September 2010)

RIGISTERED OFFICE

202/A,Building no.-03
Rahul Mittal Industrial Estate
Sir. M.V. Road
Andheri (East)
Mumbai-400 058

FACTORY

B-103/102, & D-25, M.I.D.C.,
Lote Parshuram
Tal-Khed, Dist-Ratnagiri
Maharashtra-405 722

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(A Government Recognised Export House)

202, A Wing, Bldg. No. 3, Rahul Mittal Industrial Estate,

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Tel.: + 91 22 2850 2525 • Fax: + 91 22 2850 4242

E-mail: pushkar@bom3.vsnl.net.in

NOTICE

Notice is hereby given that the **Eighteenth Annual General Meeting** of the **Members** of the Company **Shree Pushkar Petro Products Limited** will be held on **Friday the 30th September, 2011 at 11.00 a.m.** at the Registered Office of the Company situated at **202, A Wing, Building No.3, Rahul Mittal Industrial Estate, Sir M. V. Road, Andheri (East), Mumbai – 400 059** to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the audited accounts for the period ended 31st March, 2011 along with notes and schedules thereon as on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Nirmal Kedia, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit to pass, with or without modification, following resolution as an ordinary resolution:

“RESOLVED THAT M/S. Parihar & Associates, Chartered Accountants, Mumbai, be and are hereby appointed as Statutory Auditors of the Company, to hold the office from the conclusion of this annual general meeting until the conclusion of next annual general meeting of the Company, upon such remuneration as shall be fixed by the Board of Directors.”

Special Business:

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

“RESOLVED THAT Mr. Ramakant Nayak, who was appointed as an additional Director of the Company with effect from 4th December, 2010 and who holds office up to Annual General Meeting of the Company and in respect of whom the notice under section 257 of the Companies Act, 1956, in writing proposing his candidature for the appointment as a Director has been received, be and is hereby reappointed as Director of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, as it may feel necessary, proper or expedient to give effect to this resolution”



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

“RESOLVED THAT Mr. Akshay Dua who was nominated by IFCI Venture Capital Funds Ltd., was appointed as an additional Director of the Company with effect from 23rd June, 2011 and who holds office up to Annual General Meeting of the Company and in respect of whom the notice under section 257 of the Companies Act, 1956, in writing proposing his candidature for the appointment as a Director has been received, be and is hereby reappointed as Director of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, as it may feel necessary, proper or expedient to give effect to this resolution.”

6. To consider and approve and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 198, 269, 309, 310, 311, schedule XIII and other applicable provision, if any of the Companies Act, 1956, consent of members, be and is hereby accorded to the reappointment of Mr. Punit Makharia, as Chairman and Managing Director of the Company for a period of Five year with effect from 1st April, 2011, on such terms and conditions as may be decided in consultation with Mr. Punit Makharia, provided that the remuneration including the perquisite and other terms of appointment shall not be inconsistent with the terms specified herein below:

A. Period of Appointment:

Mr. Punit Makharia has been appointed as a Managing Director for a period of 5 years with effect from 1st April, 2011 up to 31st March, 2016.

B. Basic Salary:

Mr. Punit Makharia will be paid the salary in the range of Rs. 1,20,000 (Rupees One Lac Twenty Thousand Only) to Rs. 2,50,000 (Rupees Two Lacs Fifty Thousand Only) per month, as may be decided by the Board from time to time.

C. Perquisites:

In addition to salary, the above Managing Director will be allowed perquisites as specified in Category a, b and other terms.



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Category – a:

- i. Housing: Furnished/ Unfurnished residential accommodation or house rent allowance up to 10% of the salary in lieu thereof.
- ii. The expenditure incurred by the Company for gas, electricity, water and furnishing shall be valued as per the Income Tax Rules 1962. This shall, however be subject to a ceiling of ten percent of the basic salary of the Managing Director.
- iii. Medical Reimbursement: The Expenditure incurred for self and family, as decided by the Board from time to time.
- iv. Leave Travel Concession: For self and family, once in a year in accordance with the Rules of the Company.
- v. Club Fees: Fees of clubs, subject to maximum of two Clubs. This will not include life membership fees
- vi. Personal Medical/ Accident Insurance: Personal Medical / Accident Insurance of an amount, the annual premium of which shall be paid as per the Rules of the Company.

Category – b:

The Managing Director shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration:

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- b. Gratuity payable at a rate not exceeding half a months' salary for each completed year of service and
- c. Encashment of Leave at the end of the tenure.

Other Terms:

- i. The Managing Director is entitled to reimbursement of all actual expenses as per the Rules of the Company including on entertainment and travelling incurred in the course of the Company's business.
- ii. The Managing Director is entitled to avail of fully paid leave as per the Rules of the Company as applicable to the senior executives.
- iii. The Managing Director, subject to the applicable provisions of the Companies Act, 1956, is also eligible for housing loan as applicable in accordance with the Rules of the Company.
- iv. The Managing Director is also entitled to the benefits under all other schemes, privileges and amenities as are granted to the senior executives of the Company in accordance with the Company's practice, rules and regulation in force from time to time.



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- v. The Managing Director is not entitled to payment of any sitting fees for attending the meetings of the Board or of a Committee thereof.
- vi. The appointment shall be terminated by the Company by giving him six months' notice or on payment of six months' basic salary in lieu thereof and by him by giving six months' notice.
- vii. For all other terms and conditions not specifically spelt out above, the provisions of Agreement of Appointment of Managing Director, executed between the Company and Mr. Punit Makharia, shall apply.

Minimum Remuneration:

In case in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or the profits are inadequate, the Company shall, subject to the approval of the Central Government, wherever required and the provisions of Section 198, 269, 309, 349 of the Companies Act, 1956 and subject to the conditions and limits specified in the Schedule XIII of the Companies Act, 1956, pay to the Managing Director basic salary, perquisites and allowances as specified above.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to increase, alter and/or vary the remuneration and perquisites including the monetary value thereof as specified in the said Agreement to the extent, as the Board of Directors may consider appropriate, and as may be permitted or authorized in accordance with any provisions under the Companies Act, 1956, for the time being in force, the approval of the members in the General Meeting of the Company and the terms and conditions of the aforesaid Agreement between the Company and Mr. Punit Makharia, shall be suitably modified to give effect to such variation or increase as the case may be.

RESOLVED FURTHER THAT Mr. Gautam Makharia, Joint Managing Director and/or Mr. Nirmal Kedia, Director of the Company, be and are hereby severally authorized to execute and sign the Agreement and other documents and take such steps as may be necessary and desirable to implement and give effect to the foregoing resolution."

- 7. To consider and approve and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 198, 269, 309, 310, 311, schedule XIII and other applicable provision, if any of the Companies Act, 1956, consent of members, be and is hereby accorded to the reappointment of Mr. Gautam Makharia, as Joint Managing Director of the Company for a period of Five year with effect from 1st April, 2011, on such terms and



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conditions as may be decided in consultation with Mr. Gautam Makharia, provided that the remuneration including the perquisite and other terms of appointment shall not be inconsistent with the terms specified herein below:

A. Period of Appointment:

Mr. Gautam Makharia has been appointed as a Joint Managing Director for a period of 5 years with effect from 1st April, 2011 upto 31st March, 2016.

B. Basic Salary:

Mr. Gautam Makharia will be paid the salary in the range of Rs. 1,20,000 (Rupees One Lac Twenty Thousand Only) to Rs. 2,50,000 (Rupees Two Lacs Fifty Thousand Only) per month, as may be decided by the Board from time to time.

Perquisites:

In addition to salary, the above Joint Managing Director will be allowed perquisites as specified in Category a, b and other terms.

Category – a:

- i. Housing: Furnished/ Unfurnished residential accommodation or house rent allowance up to 10% of the salary in lieu thereof.
- ii. The expenditure incurred by the Company for gas, electricity, water and furnishing shall be valued as per the Income Tax Rules 1962. This shall, however be subject to a ceiling of ten percent of the basic salary of the Managing Director.
- iii. Medical Reimbursement: The Expenditure incurred for self and family, as decided by the Board from time to time.
- iv. Leave Travel Concession: For self and family, once in a year in accordance with the Rules of the Company.
- v. Club Fees: Fees of clubs, subject to maximum of two Clubs. This will not include life membership fees
- vi. Personal Medical/ Accident Insurance: Personal Medical / Accident Insurance of an amount, the annual premium of which shall be paid as per the Rules of the Company.

Category – b:

The Joint Managing Director shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration:



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- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- b. Gratuity payable at a rate not exceeding half a months' salary for each completed year of service; and
- c. Encashment of Leave at the end of the tenure.

Other Terms:

- i. The Joint Managing Director is entitled to reimbursement of all actual expenses as per the Rules of the Company including on entertainment and travelling incurred in the course of the Company's business.
- ii. The Joint Managing Director is entitled to avail of fully paid leave as per the Rules of the Company as applicable to the senior executives.
- iii. The Joint Managing Director, subject to the applicable provisions of the Companies Act, 1956, is also eligible for housing loan as applicable in accordance with the Rules of the Company.
- iv. The Joint Managing Director is also entitled to the benefits under all other schemes, privileges and amenities as are granted to the senior executives of the Company in accordance with the Company's practice, rules and regulation in force from time to time.
- v. The Joint Managing Director is not entitled to payment of any sitting fees for attending the meetings of the Board or of a Committee thereof.
- vi. The appointment shall be terminated by the Company by giving him six months' notice or on payment of six months' basic salary in lieu thereof and by him by giving six months' notice.
- vii. For all other terms and conditions not specifically spelt out above, the provisions of Agreement of Appointment of Managing Director, executed between the Company and Mr. Gautam Makharia, shall apply.

Minimum Remuneration:

In case in any financial year during the currency of the tenure of the Joint Managing Director, the Company has no profits or the profits are inadequate, the Company shall, subject to the approval of the Central Government, wherever required and the provisions of Section 198, 269, 309, 349 of the Companies Act, 1956 and subject to the conditions and limits specified in the Schedule XIII of the Companies Act, 1956, pay to the Joint Managing Director basic salary, perquisites and allowances as specified above.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to increase, alter and/or vary the remuneration and perquisites including the monetary value



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thereof as specified in the said Agreement to the extent, as the Board of Directors may consider appropriate, and as may be permitted or authorized in accordance with any provisions under the Companies Act, 1956, for the time being in force, the approval of the members in the General Meeting of the Company and the terms and conditions of the aforesaid Agreement between the Company and Mr. Gautam Makharia, shall be suitably modified to give effect to such variation or increase as the case may be.

RESOLVED FURTHER THAT Mr. Punit Makharia, Managing Director and/or Mr. Nirmal Kedia, Director of the Company, be and are hereby severally authorized to execute and sign the Agreement and other documents and take such steps as may be necessary and desirable to implement and give effect to the foregoing resolution.”

8. To consider and approve and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of section 293(1)(d) and all other applicable provisions, if any, of the Companies Act, 1956, the consent of members of the Company, be and is hereby accorded to the Board of Directors of the Company to borrow any sum or sums of money from time to time from any one or more of the combinations of banks, financial institutions, persons, firms, bodies corporate, mutual funds, trusts etc. whether by way of loans or advances or deposits or issue of debentures or otherwise (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) and whether unsecured or secured by charge of any kind whatsoever including mortgage, hypothecation or lien or pledge of the Company’s assets and properties whether movable or immovable or stock in trade (including raw materials, stores, spare parts and components in stock or in transit) and work in progress and all or any of the undertaking of the Company, notwithstanding that the money to be borrowed together with the money already borrowed by the Company will or may exceed the aggregate of the paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes, so that the total amount up to which the money may be so borrowed by the Board of Directors of the Company and outstanding at any time shall not exceed Rs. 500 Crores at the relevant time.

RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorized to execute such mortgage, charges, hypothecation, lien, debenture trust deeds, promissory notes, deposits receipts and other deeds and instruments or writings containing such conditions and covenants as the Director may think fit.”

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:



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“RESOLVED THAT pursuant to provisions of section 293(1)(a) and all other applicable provisions, if any, of the Companies Act, 1956, the consent of members of the Company, be and is hereby accorded to the Board of Directors of the Company to mortgage or charge all or any part of immovable or movable properties of the Company, where so ever situated, both present and future, and whole or part of the undertakings of the Company of any nature and kind whatsoever and / or creating a floating charge in all or any immovable properties of the Company together with the powers to take over the management of the business and concern of the Company, in certain events, to or in favor of banks, financial institutions or any other lenders to secure the amount borrowed/ to be borrowed by the Company from time to time for the due payment of the principal money, together with the interest payable by the Company in respect of such borrowings.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to negotiate and settle the terms and conditions with the concerning Banks, financial institutions, any other lenders etc., to finalize the agreements, contracts, documents for creating the aforesaid mortgage and or charges and to do all the acts, deeds, matters and things as may be necessary to give effect to this resolution.”

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT, pursuant to section 372A and all other applicable provisions, if any, of the Companies Act, 1956, and subject to such other consents, as may be necessary in law, sanction be and the same is hereby accorded to the Board of Directors of the Company for making Loans/ Corporate Guarantees to any body corporate and to make investments by subscription to and/or purchase of shares, debentures, units, securities of companies, body corporate, mutual fund and banks in India and abroad to any body corporate, from time to time up to a sum not exceeding Rs. 50 Crores Only.”

11. To consider and if thought fit, to pass with or without modification (s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (the **“Companies Act”**) (including any statutory modification or re-enactment thereof for the time being in force), and subject to and in accordance with any other applicable law or regulation, in India or outside India, including, without limitation, the provisions of the Securities and Exchange Board of India (Issue of Capital



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and Disclosure Requirements) Regulations, 2009, as amended from time to time (the “**ICDR Regulations**”), (together, the “**Applicable Laws**”) the listing agreements to be entered into by the Company with the Bombay Stock Exchange Limited, the National Stock Exchange of India Limited and any other stock exchange (together, the “**Stock Exchanges**”) where the Company’s shares are to be listed as determined by the board of directors of the Company or a duly constituted committee of the board of directors, including any IPO Committee (together, the “**Board**”) at its absolute discretion , and the Memorandum of Association and Articles of Association of the Company and subject to the approval, permission and sanction, to the extent necessary, of the Government of India, the Securities and Exchange Board of India (the “**SEBI**”), the Foreign Investment Promotion Board, the Reserve Bank of India, the Registrar of Companies and all other appropriate regulatory authorities, and subject to such conditions and modifications as may be prescribed in such approvals, permissions and sanctions, which have been agreed to by the Board, the consent and approval of the members be and is hereby granted to the Board to create, issue, offer and allot in an initial public offer (the “**Issue**” or the “**IPO**”) equity shares of the Company of face value Rs. 10/- each or such other face value as may be decided by the Board (the “**Equity Shares**”) such that the total amount to be raised including the amount of securities premium by such offerings shall not exceed [●] (Rupees [●] lacs only), which shall include, without limitation, Equity Shares issued and allotted in any private placement to selected investors as permitted under Applicable Laws (the “**Pre-IPO Placement**”), reservation of a certain number of Equity Shares for any category or categories of persons as permitted under Applicable Laws, including, without limitation, eligible employees and shareholders (the “**Reservation**”), any green shoe option, of up to a certain number of Equity Shares in accordance with Applicable Laws (the “**Green Shoe Option**”) and/or for rounding off up to 10% of the Issue in the event of any oversubscription as permitted under Applicable Laws to such person or persons, who may or may not be the members of the Company and as the Board may at its sole discretion decide, including foreign / resident investors, foreign institutional investors, foreign venture capital investors, Indian and/or multilateral financial institutions, mutual funds, non-resident Indians, qualified institutional buyers, employees and/or workers of the Company or its subsidiaries, in or out of India, Indian public, bodies corporate, any other company/companies, private or public or other body corporate(s) or entities whether incorporated or not, authorities and such other persons in one or more combinations thereof and/or any other categories of investors eligible to invest in the Equity Shares under Applicable Laws, including anchor investors as defined under the ICDR Regulations through issue of offer document/s, in one or more modes or combination thereof and in one or more tranches at such price or prices (at par or premium), including, without



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limitation, through a partly paid-up structure, and in such manner and on such terms and conditions as the Board may, in its absolute discretion, deem fit.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized on behalf of the Company to make available for allocation of a portion of the Issue to any category or categories of persons as permitted under the ICDR Regulations pursuant to the Reservation, including without limitation, eligible shareholders and eligible employees in accordance with Applicable Laws; and to take any and all action in connection with any Reservation as the Board may think fit or proper in its absolute discretion, including, without limitation, negotiate, finalize and execute any document or agreement, and any amendments, supplements, notices or corrigenda thereto; seek any consent or approval required or necessary; give directions or instructions and do all such acts, deeds, matters and things as the Board may, from time to time, in its absolute discretion, think necessary, proper, or desirable; and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing.”

“RESOLVED FURTHER THAT in connection with the Pre-IPO Placement, the Board be and is hereby authorized on behalf of the Company to take any and all action in connection with the Pre-IPO Placement as the Board may, from time to time, in its absolute discretion, think necessary proper or desirable, including, without limitation, negotiate, finalize and execute any document or agreement, including, without limitation any placement agreement, escrow agreement, term sheet, offering memorandum or prospectus, in preliminary or final form, and any amendments, supplements, notices or corrigenda thereto; open any bank account, shares/securities account or escrow or custodian account, as permitted under Applicable Laws; seek any consent or approval required or necessary; give directions or instructions and do all such acts, deeds, matters and things as the Board may, from time to time, in its absolute discretion, think necessary, proper, or desirable; and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized on behalf of the Company to make available a portion of the Issue for allocation/allotment to anchor investors in the Issue in accordance with the Applicable Laws (**“Anchor Investors”**); and to take any and all action in connection with any allocation/allotment to Anchor Investors as may be decided by the Board in its absolute discretion, including without limitation, to negotiate, finalize and execute any document or agreement, and any amendments, supplements, notices or corrigenda thereto; seek any consent or approval required or necessary; give directions or instructions and do all such acts, deeds, matters and things as the Board may, from time to time, in its absolute



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discretion, deem necessary, proper, or desirable; and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing.”

“RESOLVED FURTHER THAT consent be and is hereby granted, and the Board be and is hereby authorised, at its discretion, to avail of or exercise a ‘Green Shoe Option’ subject to and in accordance with the provisions of ICDR Regulations and the Applicable Laws, so as to issue and allot Equity Shares not exceeding 15% of the Issue, in consultation with the Book Running Lead Manager, to a stabilization agent appointed for such purpose and that the Board be and is hereby authorized to take all actions and do all such acts, deeds, matters and things required or necessary to ensure that the Green Shoe Option can be availed of or exercised in terms of Applicable Laws including *inter alia* negotiate, finalise and execute any agreement or document, and any amendments, supplements, notices or corrigenda thereto, with the stabilizing agent, and/ or any other entity as required or necessary, open any accounts including the “Special Account for GSO shares” of the Company or the “GSO Demat Account”, or the “Special Account for GSO Proceeds” of the Company or the “GSO Bank Account”, notify any authority or person and seek any approval or consent as required or necessary, give directions or instructions and do such acts, deeds, matters and things as the Board may, from time to time, in its absolute discretion, think necessary, proper, or desirable and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing.”

“RESOLVED FURTHER THAT the Board, be and is hereby authorized to make any alteration or addition, or vary any of the above clauses, in consultation with the Book Running Lead Manager or SEBI or such other authorities as may be required, and without prejudice to the generality of the aforesaid, deciding the terms of the Issue structure”.

“RESOLVED FURTHER THAT the Equity Shares issued and allotted pursuant to the Issue, shall be subject to the Memorandum of Association and Articles of Association of the Company and shall rank *pari passu* in all respects with the existing Equity Shares of the Company, except as otherwise provided pursuant to the terms of the Issue and in any offering document.”

“RESOLVED FURTHER THAT: -

1. All the monies received out of the issue of shares to the public shall be transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act, 1956;



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2. details of all monies utilised out of the Issue referred to in sub-item 1 above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance sheet of the Company indicating the purpose for which such monies had been utilised; and
3. details of all unutilised monies out of the issue of shares, if any, referred to in sub-item 1 above shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the form in which such unutilised monies have been invested."

"RESOLVED FURTHER THAT such of the Equity Shares to be issued as are not subscribed in the Issue may be disposed of by the Board to such persons and in such manner and on such terms as the Board may, in its absolute discretion, deem fit and beneficial to the Company, including offering or placing them with banks/financial institutions/investment institutions/mutual funds/foreign institutional investors/bodies corporate/ such other persons or otherwise as the Board may in its absolute discretion decide;."

"RESOLVED FURTHER THAT for the purpose of giving effect to these resolutions, the Board be and is hereby authorized, on behalf of the Company, to decide and approve the terms and conditions of the Issue, including but not limited to the Reservation, and shall be entitled to vary, modify or alter any of the terms and conditions, including the size of the Issue, as it may consider expedient and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper, desirable and to settle any question, difficulty or doubt that may arise in regard to the above offer, issue and allotment and utilisation of the proceeds of the Issue, to liaise with regulatory authorities and further to do all such acts, deeds, matters and things and to negotiate and finalize all such deeds, documents and writings as may be necessary, desirable or expedient to give effect to the above resolution and to negotiate terms, appoint advisor(s), book running lead manager(s), registrar(s), any other intermediary/ intermediaries registered with SEBI, legal counsel or legal experts, advertising agents/agencies, consultants and to pay any fees, commission, remuneration, incur expenses and take such further steps as may be required necessary, incidental or ancillary to the allotment and listing of the aforesaid equity shares on the Stock Exchanges where the Company's equity shares are proposed to be listed, as may be decided by the Board, and to make such modifications without being required to seek further consents or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT in connection with any of the foregoing resolutions, the members of the Board, any Committee of the Board and such other persons as may be authorized by the Board, on behalf of the Company, be and are hereby severally authorized to execute and deliver



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any and all other documents, papers or instruments and to do or cause to be done any and all acts or things, including but not limited to, the allotment of Equity Shares against the valid applications received in the Issue, as may be necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing resolutions for the Issue; and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be."

By order of the Board of Directors of

Shree Pushkar Petro Products Limited

(Punit Makharia)

Managing Director

Date: 8th September, 2011.

Place: Mumbai.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. A PROXY FORM TO BE EFFECTIVE MUST BE LODGED WITH THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. CORPORATE MEMBERS INTENDING TO SEND THEIR AUTHORIZED REPRESENTATIVES TO ATTEND THE MEETING ARE REQUESTED TO SEND TO THE COMPANY A CERTIFIED COPY OF THE BOARD RESOLUTION AUTHORIZING THEIR REPRESENTATIVE TO ATTEND AND VOTE ON THEIR BEHALF AT THE MEETING.
4. AN EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956, RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING IS ANNEXED HERETO.



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5. MEMBERS ARE REQUESTED TO BRING THEIR ATTENDANCE SLIP ALONG WITH THEIR COPY OF ANNUAL REPORT TO THE MEETING.
 6. IN CASE OF JOINT HOLDERS ATTENDING THE MEETING, ONLY SUCH JOINT HOLDER WHICH IS HIGHER IN THE ORDER OF NAMES WILL BE ENTITLED TO VOTE.
 7. The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued a circular on April 21, 2011 and April, 29, 2011 stating that the service of document by a Company can be made through electronic mode. In view of the circular issued by MCA the Company proposes to henceforth deliver documents like Notice calling Annual General Meeting/ Extra Ordinary General Meeting/ Audited Annual Accounts/ Report of Auditors'/ Report of Directors' etc. in electronic form to the email address provided by the shareholders.
 8. Shareholders are requested to furnish their email ids to the Company to enable them to forward all the requisite information in electronic mode. In case of shareholding holding shares in Demat form, the email IDs of the shareholders registered with DP and made available to the Company shall be registered email ID unless communication is received to the contrary.
 9. Shareholders requiring a printed copy of the Annual Report should forward their request to the Company.



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ANNEXURE TO NOTICE

EXPLANATORY STATEMENT AS REQUIRED U/S. 173 OF THE COMPANIES ACT, 1956:

ITEM NO.4:

The Board of Directors of the Company at its meeting held on 4th December, 2010, appointed Mr. Ramakant Nayak as an Additional Director of the Company pursuant to section 260 of the Companies Act, 1956 and will hold the office up to the date of ensuing Annual General meeting of the Company.

As required under section 257 of the Companies Act, 1956, a notice along with necessary amount of deposit, has been received from the member signifying his intention to propose appointment of Mr. Ramakant Nayak as a Director. The Board considers it desirable that the Company should continue to avail his services. Hence the Board of Directors recommends the resolution for approval of the members.

Mr. Ramakant Nayak is not disqualified from being appointed as Director in terms of Section 274(1)(g) of the Companies Act, 1956 and the Company has received requisite declaration from him to this effect.

None of the Directors of the Company except Mr. Ramakant Nayak, are concerned or interested in passing of the above resolution.

ITEM NO.5:

The Board of Directors of the Company at its meeting held on 23rd June, 2011, appointed Mr. Akshay Dua nominated by IFCI Venture Capital Funds Ltd., as an Additional and Nominee Director of the Company pursuant to section 260 of the Companies Act, 1956 and the provisions of Shareholders Agreement entered into by the Company with IFCI venture Capital Funds Ltd., In terms of the provisions of Section 260 of the Companies Act, 1956 Mr. Akshay Dua will hold the office up to the date of ensuing Annual General Meeting of Company.

As required under section 257 of the Companies Act, 1956, a notice along with necessary amount of deposit, has been received from a member proposing appointment of Mr. Akshay Dua as a Director. The Board considered the matter and recommends the resolution for approval of the members.

Mr. Akshay Dua is not disqualified from being appointed as Director in terms of Section 274 (1)(g) of the Companies Act, 1956 and the Company has received requisite declaration from him to this effect.



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None of the Directors of the Company except Mr. Akshay Dua are concerned or interested in passing of the above resolution.

ITEM NO.6:

As members are aware that Mr. Punit Makharia was appointed as a Managing Director of the Company with effect from 1st April, 2006 for a period of five years. As his tenure of appointment is expiring on 31st March, 2011, the Board of Directors, in its meeting held on 5th April, 2011, has reappointed him as a Managing Director of the Company, with effect from 1st April, 2011, subject to approval of members. The Company intends to entered into an Agreement for Appointment of Managing Director, with Mr. Punit Makharia. The copy of said agreement upon execution shall be kept open for inspection by the members at the Registered office of the Company.

Mr. Punit Makharia is a Commerce Graduate from Mumbai University and has business experience of over 20 years. Mr. Punit Makharia is the Promoter Director of the Company and many mile stones have been achieved by the Company, over the years due to his initiatives and entrepreneurship.

The members are requested to accord their approval to the reappointment of Mr. Punit Makharia, as a Chairman and Managing Director of the Company by passing the Ordinary Resolution as set out in item no.5 of the Notice.

None of the Directors of the Company, except Mr. Gautam Makharia being relative of Mr. Punit Makharia, are concerned or interested in the passing of resolution.

The details of his appointment and remuneration as given aforesaid in item no.5 of the Notice, may be treated as the abstract of the terms and conditions of the reappointment of the Mr. Punit Makharia, as Chairman and Managing Director under section 302 of the Companies Act, 1956.

ITEM NO.7:

As members are aware that Mr. Gautam Makharia was appointed as a Joint Managing Director of the Company, with effect from 1st April, 2006, for a period of five years. As his tenure of appointment is expiring on 31st March, 2011, the Board of Directors, in its meeting held on 5th April, 2011, has reappointed him as the Joint Managing Director of the Company, with effect from 1st April, 2011, subject to approval of members. The Company intends to entered into an Agreement for Appointment of Joint Managing Director, with Mr. Gautam Makharia. The copy of said agreement upon execution shall be kept open for inspection by the members at the Registered Office of the Company.



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Mr. Gautam Makharia holds the Bachelors degree in Electronics and Telecommunications from University of Mumbai. Mr. Gautam Makharia has also completed and holds a Masters degree in Business Managements from University of Manchester, United Kingdom. He has more than 13 years of experience in the chemicals, dyes intermediaries and fertilizers. Mr. Gautam Makharia is the Promoter Director of the Company and many mile stones have been achieved by the Company, over the years due to his initiatives and entrepreneurship. Currently he is responsible for production, quality control of the products manufactured by the Company.

The members are requested to accord their approval to the reappointment of Mr. Gautam Makharia, as the Joint Managing Director of the Company by passing the Ordinary Resolution as set out in item no.6 of the Notice.

None of the Directors of the Company, except Mr. Punit Makharia being relative of Mr. Gautam Makharia, are concerned or interested in the passing of the above resolution.

The details of his appointment and remuneration as given aforesaid in item no.6 of the Notice, may be treated as the abstract of the terms and conditions of the reappointment of the Mr. Gautam Makharia, as Joint Managing Director under section 302 of the Companies Act, 1956.

ITEM NO.8:

Considering the fast pace growth of the Company and its business activities, the Board of Directors foresee the requirement of additional amount of funds by way of borrowings. Hence the Board of Directors should be authorized to borrow from banks, financial institutions and any other sources.

The provisions of section 293(1)(d) of the Companies Act, 1956 restricts the borrowing powers of the Company only up to 100% of aggregate paid up share capital and free reserves. The money to be borrowed, together with the money already borrowed, may exceed the aggregate of paid up share capital and free reserves. Hence it is requested to pass the resolution and authorize the Board of Directors to borrow the sum not exceeding Rs. 500 Crores.

As per the provisions of section 293(1)(d) the consent of members by way of Special Resolution is required for granting the authority in favor of Board of Directors to borrow funds in excess of aggregate of paid up share capital and free reserves. Hence this resolution is proposed.

None of the Directors of the Company are, in anyway, concerned or interested in passing of the above resolution.

ITEM NO.9:



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Considering the fast pace growth of the Company and its business activities, the Board of Directors foresee the requirement of additional amount of funds by way of borrowings. The Company may also requires to give securities for due repayment of loan amount and interest thereon to the Banks, financial institutions or any other lenders, as per the stipulated terms and conditions with right to take possession of the assets in the event of default, if any.

In terms of provisions of section 293(1)(a) of the Companies Act, 1956, it is required to provide necessary powers to the Board of Directors to borrow, sell, lease, mortgage, and/or otherwise dispose off whole or substantially whole of the assets or undertakings of the Company. Hence the above resolution is proposed as a Special Resolution.

None of the Directors of the Company are, in anyway, concerned or interested in passing of the above resolution.

ITEM NO.10:

The Company is proposes to make investments of its surplus funds in various securities in the coming years. As a measure of achieving greater financial flexibility and to enable optimal financial structuring to facilitate speedy implementation of various projects, it is proposed that the Board of Director be authorized to invest up to Rs. 50,00,00,000 (Rupees Fifty Crores Only) from time to time in any body corporate by way of subscription and/or purchase of equity/equity related securities and/or debenture, preference shares, units and all types of securities.

As per section 372A of the companies Act, 1956, a company cannot make investment, in excess of limits set out there in unless it is previously authorized by a special resolution. Hence, it is necessary to obtain approval for the same from the members by passing a resolution. The funds required for the investment will be sourced through internal accruals, equity proceeds and/or borrowings.

Your Directors recommended the resolution for your approval.

None of the Directors of the Company are, in any way, concerned or interested in the passing of the above resolution.

ITEM NO.11:

The Company is in the business of inter alia manufacture of dyes & dyes intermediates. In view of the proposed enhancement in volume of activities, your Company may have to go in for augmentations of the equity capital base to meet its fund requirements, there it is proposed to undertake a capital raising process by way of an Initial Public Offering ("IPO") of the equity shares of face value of Rs. 10 each of the Company.



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It is proposed for the Company to allot such number of equity shares of the face value of Rs. 10 each (the "Equity Shares") in the IPO including the Anchor Investors, Pre IPO Placement, Reservation and Green Shoe Option, if any, (the "Issue") on such terms, in such manner, at such price or prices and at such time as may be considered appropriate by the Board or a committee duly authorized by the Board thereof in consultation with the BRLM to the Issue, to various categories of investors in the IPO by way of book building method under the SEBI (Issue of Capital and Disclosure Requirements), 2009 ("SEBI ICDR Regulations").

The Board may allocate such percentage of the Issue as may be determined by the Board to such investors as a Pre IPO Placement, as may be determined by the Board at its discretion in accordance with the SEBI ICDR Regulations and do all such other acts, deeds, matters and things as the Board may from time to time, in its absolute discretion decide and including without limitation, negotiate, finalize and execute any documents or agreements, including without limitation any placement agreement, term sheet and such other documents or any amendments or supplements thereto and to open any bank account for the purpose if required, and to *inter alia*, open any shares or securities account or escrow or custodian accounts as may be required in connection therewith and generally to do all such acts, deeds, matters and things in relation to all matters incidental to the Pre IPO Placement or in relation to the foregoing and to settle any question, difficulty, or doubt that may arise with regard thereto or in relation to the foregoing.

In the event that such Pre IPO Placement, which is in the nature of a preferential allotment under the Unlisted Public Companies (Preferential Allotment) Rules, 2003 ("Preferential Allotment Rules"), is undertaken, it would comprise of an issue of such number of Equity Shares for cash at premium such that the Net Issue to the public does not fall below 25% of the post Issue share capital, or such other limit as may be governed by the then prevailing rules and regulations.

Pursuant to section 81(1A) of the Act a public company may offer its shares in any manner whatsoever to persons other than those mentioned in section 81(1) if a special resolution to that effect is passed by it in general meeting.

In terms of Section 81(1A) of the Companies Act 1956, issue of shares to persons other than the existing shareholders of the Company requires approval of the shareholders in a general meeting by way of Special Resolution.

The resolution at item no: 8 of the notice is recommended to the shareholder for passing as a Special Resolution authorizing the Issue and the authorising Board of Directors (which shall



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include and be deemed to include a duly authorized committee or a sub-committee of the Board of Directors) to decide the terms and conditions of the issue, the number of shares to be issued, the price of the issue i.e. at par or at premium, the category or categories of investors to whom the offer, issue and allotment shall be made and to finalize all matters incidental thereto as it may in its absolute discretion think fit.

The equity shares proposed to be issued shall rank *pari passu* with the existing equity share of the Company and shall rank at par, for all the purpose that is to say dividend, voting and all other rights and liability as attached to the existing equity shares in accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company.

None of the Directors of the Company are concerned or interested in this resolution except to the extent of the new shares that they may apply and be allotted to them in terms of this resolution.

Your Directors consider the said Special Resolution in the interest of the Company and therefore recommend the same for your approval.

By order of the Board of Directors of

Shree Pushkar Petro Products Limited

(Punit Makharia)

Managing Director

Date: 8th September, 2011.

Place: Mumbai.



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DIRECTORS' REPORT

To,

The Shareholders,

Your Directors have the pleasure of presenting before you the 18th Annual Report of your Company along with the Audited Accounts of the Company for the year ended 31st March 2011.

FINANCIAL RESULTS:

PARTICULARS	YEAR ENDED 31/03/2011 (Rs.in lakh)	YEAR ENDED 31/03/2010 (Rs.in lakh)
Gross Sales & Other Income	13557.25	10506.37
Profit Before Depreciation & Tax	654.31	358.13
Depreciation for the year	191.10	121.69
Profit Before Taxation	463.21	236.45
Less: Provision for Income Tax	99.20	35.00
Profit After Taxation	364.01	201.45
Add(Less): Adjustment of Taxation	1.84	1.55
Less: Prior Period Items	1.58	8.44
Less: Deferred Tax Liabilities	85.81	12.56
Less: Deferred Tax Liabilities of Earlier Year	--	21.06
Add: Profit Brought Forward from Previous Year	716.97	556.02
Balance carried to Balance Sheet	995.41	716.97

OPERATIONS:

During the year 2010-11 the Sales turnover of your company has increased to Rs. 13557.25 lakh as against Rs. 10506.37 lakh achieved during the last year, recording a growth of 29.03% on a YoY basis.

As reported earlier The 125 MT per day Sulphuric Acid plant has been commissioned in September 2010, where as the CSA plant and the Power plant have been successfully commissioned in April 2011 and August 2011 respectively. The delays in commissioning of the latter 2 plants have been mainly due to certain technical glitches that developed during the course of commissioning of the main Sulphuric acid plant necessitating modification & design of a key equipment leading to a lower capacity utilisation during



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this intervening period. However since then the plant has been running at rated capacity and without any difficulty.

The overall delay in commissioning of the acid complex as compared to the original schedule has thus been to the extent of over 10 months.

Our decision of establishing the fertiliser division in place of the Beta-Naphthol plant, which was announced during the last AGM, has been quite encouraging and is turning to be a great business driver, as the market for the products and the margins available on the same have been constantly improving over time.

As regards the progress in the implementation of the Fertiliser Division, the Soil Conditioner (SC) plant has been commissioned in March 2011 whereas the Single Super Phosphate (SSP) plant has been commissioned in September 2011. Though the clearance for the SSP plant from the ministry of fertilizer was received within a reasonable period, the implementation of the project was stalled on account of a temporary embargo imposed by the Ministry of Environment & Forest on creation of additional capacity in the Ratnagiri-Sindhudurg belt. The said clearance was received in July 2011 where after the permission from the MPCB for commissioning of the plant was received in August 2011 and commercial production has started immediately from early September 2011.

We are happy to inform you that both the products have received very encouraging response from the farmers our valued clients. Not only are we supplying these products to the neighbouring areas but also are making roadways into the neighbouring state of Andhra Pradesh.

You will be happy to note that in view of our entry into a totally new product line, we have set up a Fertiliser Marketing Division at Pune which is close to the rich agricultural belt of Western Maharashtra. We have also appointed resident representatives at district places of Pune, Kolhapur, Sangli and Satara. This would provide us with the desired market feedback and follow-up which should be of immense help in the years to come and we believe that our emerging markets would be the key drivers for our future growth prospects. We are also in the process of establishing proper marketing channels and network in conjunction with DSCL our marketing agents.

FUTURE OUTLOOK:

We may share with you that our Acid complex has been commissioned and is providing great mileage in terms of lower production costs for our existing product lines. As per the encouraging signals being received from our Fertiliser division, we propose expanding our capacities of the fertiliser & sulphuric acid division in the immediate future.

We would also like to share with you that we have been toying with the idea of our future expansions in the Dye-intermediate division through synergistic alliances, which in our opinion would provide the desired growth strategy.



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We would like to assure you with a sense of confidence and strong optimism that we are striving and will continue to strive for a sustained and enduring growth across our various product divisions.

RISKS & CONCERNS:

We have till date successfully faced the impact of the global meltdown, however the after effects of the recession still continues and is affecting the overall operations to a great extent. We are however continuing with our relentless efforts to strive for betterment and look forward to circumvent the situation by way of our additional products which have been receiving good response from the market.

Secondly, considering the open market economy and the constantly changing business environment we have to strive towards building mechanisms not only to increase efficiency which would translate into profits but also to sustain the set growth pattern. It is thus imperative to focus on building the desired competency. The way we do business has to be more focused and fine tuned to face these challenges. We realize that we are in the course of transition from the unorganized sector to the organized sector, from the SSI culture to the MSI culture. Realising that enhanced efficiencies are critical to sustained success we are in the process of locating suitable agencies to advise and train up our staff with proper management techniques. We have to device methods to continue to remain lean but at the same time induct proper professionals and professionalism to put in place the right management structure to make the Company more competitive and profitable.

DIVIDEND:

To preserve the resources for ongoing expansion and for increased working capital requirement, your directors do not recommend any dividend.

ACCEPTANCE OF DEPOSIT (SEC.58-A):

Your company has not invited/accepted any deposits from public coming under the purview of section 58-A of Companies Act, 1956.

PRIVATE EQUITY PLACEMENT:

As you are aware that IFCI Venture Capital Fund Limited has sanctioned by way of Private Equity Placement a sum of Rs. 15.00 Crores @ Rs. 26.56 per Equity Share, towards part financing the current Expansion i.e. The Acid Complex and The SSP Plant.

Of the sanctioned amount we had availed during the year 2009-10 a sum of Rs. 11.00 Crores. During the current year we have further availed a sum of Rs.2.75 Crs taking the total amount availed till 31.03.2011 to Rs. 13.75 Crs. The balance amount of Rs.1.25 Crs has also been availed during the current year 2011-12. Thus the share holding of IEDM as on date amounts to 27.27% of the paid up capital of the company.



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APPOINTMENT OF DIRECTORS:

In view of the Private Equity Placement as per the Equity Subscription agreement IVCF have nominated a Director on your board. Initially Mr. A.K. Choudhary was nominated w.e.f. 01/04/2009, on his retirement from the services of IFCI Mr. B.N. Nayak was nominated on the board w.e.f. 28/08/2009. Mr. Nayak on his transfer from IVCF has been replaced by Shri S.P. Arora the Current Managing Director of IVCF, who is now nominated from 19th March, 2010.

To keep in line with the ROC requirements, we have during the year nominated one more Independent Director on our Board namely Shri Ramakant Nayak. Shri Ramakant Nayak has remained as director with some prominent banks of Western India. He thus brings with him very rich experience of over 3 decades. Your Company will benefit immensely from his rich experience

PERSONNEL:

None of the employees of the Company had drawn remuneration in excess of the limits prescribed under section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORTION & FOREIGN EXCHANGE EARNING AND OUTGO:

Particulars, as prescribed under section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in report of Board of Directors) Rules 1988 are given in Annexure 'A' enclosed:

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies (Amendment) Act, 2000, it is hereby confirmed:

- (a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) that the Directors have selected such accounting policies and applied them consistently and have 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 as at 31st March 2011 and of the profit of the Company for the year ended 31st March 2011
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act,



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1956, for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities:

(d) That the annual accounts have been prepared on a going concern basis.

AUDITORS:

The Parihar & Associates, Auditors of the company hold office until the conclusion of the ensuing Annual General Meeting and being eligible, have offered themselves for reappointment. The company has obtained a certificate from them to the effect that their appointment if made, would be within the prescribed limits under section 224(1-B) of the Companies Act, 1956.

AUDITORS REPORT

The Auditors report has remarked that short term funds to the extent of Rs.612.41 lakhs have been used for long term investments.

In this regard we may clarify that the fund flow statement includes an amount of Rs.3.10 Crs towards term loan repayment falling due in the year 2011-12 which has been shown as Current liability. This amount though appearing in the current liability pertains to the repayment of long term loan availed from Banks.

Further we may state that an amount of Rs.1.50 Crs towards Share Application money from IFCI Venture capital funds Ltd., expected during the year 2010-11, was delayed due to certain routine compliances at our end. In Order to ensure that the project implementation of our SSP plant was not delayed the expenses towards the same was met from our current account. The said amount was received on 14th May 2011 and the temporary discrepancy was restored.

COMPLIANCE CERTIFICATE :

The company has received Compliance Certificate from a Practicing Company Secretary and forming part of directors' report

DIRECTOR DISQUALIFICATION:

None of the directors of the company is disqualified as per the provision of clause (1) (g) of section 274 of the Companies Act 1956 as on 31st March 2010.

APPRECIATION:

The Board of Directors places on record its sincere appreciation of the Company's valued customers in India and abroad for the support and confidence reposed by them in the company and looks forward to the continuance of this mutual supportive relationship in the future.



SHREE PUSHKAR PETRO PRODUCTS LTD.

(A Government Recognised Export House)

202, A Wing, Bldg. No. 3, Rahul Mittal Industrial Estate,

Sir M. V. Road, Andheri (E), Mumbai - 400 059, India.

Tel.: + 91 22 2850 2525 • Fax: + 91 22 2850 4242

E-mail: pushkar@bom3.vsnl.net.in

The Board expresses its gratitude to the Bankers, Government Authorities, Investors and other stakeholders for their continued support and guidance.

The directors wish to place on record their appreciation of the dedicated services rendered by the staff and officers.

For and on behalf of the Board

Sd/-

(Punit Makharia)

Chairman cum Managing Director

Place: Mumbai

Dated: 08/09//2011



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ANNEXURE 'A'

Conservation of Energy

The company is focusing to adopt appropriate measures for conservation of energy, which is reflected by very low consumption of power during the year.

		F.Y.2010-11	F.Y.2009-10
Total unit of power consumption	: Nos	39,22,064	29,37,592
Total amount of Electricity	: Rs.	2.33,58,610	1,57,73,095
Cost of power per unit	: Rs.	5.96	5.37

Absorption of Technology.

As the company has installed state of the art plant to manufacture Dyes & Dyes Intermediates, it has already used the best technology available. Further, it is continuously upgrading the process technology for better yield and efficiency to meet the international standard.

Foreign Exchange earning and outgo:

	Amount in Rs lakh	
	2010-11	2009-10
a) Foreign Exchange earning:		
FOB Value of export	885.97	869.74
b) Foreign Earning outgo:		
CIF Value of Import	792.90	603.40
Traveling Expenses	0.32	1.35

AUDITORS' REPORT

To
The Members of
SHREE PUSHKAR PETRO PRODUCTS LIMITED

We have audited the attached Balance Sheet of **SHREE PUSHKAR PETRO PRODUCTS LIMITED** as at 31st March 2011, the Profit & Loss Account and cash flow statement of the Company 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 misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors' Report) order, 2003 as amended by the companies (Auditors Report) (Amendment) order, 2004 (together the order) issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956, and on the basis of such checks of the books and records as we considered appropriate and the information and explanation given to us during the course of audit, we give in the annexure a statement on the matters specified in the paragraphs 4 & 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph one above we report that:
 - a) 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.
 - b) 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.
 - c) The Balance Sheet, Profit & Loss Account and cash flow statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Profit & Loss and cash flow statement Account dealt with by this report comply with the mandatory Accounting Standards referred to in sub-section (3-C) of section 211 of the Companies Act, 1956
 - e) Based on the representation received from the director and taken on record by the board of directors , the directors of the company do not prime facie, have any disqualification as referred to in Section 274 (1) (g) of the Companies Act, 1956.

- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Significant Accounting Policies and other notes thereon, 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:
- i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2011.
 - ii) In the case of Profit & Loss Account, of the Profit for the year ended on that date.
 - iii) In case of cash flow statement, of the cash flows of the company for the year ended on that date

**FOR PARIHAR & ASSOCIATES
(CHARTERED ACCOUNTANTS)
(Firm Reg. no. 115701W)**

**Sd/-
(I.S.Parihar)
PROPREITOR**

Place: Mumbai
Dated: 08/09/2011

SHREE PUSHKAR PETRO PRODUCTS LIMITED

ANNEXURE REFERRED TO IN PARAGRAPH (1) OF AUDITOR'S REPORT OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2011 OF **SHREE PUSHKAR PETRO PRODUCTS LIMITED** ON THE BASIS OF SUCH CHECKS AS WE CONSIDERED APPROPRIATE AND IN TERMS OF THE INFORMATION AND EXPLANATION GIVEN TO US, WE STATE THAT:

1. (a) The Company is in process of updating the records to show full particulars, including quantitative details and situation of its fixed assets.

(b) As explained to us the fixed assets have been physically verified by the Management at reasonable intervals during the year. We are informed that no material discrepancies have been noticed by the management on such verification as compared to the aforesaid records of fixed assets.

(c) There was no substantial disposal of fixed assets during the year.
2. (a) The management has conducted physical verification of inventory at reasonable intervals.

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification.
3. (a) The Company has not granted any loans to any party covered in the register maintained under section 301 of the Companies Act, 1956.

(d) The Company has taken unsecured loan from two parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the period was Rs. 90.62 Lacs and year end balance was Rs.6.95 Lacs

(e) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for loans taken are prima facie not prejudicial to the interest of the Company.

(f) In our opinion and according to the information and explanations given to us, there was no stipulation regarding the repayment of principal amount and Interest,
4. In our opinion and according to the information and explanations given to us there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods & services. There is no continuing failure to correct major weaknesses in the internal control systems.
5. (a) According to the information and explanations given to us the particulars of contracts or arrangements referred to in section 301 of the companies Act, 1956, have been entered in the register required to be maintained under that section,

(b) According to the information and explanations given to us Where such transactions is in excess of Rs5 Lacs, the transactions has been made at prices which prima face reasonable having regards to prevailing market prices at the relevant time and they are not prejudicial in the interest of the company

- 6 As explained to us, the Company has not accepted any deposits from the public within the meaning of section 58A, 58AA or any other relevant provisions of the Act and the Companies (Acceptance of deposits) rules 1975.
- 7 In our opinion the company has an internal audit system commensurate with the size of the Company and the nature of its business
- 8 It was informed that the central government has not prescribed for maintenance of cost records as required under section 209(1) (d) of the Companies Act, 1956.
- 9 (a) According to the information and explanations given to us and the books and records examined by us, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax, Service-tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it with the appropriate authorities except as mentioned in clause 9(b) below.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax, Service-tax, Custom Duty, Excise Duty, Cess and other statutory dues were outstanding at the year end for a period of more than six months from the date they became payable except Value Added Tax of Rs.10.76 lacs for F.Y.2007-08, Rs. 63.98 lacs for F.Y.2008-09, Rs. 11.25 Lacs for F.Y.2010-11 and Income Tax of Rs.0.86 Lacs for A.Y.2006-07 which remained unpaid at the end of the year. ..
- (c) According to the records of the Company, there are no dues outstanding of sales tax, income tax, custom duty, wealth tax, excise duty and cess on account of any dispute, except the dues of Income Tax as under:
- | Sr.No. | Year | Rupees
(In Lacs) | Pending at
forum | Remark |
|--------|-------------|---------------------|------------------------|--|
| 1. | A.Y.2007-08 | 12.52 | ACIT Range 7(2),Mumbai | Company has filed rectification petition |
| 2. | A.Y.2008-09 | 51.89 | ACIT Range 7(2),Mumbai | Company has filed rectification petition |
- 10 The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and in the immediately preceding financial year.
- 11 Based on our audit procedures and the information and explanations given by the management, the company has not defaulted in repayment of dues to any financial institution or bank.
- 12 According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund/societies.
- 14 In our opinion, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of Companies (Auditors Report) Order, 2003 are not applicable to the company.

- 15 According to the information and explanations given to us, the Company has given the guarantees for loans taken by the directors to obtain housing loan of Rs. 511 Lacs. However, the loan outstanding is Rs. 371 lacs as of 31-3-11. As per the information available, the market value of the assets so financed is more than the value of the corporate guarantee, therefore, in our opinion the terms and conditions thereof are not prejudicial to the interest of the company.
- 16 Based on information and explanations given to us by the management, the term loans have been applied for the purpose for which they were obtained.
- 17 According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have been used for long-term investment to the extent of Rs.612.41 Lacs
- 18 The Company has not made any preferential allotment shares to parties covered in the register maintained under section 301 of the Companies Act, 1956..
- 19 According to the information and explanations given to us the Company has not created any security or charge in respect of any secured debenture as no secured debenture were issued hence the provisions of clause 4 (xix) of Companies (Auditors Report) Order, 2003 are not applicable to the company.
- 20 The Company has not raised any money through a public issue during the year.
- 21 Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**FOR PARIHAR & ASSOCIATES
(CHARTERED ACCOUNTANTS)
(Firm Reg. no. 115701W)**

**Sd/-
(I.S.Parihar)
PROPREITOR**

Place: Mumbai
Dated: 08/09/2011

SHREE PUSHKAR PETRO PRODUCTS LIMITED

BALANCE SHEET AS ON 31ST MARCH, 2011

PARTICULARS	SCH. NO.	As on 31.03.2011		As on 31.03.2010	
		AMOUNT (Rs.)	AMOUNT (Rs.)	AMOUNT (Rs.)	AMOUNT (Rs.)
<u>SOURCES OF FUNDS</u>					
A) SHARE HOLDERS' FUNDS :					
a) Share Capital	A	202,369,570		192,015,660	
b) Reserves & Surplus	B	188,371,500	390,741,070	143,381,013	335,396,673
B) Share Application & warrant Money Recd.			22,422,540		17,922,533
C) LOAN FUNDS :					
a) Secured Loan	C	419,692,936		327,427,290	
b) Un-secured Loan	D	695,621	420,388,557	1,390,529	328,817,819
D) Deferred Tax Liabilities (Net)			24,991,970		16,410,464
		Total:-	858,544,137		698,547,489
<u>APPLICATION OF FUNDS</u>					
A) FIXED ASSETS	E				
Gross block		420,765,448		201,974,276	
Less : Depreciation		79,195,410		60,085,224	
		341,570,038		141,889,052	
Capital Work in Progress (Include Capital Advance Rs.77,54,265/-)		151,585,929		213,371,227	
Net block			493,155,967		355,260,279
B) INVESTMENT	F		510,000		510,000
C) CURRENT ASSETS, LOANS & ADVANCES					
a) Inventories	G	366,097,328		292,050,733	
b) Sundry Debtors	H	144,066,182		124,033,278	
c) Cash & Bank Balance	I	28,736,483		39,111,377	
d) Loans & Advances	J	16,789,294		15,668,100	
e) Other Current Assets	K	27,983,316		22,573,589	
		583,672,603		493,437,077	
LESS : CURRENT LIABILITIES & PROVISIONS					
a) Liabilities	L	204,598,889		142,085,323	
b) Provision	M	17,122,000		10,959,000	
		221,720,889		153,044,323	
NET CURRENT ASSETS			361,951,714		340,392,754
MISCELLANEOUS EXPENSES (To the Extent of not Written off or adjusted)	N		2,926,456		2,384,456
		Total:-	858,544,137		698,547,489

Statement of Significant Accounting Policies
and Notes forming parts of accounts

As per Report of even date

FOR PARIHAR & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

Sd/-
(I.S.Parihar)
PROPRIETOR
Mem.No.49614

Sd/-
(Punit Makharia)
DIRECTOR

Sd/-
(Gautam Makharia)
DIRECTOR

Place : Mumbai
Dated :08/09/2011

SHREE PUSHKAR PETRO PRODUCTS LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH,2011

PARTICULARS	SCH. NO.	As on 31.03.2011 AMOUNT (Rs.)	As on 31.03.2010 AMOUNT (Rs.)
<u>INCOME</u>			
Gross Sales		1,347,799,811	1,047,758,608
Other Income	O	7,925,212	2,878,032
Total:-		1,355,725,023	1,050,636,640
<u>EXPENDITURE</u>			
Cost of Goods Sold/Consumed	P	1,119,177,210	880,860,301
Manufacturing Expenses	Q	79,516,561	65,621,734
Administrative, Selling & Others Expenses	R	12,696,760	12,184,119
Interest & Financial Charges	S	36,071,160	23,562,290
Excise duty		42,832,541	32,594,754
Total:-		1,290,294,232	1,014,823,198
Profit Before Depreciation & Taxation		65,430,791	35,813,442
Less: Depreciation		19,110,185	12,168,501
Profit Before Taxation		46,320,606	23,644,941
Less : Provision for Income Tax		9,920,000	3,500,000
Profit After Taxation		36,400,606	20,144,941
Add (Less) : Adjustment of Tax of earlier year		183,575	155,135
Less: Prior Period adjustments		158,263	844,092
Less: Deferred Tax Liabilities of Current year		8,581,506	1,256,168
Less: Deferred Tax Liabilities of Earlier year		-	2,105,526
Add : Profit brought forward from previous year		71,696,681	55,602,391
Balance Carried to Balance Sheet		99,541,093	71,696,681
Earning Per share (Refer Note -9(B) of Schedule T)			
Basic/Diluted Earning Per Share		1.82	1.18
Face Value Per share		10.00	10.00

Statement of Significant Accounting Policies
and Notes forming parts of accounts

T

As per Report of even date

FOR PARIHAR & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

Sd/-
(I.S.Parihar)
PROPRIETOR
Mem.No.49614

Sd/-
(Punit Makharia)
DIRECTOR

Sd/-
(Gautam Makharia)
DIRECTOR

Place : Mumbai
Dated :08/09/2011

SHREE PUSHKAR PETRO PRODUCTS LIMITED

SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31ST MARCH,2011

PARTICULARS	<u>As on 31.03.2011</u> AMOUNT (Rs.)	<u>As on 31.03.2010</u> AMOUNT (Rs.)
<u>SCHEDULE : A</u>		
<u>SHARE CAPITAL</u>		
<u>AUTHORISED:</u>		
21000000 Equity Shares of Rs. 10/- each	210,000,000	210,000,000
	210,000,000	210,000,000
<u>ISSUED, SUBSCRIBED & PAID UP</u>		
2,02,369,570(1,92,01,566) Equity Shares of Rs. 10/- each	202,369,570	192,015,660
Fully Paid Up	202,369,570	192,015,660
<u>SCHEDULE : B</u>		
<u>RESERVE & SURPLUS</u>		
<u>DEBENTURE PREMIUM</u>		
Balance As per Last Year's Balance Sheet	3,100,000	3,100,000
<u>SHARE PREMIUM</u>		
Balance As per Last Year's Balance Sheet	68,584,332	-
Add: Addition During the year	17,146,075	68,584,332
<u>PROFIT & LOSS ACCOUNT</u>		
Carried over from Profit & Loss account	99,541,093	71,696,681
	188,371,500	143,381,013
<u>SCHEDULE : C</u>		
<u>LOAN FUND</u>		
<u>A) SECURED LOANS</u>		
<u>Working Capital Limits</u>		
a) Cash Credit Limit from State Bank of India	156,867,537	108,466,662
b) Export Packig Credit from State Bank of India	52,646,021	44,815,593
c) Cash Credit Limit from Yes Bank Ltd	52,905,908	-
d) Cash Credit Limit from State Bank of Patiala	-	40,257,134
<u>Term Loans</u>		
a) Term Loans from State Bank of India (Repayable within One year Rs.3,00,10,000/-) Previous Year Rs.1,67,67,040/-)	153,068,201	131,759,440
<u>Vehicle /Equipments Loans</u>		
a) Vehicle Loan from HDFC Bank	-	337,966
b) Vehicle Loan from Kotak Mahindra Prime Ltd.	-	103,889
c) Vehicle Loan from Reliance Capital Ltd.	219,472	353,071
d) Vehicle Loan from State Bank Of Patiala	218,569	-
e) Equipments Loan from Reliance Capital Ltd.	866,452	1,333,535
f) Equipments Loan from Reliance Consumer Finance Ltd.	790,530	-
g) Equipments Loan from Dhanlaxmi Bank Ltd. (Repayable within One year Rs.17,19,762/-) Previous Year Rs.1,042,536/-)	2,110,246	-
	419,692,936	327,427,290

SHREE PUSHKAR PETRO PRODUCTS LIMITED

SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31ST MARCH,2011

PARTICULARS	<u>As on 31.03.2011</u> AMOUNT (Rs.)	<u>As on 31.03.2010</u> AMOUNT (Rs.)
Note on Nature of Security on secured loan 1. Working capital limits from Banks are secured in pari pasu by hypothecation of present and future stock of raw material, stock in process and Finished goods and book debts of the company, and further secured by first charge on all the fixed assets (including WIP) and mortgage of Flat at Goregaon, Plot at Nasik on pari pasu basis 2. Term Loan From State Bank of India are secured by mortgage of Flat at Goregaon, Plot at Nasik on pari pasu basis 3. Above loans are further guaranteed by two directors of the company 4. Vehicle and Equipments loans are secured against hypothecation of specific vehicles & Equipments		
<u>SCHEDULE : D</u> <u>UNSECURED LOANS</u> From Director & Share Holders	695,621	1,390,529
	695,621	1,390,529
<u>SCHEDULE : F</u> <u>INVESTMENT</u> <u>LONG TERM (UNQUOTED)</u> 50,000 Equity Shares of Abhudaya Co.Op.Bank Ltd. of Rs.10/-each Fully Paid Up State Bank of India-One India Mutual Fund	500,000	500,000
	10,000	10,000
	510,000	510,000
<u>SCHEDULE : G</u> <u>INVENTORIES</u> (As taken, valued and certified by the Management) Packing Material Store & Spare Power & Fuel Raw Material Stock Work In Progress Traded Goods Finished Goods	178,525	85,825
	1,453,525	2,365,230
	269,163	329,015
	50,742,903	37,919,040
	167,054,371	151,568,044
	9,630,577	9,504,250
	136,768,264	90,279,329
	366,097,328	292,050,733
<u>SCHEDULE : H</u> <u>SUNDRY DEBTORS</u> (Unsecured considered good, subject to Confirmation) Outstanding for period more than six months Others	402,009	402,009
	143,664,173	123,631,269
	144,066,182	124,033,278
<u>SCHEDULE : I</u> <u>CASH & BANK BALANCE</u> Cash in hand Balance with schedule banks i] in Current Accounts ii] in Fixed Deposit (Pledge as margin money)	433,791	341,743
	1,530,009	11,415,954
	26,772,683	27,353,680
	28,736,483	39,111,377

SHREE PUSHKAR PETRO PRODUCTS LIMITED

SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31ST MARCH,2011

PARTICULARS	<u>As on 31.03.2011</u> AMOUNT (Rs.)	<u>As on 31.03.2010</u> AMOUNT (Rs.)
<u>SCHEDULE : J</u>		
<u>LOANS AND ADVANCES</u>		
Sundry Advances & Deposits	7,198,060	7,389,250
Advance to Suppliers	2,903,170	2,322,360
T.D.S.& Income Tax Paid	6,688,064	5,956,490
	16,789,294	15,668,100
<u>SCHEDULE : K</u>		
<u>OTHER CURRENT ASSETS</u>		
(Unsecured considered good, subject to Confirmation)		
Advance recoverable in cash or kind or for value to be received	3,385,370	2,961,056
Balance Government Authorities	24,597,946	19,612,533
	27,983,316	22,573,589
<u>SCHEDULE : L</u>		
<u>LIABILITIES</u>		
Acceptance/Bill Discounting	53,983,142	7,967,506
Sundry Creditors	120,321,893	111,610,333
Other Liabilities	30,293,854	22,507,484
	204,598,889	142,085,323
<u>SCHEDULE : M</u>		
<u>PROVISIONS</u>		
Provision for Taxation	16,992,000	10,714,000
Provision for fringe benefit Tax	130,000	245,000
	17,122,000	10,959,000
<u>SCHEDULE : N</u>		
<u>MISCELLANEOUS EXPENSES</u>		
<u>Share Issue Expenses</u>		
Opening Balance	2,384,456	1,442,332
Add: Incurred during the year	542,000	942,124
	2,926,456	2,384,456
<u>SCHEDULE : O</u>		
<u>OTHERS INCOME</u>		
Interest Received (TDS Rs.1,23,962/-P.Y.Rs.1,15,560/-)	1,126,281	755,649
Dividend Received	75,000	75,000
Sundry Balance Written Bank	97,647	192,516
Rent Received	60,000	60,000
Exchange Rate Fluctuation	5,560,007	-
DEPB License Receivable	769,989	1,794,867
Brokerage (TDS Rs.23,628/-)	236,288	
	7,925,212	2,878,032
<u>SCHEDULE : P</u>		
<u>COST OF GOODS SOLD</u>		
<u>A) COST OF MATERIAL CONSUMED /TRADED</u>		
Opening Stock	47,423,290	41,500,400
Add : Purchases	1,194,102,662	961,775,752
	1,241,525,952	1,003,276,152
Less :Closing Stock	60,373,480	47,423,290
	1,181,152,472	955,852,862

SHREE PUSHKAR PETRO PRODUCTS LIMITED

SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31ST MARCH,2011

PARTICULARS	As on 31.03.2011	As on 31.03.2010
	AMOUNT (Rs.)	AMOUNT (Rs.)
<u>B/ INCREASE (DECREASE) IN INVENTORY</u>		
Closing Stock		
Finished Goods	136,768,264	
Semi Finished Goods	167,054,371	
	303,822,635	241,847,373
Less: Opening Stock		
Finished Goods	90,279,329	
Semi Finished Goods	151,568,044	
	241,847,373	166,854,812
Total [B]	61,975,262	74,992,561
Total [A+B]	1,119,177,210	880,860,301
<u>SCHEDULE : Q</u>		
<u>MANUFACTURING EXPENSES</u>		
Store & Spare Part Consumed	6,957,344	6,990,625
Packing Material Consumed	3,311,833	2,772,047
Power & Fuel	42,451,571	33,025,710
Labour Wages	21,974,628	18,962,699
Spent Disposal Charges	844,500	1,006,890
Water Charges	1,823,975	1,693,402
Testing Charges	50,315	98,985
Repair & Maintenance	2,102,395	1,071,376
	79,516,561	65,621,734
<u>SCHEDULE : R</u>		
<u>ADMINISTRATIVE & OTHER EXPENSES</u>		
Salary & Employee Benefits	3,719,969	3,151,661
Director Remuneration	2,020,000	1,752,000
Professional Fee	353,898	320,091
Printing & stationery	177,913	156,286
Traveling & Conveyance	423,033	251,196
Telephone Charges	500,458	428,909
Postage & Couriers	119,548	110,366
Rent, Rate & Taxes	582,620	155,898
Selling & Distribution Expenses	1,722,003	824,762
Insurance Premium	269,677	99,883
Repair & Maintenance	968,215	521,521
Electricity Charges	173,850	131,290
Security Charges	685,548	677,585
Donation	88,608	54,800
Exchange Rate Fluctuation	-	2,959,323
Auditors Remuneration	350,000	250,000
Miscellaneous Expenses	541,420	338,548
	12,696,760	12,184,119
<u>SCHEDULE : S</u>		
<u>INTEREST & FINANCIAL CHARGES</u>		
Interest to Bank & Others	32,478,560	20,427,997
Financial Charges	3,592,600	3,134,293
	36,071,160	23,562,290

SHREE PUSHKAR PETRO PRODUCTS LIMITED

SCHEDULE : E
FIXED ASSETS

NAME OF ASSETS	Rate of Depreciation	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 01/04/10 (Amount Rs.)	Addition (Amount Rs.)	Sold/Transferred (Amount Rs.)	As At 31/03/11 (Amount Rs.)	As At 01/04/10 (Amount Rs.)	For the Year (Amount Rs.)	Adjustment for the Year (Amount Rs.)	As At 31/03/11 (Amount Rs.)	As At 31/03/11 (Amount Rs.)	As At 31/03/10 (Amount Rs.)
Land	-	8,411,696	2,248,034	-	10,659,730	-	-	-	-	10,659,730	8,411,696
Factory Building	3.34%	49,051,244	23,720,980	-	72,772,224	9,239,630	2,020,343	-	11,259,973	61,512,251	39,811,614
Plant & Machineries	7.42%	138,469,073	188,335,871	-	326,804,944	48,781,078	16,351,365	-	65,132,443	261,672,501	89,687,995
Furniture's & Fixtures	6.33%	1,591,429	1,149,618	-	2,741,047	605,145	128,438	-	733,583	2,007,464	986,284
Computers & Printers	0.00%	857,647	117,679	-	975,326	659,644	148,086	-	807,730	167,596	198,003
Vehicles	9.50%	3,372,574	3,218,988	-	6,591,562	658,566	451,473	-	1,110,039	5,481,523	2,714,008
Office Equipments	4.75%	220,615	-	-	220,615	141,162	10,480	-	151,642	68,973	79,453
Total		201,974,278	218,791,170	-	420,765,448	60,085,225	19,110,185	-	79,195,410	341,570,038	141,889,052
Capital Work in Progress		204,790,900	151,150,299	212,109,535	143,831,664	-	-	-	-	143,831,664	204,790,900
Advance for Capital Goods		-	-	-	-	-	-	-	-	7,754,265	8,580,327
Grand Total		406,765,178	369,941,469	212,109,535	564,597,112	60,085,225	19,110,185	-	79,195,410	493,155,967	355,260,279
Previous Year		208,628,894	154,474,414	4,254,855	406,765,176	47,916,723	12,168,501	-	60,085,224	355,260,279	-

SHREE PUSHKAR PETRO PRODUCTS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	Particulars	F.Y.2010-11	F.Y.2009-10
A]	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit available for appropriation after tax	36,425,918	19,455,984
	<u>Adjustment for:</u>		
	Depreciation	19,110,185	12,168,501
	Provision for Tax/ FBT	9,920,000	3,500,000
	Interest & Finance Charges Paid	36,071,160	23,562,290
	Interest Income Received	(1,126,281)	(755,649)
	Dividend Received	(75,000)	(75,000)
		100,325,982	57,856,126
	<i>Adjustment for change in Working Capital</i>		
	Inventories	(74,046,595)	(80,456,383)
	Trade and other Receivables	(20,032,904)	(42,288,143)
	Loan & Advances and Other Current Assets	(6,530,918)	(4,537,248)
	Trade Liabilities & Provisions	58,756,566	50,800,538
	NET CASH FROM OPERATING ACTIVITIES (A)	58,472,132	(18,625,110)
B]	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of fixed assets	(218,791,172)	(13,007,984)
	Capital Work in Progress	61,785,298	(145,791,902)
	Interest Income received	1,126,281	755,649
	Dividend Received	75,000	75,000
	NET CASH USED IN INVESTING ACTIVITIES (B)	(155,804,593)	(157,969,237)
C]	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from issue of Equity Shares & Share Application	31,999,992	124,999,000
	Proceeds from Short term Borrowing	68,880,077	38,554,058
	Proceeds from Term Loan	23,385,569	69,119,835
	Proceeds from Unsecured Borrowing	(694,909)	1,334,776
	Share Issued Expenses Paid	(542,000)	(942,124)
	Interest & Finance Charges paid	(36,071,160)	(23,562,290)
	NET CASH FROM FINANCING ACTIVITIES (C)	86,957,569	209,503,255
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A)+(B)+(C)	(10,374,893)	32,908,908
	CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	39,111,377	6,202,468
	CASH AND CASH EQUIVALENTS AT END OF YEAR	28,736,483	39,111,377

As per Report of even date

FO FOR PARIHAR & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

Sd/-
(I.S.Parihar)
PROPRIETOR
Mem.No.49614

Sd/-
(Punit Makharia)
Director

Sd/-
(Gautam Makharia)
Director

Place : Mumbai

Dated :08/09/2011

SHREE PUSHKAR PETRO PRODUCTS LIMITED

SCHEDULE-T

A] SIGNIFICANT ACCOUNTING POLICIES.

1. Basis of Preparation of Financial Statements:

The Financial statements have been prepared under the historical cost convention and on accrual basis in accordance with the generally accepted accounting principles in India and the provisions of the companies Act, 1956.

2. Use Of Estimates :

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimate are recognised in the period in which the results are known /materialised.

3. Revenues Recognition:

Revenue from the sale of goods is recognised upon passage of title of goods to the customers, which generally coincides with their delivery. Dividend on investment is recognised when the right to receive is established.

4. Fixed Assets:

- a) Fixed Assets are stated at cost net of Cenvat, wherever applicable less accumulated depreciation. Costs including financing costs till commencement of commercial production are capitalized.
- b) Land is stated at cost.
- c) Assets under installation/commissioning are shown under the head capital work in progress, which includes advance for capital goods.

5. Depreciation:

- a) Depreciation on fixed assets is being provided on "Straight line method" basis at the rates specified in Schedule XIV to the Companies Act, 1956
- b) Depreciation in respect of addition to the fixed assets is provided on Pro- rata basis.
- c) Depreciation of Plant & Machinery is charge to multiple shifts.

6. Borrowing Cost:

Borrowing Costs attributable to production, Construction or acquisition of the qualifying assets are capitalized till the date the assets are ready to use. Other borrowing costs are charged to Profit & Loss account

7. Investments:

Long-term investments are being valued at cost of acquisition.

8. Inventories:

- a) Inventories of raw material, finished goods are valued at cost or net realisable value whichever is lower.
- b) Cost of Inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to the present location and condition.
- c) Work in progress is valued at cost, which includes direct cost and portion of overheads.
- d) Stores, spares and tools are being values at cost
- e) Goods in transit, if any are stated at actual cost up to the date of balance sheet
- f) Valuation of finished goods includes central excise duty, which is considered as cost in accordance with the accounting standard (AS-2).

9. Excise /Cenvat:

Cenvat credit availed during the year is reduced from purchase cost and fixed assets and added to cenvat receivable account. The adjustment against excise duty paid during the year is debited to excise duty paid account and credited to cenvat receivable account. Excise duty payable on finished goods lying at the factory premises at the close of the year is provided in the books as per the excise rules.

10. Export Incentives:

Export benefits are accounted for on accrual basis to the extent considered receivable

11. Differed Revenue Expenditure:

Share issued expenses to be amortised after successful subscription of public issue.

12. Sales and Purchase:

- a) Sales and purchases are stated net of returns.
- b) Sales are shown inclusive of Excise duty.
- c) Purchases are stated at net of Cenvat credit wherever applicable.

13. Foreign Currency Transactions:

- a) Recorded at the exchange rate prevailing on the date of transactions.
- b) Current assets and current liabilities (other than covered by forward contract or negotiations) are restated exchange rates prevailing at the year end.
- c) Any gain /loss on exchange fluctuation are reflected in profit & loss account in revenue items.
- d) Exchange differences relating to fixed assets are adjusted to the cost of assets.

14. Taxes on Income:

Provision for current tax is made on the relevant provision of the income tax Act, 1961. Deferred tax for the timing differences between books and tax profit for the year is accounted for using the tax rate that have been substantively enacted as of the balance sheet date. Deferred that assets are recognised to the extent there is virtual/ reasonable certainty that this will be realized in future.

15. Impairment of assets:

At each balance sheet date the company review whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of assets exceeds its recoverable amount and charged to profit & loss account in the year in which assets is identified as impaired. The recoverable is greater of the net selling price and value in use. In assessing value in use, the estimate future cash flows are discounted to their present value based on an appropriate discount factor. The impairment loss recognised in prior accounting periods is reversed if there has been changed in the estimate of recoverable amount.

16. Employees Retirement Benefit:

Short term benefit payable to employees wholly within twelve months of rendering services such as salaries, wages etc. are recognised in the period in which the employee renders the related service.

Defined Contribution Plan: The Company's contribution to the state governed employees provided fund scheme is a defined contribution plan. The contribution paid/ payable under the scheme is recognized during the period in which the employee renders the related service.

Defined Benefit Plan: The company's employees gratuity fund scheme managed by a Trust (Life Insurance Corporation of India) is defined benefit plan. The present value of the obligation is determined based on actuarial valuation using the projected unit credit method.

As per the policy of the company no leave encasement is allowed.

B] NOTES FORMING PART OF ACCOUNTS :

- 1) In the opinion of directors provisions for all known liabilities have been made in the accounts.
- 2) Loan & advances, sundry debtors, sundry creditors and other liabilities are subject to confirmation and reconciliation. The balances are therefore as per the books of accounts.
- 3) Contingent liabilities not provided for in books of accounts.
 1. Corporate Guarantee aggregating to Rs. 511 Lacs (P.Y. Rs.NIL Lacs) against housing loans taken by the Directors of the company.
 2. Bank Guarantee of Rs. 49.50 Lacs (.P.Y. Rs,49.50 Lacs).
- 4) The company has no information as to whether any of its suppliers constitutes Micro, Small or Medium Enterprises and therefore, the claims for suppliers and other related data as per the requirement of Micro, Small or Medium Enterprises Development Act 2006 could not be ascertained.
- 5) The company adopted the Accounting Standard (AS-15) (Revised 2005) "Employee Benefits", the company has classified the various benefits provided to employee as under;

a) Defined Contribution Plans:

The company has recognised the amounts of Provided fund of Rs.1.89 Lacs (P.Y.Rs.1.48 Lacs) in Profit & Loss account for the year ended 31st March,2011

b) Defined Benefit Plans:

The company has provided contribution to gratuity Fund (Funded Scheme).

Expenses recognised in Profit & Loss account for the year ended 31/03/2011.

(Rs. In Lacs)

Particulars	F.Y.2010-11	F.Y.200-10
Current Service Cost	0.22	0.19
Past Service cost	0.68	0.76
Premium paid	0.02	0.02
Total cost	0.92	0.97

- 6) Auditors' Remuneration :

(Rs. In Lacs)

Particulars	F.Y.2010-11	F.Y.200-10
Audit Fee	2.50	1.50
Tax Audit Fee	0.25	0.25
Vat Audit Fee	0.50	0.50
Other Matters	0.25	0.25
Total	3.50	2.50

- 7) Expenditure Incurred in Foreign Exchange on account of

(Rs, in Lacs)

Particulars	F.Y.2010-11	F.Y.2009-10
CIF Value of Import	792.90	603.40
Foreign Travelling	0.32	1.35

8) Earning in Foreign Exchange on account of

(Rs, in Lacs)

Particulars	F.Y.2010-11	F.Y.2009-10
FOB Value of Export	885.97	869.74

9) Earning per Share

(Rs, in Lacs)

Particulars	F.Y.2010-11	F.Y.2009-10
Profit After Tax	364.00	201.44
Weighted average number of Shares (Face Value Rs.10/-)	19961283	17141229
Earning per Share in Rs.	1.82	1.18

10) No commission has been paid to the directors but the remuneration by way of salary has been paid to the directors in terms of Schedule XIII of the Companies Act, 1956 as under :

(Rs, in Lacs)

Particulars	F.Y.2010-11	F.Y.2009-10
Salaries	20.20	17.52
Contribution to Provident Fund	--	--
Total	20.20	17.52

11) The break up of major head of deferred tax assets and deferred tax liabilities provided for in the books are as under:

(Rs. In Lacs)

Major head	Balance As on 31 st March 2010	Liabilities (Assets) or provision made during the year	Balance As on 31 st March 2011
Depreciation	164.23	85.85	250.08
Other Timing Differences	(0.13)	(0.02)	(0.15)
Total	164.10	85.83	249.93

12) **Related party Disclosures:**

The names of the related parties, key management personal, the nature of their transactions and their values are given herein below:

a) **Key Managerial Personals****Name of related parties**

Punit Makharia
Gautam Makharia
Ranjana Makharia
Aradhana Makharia
Bhanu MaKharia

Nature of relationship

Chairman & Managing Director
Director
Relative of the Director
Relative of the Director
Relative of the Director

b) **Transactions with related parties**

(Rs. In Lacs)

Name of Parties	Particulars	F.Y.2010-11	F.Y.2009-10
Punit Makharia	Unsecured Borrowing Recd.	193.25	140.78
	Unsecured Borrowing Repaid	201.34	127.65
	Share App. Money Received	195.00	--
	Director Remuneration	10.10	8.76
	Closing Balance	Cr. 201.36	Cr. 14.36
Gautam Makharia	Unsecured Borrowing Recd.	6.19	36.77
	Unsecured Borrowing Repaid	5.04	36.55
	Director Remuneration	10.10	8.96
	Closing Balance	Cr.2.29	Cr.1.04

Ranjana Makharia	Salary	3.00	2.74
	Closing Balance	Cr.0.25	Cr. 0.22
Aradhana Makharia	Salary	2.88	2.63
	Closing Balance	Cr.0.24	Cr. 0.21
Bhanu Makaria	Office Deposit	30.40	31.60
	Office Rent	1.80	1.20
	Closing Balance	Dr.30.40	Dr. 30.40

13) Previous year's figures have been regrouped, rearranged and reclassified whenever necessary.

14) The additional information pursuant to paragraph 3,4 (C) and (D) of part II of schedule VI to the companies Act, 1956.have given to the extent of applicable.

ABSTRACT OF BALANCE SHEET**(Rs. in Las)****I. Registration Details**

Registration No.	71376	State Code	11
Balance Sheet Date	31.03.2011		

II. Capital raised during the year

Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	103.54

III. Position of mobilization and Deployment of Funds

Total Liabilities	8,585.44	Total Assets	8,585.44
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Sources of Funds

Paid up Capital	2,023.70	Reserves & Surplus	1,883.71
Secured Loans	4,196.93	Unsecured Loans	6.96
Deferred Tax Liabilities	249.92	Share Application Money	224.23

Application of Funds

Net Fixed Assets	4,931.56	Investments	5.10
Net Current Assets	3,619.52	Misc.Expenditure	29.26

IV. Performance of Company

Turnover	13,557.25	Total Expenditure	13,094.04
Profit (Loss) Before Tax	463.21	Profit After Tax	364.01
Earning Per Share in Rs.	1.82	Dividend	-

V. Generic Name of Three Principal Product/Services of Company

Items Code No.	29214524	Items Code No.	29222140
Product Description	K.Acid	Product Description	Gamma Acid
Items Code No.	29222932		
Product Description	Vinly Sulphonester		

As per Report of even date
FOR PARIHAR & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

Sd/-
(I.S.Parihar)
PROPRIETOR
Mem.No.49614

Sd/-
(Punit Makharia)
DIRECTOR

Sd/-
(Gautam Makharia)
DIRECTOR

Place : Mumbai
Dated :08/09/2011