

GUJARAT SPECIALITY LUBES LTD

27

Regd. Office: B-406, Alkapuri Arcade, R.C.Dutt Road, Vadodara 390005

NOTICE

Notice is hereby given that Nineteenth Annual General Meeting of Members of Gujarat Speciality Lubes Ltd will be held on Friday, the 30th September, 2011 at 10.00 a.m. at the registered office of the company at B-406, Alakapuri Arcade, R C Dutt Road, Vadodara - 390005 to transact the following business.

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint Director in place of Shri Vijay P Baxi, who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint Auditors of the Company in place of retiring Auditors from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to fix their remuneration.

Special Business:

4. To consider and if thought fit to pass with or without modification, the following a Special Resolution.

"RESOLVED THAT pursuant to Section 146 of the Companies Act, 1956 the Registered office of the Company situated at B-406, Alakapuri Arcade, R. C Dutt road, Baroda - 390005 be shifted to Survey No 1285-86, Opp. Scott Glass Industries Limited, Village Ankhi, Taluka Jambusar, District- Bharuch- 392150 with immediate effect and that the Board of Directors be and is hereby authorised to take all required steps and to intimate to all the concerned including the Registrar of Companies Gujarat, about the aforesaid change, for and on behalf of the Board of Directors of the Company."

5. To consider and if thought fit to pass with or without modification, the following as Ordinary Resolution.

"RESOLVED THAT consent of the Company be and is hereby given for appointment of Shri Jayesh Vyas of M/s. Jayesh Vyas & Associates, Baroda, the Practicing Company Secretary, to issue Compliance Certificate, pursuant to Companies(Compliance certificate) Rules, 2001 framed under Section 383A of the Companies Act, 1956, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting on the terms and fees as may be decided by the Chairman in consultation with him plus out of pocket expenses."

Date: 25-08-2011

Place: Baroda

For and on behalf of the Board,


Chairman

Notes

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Proxy, in order to be effective, should be lodged duly completed before 48 hours of the meeting.
3. Explanatory Statement pursuant to Section 173 in respect of Special Business stated at Item Nos. 4 & 5 is annexed herewith.
4. Register of Members and Share Transfer Register will remain closed from Monday from 26th September, 2011 to Friday, the 30th September, 2011 (both the days inclusive).
5. Shareholders are requested to:
 - (a) bring their copy of the Annual Report at the meeting.
 - (b) send all communications relating to their shareholding, quoting Folio No. / Client ID No. at Registered Office / at the office of the Registrar and Share Transfer Agents.
6. MEMBERS DESIROUS OF OBTAINING ANY INFORMATION WITH RESPECT OF THE ACCOUNTS OF THE COMPANY ARE REQUESTED TO SEND THEIR QUERIES IN WRITING TO THE COMPANY AT ITS REGISTERED OFFICE SO AS TO REACH AT LEAST SEVEN DAYS BEFORE THE DATE OF THE MEETING.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

Item No.5

As the Shareholders are aware, the Company has its Registered Office at B-406, Alkapuri Arcade Address 2 : R.C.Dutt Road, City : Vadodara-390005, however all the business affairs are being managed from Survey No 1285-86, Opp. Scott Glass Industries Limited, Village Ankhi, Talukā Jambusar, District- Bharuch.

With a view to carry on the business more economically and more efficiently, within the state of Gujarat under jurisdiction of the Registrar of Companies, Gujarat it is proposed to shift its Registered office from B-406, Alkapuri Arcade Address 2 R.C.Dutt Road, City : Vadodara-390005 to Survey No 1285-86, Opp. Scott Glass Industries Limited, Village Ankhi, Taluka Jambusar, District- Bharuch - 392150.

Special Resolution under Section 146 and other applicable provisions, if any, of the Companies Act, 1956, are therefore, proposed to seek the approval of the Members of the Company, for shifting of Registered Office as aforesaid.

None of the Directors are concerned or interested in the said resolutions.

The Board recommends the resolution for adoption.

Item No.6

Shri Jayesh Vyas, the Practicing Company secretary, who is M.Com, M.S.W; LL.B. (Sp), F.C.S holding Certificate of Practice from Institute of Company Secretaries of India, New Delhi. The Board of Directors at have assigned the work of issue of Compliance Certificate as Required by the Companies(Compliance Certificate) Rules, 2001 framed under Section 383A(1) of the Companies Act,1956 to him. You are requested, being eligible, to appoint him to hold office from conclusion of this meeting until the conclusion of next annual general meeting.

The Directors recommend the Resolution for acceptance.

None of the Directors is concerned or interested in the Resolution.

Date: 25-08-2011
Place: Vadodara

For and on behalf of the Board of Directors,


Chairman

DIRECTORS' REPORT

To,
The Members,
Gujarat Speciality Lubes Limited
Vadodara

Your Directors have the pleasure in presenting the 19th Annual Report of your Company for the year ended on 31st March 2011. Following figures summarise the Financial performance.

Financial Results:

	<u>Rs in Lacs</u>	
	<u>31/03/2011</u>	<u>31/03/2010</u>
Sales & Other Income	137.10	187.65
Gross Profit / (Loss) before Depreciation	119.31	156.91
Less: Depreciation	00.00	00.00
Net Profit / (Loss)	119.31	156.91
Prior Period Exp. / Income	0.00	0.15
Net Profit / (Loss) transferred to Balance Sheet	119.31	157.06

Dividend:

In view of carry forward losses of previous years, your directors do not declare payment of any dividend for the year under Review

Operation in retrospect:

Your directors are glad to inform that although your company continues to face liquidity crunch due to accumulated losses of previous years, your company has paid off one of its major secured creditor, GIIC Limited, Gandhinagar. As a result of the accounting treatment of this settlement, the past interest provisions & unpaid principal portion of the term loan, which became non payable needed to be written back, reflect in the year under review under the head Other Income / Capital Reserve. This development has further led to improvement in the net worth of the company but the same still continues to be negative. The production operations could not be restarted even in the year under review and there were no sales during the year under review. Company is continuing its efforts for revival of the company and has accordingly submitted its Debt Restructuring Scheme to Hon'able BIFR and hopes for its expeditious disposal in favour of the company. In the meanwhile, your company expects your full support in such trying times.

Directors' Responsibility Statement:

In terms of Section 217(2AA) in the Companies Act, your Director report:-

- i. That in the presentation of the accounts for the financial year ended 31st March, 2011; the applicable accounting standards have been followed along with proper explanation relating to material departures;

- ii. That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year under review;
- iii. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. That the Directors have prepared the accounts for the financial year ended 31st March, 2011 on a 'going concern' basis.

Directorate:

Mr. Vijay P Baxi, the Director retires by rotation in terms of Section 256 of the Companies Act, 1956 and being eligible offers for reappointment. Members are requested to consider his reappointment.

Statutory Disclosures:

- i. Your Company has neither carried out any manufacturing activity nor earned Foreign Exchange nor spent the same during the year under review. Details relating to Conservation of Energy, Technology Absorption and Foreign Exchange earning or outgo are therefore not furnished.
- ii. Particulars as required under Section 217 (2-A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rule 1975, are not furnished as no employee is covered therein.
- iii. In compliance of Section 383A(1) of the Companies Act, 1956, compliance certificate as issued by Shri Jayesh Vyas of M/s. Jayesh Vyas & Associates the Practicing Company Secretary, is annexed to this report.

Fixed Deposit:

Your Company has not accepted Deposits from the Public during the year under review.

Auditors:


Statutory Auditors retire at the conclusion of the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment. Members are requested to consider their reappointment for the current year and to fix their remuneration.

Appreciation:

Your Director would like to place on record their valued appreciation for the assistance and Co-operation received by the Company from its Bankers, Clients, Agents, Auditors and above all the dedicated services of all the employees of the Company.

Date: 25.8.2011
Place: Vadodara

For and on behalf of Board of Directors.


Chairman

AUDITOR'S REPORT

TO,

**The Members of
GUJARAT SPECIALITY LUBES LTD.**

We have audited the attached Balance Sheet of Gujarat Speciality Lubes Limited, as at 31st March 2011 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 (together 'The Order') issued by the Central Government of India in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956, and on the basis of information and explanation given to us, and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we give in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

- (i) Accounts of Sundry Creditors, Sundry Deposits, Loans & Advances, and Unsecured Loans are subject to confirmation/reconciliation and consequential adjustments, if any. Stock as on 31st March, 2011 has not been physically verified by us. Subject to the above, we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by the report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 except the following :

As stated in the notes to accounts, the company has not followed the AS-22 of accounting for taxes on income, due to uncertainty of future tax liability to arise in future, and the management believes that it will not affect the true financial position of the company on

not following the Accounting Standard. Thus the Deferred Tax Liability is not provided for in the books.

As stated in the notes to accounts, the company has not followed the AS-6 of accounting for depreciation, due to no production and any other business transactions carried out by the company during the year, therefore, depreciation has not been provided in the books of accounts.

- (v) The management, due to peculiar reasons could not identify the names of Small Scale Industries to whom the company owed any amount for more than 30 days.
- (vi) On the basis of written confirmation received from the directors and taken on record by the board of directors, none of the directors are disqualified as on 31st March 2011, from being appointed as directors under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 as at the year-end.
- (vii) The Accumulated Losses have resulted into erosion of the entire net worth. As per provisions of Section 3(I) (0) of the Sick Industrial Companies Act, 1985, the company is declared a Sick Company on 30th May 2002 and continues to be so.

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 subject to the notes to accounts give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011; and
- (b) In the case of the Profit and Loss Account, of the profit for the year ended on that date.
- (c) In the case of Cash Flow Statement, of the Cash Flows of the company for the year ended on that date.

Date : 25/08/2011
Place : Baroda



For, Dilip K. Thakkar & Co.
Chartered Accountants
Firm Registration No. 102563W

Dilip K Thakkar
(Proprietor)
Membership No.31269

Annexure to the Auditor's Report .
Referred our Report of Even Date

1) In respect of its fixed assets;

- Proper records of fixed assets are still under compilation.
- Physical verification of fixed assets has not been conducted by the management during the year. Pending such physical verification and reconciliation, we are unable to state whether there are any material discrepancies between physical count and fixed asset records.
- As per information and explanation given by the management, part of fixed assets has become obsolete. Therefore, the same has been written off but it has not affected the Going Concern of the Company. In case if no fresh funds are infused in the company, then, in view of non -- availability of working fund, there exists a substantial doubt to continue as a going concern in the foreseeable future.

2) In respect of its inventories;

- The management has informed us that the inventory at depot has not been physically verified during the year. Thus we are unable to comment on the procedures & methods for physical verification or any material discrepancies on physical verification by management.
- The management has not done physical verification of the inventories, lying at places other than depot.
- The company is not maintaining proper records of inventory.

3) In respect of loans, secured or unsecured, granted or taken by the company to / from Companies, firms or other parties covered in the register maintained under Section 301 of The Companies Act, 1956;

- The Company has taken loans from 15 parties covered in register maintained under Section 301 of the Companies act, 1956. The maximum amount during the year was Rs. 201.02 Lakhs & the year end balance of loan taken was Rs. 201.02 Lakhs. Interest is not given by the company, which is not prejudicial to the interest of the company.
- The company has not granted any loans to companies, firms or other parties covered in register maintained under Section 301 of the Companies Act, 1956. Accordingly the provisions of clause (b), (c) & (d) of the order are not applicable to the company.

4) In our opinion and according to the information and explanations given to us, the internal control procedures are not commensurate with the size of the company and nature of its business, for the purchase of inventory and fixed assets and for the sale of goods.

5) In respect of transaction covered under section 301 of the Companies Act, 1956;

- In our opinion and according to the information and explanation given to us, particulars of contracts or arrangements, referred to in section 301 of the Companies Act, 1956, have been so entered into in the register maintained under section 301 of the Companies Act, 1956.
 - In our opinion and according to the information and explanations given to us, there are no transactions in pursuance of contract or arrangements entered in the register maintained under section 301 of the Companies Act, 1956, aggregating during the year to Rs.5,00,000/- (Rupees Five Lakhs only) or more in respect of any party
- 6) In our opinion and according to the information and explanation given to us, the company has not accepted deposits within the meaning of the provisions of section 58A & 58AA or any other relevant provisions of the Companies Act, 1956, and the Rules made there under.
 - 7) In our opinion & according to information & explanation given to us, the company is yet to set up the internal audit system.
 - 8) The central government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956.
 - 9) In respect of statutory dues;

According to the records of the company, the company is not regular in depositing with appropriate authorities statutory dues including provident fund of Rs. 0.06 Lakhs, Entry Tax of Rs.0.11 Lakhs, Income Tax of Rs. 0.14 Lakhs for the year 1997-98 & Rs. 4.53 Lakhs for the year 1998-99, T.D.S. of Rs.0.11 Lakhs Sales Tax of Rs.22.63 Lakhs & Land revenue of Rs. 1.76 lakhs.

- 10) The Accumulated Losses have resulted into erosion of the entire net worth. As per provisions of Section 3(1) (0) of the Sick Industrial Companies Act, 1985, the company has been declared a Sick Company. The company has incurred cash losses of Rs. 17.79 Lakhs during the year and Rs.30.74 Lakhs in the previous year.
- 11) The company had defaulted in repayment of loans taken from GIIC and the same were fully settled, during the year under review, by paying off the agreed settlement amount to GIIC which is detailed as under:
 - M/s GIIC LTD had granted term loan to the company for acquisition of fixed assets in the year 1992-93 for Rs. 122.25 lacs. Company had defaulted in payment of its principal and interest and its dues had mounted to Rs. 122.16 lacs towards principal and Rs. 137.10 lacs towards interest. In the year 1999-00, a settlement was reached on 12.11.1999 with GIIC to settle the entire dues for Rs. 60 lacs to be paid in agreed instalments with interest thereon. Accordingly, company transferred the principal dues to the extent of Rs. 60 lacs to an OTS (One Time Settlement) A/c out of total principal dues of Rs. 122.16 lacs on 31.3.2000 and remaining balance of Rs. 62.16 lacs on account of principal dues was also set aside as GIIC term loan account on 31.3.2000 as being liable to be written off in case the company honoured its commitment under the settlement agreement. Similarly, Interest overdue of the term loan lender of Rs. 137.10 lacs, which was also liable to be written off in case company honoured the settlement terms, was also transferred to a separate interest on term loan account. Company did not write off the term loan dues and interest thereon in the year of OTS itself i.e. in the year 1999-2000 because settlement dated 12.11.1999 was liable to be cancelled at the discretion of GIIC in the event of company not able to pay the same as

per the agreed terms within reasonable time. Company started paying the settlement amount from 1.4.2000 onwards and debited interest in a separate interest on GIIC OTS account which accrued on outstanding OTS balances.

- By 31.3.2010, company had paid only Rs. 29.73 lacs against OTS agreed on 12.11.1999 for Rs. 60 lacs leaving a balance of Rs. 30.27 lacs as still payable. Interest on this OTS account had reached a credit balance of Rs. 44.34 lacs. Company had following credit balances in various accounts of GIIC:-

1. GIIC term loan account	62.16 lacs
Balance set aside at the time OTS dated 12.11.1999	
2. Interest on GIIC term loan account	137.10 lacs
Balance set aside at the time OTS dated 12.11.1999	
3. GIIC OTS principal loan account	30.27 lacs
4. Interest on GIIC OTS dated 12.11.1999	44.34 lacs
TOTAL DUES OF GIIC ON BOOKS	273.87 lacs

- Since company was not able to pay the said OTS as per the agreed terms with GIIC, GIIC was demanding interest for the interim period since the dates of old OTS dated 12.11.1999 on the unpaid portion of OTS of Rs. 30.27 Lacs. GIIC finally agreed to settle the entire dues of the company for Rs. 81.96 Lakhs vide its letter dated no GIIC/SEC/2265 dated 19.3.2010 provided company on the terms that company should pay the same in agreed instalments in four to five instalments within next 120 days and that an interest @10% p.a. will be charged on the outstanding balances for the interim period. Accordingly, company paid of entire agreed amount of Rs. 81.96 lacs alongwith interest accrued thereon of Rs. 1.87 lacs in the year 2010-11 and settled the GIIC dues in full. Company has also received a 'NO DUE' certificate from GIIC vide its letter bearing no GIIC/ACCTS/GS/3250/3742/287 dated 7.8.2010.

- In view of the final settlement of GIIC term loan, necessary accounting treatment for the settlement has been passed in the year under review. Company has treated accounts viz. GIIC OTS principal a/c of Rs. 30.27 lacs as paid in full, Interest on GIIC OTS a/c of Rs. 44.34 lacs as paid in full and part of GIIC term loan (outstanding balance being Rs. 62.16 lacs, set aside on 12.11.1999) to the extent of Rs. 7.35 lacs as paid in full, thereby total balances of Rs. 81.96 lacs is treated as paid in full. **Remaining balance of GIIC term loan of Rs. 54.82 lacs (i.e. Rs. 62.16 lacs minus Rs. 7.35 lacs), being not payable any more, is written back to Capital Reserve account and balance on account of Interest on Term loan of Rs. 137.10 lacs (set aside as not payable on account of OTS on 12.11.1999) is also written back thro' Profit & Loss account as income. Interest accrued and paid on this settlement amounted to Rs. 1.87 lac is charged to Profit & loss account as current years interest cost.**

12) According to the information and explanations given 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 company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

- 14) Based on the information & explanation given by the management the company is not dealing or trading in shares, securities, debentures and other investments & accordingly the provisions of the clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- 15) Based on examination and on the basis of information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- 16) According to the records of the company, the company has not obtained any term loans during the period under consideration. Hence, comments under the clause are not called for.
- 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 no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short term assets except core (permanent) working capital.
- 18) According to the information and explanations given to us, during the period covered by our audit report, the company has not made preferential allotment of shares to parties and companies 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 issued any debentures during the year and hence the question of creation of securities in respect of debentures issued, does not arise.
- 20) The company has not raised any money by way of public issue during the year.
- 21) To the best of our knowledge and belief and according to the information and Explanations given to us, no fraud on or by the Company was noticed or reported during the year.

Date : 25/08/2011
Place : Baroda



For, Dilip K. Thakkar & Co.
Chartered Accountants
Firm Registration No. 102563W

Dilip K Thakkar
(Proprietor)
Membership No.31269

GUJARAT SPECIALITY LUBES LTD

BALANCE SHEET AS AT 31st MARCH, 2011

	<u>Schedule</u>	<u>As at</u> <u>31st March 2011</u> <u>Rs./-</u>	<u>As at</u> <u>31st March 2010</u> <u>Rs./-</u>
<u>SOURCES OF FUNDS</u>			
<u>SHAREHOLDERS' FUNDS</u>			
i) Share Capital	1	31,000,000	31,000,000
ii) Reserves & Surplus	2	16,859,766	11,377,822
<u>LOAN FUNDS</u>			
i) Secured Loans	3	NIL	27,387,624
ii) Unsecured Loans	4	24,565,454	15,604,185
iii) Deferred Tax Liability		298,044	298,044
		<u>72,723,265</u>	<u>85,667,675</u>
<u>APPLICATION OF FUNDS</u>			
<u>FIXED ASSETS</u>			
	5		
Gross Block		28,240,780	28,240,780
Less: Depreciation		15,837,604	15,837,604
Net Block		<u>12,403,176</u>	<u>12,403,176</u>
<u>INVESTMENTS</u>	6	14,350	14,350
<u>CURRENT ASSETS, LOANS AND ADVANCES</u>			
i) Inventories	7	452,406	452,406
ii) Sundry Debtors	8	611,250	611,250
iii) Cash & Bank Balances	9	23,237	6,044
iv) Loans & Advances	10	253,900	230,000
		<u>1,340,793</u>	<u>1,299,700</u>
Less: Current Liabilities and Provisions	11	6,996,513	5,941,665
Net Current Assets		<u>(5,655,720)</u>	<u>(4,641,965)</u>
<u>Miscellaneous Expenditure (to the extent not written off or adjusted)</u>			
Profit And Loss Account		65,961,458	77,892,114
		<u>72,723,264</u>	<u>85,667,675</u>
<u>Significant Accounting Policies & Notes on Accounts</u>			
	15		

As per our report of even date

Dilip K. Thakkar & Co.

Chartered Accountants

F.R.No.102563W

Dilip K. Thakkar

Proprietor

Membership No.31269

Place : Baroda

Date : 25/08/2011

For and on behalf of the Board

Kiran Baxi
Director

Vijay Baxi
Director

GUJARAT SPECIALITY LUBES LTD

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

	<u>Schedule</u>	<u>Year Ended</u> <u>31st March 2011</u> <u>Rs./-</u>	<u>Year Ended</u> <u>31st March 2010</u> <u>Rs./-</u>
<u>INCOME</u>			
Sales		NIL	-
Other Income	12	13,710,015	18,765,037
TOTAL (A)		13,710,015	18,765,037
<u>EXPENDITURE</u>			
Consumption of Raw Material	13	NIL	NIL
Manufacturing, Administrative, Selling & General Expenses	14	1,586,706	160,247
Interest & Bank Charges		192,653	2,913,941
Depreciation		NIL	NIL
TOTAL (B)		1,779,359	3,074,188
PROFIT \ (LOSS) BEFORE TAX (A-B)		11,930,656	15,690,849
Provision For Tax		NIL	NIL
PROFIT \ (LOSS) AFTER TAX		11,930,656	15,690,849
Prior Period Income		-	15,000
Balance bought forward from Previous Year		77,892,114	93,597,963
Balance Carried To Balance Sheet		65,961,458.00	77,892,114.00

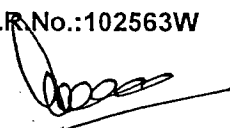
**Significant Accounting Policies & Notes
Forming Part of the Accounts**

15

3.85

5.06

Dilip K. Thakkar & Co.
Chartered Accounts
F.R.No.:102563W


Dilip K. Thakkar
Proprietor
Membership No.:31269

Place : Baroda
Date : 25/08/2011

For and on behalf of the Board


Kiran Baxi
Director


Vijay Baxi
Director

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

**As at
31st March 2011
RS./-**

**As at
31st March 2010
RS./-**

SCHEDULE-1: SHARE CAPITAL

AUTHORISED

40,00,000 (P.Y. 40,00,000) Equity shares of Rs.10/- each

40,000,000

40,000,000

ISSUED, SUBSCRIBED AND PAID UP

31,00,000 (P.Y. 31,00,000) Equity shares of Rs.10/- each

31,000,000

31,000,000

Fully Paid up and subscribed

TOTAL 31,000,000

31,000,000

SCHEDULE-2: RESERVES & SURPLUS

1. CAPITAL RESERVES - I

(BOB/JM PRINCIPAL LOAN WRITE BACK)

11,377,822

11,377,822

2. CAPITAL RESERVES - II

(GIIC TERMLOAN - PRINCIPAL WRITE BACK)

5,481,944

NIL

TOTAL 16,859,766

11,377,822

SCHEDULE-3: SECURED LOANS

Term Loan from GIIC

A. OTS Account

1. GIIC Term Loan (OTS Dues)

NIL

3,027,181

2. Interest payable on GIIC OTS

NIL

4,433,890

B. Non OTS Account

1. GIIC Term Loan (Other than OTS Dues)

NIL

6,216,538

2. G.I.I.C. Interest Payable on non OTS till 31.3.1999

NIL

13,710,015

NIL

27,387,624

TOTAL NIL

27,387,624

Notes:

1. Term loan from GIIC is secured by First Charge by way of Equitable mortgage of factory land & buildings and Hypothecation of Plant & machineries Situated at Village Anakhi, Tal. Jambusar, Dist. Bharuch

2. Term Loan is also secured by Personal Guarantee of Directors.

BARODA

As at
31st March 2011
Rs./-

As at
31st March 2010
Rs./-

SCHEDULE-4: UNSECURED LOANS

From Directors and Relatives	20,101,675	11,140,406
From Others	4,463,779	4,463,779
TOTAL	24,565,454	15,604,185

SCHEDULE-6: INVESTMENTS (AT COST)

Unquoted

1435 Equity Shares of Jan Kalyan Sahakari Bank Limited, Mumbai, of Face value of Rs. 10/- each	14,350	14,350
TOTAL	14,350	14,350

SCHEDULE-7: INVENTORIES

Stocks (As taken, valued and certified by the Management)

Raw Materials (At cost)	NIL	NIL
Packing Material (At Cost)	NIL	NIL
Work-in-Progress (At Net Realisable value)	108,426	108,426
Finished Goods (at lower of cost or market value)	343,980	343,980
TOTAL	452,406	452,406

SCHEDULE-8: SUNDRY DEBTORS

(unsecured, considered good)

Over six months	611,250	611,250
Less than six months	NIL	NIL
TOTAL	611,250	611,250

SCHEDULE-9: CASH & BANK BALANCES

Cash in Hand	649	732
Balances with Schedule Bank in Current Accounts	22,588	5,312
TOTAL	23,237	6,044



31st March 2011

31st March 2010

Rs./-

Rs./-

SCHEDULE-10: LOANS AND ADVANCES

(Unsecured, considered good)

- Advances recoverable in cash or in kind
or for the value to be received

i) Advances to suppliers etc.

ii) Security Deposits

iii) Other Advances & Deposit

	NIL	NIL
	30,000	30,000
	223,900	200,000
TOTAL	253,900	230,000

SCHEDULE-11: CURRENT LIABILITIES AND PROVISIONS

Sundry Creditors

For Goods

For Expenses

Advance against order

	1,350,868	1,350,868
	5,558,886	4,478,288
	86,759	112,509
TOTAL	6,996,513	5,941,665

SCHEDULE-12: OTHER INCOME

Debit \ Credit Balances Written Off - BANK OF BARODA DUES

Debit \ Credit Balances Written Off - GIIC DUES

	NIL	18,765,037
	13,710,015	NIL
TOTAL	13,710,015	18,765,307

SCHEDULE-13: RAW MATERIALS CONSUMEDOpening Stock

Raw Materials

Work-in-process

Finished Goods

	108,426	108,426
	343,980	343,980
	NIL	NIL
	452,406	452,406
	NIL	NIL
	452,406	452,406

Add: Purchase

Less: Closing Stock

Raw Materials

Work-in-process

Finished Goods

	NIL	NIL
	108,426	108,426
	343,980	343,980
	452,406	452,406
TOTAL	NIL	NIL

31st March 2011

31st March 2010

Rs./-

Rs./-

**SCHEDULE : 14 MANUFACTURING, ADMINISTRATIVE,
SELLING AND GENERAL EXPENSES****A : PACKING MATERIALS CONSUMED**Opening Stock

Packing Materials

Add: Purchases

Less: Closing packing Material

TOTAL A

NIL

NIL

NIL

NIL

NIL

NIL

NIL

NIL

NIL

NIL

**B : OTHER MANUFACTURING, ADMINISTRATIVE,
SELLING AND GENERAL EXPENSES**

Postage, Telephone and Telegram Expenses

18,380

13,400

Rent, Rates and Taxes

31,700

34,630

Sales tax 03-04 on Appeal

866,591

NIL

Guj Sales tax for FY 04-05 on assessment order

246,028

NIL

Auditor's Remuneration

For Audit Fees

5,000

5,000

For Taxation Matters

5,000

5,000

Listing Fees

13,750

15,167

Legal & Professional charges

364,524

53,050

Office Expenses

NIL

NIL

Printing and Stationery

34,811

34,000

Travelling Expenses

922

NIL

TOTAL B

1,586,706

160,247

GRAND TOTAL (A+B)

1,586,706

160,247

GUJARAT SPECIALITY LUBES LTD

SCHEDULE - 5 : FIXED ASSETS

DISCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 1/4/2010 Rs.	ADDITION DURING THE YEAR Rs.	DEDUCTION DURING THE YEAR Rs.	AS AT 31.3.2011 Rs.	AS AT 1/4/2010 Rs.	FOR THE YEAR Rs.	DEDUCTION DURING THE YEAR Rs.	UP TO 31.3.2011 Rs.	AS AT 31.3.2011 Rs.	AS AT 31/03/10 Rs.
Free hold factory land	501978	NIL	NIL	501978	NIL	NIL	NIL	NIL	501978	501978
Factory & Build- ings & Site Dev- elopment(in- cluding borwell)	5189110	NIL	NIL	5189110	1888937	NIL	NIL	1888937	3300173	3300173
Furniture & Fixtures	146001	NIL	NIL	146001	96762	NIL	NIL	96762	49239	49239
Office Equipment	338066	NIL	NIL	338066	242736	NIL	NIL	242736	95330	95330
Plant & Machinery	17735443	NIL	NIL	17735443	10100031	NIL	NIL	10100031	7635412	7635412
Laboratory Equipment	951149	NIL	NIL	951149	493906	NIL	NIL	493906	457243	457243
Electrical Inst- allation	820081	NIL	NIL	820081	456280	NIL	NIL	456280	363801	363801
Motor Car & Vehicles	558952	NIL	NIL	558952	558952	NIL	NIL	558952	NIL	NIL
Technical knowhow	2000000	NIL	NIL	2000000	2000000	NIL	NIL	2000000	NIL	NIL
TOTAL	28240780	0	0	28240780	15837604	0	0	15837604	12403176	12403176
PREVIOUS YEAR	28240780	0	0	28240780	15837604	0	0	15837604	12403176	14750487

Note: The Depreciation has not been provided on the Fixed Assets as there is no production carried out during the year in the Company.



SCHEDULE - 15.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS:

(I). SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of Preparation:

The financial statements have been prepared under the historical cost convention, in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, as adopted consistently by the Company. All revenue/income and cost/expenditure having a material bearing on the financial statements are recognized on accrual basis as and when earned or incurred except recognition of dividend income and retirement benefit expenditure except non provision of non moving stock & certain expenses which cannot be estimated on a reasonable basis.

B. Use of Estimates:

The preparation of financial statements in conformity with Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of financial statements, and the reported amounts of revenues and expenses during the reporting period.

C. Fixed Assets:

Fixed Assets are recorded at historical cost along with capitalized portion of specific and allocated expenses. Fixed Assets acquired and constructed are stated at historical cost including attributable cost and incidental expenses, erection/ commissioning expenses for bringing the asset to its intended use.

D. Depreciation:

Depreciation on all Fixed Assets is provided on Straight Line Method in accordance with the provisions of Section 205(2) (b) of the Companies Act, 1956, in the manner and at the rates prescribed in Schedule XIV to the said Act.

Additions are depreciated on pro-rata basis for number of days used during the year at the rates prescribed in Schedule XIV of the Companies Act, 1956.

Depreciation on assets sold, discarded or demolished during the year is being provided at the rates up to the day on which such assets are sold, discarded or demolished.

E. Inventories:

Raw materials are valued at cost or net realizable value in case the cost of raw material has declined and the realization value of the finished products is expected to be lower than the cost of the product. Raw materials are valued at cost on First In First Out basis.

Finished stock is valued at cost or net realizable value whichever is lower

Work in progress is valued at net realizable value.

Trading stock is valued at cost or net realizable value whichever is lower.

"Cost" comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to their present location and condition. Cost of purchase includes duties, taxes, freight and other expenses net of trade discounts, rebates, sales tax set off and liquidated damages. Valuation of stock of finished goods is exclusive of all duties & taxes.

F. Retirement Benefits:

The company has accounted for liability for Gratuity and Privilege Leave encashment on retirement/separation by making provision on the basis of actuarial valuation at the year end.

G. Amortization of Preliminary & Public Issue Expenditure

Preliminary & Public Issue Expenditure are amortized over a period of 10 year on Straight Line Method.

H. Income Tax

Income taxes are not accounted for in accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, due to uncertainty of any tax liability arising in future.

I. Investment

(1) All long term investments are valued at cost & provision for diminution in value is made, whenever such diminution is not temporary. (2) All current investments are valued at lower of cost or fair market value

J. Provision and Contingent Liabilities:

(1) Provision are recognized when there is a present obligation as a result of past event.

(2) Contingent Liability –

2.1 Show Cause notice issued by various Government Authorities are not considered as obligation.

2.2 When the demand notice are raised against such show cause notices and are disputed by the company, then these demands are classified as obligations.

2.3 The treatment in respect of disputed obligations are as under.

(a) A provision is recognizing in respect of present obligations where the out flow of resources is probable.

(b) All other cases are disclosed as contingent liabilities unless the possibility of outflow of resources is remote

K. Borrowing Cost

Borrowing cost that are attributable to the acquisition of qualifying assets are capitalized up to the period such assets are ready for its intended use. All other borrowing assets are charges to profit & Loss a/c

L. Accrual Basis

All income and expenditure items having a material bearing on the financial statements are recognized on accrual basis. The capital subsidy is accounted on receipt basis.

M. Impairment of Assets:

As per the information given by the management, it has not made any provision for impairment loss of the assets of the company.

(II). NOTES FORMING PART OF ACCOUNTS

1. The company had defaulted in repayment of loans taken from GIIC and the same were fully settled, during the year under review, by paying off the agreed settlement amount to GIIC which is detailed as under:

- M/s GIIC LTD had granted term loan to the company for acquisition of fixed assets in the year 1992-93 for Rs. 122.25 lacs. Company had defaulted in payment of its principal and interest and its dues had mounted to Rs. 122.16 lacs towards principal and Rs. 137.10 lacs towards interest. In the year 1999-00, a settlement was reached on 12.11.1999 with GIIC to settle the entire dues for Rs. 60 lacs to be paid in agreed instalments with interest thereon. Accordingly, company transferred the principal dues to the extent of Rs. 60 lacs to an OTS (One Time Settlement) A/c out of total principal dues of Rs. 122.16 lacs on 31.3.2000 and remaining balance of Rs. 62.16 lacs on account of principal dues was also set aside as GIIC term loan account on 31.3.2000 as being liable to be written off in case the company honoured its commitment under the settlement agreement. Similarly, Interest overdue of the term loan lender of Rs. 137.10 lacs, which was also liable to be written off in case company honoured the settlement terms, was also transferred to a separate interest on term loan account. Company did not write off the term loan dues and interest thereon in the year of OTS itself i.e. in the year 1999-2000 because settlement dated 12.11.1999 was liable to be cancelled at the discretion of GIIC in the event of company not able to pay the same as per the agreed terms within reasonable time. Company started paying the settlement amount from 1.4.2000 onwards and debited interest in a separate interest on GIIC OTS account which accrued on outstanding OTS balances.
- By 31.3.2010, company had paid only Rs. 29.73 lacs against OTS agreed on 12.11.1999 for Rs. 60 lacs leaving a balance of Rs. 30.27 lacs as still payable. Interest on this OTS account had reached a credit balance of Rs. 44.34 lacs. Company had following credit balances in various accounts of GIIC:-

1. GIIC term loan account	62.16 lacs
Balance set aside at the time OTS dated 12.11.1999	
2. Interest on GIIC term loan account	137.10 lacs
Balance set aside at the time OTS dated 12.11.1999	
3. GIIC OTS principal loan account	30.27 lacs
4. Interest on GIIC OTS dated 12.11.1999	44.34 lacs
TOTAL DUES OF GIIC ON BOOKS	273.87 lacs

- Since company was not able to pay the said OTS as per the agreed terms with GIIC, GIIC was demanding interest for the interim period since the dates of old OTS dated 12.11.1999 on the unpaid portion of OTS of Rs. 30.27 Lacs. GIIC finally agreed to settle the entire dues of the company for Rs. 81.96 Lakhs vide its letter dated no GIIC/SEC/2265 dated 19.3.2010 provided company on the terms that company should pay the same in agreed instalments in four to five instalments within next 120 days and that an interest @10% p.a. will be charged on the outstanding balances for the interim period. Accordingly, company paid of entire agreed amount of Rs. 81.96 lacs alongwith interest accrued thereon of Rs. 1.87 lacs in the year 2010-11 and settled the GIIC dues in full. Company has also received a 'NO DUE' certificate from GIIC vide its letter bearing no GIIC/ACCTS/GS/3250/3742/287 dated 7.8.2010.
- In view of the final settlement of GIIC term loan, necessary accounting treatment for the settlement has been passed in the year under review. Company has treated accounts viz.

GIIC OTS principal a/c of Rs. 30.27 lacs as paid in full, Interest on GIIC OTS a/c of Rs. 44.34 lacs as paid in full and part of GIIC term loan (outstanding balance being Rs. 62.16 lacs, set aside on 12.11.1999) to the extent of Rs. 7.35 lacs as paid in full, thereby total balances of Rs. 81.96 lacs is treated as paid in full. Remaining balance of GIIC term loan of Rs. 54.82 lacs (i.e. Rs. 62.16 lacs minus Rs. 7.35 lacs), being not payable any more, is written back to Capital Reserve account and balance on account of Interest on Term loan of Rs. 137.10 lacs (set aside as not payable on account of OTS on 12.11.1999) is also written back thro' Profit & Loss account as income. Interest accrued and paid on this settlement amounted to Rs. 1.87 lacs is charged to Profit & loss account as current years interest cost.

2. Company still continues to be a Sick Industrial Company within the meaning of Section 3(1) (o) of the Sick Industries (Special Provisions) Act 1985 with a registration no 24/2001 issued by BIFR.

3. No provision for MAT under section 115 JB is made as company is a Sick Industrial Company within the meaning of Section 3(1) (o) of the Sick Industries (Special Provisions) Act 1985 with a registration no 24/2001 issued by BIFR and its net worth does not yet equal or exceed the accumulated losses of the company for the past years.

4. Company had received from M/s Shanti Enterprise, Mumbai, a partnership firm with one of the partners being Nalin D Shah, a brother of the director of the company Mr. Shailesh D Shah a Loan-I of Rs. 50.01 lacs in the FY 2009-10 and has received another loan-II of Rs. 87.37 lacs during the year under review from the same party. As per the loan agreement of M/s.Shanti Enterprise with the company, M/s Shanti Enterprise has agreed to grant these loans to mainly pay, in full and final settlement, secured loans with interest of Bank of Baroda as well as GIIC limited on the terms that both these loans I & II will be a non-interest bearing loan through out the tenure of the loan. Further that, repayment of the Loan-I of Rs. 50.01 lacs will be repayable in three annual equal annual instalments beginning from fourth year end from cut off date to be approved under Debt Restructuring Scheme by hon'able BIFR. Further that as regards the loan-II of Rs. 87.37 lacs, M/s Shanti Enterprise is allowed an option to convert the same to the extent of Rs. 85 lacs in Equity Share capital subject to and as per the terms to be approved by Hon'able BIFR in this regard.

5. The company has not followed the AS-22 of accounting for taxes on income, due to uncertainty of future tax liability to arise in future, and the management believes that it will not affect the true financial position of the company on not following the Accounting Standard. Thus the Deferred Tax Liability is not provided for in the books.

6. Contingent Liabilities Not Provided For:

(a) Disputed Liabilities:

Particulars	Amount (Rs. in Lakhs)
1. Delay payment charges or Interest on Sales Tax (Gujarat) for financial year 2004-05. (The provision for actual liability of Rs. 2.46 lacs is made in FY 10-11 but interest for the period from the date of original order till the date of its final payment is estimated at 18% p.a. for period from the date of the order i.e. 29.9.2008 till 31.3.11 is shown as a contingent liability)	1.27 Lacs

2. Listing fees not debited from FY2005-06 till 2010-11 0.75 lacs
Of Bombay Stock Exchange in view of De-Listing and
Consequent improbability of reviving listing – revival
of this listing may require company to pay listing fees
not booked for 6 years at 12500/- per year

7. Managerial Remuneration

	As at the year ended 31/03/2011	As at the year ended 31/03/2010
Remuneration to Whole time directors	0.00	0.00

8. Auditor's remuneration

	As at the year ended 31/03/2011	As at the year ended 31/03/2010
For Audit Fees	5000	5000
For Taxation Matters	5000	5000
Total	10000	10000

9. Dues to Small Scale Industrial Undertakings (SSI) –

The Company has not received any intimation from the 'Suppliers' regarding their status under the Micro, Small and Medium Enterprises development Act, 2006 and hence disclosures if any relating to amounts unpaid as at March 31, 2011 together with interest paid /payable as required under the said act, have not been given.

10. Details in respect of the products manufactured, Licensed and Installed Capacity, Sales, Closing Stock consumed, as provided by the management, are as follows:

Sr. No.	Particulars	Current Year 2010-11	Previous Year 2009-10
A.	Licensed Capacity Lubricating oils Castor oil	10500 KL 42000 MT	10500 KL 42000 MT
B.	Installed Capacity Lubricating oils Castor oil	9200 KL 42000 MT	9200 KL 42000 MT
C	Opening Stock Manufactured Goods Lubricating oils at Factory & Depot Castor oils	9555 Ltrs 0	9555 Ltrs 0
D	Actual Production & Purchase of Finished Goods Manufactured Goods Lubricating oils Castor oils	NIL NIL	NIL NIL
	Sales Manufactured Goods		

	Lubricating oils (Value)	NIL NIL	NIL NIL
	Castor oils		
F.	Write off of Finished goods (OLD stock)		
	Manufactured Goods		
	Lubricating oils	NIL	NIL
	Castor oils	NIL	NIL
F.	Closing Stock		
	Manufactured Goods		
	Lubricating oils	9555 ltrs	9555 ltrs
	Castor oils	0	0

11. Details of Raw Materials consumed, goods traded in and Machinery spares consumed as provide by the management are as follows:

Major raw material consumed:

	Raw Materials	For the year ended 31.3.2011	For the year ended 31.3.2010
	Lubricating oils	NIL	NIL
	Castor oils	NIL	NIL

Value of Imported and Indigenous raw materials consumed and percentage thereof to the total consumption:

	Raw Materials	For the year ended 31.3.2011	%	For the year ended 31.3.2010	%
	Imported	NIL	NIL	NIL	NIL
	Indigenous	NIL	NIL	NIL	NIL

12. Expenditure in Foreign Currency: NIL

13. Earnings in Foreign Currency: FOB Value Of Exports: NIL

14. C.I.F value of import: NIL

15. In the opinion of the Management, Current Assets, Loans & Advances are approximately of the value stated, except otherwise stated, if realized in the ordinary course of business. The provision of all known liabilities, is adequate and not in excess of the amounts reasonably necessary.

16. Balance Confirmation/adjustment/reconciliation:

Balances in Loans and Advances, Deposits received/paid, Sundry Creditors and Unsecured Loans are subject to third party confirmations and adjustments/reconciliation, if any.

17. Transactions in respect of which documentary evidences are not available have been certified by the directors as true & correct. Directors have confirmed that no personal expenses have been charged to revenue.

18. The management has compiled information pursuant to Accounting Standard - 18 on Related Party Transactions Disclosure, which is detailed as under :

LOANS TAKEN FROM :


Particulars	As at 31st March,2011	As at 31st March,2010
From Directors		
K. P. Baxi	181526	181526
S. D. Shah	458978	376978
V.P.Baxi Loan	137570	137570
TOTAL(A)	778074	696074
From Relatives		
P. J. Baxi	275782	275782
Baxi Finance Consultant P. Ltd	4077047	4090047
D.P Baxi	425795	425795
Radhika V. Baxi	15000	15000
Prapti Baxi	55022	55022
RAJIT S SHAH	10000	
Sandhya P. Baxi Loan	27000	27000
Priyam Baxi	19000	19000
Shanti Enterprise -Loan I	5001300	5001300
Shanti Enterprise -Loan II	8737269	
Bharat D. Shah	497355	497355
Nalin D. Shah	164031	19031
Viraj Baxi	19000	19000
TOTAL(B)	19323601	10444332
TOTAL(A+B)	20101675	11140406

19. Pursuant to section 383A of the Companies Act, the Company could not obtain the services of a full time Company Secretary in Spite of its best efforts. The management has explained to us that the financial condition of the company does not warrant the appointment of a whole time company secretary.

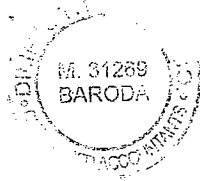
20. As on the Figures for the previous year have been regrouped/recast wherever necessary to make them comparable with the figures of the current year.

21. The Depreciation has not been provided on the fixed assets as there is no production carried out or other business transaction in the company.

As per our report of even date
For Dilip K. Thakkar & Co.
Chartered Accountants
F.R.No.102563W


Dilip K. Thakkar
Proprietor
Membership No. 31269.

Place : Vadodara
Date : 25th Aug, 2011



For and on behalf of the Board


Kiran Baxi
Director


Vijay Baxi
Director

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

PART IV

I. REGISTRATION DETAILS:

Registration No.: 04-16612
Balance Sheet Date: Date : 31
Month: 03
Year : 2011

II. CAPITAL RAISED DURING THE YEAR: (Amount in Rs. Lakhs)

Public Issue: NIL Right Issue: NIL
Bonus Issue: NIL Private Placements: NIL

III. POSITION OF MOBILISATION & DEVELOPMENT OF FUNDS: (Amount in Rs. Lakhs)

	Total Liabilities	Total Assets
	727.23	727.23
Source of Funds	Paid up Capital	Reserve & Surplus
	310.00	168.60
	Secured Loans	Unsecured Loans
	00.00	245.65
	Deferred Tax Liability	
	2.98	
Application of Funds	Net Fixed Assets	Investments
	124.03	0.14
	Net Current Assets	Misc. Expenditure
	(56.56)	659.62

IV PERFORMANCE OF COMPANY. (Amount in Rs. Lakhs)

Turnover/Income	Total Expenditure
137.10	17.79
Profit/(Loss) Before Tax	Profit/(Loss) After Tax
119.31	119.31
Earning per share (Rs.)	Dividend Rate %
3.85	Nil

As per our report of even date
For Dilip K. Thakkar & Co.
Chartered Accountants
F.R.No.102563W


Dilip K. Thakkar
Proprietor
Membership.No. 31269.

Place : Vadodara
Date : 25th Aug 2011

For and on behalf of the Board


Kiran Baxi
(Director)


Vijay Baxi
(Director)