

Saurashtra Containers Pvt. Ltd

Annual Report

2011 – 2012

SAURASHTRA CONTAINERS PRIVATE LIMITED

BOARD OF DIRECTORS

MR. DIPAK AGARWALLA	Director
MR. S.K. SINHA	Director
MR. RAGHAV AGARWALLA	Director
MR. HARSH SINHA	Director

CORPORATE OFFICE

C-93, Mittal Towers,
Nariman Point,
Mumbai – 400 021

BANKERS

State Bank of India

AUDITORS

M/S. Kucheria & Associates
Chartered Accountants
Mumbai.

Share holders are requested to bring their Copies of the Annual Report with them to the Meeting.

NOTICE

NOTICE is hereby given that the Seventh Annual General Meeting of the Company will be held at the Registered Office of the Company at C-93 Mittal Towers, Nariman Point, Mumbai – 400 021 on 21st day of August 2012 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended on 31ST March 2012 and the reports of Directors and Auditors thereon.
2. To Appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. The retiring Auditors M/s. Kucheria & Associates, Chartered Accountants, Mumbai, being eligible, offer themselves for re-appointment.

To Consider and if thought fit, to pass with or without modification(s), the following Resolutions.

AS AN ORDINARY RESOLUTIONS:

3. "RESOLVED THAT Mr. Harsh Sinha, who was appointed as an Additional Director of the Company w.e.f. 01.04.2012 pursuant to Section 260 of the Companies Act, 1956 and who holds office up to the date of the Annual General Meeting and being eligible offers himself for appointment and in respect of whom the Company has received a notice in writing from a member Under Section 257 and other applicable provisions, if any, of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company."

For and on behalf of the Board of Directors.

Place: Mumbai
Date: 05. 07.2012


S. K. SINHA
Director

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

Item No. 3

Mr. Harsh Sinha who was appointed as an Additional Director by the Board of Directors of the Company on 01.04.2012. The current appointment of Mr. Harsh Sinha is in accordance with the Section 260 of the Companies Act, 1956. He holds office up to the date of this Annual General Meeting.

The Company has received a notice in writing from member along with required deposit proposing the candidature of Mr. Harsh Sinha for the office of Director pursuant to the provision of Section 257 of the Companies Act, 1956.

Mr. Harsh Sinha is having good experience in manufacturing activity of Lam coke and it would be in the interest of the company to appoint him regular Director.

Your Directors recommend the resolution for approval of Members. None of the Directors other than himself and Mr S K Sinha is deemed to be concerned or interested in the resolution.

By Order of the Board of Directors


S K Sinha
Director

Place : Mumbai
Date : 05/07/2012

NOTES:

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

SAURASHTRA CONTAINERS PVT. LTD.

DIRECTOR'S REPORT

To The Members,

Your Directors have pleasure in presenting their Seventh Annual Report with the Audited Accounts for the financial year ended 31st March 2012.

FINANCIAL RESULTS:

Financial result of the financial year under review is as under:-

(Amount In Lacs)

	Year ended 31 st March 2012		Year ended 31 st March 2011	
Sales and other Income		4750.40		3099.00
Profit before Interest Depreciation & Tax		1341.97		834.95
Less: Interest		365.31		279.18
Profit before Depreciation & tax		976.66		555.77
Less: Depreciation		1262.15		220.37
Profit \ Loss before tax		(285.49)		335.40
Less: Provision for Tax		(97.44)		96.58
a) Deferred Tax	(83.91)		93.88	
b) Provision for Income Tax	0		69.55	
c) Provision for Income Tax Earlier Year	(13.52)		0	
d) Mat Credit Entitlement	0		(66.85)	
Profit (Loss) after Tax.		(188.05)		238.82
Add: Balance brought forward from the Previous Year		(143.19)		(382.01)
Surplus carried to Balance Sheet		(331.24)		(143.19)

During the year, your company has achieved a 53 % Revenue growth in the reporting year and achieved growth of 23% in container handling volume, as compared to previous year. The company has been able to increase its EBITDA by 60.70 % as compared to previous year. The company has been able to increase its market share and held on to position 2 in the Mundra CFS market.

During the year your company has changed its accounting policy for charging depreciation from Straight Line Method to Written Down Value Method .Consequent to this, there is an additional charge for depreciation in the profit and loss account during the year of Rs.6.18 crore which relates to earlier years.

The overall performance of your Company for the year under review has been Satisfactory.

A) DIVIDEND

During the year, on account of losses incurred by the company, the board of directors have considered it prudent not to recommend any dividend for the financial year under review.

B) OPERATIONS

During the year, Company has experienced a considerable growth in container volume at Mundra port due to the overall increase in Import Export in India. This volume increase has led to a higher capacity utilization of its facility. Your company has handled (Import and export) 42538 TEU as compared to 34478 TEU in previous year. Your company has upgraded its market position at Mundra Port.

Your company has increased its fleet of Dumpers, trailers and other operational equipments. This is resulted into increased operational efficiency & enhanced the service level to customers. By adapting the "in-house" model, your company has reduced the operational expenses which in turn have increased the profitability. During the year your company has also handled 25127 Empty TEU which has resulted in generating additional revenue to the company.

There is lot of development at Mundra port 1900 mtr. of new area has been earmarked in Southport for two new berth facility. Due to this, the total capacity of Mundra port will enhance by 50%. Hence, company expects a substantial increase in volumes. The Company is gearing up for the upcoming opportunity in the next financial year.

C) FINANCE

During the year your company has re paid term loan of Rs. 200 lacs and Rs.491 lacs towards equipment loans. The company has been regular in payment of its EMIs and Interest to the lender banks and other NBFCs.

Your Company continues to enjoy good support from State Bank of India for its normal banking requirements from time to time.

D) FIXED DEPOSITS.

The company has not accepted any fixed deposits from public.

E) INSURANCE

The company's Fixed Assets been adequately insured.

F) DEMATERIALISATION OF EQUITY SHARES:

The board has decided to dematerialize equity shares of the company.

G) SECRETARIAL COMPLIANCE CERTIFICATE:

As required under the provisions of the Companies Act, 1956, the Company is required to obtain Secretarial Compliance Certificate from a Practicing Company Secretary. The Company has complied with the same and the same is attached and form part of the Directors Report.

H) DIRECTORS

The Company has appointed Mr. Harsh Sinha as an additional director with effect from 22.12.2010 respectively and he will hold office up to ensuing Annual General Meeting. The notices have been received from members of the company under Section 257 of the companies Act, 1956 proposing their appointments as Director. Shri Navin Sinha, Director of the Company has resigned on 31st March from the Board of Directors. Your Directors put on record their appreciation for his valuable contribution to the Company.

I) DIRECTORS' RESPONSIBILITY STATEMENT

As required u/s 217A (2AA) of the Companies Act, 1956 your directors hereby state

- 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 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 2012 and its Loss for the year ended on that date.
- c. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d. That the directors have prepared the annual accounts on going concern basis.

J) AUDITORS

The Company's Auditors, M/s. Kucheria & Associates, Chartered Accountants retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Members are requested to appoint auditors for the current year and fix their remuneration.

K) EMPLOYEES

Your Directors express their deep appreciation for the co-operation and support by employees at all levels of the company. Your Directors wish to emphasis safe working culture in the organization and urge all employees to not only follow safety standards but also excel in all safety parameters.

L) AUDITORS'S REPORT

The Board has duly examined the statutory auditors report to accounts and clarifications wherever necessary, have been included in the Notes to Accounts section of the Annual Report.

M) ENVIRONMENT AND POLLUTION CONTROL:

The company has been taking adequate steps to control pollution and protect the environment and has been securing necessary approvals from the concerned authorities time to time.

N) PERSONNEL

The None of the employees who receive remuneration in excess of limit prescribed under Section 217 (2A) of the companies Act, 1956 read with the companies (particulars of Employee) Rules, 1975 .

O) PARTICULARS REGARDING CONSERVATION OF ENERGY ETC.

As required Under Section 217 (1 0 (e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Directors) Rules 188 the particulars relating to conservation of energy, technology, absorption and foreign exchange earnings and outgo are as under:

(A) The Company has no activities relating to conversion of energy.

- (B) 1. The Company has made no provision for Research and Development Expenditure
2. The Company has no activity relating to technology, absorption adoption and Innovation.

(C) FOREIGN EXCHANGE EARNING & OUTGO

During the year under report, Foreign Exchange earnings and Outgoing is NIL.

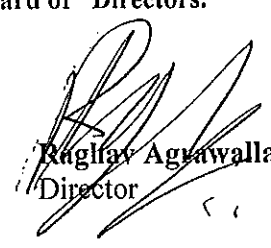
P) ACKNOWLEDGEMENTS

Your directors wish to express their grateful thanks to the Company's Bankers State Bank of India for their valuable support. Your Directors also acknowledge the co-operation and dedicated services rendered by all Officers and Employees of the Company.

For and on behalf of the Board of Directors.

Place: Mumbai
Date : 05.07.2012


S. K. Sinha
Director


Raghuvar Agrawalla
Director

KUCHERIA & ASSOCIATES
CHARTERED ACCOUNTANTS

59, Jolly Maker Chambers No.2, Nariman Point, Mumbai 400 021
Tel: 22028461, 22022306, Email: ajit@kucheria.co.in

AUDITOR'S REPORT

THE MEMBERS,
SAURASHTRA CONTAINERS PRIVATE LIMITED

1. We have audited the attached Balance Sheet of **Saurashtra Containers Private Limited** 31st March, 2012 and the related Profit and Loss Account for the year ended on that date. 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.
2. 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.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 (the Act) and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above,
 - (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 it appears from our examination of the books;

Container Audit Report



**KUCHERIA & ASSOCIATES
CHARTERED ACCOUNTANTS**

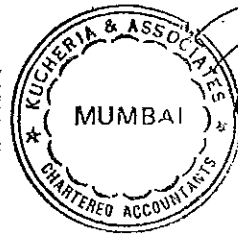
- (c) The Balance Sheet dealt with by this report is in agreement with the books of account;
- (d) In our opinion, the Balance Sheet comply with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956 to the extent applicable to the Company;
- (e) According to the information and explanations given to us, in relation to the affairs of the company, none of the directors are disqualified from being appointed as Director under section 274 (1) (g) of the Companies Act, 1956;
- (f) According to the information and explanations given to us, in relation to the affairs of the company, the company has suffered loss on account of major fire at Mundra on 23rd October 2009 and half of the warehouse valued Rs.3,21,33,741/- (based on management representation letter) was fully damaged. Due to this the value of the net fixed assets would have been lower by Rs. 3,21,33,741/-. The management has neither reduced this amount from the Gross Block of Fixed Assets nor booked as loss due to fire till report date.
- (g) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit and Loss Account together with notes thereon, and in particular point no. 30 of Note no. 1 regarding change in method of depreciation, the Company has changed the method of providing depreciation in current year from Straight Line Method to Written Down Value Method at the rates prescribed under schedule XIV of the companies act ,1956, on a pro-rata basis corresponding to month of Installation\commissioning. The company has provided the differential amount of depreciation amounting to Rs.6,18,65,036/- due to change in the method of depreciation in current financial year. Had this change not been made, the profit for the year would have been higher by Rs. 6,18,65,036/- on account of previous years depreciation and the value of the net fixed assets would have been higher by Rs. 6,18,65,036/-. , except the above the financial statements 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 the Balance Sheet, of the state of affairs of the company as at 31st March, 2012 and;
- ii. In the case of Profit and Loss Accounts, of the *Loss* of the company for the year ended on that date.

**For KUCHERIA & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN.105391W**

PLACE: **Mumbai**
DATED: 5th July, 2012




(PUNEET SINGHVI)
Partner
M. No. 112460

**KUCHERIA & ASSOCIATES
CHARTERED ACCOUNTANTS**

59, Jolly Maker Chambers No.2, Nariman Point, Mumbai 400 021
Tel: 22028461, 22022306, Eml: ajit@kucheria.co.in

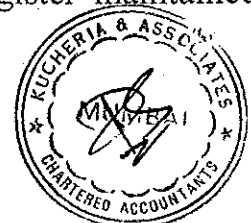
ANNEXURE TO AUDITOR'S REPORT

**THE MEMBERS,
SAURASHTRA CONTAINERS PRIVATE LIMITED**

Referred to in paragraph 3 of our report of even date

1. (a) The company has maintaining proper records to showing full particulars, including quantitative details and situation of its fixed assets.
(b) All the assets have been physically verified by the management as per its policy of conducting the verification on continuing basis, covering the entire assets within a period three years. No material discrepancies were noticed on such verification as per management representation letter received on 4th July, 2012
(c) The Company has not disposed off any fixed asset during the year, except the 50% part of the warehouse has lost due to fire occurred on 23rd October 2009, which was not reduced from the gross block of fixed assets.
2. The Company has taken unsecured loan from the companies firms or other parties covered in the register maintained under section 301 of 'The Companies Act, 1956 and the balance as on 31st March, 2012 is Rs.27,00,000/-
3. In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of services, fixed assets and for the sale of services. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have we been informed of any instance of major weakness in the aforesaid internal control procedures
4. a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered into the Register maintained under section 301 of the Act have been so entered.

Container Audit Report



**KUCHERIA & ASSOCIATES
CHARTERED ACCOUNTANTS**

- b) In our opinion, and according to the information and explanations given to us. The transactions made in pursuance of contracts or arrangement entered in the register maintained under section 301 of the Act, and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to the market prices prevailing at the relevant time.
5. The Company has not accepted any deposits from the public to which the provisions of sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under would apply.
 6. The Company has an internal audit system, which, in our opinion, is commensurate with its size and nature of its business.
 7. In our opinion, and according to the information and explanations given to us, maintenance of cost records under section 209(1) (d) of the Act pursuant to the Rules made by the Central Government is not applicable to the Company.
 8. According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of provident fund, income-tax, sales-tax, customs duty, excise duty and other material statutory dues as applicable, have been regularly deposited by the Company during the year with the appropriate authorities. As per the information and explanation given by the management the service tax liability still payable is of Rs. 1,21,21,471/- . As there is no disputed statutory dues, the clause (ix) (b) of paragraph 4 of the said Order, is not applicable.
 9. In our opinion, the accumulated loss of the company is not more than fifty percent of its net worth. Further the company has not incurred any cash loss during the financial year covered by the audit and immediate preceding financial year.
 10. In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to a financial institution, bank and debentures holders.



**KUCHERIA & ASSOCIATES
CHARTERED ACCOUNTANTS**

11. We are of the opinion that the company has maintained adequate records where the company has granted loans and advances on the basis of security by way pledge of shares, debentures and other securities.
12. In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore the provision of clause 4(xiii) of the company (Audit report) order, 2003 are not applicable to the company.
13. In our opinion the company is not dealing in or trading in shares securities, debentures and investment. Accordingly the provision of clause 4(xiv) of the companies (Audit report) order, 2003 are not applicable to the company
14. In our opinion the terms and conditions on which the company has given guarantees for loan taken by the others from bank and other financial institutes are not prejudicial to the interest of the company
15. In our opinion the term of loans has been applied for the purpose of for which they were raised.
16. According to the information and explanation given to us, and on an overall examination of the balance sheet of the company. We report that the no fund raised of the -short term basis have been used for long term investment.
17. According to the information and explanation given to us, the company has made preferential allotment to the parties and companies covered in the register maintained under section 301 of the Act, In our opinion, the price at which shares have been issued is not prejudicial to the interest of the company.
18. According to the information and explanation given to us during the period covered by our audit report, the company has not issued any debentures.
19. According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

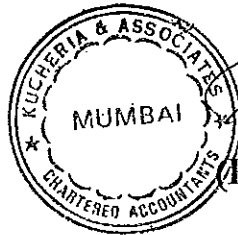


**KUCHERIA & ASSOCIATES
CHARTERED ACCOUNTANTS**

20. Other provisions of Sub Section 4A of Section 227 of Companies Act 1956 Companies (Auditors Report) Order 2003 is not applicable.

**For KUCHERIA & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN.105391W**

**PLACE: Mumbai
DATED: 5th July, 2012**



**(PUNEET SINGHVI)
Partner
M. No. 112460**

Saurashtra Containers Pvt. Ltd
Balance Sheet as at March 31, 2012

Amt. in Rs.

Particulars	Notes	March 31, 2012		March 31, 2011	
I. EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	3	22500000		22500000	
Reserves and Surplus	4	64375527	86875527	83180789	105680789
Non - current liabilities					
Long term borrowings	5	264102770		292802990	
Deferred tax liabilities (Net)	6	258786		8649459	
Other long term liabilities	7	7500000		7500000	
Long term provisions	8	-	271861556	-	308952449
Current Liabilities					
Short term borrowings	9	12708423		4073464	
Trade payables	10	47109729		32995969	
Other current liabilities	11	120000437		79981737	
Short term provisions	12	0	179818589	3163534	120214704
TOTAL			538555672		534847942
II. ASSETS					
Non - current assets					
Fixed Assets					
Tangible assets	13	455625979		457537695	
Non - current investments	14	-		-	
Long term loans and advances	15	930926	456556905	510426	458048121
Current Assets					
Current Investments	16	-		-	
Inventories	17	980731		346342	
Trade receivables	18	29899397		40114109	
Cash and Cash equivalents	19	16298612		14395119	
Short term loans and advances	20	34820027		21944251	
Other current assets	21	-	81998767	-	76799821
TOTAL			538555672		534847942

The notes attached form an integral part of the Balance sheet

As per our report of even date attached

For, Kucherla & Associates

Chartered Accountants

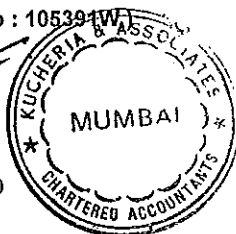
(Firm Registration No : 105391W)

[Puneet Singhvi]
Partner

Membership No : 112460

Place : MUMBAI

Date : 5th July 2012



For and on behalf of the Board of Directors

S. K. Sinha
Director

Raghav Agarwala
Director

Saurashtra Containers Pvt. Ltd
Statement of Profit and Loss for the year ended March 31, 2012

Particulars	Notes	March 31, 2012		March 31, 2011	
Income					
Revenue from Operations	22	483561270		315134733	
Less : Service Tax		14729433	468831837	9056617	306078116
Other Income	23		6213891		3821538
Total revenue			475045728		309899654
Expenses					
Operating Expenses	24		182365684		137940408
Employee benefits expense	25		17937330		15378038
Finance costs	26		36881240		28058247
Depreciation and amortization expense	27		126214987		22036852
Other expenses	28		140194894		72945723
Total Expenses			503594135		276359268
Profit Before Exceptional Items and Tax			(28548407)		33540386
Exceptional Items			-		-
Profit Before Tax			(28548407)		33540386
Less: Tax Expense			-		6955000
Current Tax			-		9387600
Deferred Tax			8390672		-
Add: Income tax written back of earlier year			1352473		-
			(18805262)		17197786
Mat Tax Credit Entitlement			-		6684767
Profit for the Year			(18805262)		23882553
Earnings per equity share of Rs. 10/- each					
Basic			(8.36)		10.61
Diluted					

The notes attached form an integral part of the Balance sheet

As per our report of even date attached

For, Kucheria & Associates

Chartered Accountants

(Firm Registration No. : 105391W)

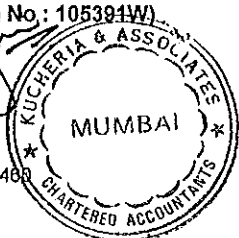
[Puneet Singhvi]

Partner

Membership No : 112400

Place : MUMBAI

Date : 5th July 2012



For and on behalf of the Board of Directors

S. K. Sinha
Director

Raghav Aggarwala
Director

Saurashtra containers Pvt. Ltd
Cash Flow as at March 31, 2012

Amt.in Rs.

Particulars	Notes	March 31, 2012		March 31, 2011	
A. CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit before Tax			(28548407)		33540386
adjustments for:					
Depreciation		126214987		22036852	
Interest paid on term loan		32895510		26908331	
Preliminary Expenses		-		5653	
Loss on sales of assets		-		13076	
			159110497	-	48963912
Operating profit before Working capital change			130562090		82504298
Adjustment					
Inc.(dec.) in inventories		(634389)		(73253)	
Inc.(dec.) in debtors		10214703		(4343444)	
inc.(dec.) in loans & advances		(9504802)		3870094	
inc.(dec.) in current liabilities		24089940	24165452	3293271	2746668
Cash from Operating Activities			154727642		85250966
Less : Income tax paid			6602627		-
Net cash from Operating Activities A			149125015		85250966
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of fixed assets		(124316926)		(116593077)	
Proceeds from Sales of fixed Assets		13656		22000	
Net cash from used in Investing Activities B			(124303270)		(116571077)
C. CASH FLOW FROM FINANCING					
Equity share capital					
Term loan received		76529352		102263711	
Term loan Paid		(69262094)		(32680207)	
Unsecured Loan		2700000			
Interest on term loan		(32895510)		(26908331)	
Net cash used in Financing Activities C			(22918252)		42675173
Net increase/(decrease) in cash and cash equivalents(A+B+C)			1903493		11355062
Cash and cash equivalents as at Beginning of Period			14395119		3040057
Cash and cash equivalents as at 31.03.2012			16298612		14395119

As per our report of even date attached

For, Kucheria & Associates

Chartered Accountants

(Firm Registration No : 105381W)

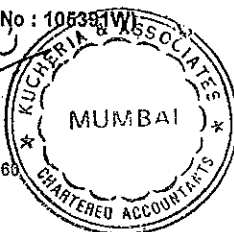
[Puneet Singhvi]

Proprietor

Membership No : 112466

Place : MUMBAI

Date : 5th July 2012



For and on behalf of the Board of Directors

S. K. Sinha
Director

Raghav Agarwala
Director

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Saurashtra Containers Pvt. Ltd. is having its container freight station at Mundra. The company has acquired 25 acres of land at Mundra Port. The main activity is to handle Import and Export Cargo and Containers.

2. SIGNIFICANT ACCOUNTING POLICIES:

a) METHOD OF ACCOUNTING

The financial statements are prepared on the basis of a going concern in accordance with the relevant presentation requirements of the Companies Act, 1956 under the historical cost convention and on accrual basis except in the case of significant uncertainties.

b) FIXED ASSETS AND DEPRECIATION

Fixed assets are stated at cost of acquisition less accumulated depreciation. Depreciation is provided on the Written down value Method at the rates specified in Schedule XIV of the Companies Act, 1956. The Company provides pro-rata depreciation on additions or adjustments to disposals of fixed assets during the year. Leasehold land is amortized equally over the period of the lease.

c) INVESTMENTS

Investments are valued at cost of acquisition. Long-term investments are valued at cost except in case of permanent diminution in their value, wherein necessary provision is made.

d) BORROWING COSTS

Borrowing costs incurred in relation to the acquisition, construction of assets are capitalized as the part of the cost of such assets up to the date when such assets are ready for intended use. Other borrowing costs are charged as an expense in the year in which they are incurred.

e) SUNDRY DEBTORS AND LOANS AND ADVANCES

Sundry Debtors and Loans and Advances are stated after making adequate provisions for doubtful balances.

f) REVENUE RECOGNITION

Operational income is accounted on accrual basis. Revenue & expenses for sale of abandoned cargo are recognized when auctioned.

Dividend income is recognized when the right to receive dividend is established.



g) FOREIGN CURRENCY TRANSACTION

Expenditure in foreign currency is accounted at the exchange rate prevalent when such expenditure is incurred. Exchange differences are recorded when the amount actually received on sales or actually paid when expenditure is incurred is converted into Indian Rupees. The exchange differences arising on foreign currency transactions are recognized as income or expense in the period in which they arise.

Current assets and current liabilities denominated in foreign currency, to the extent not covered by forward contracts, are translated at the exchange rate prevalent at the date of the balance sheet. The resulting difference is also recorded in the profit and loss account. In the case of forward contracts, the difference between the forward rate and the exchange rate on the date of the transaction is recognized as income or expense over the life of the contract.

h) TAXATION

Current tax in respect of taxable income for the year is determined as per provisions of the Income Tax Act, 1961.

The deferred tax charge or credit is recognized using current tax rates. Where there is an unabsorbed depreciation or carry forward loss, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets/liabilities are reviewed as at each Balance Sheet date based on developments during the year and available case laws, to reassess realization/liabilities.

i) CONTINGENT LIABILITIES

These are disclosed by way of notes to the Balance Sheet. Provision is made in the accounts in respect of those contingencies, which are likely to materialize into liabilities after the year end, till the finalization of accounts and have material effect on the position stated in the Balance Sheet.

j) IMPAIRMENT OF ASSETS

In pursuant of Accounting Standard 28 issued by The Institute of Chartered Accountants of India, the Company has assessed Impairment of Asset as on 31st March, 10. However based on such assessment the Company has ascertained the impairment as Rs. Nil.

k) RETIREMENT BENEFITS

Retirement benefits in the form of Provident Fund which are defined contribution schemes are charged to the Profit & Loss Account of the year.

The Company has obtained a Group Gratuity Policy from the Life Insurance Corporation of India, in respect of liability towards gratuity. Contributions made against this Policy as per actuarial valuation done by Life Insurance Corporation are charged to revenue of the relevant year of payment. The Provident Fund and Family Pension Fund, as managed by Employees Provident Fund Organization of Government of India under Employees Provident Fund Act 1952. Liability in respect of un availed leave of employees as on the date of the Balance Sheet is provided for as per the rules of the Company.

l) VALUATION OF INVENTORIES:

Closing Stock of Diesel : At Cost.



Saurashtra Containers Pvt. Ltd
Notes forming part of the financial statements as at March 31, 2012

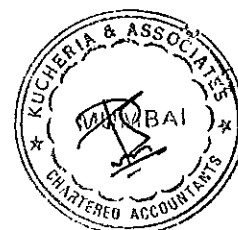
Particulars	Amt. in Rs.			
	March 31, 2012		March 31, 2011	
	No of shares	Amount	No of shares	Amount
3 SHARE CAPITAL				
Authorized:				
Equity shares of Rs. 10/- each	5000000	50000000	5000000	50000000
Redeemable Preference Share Capital of Rs.10 each	7500000	75000000	7500000	75000000
	5000000	125000000	5000000	125000000
Issued, Subscribed and fully paid up:				
Equity shares of Rs. 10/- each	2250000	22500000	2250000	22500000
Total	2250000	22500000	2250000	22500000
a Details of shareholders holding more than 5 % shares in the company.				
Particulars	No. of shares	% of Holding	No. of shares	% of Holding
1) The Great Valley Co.Ltd	750000	33.33%	750000	33.33%
2) Molshree Trade Invest Pvt Ltd.	675000	30.00%	675000	30.00%
3) Smt.Vibha Agarwalla.	620000	27.55%	620000	27.55%
b Terms of securities convertible into equity shares				
For shares to be issued on conversion of compulsory Convertible debentures. (Refer Note - 5b)				

Particulars	March 31, 2012		March 31, 2011	
4 RESERVES AND SURPLUS				
a Securities premium account				
Balance as at the beginning and end of the year		97500000		97500000
b Surplus in the statement of Profit and Loss				
Balance as at the beginning of the year	(14319211)		(38201764)	
Add /Less : Profit/(Loss) for the year	(18805262)	(33124473)	23882553	(14319211)
Total		64375527		83180789



Saurashtra Containers Pvt. Ltd
Notes forming part of the financial statements as at March 31, 2012

		Amt. In Rs.				
	Particulars	March 31, 2012			March 31, 2011	
5	<u>LONG - TERM BORROWINGS</u>					
a.	Secured					
	Term Loans					
	- from Bank	130106839		150201363		
	Less: Current maturities of long term debt (Refer Note - I)	36609734	93497105	21704258		128497105
	- from Banks - (For Vehicle)	25398918		11185404		
	Less: Current maturities of long term debt (Refer Note - II)	11328684	14070234	7345486		3839918
	- from Non Banking Finance Companies	112445560		105222251		
	Less: Current maturities of long term debt (Refer Note - III)	52965929	59479631	41812084		63410167
b.	Unsecured-					
	Debentures		97055800			97055800
	97,05,580 (97,05,580) Compulsory Convertible Debentures of Rs. 10/- each.					
	97,05,580 Compulsory Convertible Debentures of Rs. 10/- each will be converted into fully paid up equity share of Rs. 10/- each on 11th January 2016 on the basis of an independent valuation of the company as may be acceptable to the subscriber and the SCPL.					
	Loans					
	- from Others		-			-
	Total Long Term Borrowings		264102770			292802990
1	Note:					
	Term Loans					
	Term Loan funded by State Bank of India :-On Primary security as First charge over entire Fixed Assets (present & future) such as land, building, plant & machinery & other Fixed assets Including Equitable Mortgage of lease hold rights over 25 acre of land situated at Bharat CFS Zone-1, GAPL Mundra, Kutch.					
	Further, Secured by Corporate Guarantee of Saurashtra Fuels Pvt Ltd,					
	Further guaranteed by Personal guarantee of Shri Dipak Agarwalla & Shri S.K. Sinha, Directors of the Company.					
	Term Loans are carrying interest rate of 13.95% and repayable as under:					
	Year					
	2013-14 Quarterly Instalments of Rs. 1.04 crores each					
	2014-15 Quarterly Instalments of Rs. 1.30 crores each					



ii	<p>Vehicle Loans from ICICI Bank Ltd. & HDFC Bank Ltd. are secured by hypothecation of vehicles financed by them respectively.</p> <p>Further guaranteed by Personal guarantee of Shri Dipak Agarwalla & Shri S.K. Sinha, Directors of the Company</p> <p>These Term Loans are carrying interest rates ranging from 8% to 13% and repayable by EMIs over a period of 1-4 years.</p>		
iii	<p>Vehicle Loans from Reliance Consumer finance Ltd, Sundaram Finance Ltd, GE Capital TFS Ltd, Mahindra & Mahindra Finance Services Ltd, Magma Fincorp Ltd and Tata Motors Finance Ltd. are secured by hypothecation of vehicles financed by them respectively.</p> <p>Further guaranteed by Personal guarantee of Shri Dipak Agarwalla & Shri S.K. Sinha, Directors of the Company</p> <p>These Term Loans are carrying interest rates ranging from 8% to 13% and repayable by EMIs over a period of 2-5 years.</p>		
6	<u>DEFERRED TAX LIABILITIES (NET)</u>		
a.	Deferred tax liability Depreciation allowances	20195066	37055237
b.	Deferred tax assets Carried forward losses under Income Tax Act, 1961	19936280	28405778
	Deferred tax Liabilities) (Net)	258786	8649459
7	<u>OTHER LONG - TERM LIABILITIES</u>		
	Trade payable	-	-
	Deposits	7500000	7500000
	Total	7500000	7500000
8	<u>LONG TERM PROVISIONS</u>		
	Provision for employee benefits	-	-
	Provision others	-	-
	Total	-	-



Saurashtra Containers Pvt. Ltd
Notes forming part of the financial statements as at March 31, 2012

		Amt. In Rs.	
Particulars	March 31, 2012		March 31, 2011
9	<u>SHORT TERM BORROWINGS</u>		
a.	Secured		
	Working Capital Loans		
	- from Banks CC	10008423	4073464
	(Refer Note - I)		
b.	Unsecured		
	from Directors	2700000	-
	Total Short Term Borrowings	12708423	4073464
	Note:		
1	Working Capital facilities financed by State Bank of India, is secured by exclusive charge on the entire current assets of the company (Present & future) along with Collateral security - Extension of charges over entire Fixed Assets (present & future) such as land, building, plant & machinery & other Fixed assets including Equitable Mortgage of lease hold rights over 25 acre of land situated at Bharat CFS Zone-1, GAPL Mundra, Kutch.		
	Further, Working Capital facilities are secured by corporate Guarantee of Saurashtra Fuels Pvt Ltd,		
	Further guaranteed by Personal guarantee of Shri Dipak Agarwalla & Shri S.K. Sinha, Directors of the Company		

		March 31, 2012		March 31, 2011
Particulars				
10	<u>TRADE PAYABLES</u>			
	For Goods & Services	47109729	32995969	
	Due to Associates companies	-	-	32995969
	Total	47109729	32995969	32995969
11	<u>OTHER CURRENT LIABILITIES</u>			
	Current maturities of long - term debt			
	- from Banks instalments due in twelve months	36609734	21704258	
	- from Other Banks Instalments due in twelve months	11328684	7345486	
	(Refer Note - I & II of 5)			
	- from NBFC - Instalments due in twelve months	52965929	100904347	70861828
	(Refer Note - III of 5)			
	Other payables			
	Trade & Security Deposits received	1196698	-	276070
	Advances from customers	4126485	-	1645855
	Statutory Liabilities	13772907	-	7197984
	Total	120000437	100904347	79981737
12	<u>SHORT TERM PROVISIONS</u>			
	Provision for Income tax (net of advances)			3163534
	Total			3163534



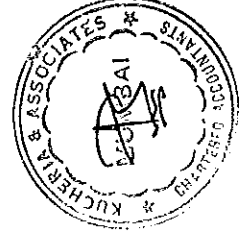
Saurashtra Containers Pvt. Ltd

Notes forming part of the financial statements as at March 31, 2012

Fixed Assets:

Amt in Rs.

Particulars	GROSS BLOCK (AT COST)			DEPRECIATION				NET BLOCK	
	As at beginning of current reporting period	Additions for the year	Deductions during the year	As at end of current reporting period	For the previous years	For the year	Deductions	As at end of current reporting period	As at end of previous reporting period
Tangible Assets									
Own assets									
Container Division									
Leasehold land and site	77,391,978			77,391,978	1	2,866,890		57,324,358	60,191,248
Buildings	219,460,191	22,701,157		242,161,348	28,542,669	7,657,720		190,171,079	203,670,310
Electrical Installations	18,555,088			18,555,088	5,391,059	1,267,486		7,844,566	14,503,111
Plant & Machinery	65,204,624		15,675	125,622,848	8,811,906	9,017,433	2,019	102,860,586	60,269,682
Commercial Vehicle	28,003,905	28,727,315		56,731,220	5,041,308	11,061,106		37,193,767	24,568,865
Office Equipments	2,155,529	602,383		2,757,912	511,282	223,265		1,642,310	1,774,474
Computers & EDI system	8,691,108	914,231		9,605,339	1,242,293	582,694		1,686,846	2,597,602
Furniture & Fixtures	8,771,643	318,307		9,089,950	2,521,563	732,692		3,456,064	6,392,012
Vehicles	5,413,872	783,721		6,197,593	722,762	1,187,456		3,805,840	4,932,337
Logistics Division									
Computers & EDI system	155,820	30,000		185,820	31,086	46,372		87,181	134,639
Vehicles	514,475	756,182		1,270,657	81,125	283,585		855,197	463,725
Logestic Motor Vehicles	112,927,583	9,012,831	28,003,905	93,936,509	8,967,983	29,419,443		48,665,095	78,039,690
Office Equipments	-	36,900		36,900		3,810		33,090	-
	547,245,816	124,316,926	28,019,580	643,543,162	61,865,035	64,349,951	2,019	455,625,979	457,537,695
Intangible assets									
Others (Specify nature)									
TOTAL	547,245,816	124,316,926	28,019,580	643,543,162	61,704,216	64,349,951	2,019	455,625,979	457,537,695
Previous Year	402691833	140975022	24424945	519241910	39916799	22036852	249437	457537696	351645962



Saurashtra Containers Pvt. Ltd
Notes forming part of the financial statements as at March 31, 2012

Amt. in Rs.

Particulars		March 31, 2012		March 31, 2011	
14	<u>NON CURRENT INVESTMENTS</u>				
	Other than trade investments (Unquoted at cost)	-	-	-	-
	Less: Provision for diminution in value of Investments		-		-
	Total		-		-
15	<u>LONG TERM LOANS AND ADVANCES</u>				
	Unsecured, Considered good				
	Security deposits		930926		510426
	Loans and advances to related parties		-		-
	Other advances		-		-
	Total		930926		510426
16	<u>CURRENT INVESTMENTS</u>				
	Unquoted		-		-
	Total		-		-



Saurashtra Containers Pvt. Ltd
Notes forming part of the financial statements as at March 31, 2012

		Amt.in Rs.	
	Particulars	March 31, 2012	March 31, 2011
17	<u>INVENTORIES</u>		
	At lower of cost and net realisable value		
	Consumables - Diesel	980731	346342
	Total	980731	346342
18	<u>TRADE RECEIVABLES</u>		
	Unsecured, Considered Good		
	Trade receivables outstanding for a period exceeding six months from the date they were due for payment	1,954,923	10,378,639
	Other Trade receivables	20140272	21276408
	Due from Associate Companies	7804202	8459062
	Total	29899397	40114109
19	<u>CASH AND CASH EQUIVALENTS</u>		
	Cash and Cash Equivalents		
	Cash on hand	296275	1346616
	In current accounts with Banks	12874278	11945649
	In deposit accounts with Banks as Margin money against Letter of Credit and Bank Guarantees	3128059	1102854
	Total	16298612	14395119
20	<u>SHORT TERM LOANS AND ADVANCES</u>		
	Unsecured, considered good unless otherwise stated		
	Loans and advances to employees	330751	482517
	Prepaid expenses	1479974	851905
	Balance with government authorities		
	Excise Duty Receivable	2911388	-
	Mat Tax credit receivable	6684767	6684767
	Income Tax Refund Receivable	5879964	5225024
	Advance Income tax (net of provision for income tax)	6006017	4658735
	Advance for capital Expenditures	1000000	81816
	Advance to suppliers for expenses	1316214	3959487
	advance to Associates company	9210952	-
	Other advances	-	-
	Total	34820027	21944251
21	<u>OTHER CURRENT ASSETS</u>		
	Interest accrued on deposits	-	-
	Other	-	-
	Total	-	-



Saurashtra containers Pvt. Ltd

Notes forming part of the financial statements as at March 31, 2012

Amt. In Rs.

Particulars		March 31, 2012		March 31, 2011	
22	REVENUE FROM OPERATIONS				
	Operatlons				
	Container Division				
	Container handling and storage charges	303028519		216742132	
	Ground Rent charges	228528		189395	
	Transportation charges	177335233		98203206	
	Total		480592280		315134733
	Other operating revenues				
	Sales of Scrap		2968990		-
	Total		2968990		-
	Grand Total		483561270		315134733
	Less Service Tax paid		14729433		9056617
	Net Total		468831837		306078116
23	OTHER INCOME				
	Interest				
	on bank deposits	154306		62314	
	others	699170	853476	1151964	1214278
	Office Rent Charges		2394121		2076047
	Other non - operating Income		2966294		531213
	Total		6213891		3821538
24	OPERATING EXPENSES				
	Container handling charges	12512188		10821788	
	Labour Charges	48529461		30657453	
	House keeping expenses	1574615		1157887	
	Custom staff charges	4097605		3321549	
	Lease Rent	6595644		6542569	
	Survey charges	4754950		3966472	
	Transport charges	104301221		81472690	
	Total		182365684		137940408



Saurashtra containers Pvt. Ltd
Notes forming part of the financial statements as at March 31, 2012

		Amt. In Rs.			
		March 31, 2012		March 31, 2011	
25	EMPLOYEE BENEFITS EXPENSES				
	Salaries, wages and Incentives	13965218		11670476	
	Contribution to provident and other funds	630428		439558	
	Remuneration to whole time directors	2256000		2256000	
	Staff welfare expenses	1085684	17937330	1012004	15378038
26	FINANCE COSTS				
	Interest Expenses				
	- On Term Loans	32895510		26908331	
	-On Working Capital	3635730	36531240	1009916	27918247
	Other borrowing costs		350000		140000
	Total		36881240		28058247
27	DEPRECIATION & AMORTISATION EXPENSES				
	Depreciation as refer Note No. 13		126214987		22036852
	(Company has changed accounting policy of Deprecation from Straight Line Method to Written down Value Method . Due to sald change Depreciation has Increased By Rs.61865036 pertains to earlier years)				
28	OTHER EXPENSES				
	Stores consumption	23513816		11578760	
	Power and Fuels expenses	59556173		34427751	
	Water Charges	804633		437767	
	Repairs and Maintenance			9750	
	Plant and Machinery	1423742		712359	
	Buildings	745385		1073001	
	Others- Temporary warehouse	1736594		347801	
	Rent, Rates and Taxes	201003		699557	
	Insurance	1506613		242410	
	Computer maintenance	248190		731520	
	Vehicle Hire Charges	7946663	97682812		50260676
	Establishment Expenses				
	Auditors remuneration				
	For Audit	175000		100000	
	For taxation matters	75000		40000	
	For other services	5000			
	Advertisement Expenses	256988		182277	
	Auction Expenses	524733		115000	
	Bank charges	625890		199548	
	Donation	61853		10500	
	General Expenses	761136		427109	
	Service Tax	2460228		2156339	
	Loss on sales of Assets	0		13076	
	Postage and Telegram	56569		36978	
	Printing and stationery	580331		527845	
	Professional and legal charges	774607		808736	
	Sundry Balances written off	5473066		1454252	
	Security Services charges	5922993		5120412	
	Telephone Expense	1101418		802614	
	Travelling Expenses	1118371		1659787	
	Vehicle Expenses	1431912	21405095	886903	14541376
	Preliminary Expenses				5653
	Selling and Distribution Expenses				
	Business Promotion Expenses	3672148		1498563	
	Commission Paid	17434839	21106987	6639455	8138018
	Total		140194894		72945723



29. The Revised Schedule VI has become effective from April 1, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have accordingly been regrouped/ reclassified to correspond with the current year's classification / disclosure.
30. The Company has changed the method of providing depreciation in current year from Straight Line Method to Written Down Value Method at the rates prescribed under schedule XIV of the companies act ,1956, on a pro-rata basis corresponding to month of Installation/commissioning. The company has provided the differential amount of depreciation amounting to Rs.61865036 due to change in the method of depreciation in current financial year.

31. DISCLOSURE UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT 2006.

In the absence of information regarding status of Suppliers as defined under the interest on Delayed Payment to Small Scale and Ancillary Industrial undertaking Act, 2006 the amount overdue and remaining unpaid on account of principal and/or interest at the close of the financial year to such suppliers could not be determined.

32. EMPLOYEES BENEFITS PLANS

Defined Benefits Plans

The Company offers its employees defined benefit plans in the form of gratuity schemes. Gratuity Scheme covers all employees as statutorily required under Payment of Gratuity Act 1972. The Company contributes fund to Life Insurance Corporation of India which is irrevocable. Commitments are actuarially determined by Life Insurance Corporation of India at the year end and Company contributes accordingly.

The Plan assets of the company are managed by the Life Insurance Corporation Of India the composition of the Investment relating to these assets is not available with the company.

Defined Contribution Plans

The Company offers its employees benefits under defined contribution plans in the form of Provident Fund and Family Pension Fund. Both the employees and the Company pay's twelve percent of basic salary as contribution into The Provident Fund and Family Pension Fund as managed by Employees Provident Fund Organization of Government of India under Employees Provident Fund Act 1952.

A sum of Rs.6.30 lacs (Rs.4.39 Laacs) has been charged to the Statement of Profit and Loss in this respect.

33. SEGMENT INFORMATION

The company has no reportable segments with reference to Accounting Standard 17.

34. The company has suffered loss on account of major fire at Mundra on 23rd October 2009 and half of the warehouse valued Rs.32133741 approximately was fully damaged. The company has not finalized the actual quantum of loss in terms of value since some technical report and Insurance Claim with United India Insurance Company Ltd are pending. Loss on account of this will be accounted for as and when claim finalized with insurance company. During the year company has not accounted depreciation on the above said damaged warehouse.





35. Service Tax liability discharged on accrual basis during the year. The company has shown Service Tax payable under current Liabilities on the basis of Invoices raised during the year. The liability is accounted by the management; the same have been relied by the auditor.

36. RELATED PARTY INFORMATION

1. Related Party Disclosure

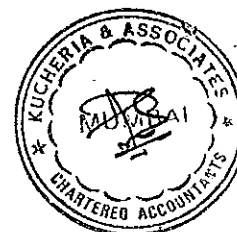
Enterprises under significant influence of key management personnel	Key Management personnel and their relatives
1. Saurashtra Fuels Pvt. Ltd.	Mr. Dipak Agarwalla Director
2. Magnum Shipping Services	Mr. Surendra Kumar Sinha Director
3. Saurashtra Ferrous Pvt. Ltd	Mr. Raghav Agarwalla Director
4. Kutch Coal Carbonization Pvt. Ltd	Mr. Navin Kumar Sinha Director till 31.03.2012
5. Hindustan Fuels Pvt. Ltd	Mr. Harsh Sinha Director since 01.04.2012
6. Classic Energy (India) Pvt. Ltd	
7. Kandla Power Pvt. Ltd	
8. Saurashtra Power Pvt. Ltd.	

Related Party Transactions

(Amt.in Rs.)

2. (i) The following is a summary of significant related party transactions :

Particulars	Key management Personnel & their relatives		Enterprises under significant influence of key management		Total	
	2012	2011	2012	2011	2012	2011
Services Given	-	-	69624127	36833770	68602038	36833770
Rent Received	-	-	7146516	722237	7146516	722237
Remuneration	2256000	2256000	-	-	2256000	2256000
Advance given	-	-	10365952	-	10365952	-
Advance Recovered	-	-	1155000	-	1155000	-
Loan Received	2700000	-	-	-	-	-
Expenses Reimbursed	-	-	29542	-	-	-
Vehicle Hire Charges Paid	-	-	4054240	1166240	4054240	1166240



(ii) The Company has the following amounts due from/to related parties at the end of the year.

Particulars	Key management Personnel & their relatives		Enterprises under significant influence of key management		Total	
	2012	2011	2012	2011	2012	2011
Outstanding Balances						
Advance given / Loans given	-	-	9210952	-	9210952	-
Debtors outstanding	-	-	7756232	8459062	7756232	8459062
Loan Received	2700000	-	-	-	2700000	-
No	Details of material transactions during the year		31.03. 2012		31.03.2011	
A	Sale of Services					
	1 Saurashtra Ferrous Pvt. Ltd		73981		488848	
	2 Kutch Coal Carbonization Pvt. Ltd		0		1816747	
	3 Hindustan Fuels Pvt. Ltd		0		113294	
	4 Classic Energy (India) Pvt. Ltd		736831		805279	
	5 Kandla Power Pvt. Ltd		0		430394	
	6 Saurashtra Fuels Pvt.Ltd.		67879873		33179208	
	7 Magnum Shipping Services		933442		0	
B	Rent Received					
	1 Saurashtra Fuels Pvt. Ltd		7146516		465512	
	2 Saurashtra Ferrous Pvt. Ltd		0		256725	
C	Remuneration					
	1 Mr. Raghav Agarwalla		2256000		2256000	
D	Advance Given					
	1 Saurashtra Power Pvt. Ltd.		8800000		-	
	2 Magnum Shipping Services		1565952		-	
E	Advance Recovered					
	1 Magnum Shipping Services		1155000		-	
F	Loan Received					
	1 Mr.Raghav Agarwalla		1350000		-	
	2 Mr.Navin Sinha		1350000		-	
G	Vehicle Hire Charges Paid					
	1 Saurashtra Ferrous Pvt. Ltd		252000		276000	
	2 Saurashtra Fuels Pvt. Ltd		3802240		890240	
H	Expenses reimbursed					
	1 Saurashtra Fuels Pvt. Ltd		12500		0	
	2 Classic Energy (India) Pvt Ltd		17042		0	





I	Sundry Receivable		
	1 Saurashtra Ferrous Pvt. Ltd	0	75552
	2 Kutch Coal Carbonization Pvt. Ltd	0	491011
	3 Hindustan Fuels Pvt. Ltd	0	113294
	4 Classic Energy (India) Pvt. Ltd	0	706009
	5 Kandla Power Pvt. Ltd	0	430394
	6 Saurashtra Fuels Pvt.Ltd.	7756232	6642802
	7 Saurashtra Power Pvt. Ltd.	8800000	0
	8 Magnum Shipping Services	458922	0

37. EARNING PER SHARE

(Rs. in Lacs)

	As on 31.03.12	As on 31.03.11
Profit After tax.	(188.05)	238.83
No. of Equity Share for EPS	2 250 000	2 25 0000
Nominal value of Equity Share	Rs. 10.00	Rs.10.00
Basic Earning per equity share	Rs. (8.36)	Rs. 10.61

38. AUDITORS REMUNERATION

(Amt.in Rs.)

<u>Particulars</u>	2011-12	2010-11
a) Audit Fees.	175000	100000
b) Taxation & Other Certification Fees	80000	40000
Total	255000	140000

39. CONTINGENT LIABILITIES.

(Rs. in Lacs)

(Not provided for)	2012	2011
Corporate Guarantee in favour of Associate company	25981.00	25981.00
Guarantees issued to the Company by its banker secured by fixed deposits.	149.85	32.68
Custodian Bond Issued to Commissioner of Customs	1200.00	1200.00
Estimated amount of contracts remaining to be executed on capital account and not provided.	NIL	184.57



29. The Revised Schedule VI has become effective from April 1, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have accordingly been regrouped/ reclassified to correspond with the current year's classification / disclosure.
30. The Company has changed the method of providing depreciation in current year from Straight Line Method to Written Down Value Method at the rates prescribed under schedule XIV of the companies act, 1956, on a pro-rata basis corresponding to month of Installation/commissioning. The company has provided the differential amount of depreciation amounting to Rs.61865036 due to change in the method of depreciation in current financial year.

31. DISCLOSURE UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT 2006.

In the absence of information regarding status of Suppliers as defined under the interest on Delayed Payment to Small Scale and Ancillary Industrial undertaking Act, 2006 the amount overdue and remaining unpaid on account of principal and/or interest at the close of the financial year to such suppliers could not be determined.

32. EMPLOYEES BENEFITS PLANS

Defined Benefits Plans

The Company offers its employees defined benefit plans in the form of gratuity schemes. Gratuity Scheme covers all employees as statutorily required under Payment of Gratuity Act 1972. The Company contributes fund to Life Insurance Corporation of India which is irrevocable. Commitments are actuarially determined by Life Insurance Corporation of India at the year end and Company contributes accordingly.

The Plan assets of the company are managed by the Life Insurance Corporation Of India the composition of the Investment relating to these assets is not available with the company.

Defined Contribution Plans

The Company offers its employees benefits under defined contribution plans in the form of Provident Fund and Family Pension Fund. Both the employees and the Company pay's twelve percent of basic salary as contribution into The Provident Fund and Family Pension Fund as managed by Employees Provident Fund Organization of Government of India under Employees Provident Fund Act 1952.

A sum of Rs.6.30 lacs (Rs.4.39 Lacs) has been charged to the Statement of Profit and Loss in this respect.

33. SEGMENT INFORMATION

The company has no reportable segments with reference to Accounting Standard 17.

34. The company has suffered loss on account of major fire at Mundra on 23rd October 2009 and half of the warehouse valued Rs.32133741 approximately was fully damaged. The company has not finalized the actual quantum of loss in terms of value since some technical report and Insurance Claim with United India Insurance Company Ltd are pending. Loss on account of this will be accounted for as and when claim finalized with insurance company. During the year company has not accounted depreciation on the above said damaged warehouse.





35. Service Tax liability discharged on accrual basis during the year. The company has shown Service Tax payable under current Liabilities on the basis of Invoices raised during the year. The liability is accounted by the management; the same have been relied by the auditor.

36. RELATED PARTY INFORMATION

1. Related Party Disclosure

Enterprises under significant influence of key management personnel	Key Management personnel and their relatives
1. Saurashtra Fuels Pvt. Ltd.	Mr. Dipak Agarwalla Director
2. Magnum Shipping Services	Mr. Surendra Kumar Sinha Director
3. Saurashtra Ferrous Pvt. Ltd	Mr. Raghav Agarwalla Director
4. Kutch Coal Carbonization Pvt. Ltd	Mr. Navin Kumar Sinha Director till 31.03.2012
5. Hindustan Fuels Pvt. Ltd	
6. Classic Energy (India) Pvt. Ltd	Mr. Harsh Sinha Director since 01.04.2012
7. Kandla Power Pvt. Ltd	
8. Saurashtra Power Pvt. Ltd.	

Related Party Transactions

(Amt.in Rs.)

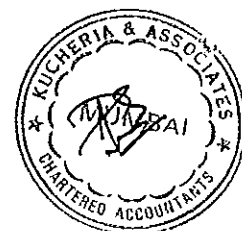
2. (i) The following is a summary of significant related party transactions :

Particulars	Key management Personnel & their relatives		Enterprises under significant influence of key management		Total	
	2012	2011	2012	2011	2012	2011
Services Given	-	-	69623929	36833770	69623929	36833770
Rent Received	-	-	7146516	722237	7146516	722237
Remuneration	2256000	2256000	-	-	2256000	2256000
Advance given	-	-	10365952	-	10365952	-
Advance Recovered	-	-	1155000	-	1155000	-
Loan Received	2700000	-	-	-	-	-
Expenses Reimbursed	-	-	29542	-	-	-
Vehicle Hire Charges Paid	-	-	4054240	1166240	4054240	1166240



(ii) The Company has the following amounts due from/to related parties at the end of the year.

Particulars	Key management Personnel & their relatives		Enterprises under significant influence of key management		Total	
	2012	2011	2012	2011	2012	2011
Outstanding Balances						
Advance given / Loans given	-	-	9210952	-	9210952	-
Debtors outstanding	-	-	7804202	8459062	7804202	8459062
Loan Received	2700000	-	-	-	2700000	-
No	Details of material transactions during the year		31.03. 2012		31.03.2011	
A	Sale of Services					
	1 Saurashtra Ferrous Pvt. Ltd			73981		488848
	2 Kutch Coal Carbonization Pvt. Ltd			0		1816747
	3 Hindustan Fuels Pvt. Ltd			0		113294
	4 Classic Energy (India) Pvt. Ltd			736831		805279
	5 Kandla Power Pvt. Ltd			0		430394
	6 Saurashtra Fuels Pvt.Ltd.			67776673		33179208
	7 Magnum Shipping Services			1036444		0
B	Rent Received					
	1 Saurashtra Fuels Pvt. Ltd			7146516		465512
	2 Saurashtra Ferrous Pvt. Ltd			0		256725
C	Remuneration					
	1 Mr. Raghav Agarwalla			2256000		2256000
D	Advance Given					
	1 Saurashtra Power Pvt. Ltd.			8800000		-
	2 Magnum Shipping Services			1565952		-
E	Advance Recovered					
	1 Magnum Shipping Services			1155000		-
F	Loan Received					
	1 Mr.Raghav Agarwalla			1350000		-
	2 Mr.Navin Sinha			1350000		-
G	Vehicle Hire Charges Paid					
	1 Saurashtra Ferrous Pvt. Ltd			252000		276000
	2 Saurashtra Fuels Pvt. Ltd			3802240		890240
H	Expenses reimbursed					
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	5 Kandla Power Pvt. Ltd	0	430394
	6 Saurashtra Fuels Pvt.Ltd.	7653230	6642802
	7 Saurashtra Power Pvt. Ltd.	8800000	0
	8 Magnum Shipping Services	561924	0

37. EARNING PER SHARE

(Rs. in Laacs)

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Estimated amount of contracts remaining to be executed on capital account and not provided.	NIL	184.57



40. Loans, Advances & Trade Receivables includes:

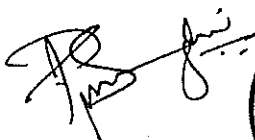
- a) Advance given to M/s Saurashtra Power Private Limited in which directors are interested, a company under the same management, Rs.88.00 Lacs (Previous Year NIL). Maximum outstanding during the year Rs. 88.00 Lacs;
- b) Advance given to M/s Magnum Shipping Services. in which directors are interested, a firm under the same management, Rs.5.62 Lacs (Previous Year NIL). Maximum outstanding during the year Rs. 10.00 Lacs;
- c) Deposit received for lease of premises from M/s Saurashtra Fuels Pvt. Ltd. in which directors are interested, a company under the same management, Rs.75 Lacs (Previous Year Rs 75 Lacs) Maximum outstanding during the year Rs. 75 Lacs.
- d) Debt due from Saurashtra Fuels Pvt Ltd Rs. 76.53 Lacs (previous year credit balance of Rs. 66.42 Lacs). Maximum outstanding during the year Rs. 76.53 Lacs.

41. Balances outstanding from Sundry Debtors, Loans and advances or payable to sundry creditors are subject to confirmation, the management does not expect any material difference affecting the financial statement on such confirmation\ reconciliation.

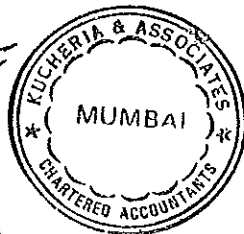
42. In the opinion of the Board:-

- a) All the current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business.
- b) All the known liabilities have been provided for and there is no liability, contingent or otherwise, expect those which are stated in the accounts.

As per our Report of even date attached
FOR KUCHERIA & ASSOCIATES
Chartered Accountants.
(Firm Registration No.105391W)



[Punit Singhvi]
[Partner]
Membership No.112460



For and on behalf of the Board.

Director


S. K. Sinha

Director


Raghav Agarwalla

Place: Mumbai
Date: 05.07.2012