
38th
ANNUAL REPORT
2010-11

Paushak

PAUSHAK LIMITED
ALEMBIC ROAD, VADODARA-390 003.

PAUSHAK LIMITED

Board of Directors

Mr. Chirayu R. Amin
Chairman
Mrs. Malika C. Amin
Mr. Udit C. Amin
Mr. Amit M. Goradia
Mr. Santosh Jejurkar
(w.e.f. 03.02.2011)
Mr. R. M. Kapadia
(upto 25.04.2011)
Mr. Sanjay Bhatt
(upto 04.02.2011)

Company Secretary

Mr. Manish Mistry
(upto 06.04.2011)

Mr. Chirag K. Shukla
(w.e.f. 12.04.2011)

Statutory Auditors

J.R.S. Patel & Co.,
Chartered Accountants
106, Anurag Commercial Centre,
R. C. Dutt Road,
Vadodara - 390 007

Bankers

IDBI Bank Limited

Registered Office

Alembic Road, Vadodara - 390 003

Manufacturing Facilities

Panelav, Tal. Halol,
Dist. Panchamahar - 389 350. Gujarat

Registrar and Transfer Agents

M/s. Link Intime India Private Limited
B-102/103, Shangrila Complex,
1st Floor, Nr. Radha Krishna Char Rasta,
Akota, Vadodara - 390 020
Phone : 0265 2356573, 2356794, 2356796
Fax : 0265 2356791
E-mail : vadodara@linkintime.co.in

Stock Exchange

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

NOTICE

NOTICE is hereby given that the Thirty-Eighth Annual General Meeting of Paushak Limited will be held at "Sanskriti", Alembic Corporate Conference Center, Opp. Pragati Sahakari Bank Limited, Alembic Colony, Vadodara-390 003, on Tuesday, the 30th August, 2011 at 4.30 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011, Profit & Loss Account & Cash Flow Statement of the Company, for the year ended on 31st March, 2011 and the Reports of the Directors' and Auditors' thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. C. R. Amin who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. A. M. Goradia who retires by rotation and being eligible, offers himself for re-appointment.
5. To reappoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT Mr. Santosh Jejurkar, who was appointed as an Additional Director with effect from 3rd February, 2011 and who holds office upto the date of this Annual General Meeting and in respect of whom a notice under Section 257 of the Companies Act, 1956 has been received, proposing his candidature for appointment as Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

Registered office:
Alembic Road,
Vadodara - 390 003.
Date: 3rd May, 2011

By Order of the Board

Chirag K. Shukla
Company Secretary

NOTES:

1. **ANY MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Proxy Form, duly completed, must reach the Registered Office of the Company not later than forty-eight hours before the time of holding the meeting.
3. The Register of Members and Transfer books of the Company will remain closed from Friday, the 19th August, 2011 to Tuesday, the 30th August, 2011 (both days inclusive) for the purpose of payment of dividend.
4. The dividend when sanctioned will be made payable on or after Monday, 5th September, 2011 to those members whose names stand on the Register of Members of the Company on Friday, 19th August, 2011. Members are requested to notify promptly any change in their registered addresses.
5. All the work related to share-registry in terms of both - physical and electronic are being conducted by Company's R&T Agents - Link Intime India Private Limited, B-102-103, Shangrila Complex, 1st Floor, Nr. Radhakrishna char rasta, Akota, Vadodara - 390 020. Tel: (0265) 2356573/2356794/2356796 Telefax: (0265) 2356791 Email: vadodara@linkintime.co.in. Shareholders are requested to send their communication to the aforesaid address.
6. All documents referred to in the Notice are open for inspection at the Registered Office of the Company between 10.30 a.m. and 12.30 p.m. on any working day up to the date of the Annual General Meeting.

Explanatory Statement pursuant to Section 173 of the Companies Act, 1956

Item No. 6

Mr. Santosh Jejurkar was appointed as Additional Director of the Company with effect from 3rd February, 2011 Pursuant to the provisions of Section 260 of the Companies Act, 1956, he holds office of the Director upto the date of the this Annual General Meeting. He is eligible for appointment and the Company has received a notice under Section 257 of the Companies Act, 1956 proposing his candidature for appointment as Director, liable to retire by rotation.

In order to enable the Company to avail the benefit of his experience, your Directors consider it desirable that Mr. Santosh Jejurkar be appointed as a Director of the Company.

Except Mr. Santosh Jejurkar, none of the Directors of the Company is in any way, concerned or interested in the proposed resolution.

Registered office:
Alembic Road,
Vadodara - 390 003.
Date: 3rd May, 2011

By Order of the Board

Chirag K. Shukla
Company Secretary

DIRECTORS' REPORT

To
The Members,

Your Directors present the 38th Annual Report on the working of the Company with the Audited Accounts for the year ended on 31st March, 2011.

1. **Financial Results:**

Particulars	Year ended on 31st March, 2011	Year ended on 31st March, 2010
Profit for the year before Interest, Depreciation and Tax	6,79,75,461	5,22,33,309
Deducting therefrom:		
Interest	41,02,780	69,83,175
Depreciation	1,55,55,533	1,44,94,700
Profit/(Loss) for the year before Taxes	4,83,17,148	3,07,55,434
Less: Provision for Deferred Tax Liabilities / (Asset)	(3,08,534)	(5,91,688)
Less: Provision for Income Tax	1,16,20,000	94,00,000
Less: Short provision for Income Tax	-	5,46,972
Profit/(Loss) after Taxes	3,70,05,682	2,14,00,150
Add: Profit/(Loss) brought forward from last year	7,29,78,436	6,90,82,612
Balance available for appropriation	10,99,84,118	9,04,82,762
Less: APPROPRIATIONS		
Dividend on Equity Shares	64,14,228	64,14,228
Dividend Distribution Tax on Equity Shares	10,40,548	10,90,098
Reversal of provision of Corporate Dividend Tax	(24,695)	-
Transfer to General Reserve	1,00,00,000	1,00,00,000
Surplus carried to Balance Sheet	9,25,54,037	7,29,78,436

Dividend:

Your Directors recommended dividend of Rs.2/- per share, i.e., 20 per cent (Previous Year Rs. 2/- per share) on the equity shares of Rs.10/- each for the year ended on 31st March, 2011.

2. **Operations:**

The profit before interest, depreciation and tax was Rs. 679.75 lacs for the year under review as compared to Rs. 522.33 lacs for the previous year. The Company made a net profit of Rs. 370.05 lacs for the year under review as compared to net profit of Rs. 214.00 lacs for the previous year. The Company's Gross Sales including export incentives were Rs. 3109.17 lacs for the year under review as compared to Rs. 2635.81 lacs for the previous year.

3. **Management Discussion and Analysis:**

Management Discussion and Analysis as required under the Listing Agreement with the Stock Exchange is enclosed at **Annexure-I** to this report.

4. **Corporate Governance:**

Your Company complies with the provisions of Corporate Governance as envisaged in the Listing Agreement. A separate report on Corporate Governance is attached as a part of the Annual Report, along with the Auditor's Certificate on the compliance.

5. **Research & Development:**

Research and Development is carried out for improvements in the production and quality of products. The Company is also exploring opportunities to develop and introduce new products through Research and Development activities.

6. Safety, Health & Environment:

The Company continues to maintain high standards of safety. It is ensured that all safety rules and statutory requirements are complied during production, storage, handling and transportation of products to prevent any accident. Mock-drills of on-site emergency plans are carried out periodically. The Company maintained emission within the specified limits of standard. The preservation of Environment and Pollution Control are among the top priorities of your Company.

7. Fixed Deposits:

The Company has not accepted any deposits during the year. The fixed deposits including loans from shareholders of the Company as on 31st March, 2011 was amounted to Rs.7,000/-. This deposit from one depositor is matured unclaimed deposit. In absence of any instructions from the depositor, the said deposit has not been renewed on due dates.

8. Particulars of employees:

During the period under review, there is no employee in respect of whom information as per Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, is required to be given in the Directors' Report.

9. Energy, Technology and Foreign Exchange:

Information pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988, is given in the **Annexure-II** hereto and forms part of this Report.

10. Directors:

As per the provisions of the Companies Act, 1956, Mr. C. R. Amin and Mr. Amit Goradia, Directors of the Company, retires by rotation and are eligible for re-appointment.

During the year and upto the date of this report, Mr. Sanjay Bhatt and Mr. R. M. Kapadia resigned from the Directorship of the Company. The Board places on record, its appreciation for the services rendered by Mr. Sanjay Bhatt and Mr. R. M. Kapadia as Directors of the Company.

The Board has appointed Mr. Sanotsh Jejurkar as Additional Director w.e.f. 03.02.2011. As per section 260 of the Companies Act, 1956, he holds office upto the date of this Annual General Meeting. The Company has received notice under section 257 of the Act proposing his appointment as director liable to retire by rotation. Your directors recommend the resolution to the notice for your approval.

11. Auditors:

M/s. J.R.S. Patel & Co., Chartered Accountants, Vadodara will retire at the conclusion of this Annual General Meeting and are eligible for re-appointment as Auditors. Members are requested to re-appoint them.

12. Directors' Responsibility Statement:

In terms of the provisions of Companies Act, 1956, the Directors state that:

- i) In preparation of the Annual Accounts for the year, the applicable Accounting Standards have been followed.
- ii) Accounting policies as listed in Schedule U to the financial statements have been selected and consistently applied and reasonable and prudent judgments have been made so as to give true and fair view of the state of affairs of the Company as on 31st March, 2011 and profit of the Company for the accounting year ended on that date.
- iii) Proper and sufficient care for maintenance of adequate accounting records has been taken in accordance with the provisions of the Act so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.
- iv) The Annual Accounts have been prepared on going concern basis.

13. Acknowledgement:

Your Directors wish to place on record their sincere appreciation for the support received from the Company's employees, bankers, Government Authorities, Valuable Customers, Vendors, Depositors and the Shareholders.

Registered office:

Alembic Road,
Vadodara - 390 003.
Date: 3rd May, 2011

By Order of the Board

Chirayu R. Amin
Chairman

Annexure-I to Directors' Report
MANAGEMENT DISCUSSION AND ANALYSIS

(A) Industry Structure and Development

Specialty chemicals industry is showing signs of revival. However, the demand for new intermediates has not picked up significantly.

The consumption of intermediates, especially for Pharma industry, continues to show a trend of shifting to the Asian manufacturers. This is also seen from the growth of our domestic business and lower sales in the export market.

(B) Opportunities, Threats, Risks, Concerns and Outlook

The efforts on consolidating the operational area, taken up in the previous year, were taken further and resulted in visible benefits. A number of measures taken in improving operational efficiency and energy conservation resulted in a better profitability picture for the year.

The focus on further development of continuous processes also helped in capturing business opportunity for significant growth in one product. The Company will continue to focus on converting more products into continuous processes and thereby improving capacities without inordinate investments.

A number of our existing products going into Pharma industry are coming under pressure due to maturity of their end-applications. At the same time, other Pharma products have to await the respective patent expiry.

To counterbalance this, the Company has put efforts in developing specialty products going into non-pharma applications. The Company is hopeful of launching at least two important products in the current year.

As mentioned in the previous year's report, the Company has filed an application for significant increase in its production volume. The matter has been taken up at the Ministry of Environment and is at an advance stage. Necessary activities at local level such as a public hearing etc. have been completed successfully and we are hopeful of getting the approval shortly.

(C) Financial Performance:

The total income of the Company for the year under review was Rs. 3079.34 lacs as compared to Rs. 2588.78 lacs for the previous year. The profit before interest, depreciation and tax was Rs. 679.75 lacs for the year under review as compared to Rs. 522.33 lacs for the previous year. The Company made a net profit of Rs. 370.05 lacs for the year under review as compared to net profit of Rs. 214.00 lacs for the previous year.

(D) Internal Control Systems and Adequacy:

Your Company maintains a system of well-established policies and procedure for internal control of operations and activities of the Company. The Company has appointed M/s. K. C. Mehta & Co., Chartered Accountants, Vadodara as Internal Auditors.

(E) Human Resource: Developing Human Capital:

The growth in your Company's activities was only possible due to the whole-hearted support of its employees. Developing employee capability is always a priority activity for the Company. Continued steps are being taken to realign these capabilities with the changing priorities and focus of the organization.

Annexure-II to Directors' Report

Particulars required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

(A) Conservation of Energy

(a) The energy conservation measures taken:

- (i) Boiler feed water heat recovery from flue gas. (Heat recovered 3 Lakh Kcal/day)
- (ii) Reduced operating pressure of steam ejectors, thus reducing the steam consumption. (Energy saving 12.7 Lakh Kcal/day)

(b) Additional investment and proposals, if any, being implemented for reduction in the consumption of energy.

- (i) Proposal for reducing batch timing for some key products.
- (ii) Proposal for converting more products to continuous process.

(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on cost of production of goods:

The above measures are expected to save about 500 Kg / day in biomass consumption as against normal 8000 Kg / day.

(B) Consumption per unit of Production

On account of the fact that a number of different products are manufactured in the Company, with some through continuous process and others through batch process, with varying cycle times and batch sizes, it is not feasible to report the fuel consumption per unit of production.

FORM "A"

Form for disclosure of particulars with respect to conservation of energy:

(A) Power and Fuel consumption	2010-11	2009-10
1. Electricity:		
(a) Purchased Units (KWH)	36,95,619	38,04,726
Total Amount (Rs.)	2,25,14,403	2,41,46,134
Average Rate (Rs./ Unit)	6.09	6.35
(b) Own Generation (KWH)	13,300	20,300
2. Bio-Mass Briquettes		
Quantity (Kgs.)	27,68,162	28,91,830
Total Amount (Rs.)	1,11,02,911	1,09,43,618
Average Rate (Rs./Kg)	4.01	3.78
3. Furnace Oil:		
Quantity (Kgs.)	21,196	38,198
Total Amount (Rs.)	5,42,304	7,56,045
Average Rate (Rs./Kg)	25.59	19.79
4. L.D.O. (Ltr.)	4,712	8,730
Total Amount (Rs.)	1,37,138	2,12,227
Average Rate (Rs./Lit.)	29.10	24.31

FORM "B"

Form for disclosure of particulars with respect to technology absorption.

(A) Research & Development (R&D)

(1) Specific areas where research work was carried out by our Research Centre approved by DSIR:

- (i) Conversion of more Chloroformate manufacturing to continuous process
- (ii) Development of two important industrial application Chloroformates and downstream derivatives
- (iii) Improvement in cycle times and yields of a number of existing products

(2) Future plan of action:

A number of other products are under various stages of development and these will be taken to completion over this year.

(B) Technology Absorption, Adaptation & Innovation

(1) Efforts towards technology absorption:

Two major products are expected to be commercialized in the period of next 6 months. R&D priority would be to ensure that the scale-up activities are carried out effectively and smoothly and that the technology is effectively absorbed by the operating personnel.

(2) Benefits of the above:

The commercialization of these new products in a timely manner for customer service and effective utilization of our investment.

(3) Information regarding technology imported during last 5 years:

There was no technology import during last 5 years.

Report on Corporate Governance

1. Company's Philosophy

The Company strongly believes in adopting the best practices in the areas of Corporate Governance. The Company's policy and practices are aimed at efficient conduct of business and effectively meeting its obligation to the shareholders. The Company will continue to focus its resources, strengths and strategies for enhancement of the long term shareholders' value while at the same time protecting the interest of other stakeholders.

2. Board of Directors

• **Composition of the Board:**

The Company's Board meets the requirement of composition of the Board under Corporate Governance. As on the date of the report the Board consists of Five Directors and all of them are non-executive directors. Moreover, two Directors are independent Directors.

Mr. R. M. Kapadia, resigned w.e.f. 25.04.2011 and the Company shall appoint an independent director in place of Mr. R. M. Kapadia within the time limit as available in terms of provisions of Clause 49 of the Listing Agreement.

• **Number of Board Meetings held and the dates of the Board Meetings:**

During the financial year ended 31st March 2011, 4 (Four) Meetings of Board of Directors were held as follows:

1. 4th May, 2010
2. 29th July, 2010
3. 22nd October, 2010
4. 20th January 2011

• **Attendance of each Director at the Board Meetings and the last AGM**

Name of Director	Category	No. of other Directorships held (excluding Directorships in foreign & private companies)	No. of other board committees of which member / chairman#	No. of Board Meetings Attended	Attend-ance at the last AGM
Mr. C. R. Amin	Chairman & N.E.D.	11	1(as Chairman) & 1(as member)	4 of 4	Yes
Mrs. M. C. Amin	N.E.D.	4	1 (as member)	4 of 4	Yes
Mr. Udit C. Amin	N.E.D.	Nil	Nil	3 of 4	Yes
Mr. Amit Goradia	N.E.D. (I)	Nil	1 (as chairman)	3 of 4	No
Mr. R. M. Kapadia (upto 25.04.2011)	N.E.D. (I)	Nil	1 (as Chairman) 1 (as member)	4 of 4	Yes
Mr. Sanjay Bhatt (upto 04.02.2011)	N.E.D. (I)	Nil	2 (as member)	3 of 4	Yes
Mr. Santosh Jejurkar (w.e.f. 03.02.2011)	N.E.D. (I)	Nil	2 (as member)	NA	NA

The committees include the committees of Paushak Limited.

N.E.D. - Non-Executive Director

N.E.D. (I) - Non-Executive & Independent Director

Code of Conduct

Pursuant to Clause 49.I.D.(i) of the Listing Agreement, the Board has laid down the Code of Conduct for all the members of the Board and senior management of the Company. The same has been posted on the website of the company. Further, the company has received confirmation from all the members of Board and senior management regarding compliance of the code for the year ended 31 March, 2011.

3. Audit Committee

• **Composition & Terms of Reference**

At present, the Audit Committee comprises of Mrs. M. C. Amin, Mr. Amit Goradia and Mr. Santosh Jejurkar. Mr. R. M. Kapadia, a non-executive Independent Director was Chairman of the Audit Committee and after his resignation, Mr. Amit Goradia is Chairman of Audit Committee.

All the Directors in the Audit Committee were Non-Executive Directors. Out of which, 2 (two) Directors are Independent Directors. The terms of reference of the Committee are wide enough covering the matters specified for Audit Committee under the Listing Agreements. The Statutory Auditors, Internal Auditors and other senior management personnel are invited to attend the meetings of the Audit Committee. The Company Secretary acts as Secretary to the Committee.

Mr. R. M. Kapadia, then Chairman of the Audit Committee was present at the last Annual General Meeting held on 29th July, 2010.

• **Meetings and the attendance during the year:**

There were four meetings of the Audit Committee held during the year. The attendance of each Member of the Committee is given below:

Name of Director	Category of Director	No. of meetings attended
Mr. R. M. Kapadia*	Chairman, Non-executive - Independent	4 of 4
Mrs. M. C. Amin	Non-executive	4 of 4
Mr. Amit Goradia	Non-executive - Independent	3 of 4
Mr. Sanjay Bhatt#	Non-executive - Independent	3 of 4
Mr. Santosh Jejurkar**	Non-executive - Independent	N.A.

* Resigned w.e.f. 25.04.2011.

Resigned w.e.f. 04.02.2011.

** Appointed w.e.f. 03.02.2011.

4. Remuneration Committee

The Company does not have a Remuneration Committee of Directors.

- Details of Remuneration paid to Directors:

Non-Executive Directors

The Non-executive Directors were paid the sitting fees for attending Board/Committee Meetings at Rs. 5,000/- per meeting.

Name of Directors	Sitting fees for Board Meetings	Sitting fees for Committee Meetings
Mr. C. R. Amin	20,000	50,000
Mrs. M. C. Amin	20,000	70,000
Mr. Udit C. Amin	15,000	Nil
Mr. Amit Goradia	15,000	15,000
Mr. R. M. Kapadia	20,000	25,000
Mr. Sanjay Bhatt	15,000	60,000
Mr. Santosh Jejurkar	NIL	10,000

Executive Directors

The Company does not have any executive director.

5. Shareholders' / Investors' committee

At present Shareholders' / Investors' committee comprises of Mr. C. R. Amin, Mrs. M. C. Amin, Mr. R. M. Kapadia* and Mr. Santosh Jejurkar. Mr. C. R. Amin is Chairman of the Shareholders' / Investors' Committee. Generally, the Meeting of Shareholders' / Investors' Committee is held every month, in which transfers, transmission, issuance of

duplicate certificates etc. are approved. The Secretary or the Directors are also authorised by the Board to approve transfers and therefore, transfers are approved by him on fortnightly basis. Hence, no transfers remain pending for more than 15 days.

* Resigned w.e.f. 25.04.2011

General Body Meetings

Details of the last three Annual General Meetings are given below:

Year	Location	Date	Time	No. of Special Resolutions passed
2007-08	"Sanskriti", Alembic Corporate Conference Center, Opp. Pragati Sahakari Bank Limited, Alembic Colony, Vadodara - 390 003	5th September, 2008	4:00 p.m.	1
2008-09	"Sanskriti", Alembic Corporate Conference Center, Opp. Pragati Sahakari Bank Limited, Alembic Colony, Vadodara - 390 003	27th July, 2009	5.00 p.m.	Nil
2009-10	"Sanskriti", Alembic Corporate Conference Center, Opp. Pragati Sahakari Bank Limited, Alembic Colony, Vadodara - 390 003	29th July, 2010	4.00 p.m.	1

- No Extraordinary General Meetings was held during the previous year.
- No Resolutions were passed through Postal Ballot during the previous year.
- No Special Resolutions are proposed through postal ballot at the ensuing Annual General Meeting.

6A. Notes on Directors seeking appointment / re-appointment as required under Clause 49VI(A) of the Listing Agreement entered into with Stock Exchanges.

Mr. C. R. Amin and Mr. A. M. Goradia will retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment. Mr. Santosh Jejurkar was appointed as Additional Independent Director on 03.02.2011. Pursuant to the provisions of the Companies Act, 1956, he holds office upto the ensuing Annual General Meeting. The Company has received a notice from a member under Section 257 of the Companies Act, 1956 proposing his candidature as a Director liable to retire by rotation.

Mr. C. R. Amin is a graduate in Science and M.B.A. from USA. He is Chairman of the Company since 2005. He was the Chairman of the erstwhile Paushak Limited which was merged into Darshak Limited, the name of which subsequently changed to Paushak Limited w.e.f. 19th September 2005. The Company has achieved growth in sales despite very keen competition in specialty chemical industry during his tenure as Chairman of the Company. He holds directorship in Alembic Limited, Alembic Pharmaceuticals Limited, Shreno Limited, AGI Developers Limited, Alembic Exports Limited, Alembic Europe Pvt Ltd, U.K., Nirayu Private Limited, Elecon Engineering Company Limited, Federation of Indian Chambers of Commerce & Industries, Gujarat Flying Club, Quick Flight Limited, Sierra Investments Ltd, Sierra Healthcare Limited, Panasonic Energy India Co. Ltd, and United Phosphorus Limited. He is also a Chairman of Shareholders'/Investors' Committee of Shreno Ltd. Mr. C. R. Amin holds 93682 equity shares in the Company.

Mr. Amit Goradia is a qualified Mechanical Engineer from the prestigious Indian Institute of Technology (IIT), Mumbai. He has rich and varied industrial experience in engineering, Industrial Chemicals and Fast Moving Consumer Goods industries. He holds directorship in other companies viz. Kunkel Wagner (I) Pvt. Ltd and Subhaag Trading Pvt Ltd.

Mr. Santosh Jejurkar is Master of Commerce and a qualified Cost Accountant. He has around three decades of experience in the fields of Management Accounting, MIS and Production Planning and Inventory Controls. He holds directorship in Whitefield Chemtech Pvt Ltd.

7. Disclosure

There were no materially significant related party transactions that had conflict with the interest of the Company at large. The Register of Contracts for the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with related parties as per Accounting Standard 18 are disclosed in Note No. 8 of the notes forming parts of Accounts.

8. Compliance

The Company has complied with all the mandatory requirements of the Listing Agreements with Stock Exchanges as well as regulations and guidelines of SEBI. Further, there is no penalty/stricture imposed on the Company by any Statutory Authority(s) during the year.

9. Means of Communication

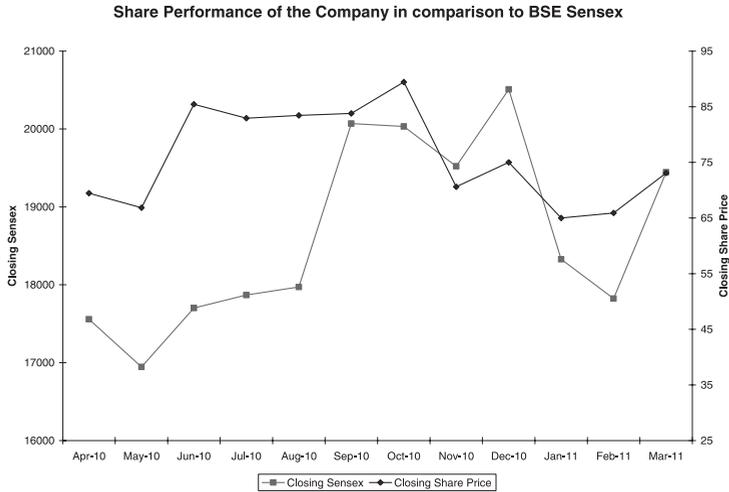
- Half-yearly results sent to each household of the shareholders : The results are Published in newspapers having wide coverage.
- Quarterly Results : Published in newspapers.
- Which Newspapers normally published in : Business Standard (English)
Loksatta (Gujarati)
- Any web-site where displayed : www.paushak.com
- Whether MD&A forms part of the Annual Report. : Yes

10. Shareholders' Information:

- 1 Annual General Meeting, Date and Time, Venue : 30th August, 2011 at 04.30 P.M.
"Sanskriti", Alembic Corporate Conference Center,
Opp. Pragati Sahakari Bank Limited, Alembic Colony,
Vadodara - 390 003
- 2 Financial Calendar : Adoption of results for the quarter:
Quarter ending 30th June 2011 : By 15th August, 2011
Quarter ending 30th September 2011 : By 15th November, 2011
Quarter ending 31st December 2011 : By 15th February, 2012
Quarter ending 31st March 2012 : By June, 2012
AGM for the year ended 31st March 2012 : Before September, 2012
- 3 Date of Book Closure : Friday, 19th August, 2011 to Tuesday,
30th August, 2011 (both days inclusive)
- 4 Registered Office : Paushak Limited
Alembic Road, Vadodara - 390 003.
Ph. No. +91-265-2280550
Fax : +91-265-2282506/2285892
Web: www.paushak.com
- 5 Listing Details : Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 01
(Scrip Code : 532742)
6. Stock Price Data :

Bombay Stock Exchange Limited

Month	Month's High Price	Month's Low Price
April 2010	82.00	52.20
May 2010	84.95	64.70
June 2010	91.75	62.65
July 2010	92.90	74.00
August 2010	95.00	66.00
September 2010	100.10	76.00
October 2010	109.65	82.70
November 2010	92.60	66.10
December 2010	89.00	65.15
January 2011	78.00	63.10
February 2011	76.60	58.00
March 2011	122.70	66.00



- 7 Registrar and Share Transfer Agents : Link Intime India Private Limited
B-102-103, Shangrila Complex, Nr. Radhakrishna Char Rasta, Akota, Vadodara - 390020
Tel: (0265) 2356573/2356794/2356796
Telefax: (0265) 2356791
Email: vadodara@linkintime.com
- 8 Share Transfer System : Share transfers are registered and returned generally within a period of 15 days from the date of receipt, if documents are complete in all respects.
- 9 Distribution of Shareholding

The Distribution of Shareholdings as on 31st March, 2011 is given as under:

No. of Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of total shares
Up to 500	11685	97.00	627849	19.58
501 - 1,000	241	2.00	181978	5.67
1,001 - 2,000	64	0.53	96191	3.00
2,001 - 3,000	15	0.12	37686	1.18
3,001 - 4,000	16	0.13	55620	1.73
4,001 - 5,000	3	0.02	12469	0.39
5,001 - 10,000	9	0.07	64463	2.01
10,001 & above	13	0.11	2130858	66.44
Total	12,046	100.00	32,07,114	100.00

Shareholding pattern as on 31st March, 2011

Sr. No.	Category	No. of shares held	% of voting strength
01	Promoters & Associates	21,39,258	66.70
02	Banks, Financial Institutions & Insurance Companies	83	0.00
03	Foreign Institutional Investors (FIIs)	3,183	0.10
04	Bodies Corporate	48,011	1.50
05	Indian Public	9,98,784	31.14
06	NRI / OCB	333	0.01
	Others	17,462	00.55
	Total	32,07,114	100.00

- 10 Dematerialization of Shares and liquidity : At the end of the year 27,06,307 (about 84.38% of total shares) have been dematerialized. Trading in shares is permitted only in dematerialized form as per notification issued by the SEBI.
(ISIN CODE: INE 111F01016)
- 11 Plant Location : Panelav, Taluka Halol, Dist. Panchmahal.
- 12 Investors Correspondence : (i) Link Intime India Private Limited
B-102-103, Shangrila Complex,
Nr. Radhakrishna Char Rasta,
Akota, Vadodara
Tel: (0265) 2356573/2356794/2356796
Telefax: (0265) 2356791
Email: vadodara@linkintime.co.in
(ii) The Company Secretary
Paushak Limited
Alembic Road, Vadodara - 390 003.
Ph. No. +91-265-2280550
Fax : +91-265-2282506
E-mail: secretarial@paushak.com

Auditors' Certificate on Corporate Governance

We have examined the compliance of conditions of Corporate Governance by Paushak Limited for the year ended on 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no investor grievances remaining unattended/ pending for more than 30 days.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For J.R.S. Patel & Co.
Chartered Accountants

Kalpesh Parmar
Partner
Membership No.: 103887

Place : Vadodara
Date : 3rd May, 2011

AUDITORS' REPORT

To
The Members of
PAUSHAK LIMITED

1. We have audited the attached Balance Sheet of PAUSHAK LIMITED as at 31st March 2011, Profit and Loss Account and also Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
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 mis-statement. 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 Statement on Companies (Auditors' Report) Order, 2003 as amended by Companies (Auditors' 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, we enclose 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, we report that:
 - i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii) In our opinion, proper books of accounts as required by the 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 account.
 - iv) In our opinion, the Balance Sheet, Profit Loss Account and Cash Flow Statement dealt with by this report comply with the applicable mandatory accounting standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956,
 - v) On the basis of written representations received from the directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes, 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 Balance Sheet of the state of affairs of the Company as at 31st March 2011 and
 - (b) In the case of Profit and Loss Account of the profit for the year ended on that date.
 - (c) In the case of Cash Flow Statement of the Company for the year ended on that date

For J.R.S. Patel & Co.
Chartered Accountants

Kalpesh Parmar
Partner

Membership No.: 103887
Firm Regn. No. 107109W

Place : Vadodara
Date : 3rd May, 2011

ANNEXURE REFERRED TO PARAGRAPH 3 OF OUR REPORT OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2011 OF PAUSHAK LIMITED, BARODA.

1. In our opinion and according to the information and explanations given to us, the nature of the company's business/ activities during the year is such that clause xiii of paragraph 4 of the order is not applicable to the company.
2. In respect of its fixed assets :
 - (a) The Company has maintained records showing particulars, including quantitative details and general location of fixed assets.
 - (b) During the year, the Company has not carried out physical verification of the fixed assets. However, the fixed assets are physically verified under a phased programme of verification at reasonable intervals, which, in our opinion, is reasonable. As informed to us the Company is in process of reconciling the book records and physical records on account of differences noticed during physical verification of fixed assets conducted during the financial year 2009-10 and accordingly, we are unable to comment on discrepancies, if any that may be identified.
 - (c) The Company has not disposed of any substantial part of its fixed assets so as to affect its going concern status.
3.
 - (a) As explained to us, all the inventory of the Company has been physically verified by the management at the year-end. In our opinion, the frequency of the verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of our examination of record of inventory, in our opinion, the company has maintained proper records of its inventories. According to the information and explanations given to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
4. Loans granted/taken by the company:
 - (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties listed in register maintained under section 301 of the Companies Act, 1956.
 - (b) Since the company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, accordingly, clauses 4 (iii) (b), (c) and (d) of the Order are not applicable to the company.
 - (c) The Company has taken an unsecured loan from a company listed in the register maintained under section 301 of the Companies Act, 1956. Total amount outstanding as at 31.03.2011 is Rs. Nil/- (Rupees ZERO). The maximum amount involved was Rs. 1,01,31,507/- (Rupees One Crores One Lacs Thirty One Thousand Five Hundred and Seven Only) The Company has not taken any loans, secured or unsecured from firms or other parties listed in register maintained under section 301 of the Companies Act, 1956.
 - (d) In our opinion, the rate of interest and other terms and conditions in respect of loans taken from the Company listed in the register maintained under section 301 of the Companies Act, 1956, are not prima-facie prejudicial to the interest of the Company.
 - (e) In respect of the loan taken by the Company from the Company listed in the register maintained under section 301 of the Companies Act, 1956, the interest payments are regular and the principal amount is repayable on demand.
5. In our opinion and according to explanations given to us, there are adequate internal control systems commensurate with the size of the company and nature of its business with regard to purchase of inventory, fixed assets and sale of goods. During the course of our audit, we have not observed continuing failure to correct major weakness in internal controls systems.
6. In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956 :
 - (a) In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act 1956, to the best of our knowledge and belief and according to the information and explanations given to us, particulars of contracts or arrangements that needed to be entered into the register have been so entered.
 - (b) In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act 1956, according to the information and explanations given to us the transactions in pursuance of such contracts or arrangements have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.

7. During the year the company has not accepted any deposits from the Public. In our opinion and according to the information and explanations given to us the company has complied with the provisions of Section of 58A and 58AA or any other relevant provision of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to deposit accepted from public in earlier years. As informed to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
8. On the basis of the internal audit reports broadly reviewed by us, we are of the opinion that, the coverage of internal audit function carried out during the year by the firm of Chartered Accountants appointed by the management is commensurate with the size of the Company and nature of its business.
9. To the best of our knowledge and explanations provided by the management, the maintenance of cost recorded has not been prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956, in respect of any of the products of the Company.
10. According to the information and explanations given to us in respect of statutory and other dues :
 - (a) The Company has been regular in depositing undisputed statutory dues, including Provident fund, Employees' state Insurance, Income Tax, Sales tax, Wealth tax, Custom Duty, Excise Duty, Cess and Other Statutory dues with the appropriate authorities during the year. Based on our audit procedures and according to the information and explanations given to us, there are no dues which has remained outstanding as at 31st March, 2011 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us and on the basis the records produced before us by the Company, except for the cases stated below, there are no undisputed amounts payable in respect of income tax/Service tax/ customs duty/wealth tax/excise duty/cess, which have not been deposited on account of any dispute are as follows :

Name of statute	Nature of Dues	Amount under dispute not yet deposited (Rs.)	Period to which the amount relates	Forum where dispute is pending
The Central Excise and Customs Act	Excise Duty, Interest & Penalty	1,32,369/-	Dec, 1983 to Nov, 1993	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad.
The Central Excise and Customs Act	Excise Duty, Interest & Penalty	6,10,880/-	June, 2004 to March, 2005	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad.
The Central Excise and Customs Act	Excise Duty, Interest & Penalty	13,78,800/-	2006-07	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad.
ESI Act		9,15,869/-	January, 1997 to October, 2000	Industrial Tribunal, Kerala

11. The Company does not have any accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the current and immediately preceding financial year.
12. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company has not obtained any borrowings from any financial institutions or by way of debentures.
13. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
14. In our opinion and according to the information and explanations given to us, the company has not entered any transactions or contracts relating to dealing or trading in shares, securities, debentures and other investments during the year. However the Company has made investments in its own name and proper records have been maintained for the said investments.
15. According to the information and explanations given to us the Company has not given any guarantee for loans taken by others from banks or financial institutions.

16. According to the information and explanations given to us the Company has not taken any term loans during the year.
17. On the basis of the information and explanations given to us and on an overall examination of the Cash Flow and Balance Sheet of the company, in our opinion, there are no funds raised on a short-term basis which have been used for long-term investment.
18. The Company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under section 301 of Companies Act, 1956.
19. The Company has not issued any debentures during the year and therefore the question of creating security in respect thereof does not arise.
20. The Company has not made any public issues during the year and therefore the question of disclosing the end use of money does not arise.
21. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instances of fraud on or by the company, noticed or reported during the year, nor have been informed of such case by the management.

For J.R.S. Patel & Co.
Chartered Accountants

Kalpesh Parmar
Partner

Membership No.: 103887
Firm Regn. No. 107109W

Place : Vadodara
Date : 3rd May, 2011

BALANCE SHEET

	Schedules	As at 31.03.2011 Rs.	As at 31.03.2010 Rs.
SOURCES OF FUNDS:			
1 Shareholders' Fund			
a) Share Capital	A	3,20,71,140	3,20,71,140
b) Reserves & Surplus	B	25,38,96,792	22,43,21,191
		28,59,67,932	25,63,92,331
2 Loan Funds:			
a) Secured Loans	C	2,20,62,526	2,09,13,932
b) Unsecured Loans	D	-	-
		2,20,62,526	2,09,13,932
3 Deferred Tax Liabilities (Net)		1,12,66,364	1,15,74,898
	Total	31,92,96,822	28,88,81,161
APPLICATIONS OF FUNDS:			
1 Fixed Assets	E		
Gross Block		26,64,24,154	24,76,33,784
Less : Depreciation		15,30,38,897	13,74,83,364
Net Block		113,385,257	11,01,50,420
Capital Work - in - Progress		11,72,896	92,51,524
2 Investments	F	13,87,86,471	13,87,86,471
3 Current Assets, Loans & Advances:			
a) Inventories	G	4,88,39,443	3,79,23,197
b) Sundry Debtors	H	5,92,13,684	5,86,71,804
c) Cash and Bank Balances	I	12,18,916	4,79,483
d) Loans and Advances	J	33,13,032	37,84,415
		11,25,85,075	10,08,58,899
4 Less : Current Liabilities & Provisions:	K		
a) Liabilities		3,49,88,647	5,81,82,758
b) Provisions		1,16,44,230	1,19,83,395
		4,66,32,877	7,01,66,153
Net Current Assets		6,59,52,198	3,06,92,746
	Total	31,92,96,822	28,88,81,161
Notes forming Part of the Accounts	U		

As per our report of even date
For **J.R.S. Patel & Co.**
Chartered Accountants

Kalpesh Parmar
Partner
M. No. 103887

Chirag K. Shukla
Company Secretary

Chirayu R. Amin

CHAIRMAN

Malika C. Amin
Udit C. Amin
A. M. Goradia
Santosh Jejurkar

DIRECTORS

PROFIT AND LOSS ACCOUNT

Particulars	Schedules	Year ended	Year ended
		31st March, 2011	31st March, 2010
		Rs.	Rs.
Income :			
Sales and Export incentives	L	31,09,17,204	26,35,80,999
Less: Excise Duty		1,58,41,142	1,02,97,194
		29,50,76,062	25,32,83,805
Other Income	M	1,28,58,628	55,94,028
		<u>30,79,34,690</u>	<u>25,88,77,833</u>
Expenditure :			
Raw Materials Consumed	N	11,40,54,389	7,45,92,171
Stores, Spares & Containers Consumed		1,46,67,039	1,40,65,517
Excise Duty		84,374	3,18,341
Manufacturing Expenses	O	4,27,82,829	4,15,95,902
Employees' Cost	P	4,02,77,907	3,85,06,439
Research & Development Expenses	Q	59,81,270	51,94,188
Selling & Distribution Expenses	R	1,38,88,402	1,06,49,270
Others	S	1,23,47,087	1,14,97,037
Interest	T	41,02,780	69,83,175
Depreciation		1,55,55,533	1,44,94,700
		26,37,41,610	21,78,96,740
Less / (Add)			
Increase / (Decrease) in stock of Finished Goods, Semi-Finished Goods & Work in Process	N	41,24,068	(1,02,25,659)
		<u>25,96,17,542</u>	<u>22,81,22,399</u>
Profit / (Loss) for the year before Taxes.		4,83,17,148	3,07,55,434
Less: Provision for Income Tax		1,16,20,000	94,00,000
Add: Provision for Deferred Tax Asset		3,08,534	5,91,688
Less: Short Provision of Income Tax		-	5,46,972
Profit / (Loss) after Taxes.		3,70,05,682	2,14,00,150
Add: Profit/(Loss) brought forward from last year		7,29,78,436	6,90,82,612
Balance available for Appropriation:		10,99,84,118	9,04,82,762
Less: Appropriations:			
Dividend - Equity Shares		64,14,228	64,14,228
Corporate Dividend Tax - Equity Shares		10,40,548	10,90,098
Reversal of Provision of Corporate Dividend Tax		(24,695)	-
General Reserve		1,00,00,000	1,00,00,000
Surplus carried to Balance Sheet		<u>9,25,54,037</u>	<u>7,29,78,436</u>
EPS before extra ordinary items (Basic and diluted)		11.54	6.67
EPS after extra ordinary items (Basic and diluted)		11.54	6.67
Notes to Accounts - Note No 9 (Face Value of Rs.10/-)			
Notes forming Part of the Accounts	U		

As per our report of even date
For J.R.S. Patel & Co.
Chartered Accountants

Kalpesh Parmar
Partner
M. No. 103887

Chirag K. Shukla
Company Secretary

Chirayu R. Amin

CHAIRMAN

Malika C. Amin
Udit C. Amin
A. M. Goradia
Santosh Jejurkar

DIRECTORS

Vadodara, 3rd May, 2011

Vadodara, 3rd May, 2011

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2011

	As at 31.03.2011 Rs.	As at 31.03.2010 Rs.
SCHEDULE: A		
SHARE CAPITAL		
AUTHORIZED:		
90,00,000 Equity Shares of Rs. 10/- each	9,00,00,000	9,00,00,000
11,00,000 Redeemable Cumulative Preference Shares of Rs.100/- each	11,00,00,000	11,00,00,000
Total	<u>20,00,00,000</u>	<u>20,00,00,000</u>
ISSUED, SUBSCRIBED & PAID-UP:		
32,07,114 Equity Shares of Rs.10/- each	3,20,71,140	3,20,71,140
(Of the above 2,40,000 equity shares allotted as fully paid-up bonus shares by Capitalization of General Reserve & 2,78,744 equity shares issued to the Shareholders of erstwhile Paushak Ltd., pursuant to the scheme of amalgamation, without payment being received in cash)		
Total	<u>3,20,71,140</u>	<u>3,20,71,140</u>
SCHEDULE: B		
RESERVES & SURPLUS:		
Capital Reserve	4,24,730	4,24,730
Capital Redemption Reserve	3,00,10,000	3,00,10,000
Share Premium	7,82,63,870	7,82,63,870
General Reserve		
As per last Account	4,26,44,155	3,26,44,155
Add: Transfer from Profit & Loss Account	1,00,00,000	1,00,00,000
	<u>5,26,44,155</u>	<u>4,26,44,155</u>
Surplus As Per Profit and Loss	9,25,54,037	7,29,78,436
Total	<u>25,38,96,792</u>	<u>22,43,21,191</u>
SCHEDULE: C		
SECURED LOANS:		
From Banks for Working Capital (Secured by way of hypothecation charge on inventories and book debts.)	22,062,526	20,913,932
Total	<u>22,062,526</u>	<u>20,913,932</u>
SCHEDULE : D		
UNSECURED LOANS :		
Total	<u>-</u>	<u>-</u>

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2011

**SCHEDULE : E
FIXED ASSETS :**

ASSETS	GROSS BLOCK AT COST			DEPRECIATION			NET BLOCK	
	As on 01.04.2010	Additions	As on 31.03.2011	As on 01.04.2010	For the year	As on 31.03.2011	As on 31.03.2011	As on 31.03.2010
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Freehold land	7,04,959	-	7,04,959	-	-	-	7,04,959	7,04,959
Buildings	1,81,03,192	-	1,81,03,192	79,97,982	4,58,651	84,56,633	96,46,559	1,01,05,210
Plant & Machinery	21,06,78,228	1,85,61,207	22,92,39,435	12,06,67,940	1,38,41,371	13,45,09,311	9,47,30,124	9,00,10,288
R & D Equipment	1,42,55,024	1,71,704	1,44,26,728	63,72,556	11,24,317	74,96,873	69,29,855	78,82,468
Furniture & Fixtures	18,34,769	-	18,34,769	11,98,556	72,657	12,71,213	5,63,556	6,36,213
Office Machinery	19,54,199	57,459	20,11,658	11,47,997	58,537	12,06,534	8,05,124	8,06,202
Vehicles	1,03,413	-	1,03,413	98,333	-	98,333	5,080	5,080
Total	24,76,33,784	1,87,90,370	26,64,24,154	13,74,83,364	1,55,55,533	15,30,38,897	11,33,85,257	11,01,50,420
Previous Year	24,32,49,350	43,84,434	24,76,33,784	12,29,88,664	1,44,94,700	13,74,83,364	11,01,50,420	

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2011

	As at 31.03.2011 Rs.	As at 31.03.2010 Rs.
SCHEDULE: F		
INVESTMENTS (At Book Value)		
Long Term Investments:		
1. In Shares, Debentures and Bonds		
Quoted :		
Equity Shares (fully paid up) :		
Alembic Ltd.		
855 Equity Shares of Rs.2/- each	1,980	1,980
Purak Vinimay Ltd.		
72,000 Equity Shares of Rs.10/- each	1,00,000	7,20,075
Less: Provision for Diminution in value of Investments (62000 Equity Shares sold during the year)	<u>(1,00,000)</u>	<u>(7,20,075)</u>
	-	-
Siemens Ltd.		
960 Equity Shares of Rs.2/- each (Scheme of Amalgamation of SHDL with SL)	1,500	-
Siemens Healthcare Diagnostics Ltd.		
480 Equity Shares of Rs.10/- each (Scheme of Amalgamation of SHDL with SL)	-	1,500
Total A	<u>3,480</u>	<u>3,480</u>
(Aggregate Market value of Quoted Investments Rs.9,08,554/- Previous Year Rs.3,97,530/-)		
Unquoted:		
a Equity Shares (fully paid up):		
Gujarat Urban Housing Company		
10 Equity Shares of Rs.100/- each	1,000	1,000
Co-operative Bank of Baroda Ltd.		
1,000 Equity Shares of Rs.25/- each	25,000	25,000
Shreno Ltd.		
(Formerly known as Alembic Glass Industries Ltd.)		
33,333 Equity Shares of Rs.10/- each	24,10,364	24,10,364
Aavaran Ltd.		
9,384 Equity Shares of Rs.100/- each (As per scheme of merger with Sierra Investment Ltd.)	-	7,82,000
Pragati Sahakari Bank Limited		
25,020 Equity Shares of Rs.10/- each	2,50,306	2,50,306
Sierra Investments Ltd.		
28252 Equity Shares of Rs.10/- each (28152 shares received As per scheme of merger with Aavaran Ltd.)	7,83,340	1,340
Whitefield Chemtech Pvt.Ltd.		
1,150 Equity Shares of Rs.10/- each	1,000	1,000
Bharat Cooperative Bank Ltd.		
1 Equity Share of Rs.25/- each	25	25
Nirayu Pvt. Ltd.		
1,433 Equity share of Rs.100/- each	3,64,731	3,64,731
The Shamrao Vithal Coop.Bank Ltd.		
25 Equity Shares of Rs.25/- each	625	625

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2011

	As at 31.03.2011 Rs.	As at 31.03.2010 Rs.
SCHEDULE: F - Contd.		
b Preference Shares (fully paid up):		
Whitefield Chemtech Pvt.Ltd.		
14,233 8% Convertible Preference Shares of Rs.100/- each	28,46,600	28,46,600
8,00,000 9% Non-Convertible Preference Share of Rs.100/- each	8,00,00,000	8,00,00,000
Nirayu Pvt. Ltd.		
10,500 10% Convertible Preference Share of Rs.100/- each	21,00,000	21,00,000
Sierra Investments Ltd.		
5,00,000 12% Convertible Preference Share of Rs.100/- each	5,00,00,000	5,00,00,000
Total B	13,87,82,991	13,87,82,991
Total A+B	13,87,86,471	13,87,86,471

SCHEDULE: G

INVENTORIES:

(As certified and valued by the Management)

Stores, Spares & Packing Materials	81,20,784	74,29,799
Raw Materials	1,57,11,382	96,10,189
Semi Finished goods	1,82,45,224	1,55,80,960
Finished goods	22,11,360	15,97,613
Work in process	45,50,693	37,04,636
Total	4,88,39,443	3,79,23,197

SCHEDULE: H

SUNDRY DEBTORS:

(Considered Good unless otherwise specified)

Over Six Months		
- Considered Good	-	7,59,957
- Considered Doubtful	3,67,981	-
	3,67,981	7,59,957
Less: Provision for Doubtful Debts	3,67,981	-
	-	7,59,957
Others		
- Considered Good	5,92,13,684	5,79,11,847
Total	5,92,13,684	5,86,71,804

SCHEDULE: I

CASH AND BANK BALANCES:

Cash	1,727	3,749
Bank Balances:		
With Scheduled Banks		
in Current Accounts	4,62,763	67,389
in Unpaid Dividend Accounts	7,50,174	3,59,018
in Deposit Accounts (Margin Money)	-	32,374
With Other Banks:		
Panchmahal Gramin Vikas Bank, Panelav	4,252	16,953
(Maximum Balance outstanding during the year Rs. 1,33,337/- Previous year Rs.3,68,272/-)		
Total	12,18,916	4,79,483

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2011

	As at 31.03.2011 <u>Rs.</u>	As at 31.03.2010 <u>Rs.</u>
SCHEDULE: J		
LOANS AND ADVANCES:		
(Unsecured, considered good unless stated otherwise)		
Advances recoverable in cash or in kind or for value to be received	32,13,734	36,33,776
Staff Loans and Advances	72,412	1,24,572
Tender and other Deposits	26,886	26,067
Advance Payment of Tax	-	-
Less: Provision for tax	-	-
	<u>-</u>	<u>-</u>
Total	<u>33,13,032</u>	<u>37,84,415</u>
SCHEDULE: K		
CURRENT LIABILITIES AND PROVISIONS:		
Current Liabilities :		
Creditors: Micro, Small & Medium Scale Industries	34,43,733	17,53,261
Others	2,06,13,656	2,32,20,437
Others Current Liabilities	76,71,233	53,40,191
Trade Deposit	25,00,000	25,00,000
Other Deposit	-	2,50,00,000
Investor Education and Protection Fund shall be credited by the following amounts:-		
a) Unpaid Dividend	7,50,174	3,59,018
b) Unpaid Matured Deposits	7,000	7,000
c) Unpaid Interest on Deposits	2,851	2,851
(Will be paid to the Investor Education & Protection Fund as and when due.)		
	<u>-</u>	<u>-</u>
Total	<u>3,49,88,647</u>	<u>5,81,82,758</u>
Provisions:		
Provision for Leave encashment	19,59,121	16,10,938
Proposed Dividend	64,14,228	64,14,228
Corporate Dividend Tax	10,40,548	10,90,098
Advance Payment of Tax	5,35,20,840	4,12,63,042
Less: Provision for tax	5,57,51,173	4,41,31,173
	<u>-</u>	<u>-</u>
Total	<u>1,16,44,230</u>	<u>1,19,83,395</u>

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

	Year ended 31st March, 2011 Rs.	Year ended 31st March, 2010 Rs.
SCHEDULE: L		
SALES AND EXPORT INCENTIVES:		
Sales - Domestic	21,50,09,896	17,66,15,655
Sales - International	9,33,87,622	8,45,36,341
Gross Sales	30,83,97,518	26,11,51,996
Service Income	9,34,156	9,42,559
Export Incentive	15,85,530	14,86,444
Total	31,09,17,204	26,35,80,999
SCHEDULE: M		
OTHER INCOME :		
Income from Investments (Gross) :		
Dividend Income :		
On Trade Investments	8,827	5,142
On Other Investments	73,55,234	3,70,367
Interest Income on investments (TDS.Rs. NIL/- Previous year Rs.NIL/-)	3,405	4,678
Interest income on Income tax refund	2,34,600	4,79,728
Rent	18,10,705	18,14,716
Exchange Fluctuation Gain (Net)	-	-
Profit on sale of Investment	-	1,01,465
Provision for Diminution in Investment written back	6,20,075	-
Miscellaneous Income	28,25,782	28,17,932
Total	1,28,58,628	55,94,028
SCHEDULE : N		
RAW MATERIALS CONSUMPTION :		
Opening Stock	96,10,189	95,05,974
Add: Purchases (Net)	12,01,55,582	7,46,96,386
	12,97,65,771	8,42,02,360
Less: Closing Stock	1,57,11,382	96,10,189
Total	11,40,54,389	7,45,92,171
Increase / (Decrease) in stock of Finished goods, Semi-finished goods and Work-in-process		
Closing Stock :		
Work-in-Process	45,50,693	37,04,636
Semi Finished goods	1,82,45,224	1,55,80,960
Finished goods	20,28,976	14,48,425
	2,48,24,893	2,07,34,021
Less: Opening Stock :		
Work-in-Process	37,04,636	51,27,486
Semi Finished goods	1,55,80,960	2,59,81,382
Finished goods	14,48,425	-
	2,07,34,021	3,11,08,868
Add: Excise Duty Payable on Finished Goods:		
Closing Stock	1,82,384	1,49,188
Opening Stock	1,49,188	-
	33,196	1,49,188
Increase / (Decrease) in Stock	41,24,068	(1,02,25,659)

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

	Year ended 31st March, 2011 Rs.	Year ended 31st March, 2010 Rs.
SCHEDULE: O		
MANUFACTURING EXPENSES :		
Power & Fuel	3,33,22,618	3,50,01,465
Repairs & Maintenance Machineries	68,61,051	48,71,127
Processing charges	5,80,000	-
Laboratory Expenses	20,19,160	17,23,310
Total	4,27,82,829	4,15,95,902
SCHEDULE : P		
EMPLOYEES' COSTS :		
Salary, Wages, D.A. Bonus etc.	3,56,89,305	3,44,67,815
Contribution / Provision to Provident, Gratuity and Other Funds	20,47,927	19,16,526
Employees Welfare	25,40,675	21,22,098
Total	4,02,77,907	3,85,06,439
SCHEDULE : Q		
RESEARCH & DEVELOPMENT EXPENSES		
Material Consumption	16,45,494	12,98,928
Employees' Cost	30,16,816	24,70,634
Utilities - Power & Fuel	9,74,138	10,56,559
Others	3,44,822	3,68,067
Total	59,81,270	51,94,188
SCHEDULE : R		
SELLING & DISTRIBUTION EXPENSES :		
Publicity Expenses	55,311	1,20,222
Selling & Distribution Expenses	17,30,454	8,29,422
Transport Charges	89,08,911	62,97,428
Commission on Sales	31,93,726	34,02,198
Total	1,38,88,402	1,06,49,270
SCHEDULE: S		
EXPENSES : OTHERS		
Bank charges	3,60,810	4,32,207
Rates and Taxes	7,94,928	8,69,150
Insurance Premium	3,34,541	2,49,190
Stationery, Postage and Subscription	11,91,185	10,94,313
Professional Fees	26,81,854	20,08,819
Travelling Expenses	19,99,684	15,18,646
Exchange Fluctuation Loss (Net)	1,91,180	16,55,572
Foreign Travelling Expenses	3,00,393	2,39,644
Repairs to Buildings	67,600	65,724
Repairs to Others	12,82,146	7,23,446
Auditors Remuneration	2,20,000	2,20,000
Directors' Sitting fees	3,35,000	3,20,000
Security Charges	11,31,872	14,04,865
Bad Debts written off	15,591	60,556
Provision for Bad Debts written off	3,67,981	-
Loss on sale of Investment	5,58,075	-
Miscellaneous Expenses	5,14,247	6,34,905
Total	1,23,47,087	1,14,97,037
SCHEDULE : T		
INTEREST :		
Interest on Working Capital	27,31,820	16,48,389
Interest on Deposits and Loans	13,70,960	52,35,616
Others	-	99,170
Total	41,02,780	69,83,175

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE: U

Notes forming part of Accounts:

1. SIGNIFICANT ACCOUNTING POLICIES:

(A) Basis of Accounting:

The financial statements are prepared as per historical cost convention and on going concern basis and comply with the applicable accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and relevant statutory provisions of The Companies Act, 1956.

(B) Fixed Assets & Capital Work in Progress:

- i) Fixed Assets are recorded at cost of acquisition / construction less accumulated depreciation & impairment loss, if any. Cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use, but excluding CENVAT / Service Tax / VAT credit availed.
- ii) All expenditure including advances given to suppliers and contractors for supply and installation of Plant and Machinery and other capital Assets, including interest during the construction period if any, are accumulated and shown as capital work in Progress.

(C) Depreciation:

Depreciation on fixed assets is provided on straight line method at the rates specified in schedule XIV of the Companies Act, 1956, as amended on shift basis. Depreciation on addition to Fixed Assets (except those of Rs.5,000/- and below) is charged on prorata basis. Depreciation on assets disposed off/discarded during the year is charged upto the date of disposal/discard.

(D) Investments :

Long term investments are stated at cost except where there is diminution in value other than temporary, in which case a provision is made to the carrying value to recognise the diminution.

(E) Inventories:

- i) Raw materials, Stores and consumables are valued at cost using moving weighted average method. The cost of Raw materials, stores and consumables includes cost of purchases, direct expenses and other cost incurred in bringing the inventories to their present location and condition.
- ii) Work in Process includes material lying at reactors/tanks on which process is continued as on date. Work in Process are valued at raw materials cost as calculated above plus labour and appropriate proportion of overhead to the extent of process, which is estimated and certified by the management using moving weighted average method.
- iii) Semi-Finished goods has been identified as such depending upon stage of completion of finished goods technically determined by the management. Semi-Finished goods are valued at raw materials cost as calculated above plus weighted average cost of production including appropriate proportion of cost of conversion to the extent of process, which is estimated and certified by the management.
- iv) Finished goods are valued at lower of cost or net realisable value. Finished goods are valued based on weighted average cost of production, including appropriate proportion of cost of conversion. Excise duty is included in the value of finished goods inventory.

Net Realisable value is the estimated selling price in the ordinary course of business.

(F) Sales:

- i) Sale of products are recognised when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods. Sales are inclusive of excise duty, but net of sales return, Service tax and Sales Tax.
- ii) Export sales are recognised on the date of bill of lading / airway bill.

(G) Excise Duty :

Excise duty is accounted on the basis of both, payment made in respect of goods cleared as also provision made for goods lying in bonded warehouse.

(H) Research and Development :

Revenue Expenditure on Research and Development is charged to Profit and Loss Account and Capital Expenditure incurred on Research and Development is capitalised.

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

(I) Foreign Currency Transactions :

- i) Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- ii) Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates.
- iii) The difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions are recognised in the Profit and Loss Account.
- iv) In respect of transactions covered by forward contracts, the difference between the contract rate and the rate on the date of the transaction is charged to the Profit and Loss Account over the period of the contract.

(J) Employee Benefits:

(a) Short term employee benefits

All employee Benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as Salaries, wages, and short term compensated absences etc. is recognised in the period in which the employee renders the related service.

(b) Post Employment Benefits:

i. Defined Contribution Plans :

Defined contribution plans are post employment benefit plans under which the company pays fixed contributions into separate entities (fund) or to financial institutions or state managed benefit schemes. The Company operates defined contribution plans pertaining to Provident Fund, Employees state Insurance, Pension Fund Scheme for eligible employees. The Company contribution to defined contribution plans are recognised in the profit and loss account in the financial year to which they relate.

ii. Defined Benefit Plans:

The Company made annual contribution to Employees Group Gratuity Cash Accumulation Scheme of Life Insurance Corporation of India. The gratuity liabilities are funded with the Life Insurance Corporation of India and with a recognized fund, which is administered by the trustees. The amounts paid /provided under the scheme are charged to profit and loss account under head Employees Cost.

Superannuation payable as per superannuation scheme is provided by payment to superannuation trust fund.

The Company provides for accumulated leave liability payable on retirement on the basis of Actuarial Valuation as at the year end and the same is charged to profit and loss account under head Employees Cost.

(K) Borrowing Cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

(L) Earnings per share :

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

(M) Income Taxes:

- i) Provision for taxation is made on the basis of the estimated taxable income for the current Accounting period in accordance with provision of the Income Tax Act, 1961.
- ii) In accordance with Accounting Standard – 22 ‘ Accounting for Taxes on Income’, issued by the Institute of Chartered Accountants of India, the Deferred Tax for timing differences between the book profit and tax profit for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date.

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

iii) Deferred tax assets arising from temporary timing differences are recognised to the extent there is reasonable certainty that the assets will be realized in future.

(N) Segment Reporting :

There is no separate reportable primary segment as per Accounting Standards 17, as most of the operations are related to only one Segment viz. Speciality Chemicals.

(O) Impairment of Assets :

An Asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An Impairment Loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The Impairment Loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(P) Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognised only when there is a present obligation as a result of past event and when a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made. Contingent Assets are not recognised in the financial statements.

2 Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances) Rs.39.31 lacs (Previous year for Rs.50.60 lacs)

3. Contingent Liabilities :

Sr. No.	Particulars	2010-2011	2009-2010
i)	Bond guarantees for two body corporate	73,21,465	73,21,469
ii)	Disputed claims for excise duty	78,33,919	63,97,241
iii)	Income Tax	2,94,165	24,76,557

4. Defined benefit plans / compensated absences - As per actuarial valuation

Rs. In lacs

	2010-2011	2009-2010	2010-2011	2009-2010
	Gratuity Funded		Leave Encashment	
Expense recognised in the Statement of Profit & Loss for the year ended March 31, 2011				
Current Service Cost	6.07	4.98	3.65	3.19
Interest Cost	6.62	5.72	1.33	1.03
Employee Contributions	-	-	-	-
Expected return on plan assets	(9.97)	(9.53)	-	-
Net Acturial (Gains) / Losses	10.83	5.08	2.34	2.69
Past Service Cost	Nil	Nil	-	-
Settlement Cost	Nil	Nil	-	-
Total expense	13.55	6.25	7.32	6.91
Net Asset / (Liability) recognised in the Balance Sheet as at March 31,2011				
Present value of Defined Benefit Obligation as at March 31, 2011	99.39	80.19	19.59	16.11
Fair value of plan assets as at March 31, 2011	118.72	113.07	-	-
Funded status [Surplus / (Deficit)]	19.33	32.88	(19.59)	(16.11)
Net asset / (liability) as at March 31, 2011	19.33	32.88	(19.59)	(16.11)

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

Rs. In lacs

	2010-2011	2009-2010	2010-2011	2009-2010
	Gratuity Funded		Leave Encashment	
Change in Obligation during the Year ended March 31, 2011				
Present value of Defined Benefit Obligation at beginning of the year	80.19	69.37	16.11	12.45
Current Service Cost	6.07	4.98	3.65	3.19
Interest Cost	6.62	5.72	1.33	1.03
Settlement Cost	Nil	Nil	-	-
Past Service Cost	Nil	Nil	-	-
Employee Contributions	-	-		
Acturial (Gains) / Losses	11.13	5.31	2.34	2.69
Benefits Payments	(4.62)	(5.19)	(3.84)	(3.25)
Present value of Defined Benefit Obligation at the end of the year	99.39	80.19	19.59	16.11
Change in Assets during the Year ended March 31, 2011				
Plan assets at the beginning of the year	113.07	108.50	-	-
Assets acquired in amalgamation in previous year	Nil	Nil	-	-
Settlements	Nil	Nil	-	-
Expected return on plan assets	9.97	9.53	-	-
Contributions by Employer	-	-	-	-
Actual benefits paid	(4.62)	(5.19)	-	-
Acturial (Gains) / Losses	0.31	0.23	-	-
Plan assets at the end of the year	118.72	113.07	-	-
Actual return on plan assets	9.97	9.53	-	-
The major categories of plan assets as a percentage of total plan Qualifying insurance policy Effect of one percentage point change in the assumed medical inflation rate Increase / (Decrease) on aggregate service and interest cost of Post Employment Medical Benefits Increase / (Decrease) on present value of Defined Benefit Obligation as at March 31, 2011				
Acturial Assumptions:				
Discount Rate	8.25%	8.25%	8.25%	8.25%
Expected rate of return on plan assets	9.00%	9.00%	NA	NA
LIC (1994-96) Published table of rates.				
Mortality pre retirement	NA	NA	NA	NA
Mortality post retirement	NA	NA	NA	NA
Turnover rate	3% to 1%	3% to 1%	5% to 1%	5% to 1%
Medical premium inflation	NA	NA	NA	NA
Annual Increment in Salary cost	6%	5%	6%	5%
*owing to excess plan assets compared to required investment in terms of Actuarial Valuation Report for Gratuity, no adjustments is made either in Profit & Loss Account or in Balance Sheet				

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

5. Auditors Remuneration : (Net of Service Tax)

		2010-2011	2009-2010
(i)	Statutory Auditors :-		
	Audit Fees	1,55,000	1,55,000
	Other Services	20,000	20,000
(ii)	Tax Auditors		
	Tax Audit Fee	45,000	45,000

6 Micro, Small and Medium Enterprises Development Act, 2006

As per requirement of Section 22 of Micro, Small & Medium Enterprises Development Act, 2006 following information is disclosed to the extent identifiable:

		2010-2011	2009-2010
a)	(i) The Principal amount remaining unpaid to any supplier at the end of accounting year	34,43,733	17,53,261
	(ii) The interest due on above	-	-
	Total of (i) & (ii) above	34,43,733	17,53,261
b)	Amount of interest paid by the buyer in terms of Section 18 of the Act	-	-
c)	The amounts of payment made to the supplier beyond the due date	-	-
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	-	-

The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with the company.

7. Segment Reporting :

a) Primary Segment:

The Company has identified "Speciality Chemicals" as the only primary reportable segment.

b) Secondary Segment (By Geographical Segment)

Particulars	2010-2011	2009-2010
India	21,50,09,896	17,66,15,655
Outside India	9,33,87,622	8,45,36,341
Total Sales	30,83,97,518	26,11,51,996

In view of the inter-woven / inter-mixed nature of business and manufacturing facility, other secondary segmental information is not ascertainable.

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

8. Disclosure as required by the Accounting Standard - 18 relating to "Related Parties Disclosure" issued by The Institute of Chartered Accountants of India are as follows :

Name of related parties and description of relationship		
Key Management Personnel :	Mr. Chirayu R. Amin	Chairman
	Mrs. Malika C. Amin	Director
	Mr. U. C. Amin	Director
Relatives of Key Management Personnel:	Mr. Pranav Amin	
	Mr. S. C. Amin	
	Mrs. Shreya Mukherjee	
	Ms.Yera Amin	
Associates:	Alembic Ltd.	
	Shreno Ltd.	
	Nirayu Private Ltd.	
	Whitefield Chemtech Pvt. Ltd.	
	Sierra Investment Ltd.	
	Viramya Packlight Ltd.	

Sr. No.	Particulars	Associates		Key Management Personnel	
		2010-2011	2009-2010	2010-2011	2009-2010
1	Purchase of Goods	19,28,655	12,71,451	-	-
2	Sale of Goods	64,16,037	73,06,713	-	-
3	Receiving of Services	2,38,67,181	2,53,43,281	-	-
4	Inter Corporate Loans taken	1,00,00,000	-	-	-
5	Interest Payable / Paid	12,33,862	45,78,864	-	-
6	Rent Income	18,00,000	18,00,000	-	-
7	Director's Sitting Fees	-	-	1,75,000	1,80,000
8	Purchase of Fixed Assets	4,25,539	17,04,780	-	-
9	Sale of Fixed Assets	-	-	-	-
10	Sale of Investments	-	-	-	-
11	Dividend Received	73,14,292	3,33,070	-	-
	Relatives of Key Management Personnel	-	-	-	-
12	Receiving of Services	-	-	9,44,410	9,26,730
	Outstanding Balances	-	-	-	-
13	Creditors	10,94,296	27,83,208	-	-
14	Inter Corporate Loans taken	-	-	-	-
15	Deposit	-	2,50,00,000	-	-
16	Investments	5,56,60,415	5,56,60,415	-	-

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

9. Earnings Per Share:

Earning per share has been computed as under :		As at 31st March, 2011	As at 31st March, 2010
a	Profit after Taxation	3,70,05,682	2,14,00,150
b	Total Ordinary shares		
	Number of Ordinary Shares	32,07,114	32,07,114
c	Earning per Share (Face value Rs. 10/- per share)	11.54	6.67
	(Basic and diluted)		

- 10 The company has accounted for Deferred Tax in accordance with the Accounting Standards-22 "Accounting for Taxes on Income". This has resulted in a Deferred Tax Asset (Net) amounting to Rs.1,12,66,364/- as at the year end. Deferred Tax for the Current Year amounting to Rs.3,08,534/- has been recognized in the Profit and Loss Account under 'provision for Taxation'.

Major components of such deferred tax asset and liability as at 31st March, 2011 on account of timing differences are:

Particulars:	As at 31st March, 2011		As at 31st March, 2010	
	DTA	DTL	DTA	DTL
Depreciation		1,23,23,222		1,26,65,844
Provision for diminution in value of Investments	32,445		2,44,754	
Disallowances under Income Tax Act.	10,24,413		8,46,192	
Sub Total	10,56,858	1,23,23,222	10,90,946	1,26,65,844
Deferred Tax Liabilities (Net)		1,12,66,364		1,15,74,898

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

11. Information required under Schedule VI of the Companies Act, 1956 as certified by Management.

A. Raw Materials Consumed :

			For the Year ended 31st March, 2011		For the Year ended 31st March, 2010	
			Quantity	Amount	Quantity	Amount
		Unit		Rs.		Rs.
(i)	Basic Raw Materials					
	Para Chloro Aniline	M.T.	174.142	1,74,47,647	99.346	71,96,605
	3:4 Dichloro PI	M.T.	62.673	1,23,97,824	16.515	35,42,170
	Diethyl Amine (D.E.A.)	M.T.	50.269	45,71,220	79.316	68,01,801
	Chlorine Gas	M.T.	754.406	55,92,607	635.508	21,22,159
	Mercury Chloride 98%	M.T.	5.300	94,06,666	4.947	51,10,920
	Calcined Petroleum Coke	M.T.	131.656	30,01,083	124.655	31,21,168
	3:4 Dichloro Aniline	M.T.	93.256	1,14,40,205	100.215	1,10,89,856
	Trans-4-Methyl Cyclonhexyl Amine HCl	M.T.	2.918	1,37,43,726	2.024	1,20,47,572
	Beta Phenyl Ethyl Amine (2 P.E.A.)	M.T.	16.001	37,18,840	6.000	15,52,942
	Methyl Chloroformate	M.T.	67.260	64,19,918	1.500	151,824
	Acetamide	M.T.	-	-	6.784	856,304
	Benzyl Alcohol IP	M.T.	39.851	43,59,428	1.872	203,570
(ii)	Other items which in value individually account for less than 10% of the total value of Raw Materials consumed.			2,19,55,225		2,07,95,281
		Total		11,40,54,389		7,45,92,171

B. Licensed and Installed Capacities, Actual Production, Opening and Closing Stock of Finished Products. (Figures in brackets are of Previous Year).

Sr. No.	Particulars	Unit	Licensed Capacity	Annual Installed Capacity	Actual Production (Gross)	Opening Stock of Goods Produced		Closing Stock of Finished Goods	
			Qty.	Qty.	Qty.	Qty.	Rs.	Qty.	Rs.
1	Trans 4 Methyl Cyclohexyl Isocyanate	M.T.	-	-	2.233	-	-	-	-
			(-)	(-)	(1.704)	(-)	(-)	-	-
2	D.E.C.C.	M.T.	60	60	86.210	-	-	-	-
			(60)	(60)	(133.914)	(-)	(-)	-	-
3	Phosgene Gas	Cu.M.	1,600	1,600	947.325	-	-	-	-
			(1,600)	(1,600)	(870.190)	(-)	(-)	(-)	(-)
4	Trichloro Carbanilide	M.T.	366	366	257.850	-	-	7.000	19,53,104
			(366)	(366)	(222.781)	(5.500)	(16,28,006)	-	-

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

C. Turnover (Figures in bracket are of previous year):

Sr No.	Particulars	Captive Consumption M.T.	Quantity Sold * M.T.	Value of Sales Rs.
1	Trans 4 Methyl Cyclohexyl Isocyanate	-	2.233	1,63,45,250
		(-)	(1.704)	(1,64,12,300)
2	D.E.C.C.	-	86.210	1,74,91,703
		(-)	(133.914)	(2,70,84,144)
3	Phosgene Gas	473.165	474.160	1,89,66,400
		(415.345)	(454.845)	(1,81,93,800)
4	Trichloro Carbanilide	-	256.350	6,88,67,861
		(-)	(222.781)	(6,24,15,092)
5	Speciality Chemicals			18,67,26,304
				(13,70,46,660)
*sales qty. net of returns			Total :	30,83,97,518
				(26,11,51,996)

D.	Value of imports calculated on C.I.F. basis made by the Company during the year	2010-2011	2009-2010
(i)	Raw Materials	1,08,79,481	1,96,798
(ii)	Capital goods	-	14,60,985
E.	Expenditure in foreign currency :		
(i)	Foreign Traveling expenses	3,00,393	2,39,644
(ii)	Subscription, Publicity & Others	20,93,664	2,93,749
F.	Value of imported raw materials, spare parts, Components and packing materials consumed during the year.	1,08,79,481	1,96,798
	Value of indigenous raw materials, spare parts, Components and packing materials consumed during the year	11,78,41,947	8,84,60,890
	Percentage to total consumption :		
(a)	Imported raw materials, spare parts, components and packing materials consumed.	8.45%	0.22%
(b)	Indigenous raw materials, spare parts, components and packing materials consumed.	91.55%	99.78%
G.	Earnings in Foreign Exchange (On accrual basis)		
	Export Sales (On FOB Basis)	8,81,71,670	8,19,28,308

12. Previous year's figures have been regrouped / re-arranged wherever necessary, to make them comparable with current year figures.

As per our report of even date
For **J.R.S. Patel & Co.**
Chartered Accountants

Kalpesh Parmar
Partner
M. No. 103887

Chirag K. Shukla
Company Secretary

Chirayu R. Amin

CHAIRMAN

Malika C. Amin
Udit C. Amin
A. M. Goradia
Santosh Jejurkar

DIRECTORS

Vadodara, 3rd May, 2011

Vadodara, 3rd May, 2011

PAUSHAK LIMITED

STATEMENT OF CASH FLOW PREPARED PURSUANT TO THE LISTING AGREEMENT WITH STOCK EXCHANGES FOR THE YEAR ENDED ON 31st MARCH, 2011

Particulars	2010-2011 Rs.	2009-2010 Rs.
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit / (Loss) before tax and extraordinary items	4,83,17,148	3,07,55,434
Adjustments for:		
1 Depreciation	1,55,55,533	1,44,94,700
2 Provision for leave encashment	3,48,183	3,65,487
3 Interest expenses	41,02,780	69,83,175
4 Interest Income	(2,38,005)	(4,84,406)
5 Dividend Income	(73,64,061)	(3,75,509)
6 Profit on sale of Investments (Net)	(62,000)	(1,01,465)
Operating profit before change in working capital	6,06,59,578	5,16,37,416
Changes in:		
1 Inventories	(1,09,16,246)	1,13,81,976
2 Trade Receivables	(5,41,880)	(42,20,505)
3 Loans & Advances	4,71,383	42,24,238
4 Trade Payable and other liabilities	(2,35,85,267)	(3,48,76,508)
Cash generated from operations	2,60,87,568	2,81,46,617
1. Income Tax Paid	(1,22,57,798)	(40,89,839)
NET CASH INFLOW FROM OPERATING ACTIVITIES	A 13,829,770	24,056,778
B CASH FLOW FROM INVESTING ACTIVITIES :		
1 Purchase of Fixed Assets	(1,07,11,742)	(1,20,81,205)
2 Sale of Investments	62,000	1,08,500
3 Interest received	2,38,005	4,84,406
4 Dividend Received	73,64,061	3,75,509
NET CASH UTILISED IN INVESTING ACTIVITIES	B (30,47,676)	(1,11,12,790)

STATEMENT OF CASH FLOW PREPARED PURSUANT TO THE LISTING AGREEMENT WITH STOCK EXCHANGES FOR THE YEAR ENDED ON 31st MARCH, 2011

Particulars	2010-2011 Rs.	2009-2010 Rs.
C CASH FLOW FROM FINANCIAL ACTIVITIES :		
1 Proceeds/ (Repayment) from borrowings (Net)	11,48,594	11,32,836
2 Interest Paid	(41,02,780)	(69,83,175)
3 Dividend Paid	(60,23,072)	(60,55,210)
4 Corporate Dividend Tax	(10,65,403)	(10,90,098)
NET CASH UTILISED IN FINANCIAL ACTIVITIES	C	
	(1,00,42,661)	(1,29,95,647)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C)	
	7,39,433	(51,659)
Cash & Cash equivalents as at 31-03-2010	4,79,483	5,31,142
Cash & Cash equivalents as at 31-03-2011	12,18,916	4,79,483
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	7,39,433	(51,659)

As per our report of even date
For J.R.S. Patel & Co.
Chartered Accountants

Kalpesh Parmar
Partner
M. No. 103887

Chirag K. Shukla
Company Secretary

Chirayu R. Amin

CHAIRMAN

**Malika C. Amin
Udit C. Amin
A. M. Goradia
Santosh Jejurkar**

DIRECTORS

Vadodara, 3rd May, 2011

Vadodara, 3rd May, 2011

PAUSHAK LIMITED

ADDITIONAL INFORMATION PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956

Particulars	2010-2011 Rs.	2009-2010 Rs.
Balance Sheet abstract and Company's general business profile:		
1. Registration Details:		
Registration No. : L51909GJ1972PLC044638		
State Code No. : 04		
Balance Sheet date : 31-03-2011		
2. Capital raised during the year :		
Public Issue	-	-
Right Issue	-	-
Bonus Issue	-	-
Private Placement	-	-
3. Position of Mobilization and Deployment of Funds:		
Total Liability	36,59,29,699	35,90,47,314
Total Assets	36,59,29,699	35,90,47,314
Paid up Capital	3,20,71,140	3,20,71,140
Reserves & Surplus	25,38,96,792	22,43,21,191
Secured Loan	2,20,62,526	2,09,13,932
Unsecured Loan	-	-
Net Fixed Assets	11,33,85,257	11,01,50,420
Investments	13,87,86,471	13,87,86,471
Net Current Assets	6,59,52,198	3,06,92,746
Accumulated Losses	Nil	Nil
4. Performance of Company :		
Turnover and Export Incentives	31,09,17,204	26,35,80,999
Total Expenditure	25,96,17,542	22,81,22,399
Profit before tax	4,83,17,148	3,07,55,434
Profit after tax	3,70,05,682	2,14,00,150
Earning per share	11.54	6.67
Dividend Rate %	20%	20%
5. Generic names of principal Products / Services of Company		
Item Code No. (ITC CODE)	Product Description	
2924.00	TRICHLOROCARBANILIDE	
2812.00	PHOSGENE GAS	
2929.00	2-PHENYL ETHYL ISOCYANATE	

Chirayu R. Amin CHAIRMAN

Malika C. Amin
Udit C. Amin
A. M. Goradia
Santosh Jejurkar } DIRECTORS

Vadodara, 3rd May, 2011

PAUSHAK LIMITED

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Place

For Physical Holding	For Electronic Form (Demat) NSDL/CDSL	
LF No.	DP ID	CLIENT ID
No. of Shares :		

I hereby record my presence at the ANNUAL GENERAL MEETING at "Sanskriti", Alembic Corporate Conference Center, Alembic Colony, Vadodara - 390 003 on Tuesday, the 30th August, 2011 at 4.30 p.m.

NAME OF THE MEMBER/JOINT MEMBER(S) (IN BLOCK CAPITALS)
SIGNATURE OF THE MEMBER/JOINT MEMBER(S)/PROXY

- Notes :
1. Shareholder / Proxy-holder must bring the Attendance slip to the meeting and hand it over duly signed at the entrance of the meeting place.
 2. Joint Shareholders may obtain additional Attendance Slip/s by prior intimation to Office.
 3. Please strike off whichever is not applicable.

PAUSHAK LIMITED

Regd. Office : Alembic Road, Vadodara - 390 003.

PROXY FORM

For Physical Holding	For Electronic Form (Demat) NSDL/CDSL	
LF No.	DP ID	CLIENT ID
No. of Shares :		

I/We.....
 of.....being Member(s) of
 PAUSHAK LIMITED hereby appoint.....of.....
 or failing himof as my / our
 proxy to attend and vote for me / us and on my / our behalf at the Annual General Meeting of
 the Company to be held on Tuesday, the 30th August, 2011 and at any adjournment thereof.

Signed this.....day of.....2011.

Signature

1 Rupee Revenue Stamp

- Notes :
1. Proxy form must reach the Company's Registered office not less than 48 hours before the Meeting.
 2. The form should be signed across the stamp as per specimen signature registered with the Company.
 3. A Proxy need not be a member.

Book-Post

If undelivered please return to :
P A U S H A K L I M I T E D
Alembic Road, Vadodara 390 003.