
ADVANCE PETROCHEMICALS LTD.

NOTICE

NOTICE is hereby given that 25th Annual General Meeting of the Members of Advance Petrochemicals Limited will be held on Thursday, the 30th day of September, 2010 at the Advance Synthetic Mills, Opp.Simla Hotel, Narol Char Rasta, Ahmedabad - 382 405 at 11.00 A.M. to transact the following business

ORDINARY BUSINESS :

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31st March, 2010 and Profit & Loss Account for the year ended on that date and the Report of the Director's and Auditor's thereon.
2. To appoint a Director in place of Mr. Shailesh Singh Rajput, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditor's and fix their remuneration and in this connection to pass with or without modification, the following resolution as an ORDINARY RESOLUTION :

"RESOLVED THAT M/s.Pipara & Co., Chartered Accountant, Ahmedabad be and are hereby appointed as Statutory Auditor of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration as may be decided by the Board of Directors of the Company in conclusion with the aforesaid firm of Auditors."

**By order of the Board
For Advance Petrochemicals Ltd.**

Registered Office :
36, Kothari Market,
Ahmedabad - 380 022
Date : 03/09/2010

(Ashok Goenka)
Chairman & Managing Director

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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/ HERSELF. A PROXY IN ORDER TO BE VALID NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM DULY FILLED IN AND SIGNED SHOULD BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE START OF THE MEETING.

1. Register of Member and Share Transfer Book of the company will remain closed from Monday, the 27th day of September, 2010 to Thursday, the 30th day of September, 2010.
2. Members/proxies should bring their attendance slips duly filled in for attending the meeting.
3. Members who have not encashed their dividend warrants pertaining to earlier years may approach the share department of the company for revalidating the warrants and for obtaining the duplicate warrants.
4. Members are requested to intimate the change in their address, if any, to the Registered office of the company writing their folio no.
5. Members holding shares in more than one folio in identical order of names are requested to write to the registered office of the company enclosing their share certificates to enable us to consolidate their holdings in one folio, to facilitate better service.
6. Members who have not forwarded earlier the details of their bank account number and the name and address of the bank are requested again to send the same.
7. Shareholders seeking any information on account or operations are requested to write to the company at an early date so as to enable the management to keep the information ready.

**By order of the Board
For Advance Petrochemicals Ltd.**

Registered Office :
36, Kothari Market,
Ahmedabad - 380 022
Date : 03/09/2010

(Ashok Goenka)
Chairman & Managing Director

DIRECTOR'S REPORT

To,

The Members,

Your Directors have pleasure in presenting the 25th Annual Report along with the Audited Account of the company for the period ended 31st March, 2010.

FINANCIAL RESULTS :

| | (Rs.in Lacs) | |
|--|---------------------|------------------|
| | 2009-2010 | 2008-2009 |
| Gross Income | 664.08 | 440.19 |
| Profit before interest, depreciation and tax | 40.49 | (6.46) |
| Profit before depreciation and tax | 27.12 | (16.92) |
| Depreciation | 13.70 | 5.85 |
| Profit before tax | 13.42 | (23.26) |
| Profit after tax | 13.10 | (23.26) |
| Add : Surplus as per last account | (25.03) | (0.54) |
| Surplus available for appropriation | (12.71) | (25.03) |
| Appropriations : | | |
| Proposed Dividend | Nil | Nil |
| Transferred to General Reserve | Nil | Nil |
| Surplus Carried to next year | (12.71) | (25.03) |

DIVIDEND

Due to inadequacy of profit available for appropriation during the year under review, your Directors express their inability to recommend any dividend for the year ended 31st March, 2010.

OPERATION

During the year under review your company have registered a sales turn over of Rs.664.08 lacks in comparison to the figure of Rs.440.19 lacks of the previous year. As a result of increase in sales turnover, net profit after tax has also increased to Rs.13.10 lacs as compared to Rs.(23.26) Lacs of the previous year.

PUBLIC DEPOSITS

The company has not accepted any deposits from the public during the year review and therefore the provisions of the companies Act, 1956 read with companies (acceptance of deposit) rules,1975 are applicable to the company.

INSURANCE

All the properties of your company have been adequately insured against fire, floods, riots, earthquake, malicious damage and explosion risks.

AUDITOR'S REPORT

All the items on which comments have been made by the auditors in their report to the shareholders are self explanatory as explained by way of notes to the accounts under schedule 12 to the Balance Sheet and Profit & Loss Accounts.

AUDITORS

M/s.Pipara & Company, Chartered Accountants, Ahmedabad retire at the forthcoming Annual General Meeting and have confirmed their eligibility and willingness to accept the office, if re-appointed. Company under the Section 224(1B) of the Companies Act, 1956 certify their eligibility.

DIRECTOR'S RESPONSIBILITY STATEMENT AS PER SECTION 217 (2AA) OF THE COMPANIES ACT,1956

Pursuant to section 217 (2AA) of the companies Act,1956, the preparation of the Directors confirm that :

- i) In the preparation of the annual account, the applicable accounting standards had been followed ;
- ii) Appropriate accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and the profit and loss account for the current financial year.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in and for preventing and detecting fraud and other irregularities;
- iv) The Annual Account have been prepared on a going concern basis.

ISO 9001

Your Directors have pleasure informing you that the company has ISO-9001 certification from the world renowned institution for its Chemical Division. Now your company enjoy coveted and prestigious ISO 9001 Status.

Company has successfully met all the stringent and rigorous revaluation and surveillance measures of UKAS Quality Management.

EMPLOYEES

There are no employees drawing salary of Rs.2,00,000/-p.m. and/or Rs.24,00,000/-p.a. and therefore particulars u/s.217 (2A) of the companies Act,1956 read with companies (particulars of employees) rules, are not required to be given.

DIRECTORS

As per the provisions of Section 256 of the companies Act,1956 read with Article 144 of the Articles of Association of the Company, Mr. Arvind Goenka, retire by rotation at the forth coming Annual General Meeting, being eligible offers himself for re-appointment.

REMUNERATION COMMITTEE

The company has set up remuneration committee. This committee comprises of three non executive independent Directors. The name of members as follows.

1. Shri Shailesh Singh Rajput : Chairman
2. Shri Gaurav Mittal : Member
3. Shri Omprakash Jalan : Member

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This committee reviews and makes recommendations on annual salaries, performance commission, perquisites and other employment conditions of Executive Director(s)

LISTING OF SHARES

The Equity shares of the company are listed on the following Stock Exchange :

| Name | Address |
|-------------------------------|--|
| Bombay Stock Exchange Limited | Phirozee JeeJee Bhoy Towers Dalal Street, Mumbai - 400 001. |

Company has paid annual listing fees for the year 2010-2011.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGOINGS

Our industry is not a heavy consumer of energy, further during the year under review, the company made efforts to conserve energy through reduction consumption, the company will continue to endeavor of conserve energy and use it more efficiently.

| | 2009-2010 | 2008-2009 |
|---------------------------|-----------|-----------|
| Electricity Purchase Unit | 383175 | 69734 |
| Total Amount (Rupees) | 2405062 | 691852 |
| Rate Unit (Rs.) | 6.28 | 9.92 |

The Company is having research & development facilities. The process of development is a continuous process resulting in development of new & import substitute products.

Company is taking all appropriate measures to observe the Technology in its area of operation. There has been no foreign exchange outgo in the current year. Company has earned Rs. 4,30,879/-. In foreign currency during the year.

PERSONAL

Your company has been maintaining a very cordial and satisfactory relationship with its employees and your Directors wish to place on record their deep sense of appreciation for the devoted service of the executives, staff and workers of the company.

COMPLIANCE CERTIFICATE

Compliance Certificate pursuant to Section 383A (1) of the Companies Act, 1956, received from a Practising Company Secretary is attached herewith and forms the part of this report.

APPRECIATION

The Board wishes to express its sincere appreciation to all the staff member for the contribution to the performance of the company and to our valued clients, bankers, financial institutions and shareholders for the continued support and the same is expected in years to come.

For and on behalf of the Board
For ADVANCE PETROCHEMICALS LTD.

Place : Ahmedabad
Date : 03.09.2010

(Ashok Goenka)
Chairman & Managing Director

COMPLIANCE CERTIFICATE

Company No.:04:8013

Nominal Capital :Rs.200 Lacs.

To,

The Members

Advance Petrochemicals Limited

I have examined the registers, records, books and papers of M/s Advance Petrochemicals Limited as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Associations of the Company for the financial year ended on 31st March, 2010. In My opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year :

1. the Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. the Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. the Company is a Public limited company and having the paid up capital exceeding minimum capital under the Act. The other comments are not required.
4. the Board of Directors duly met 7 times on 30/04/2009, 30/07/2009, 17/08/2009, 02/09/2009, 30/10/2009, 15/01/2010 and 31/01/2010 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. the Company has closed its Register of Members during the year in accordance with the provisions of Section 154 of the Act.
6. the annual general meeting for the financial year ended on 31/03/2009 was held on 30/09/2009 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General meeting was held during the year.
8. the company has not advanced loan to its parties as referred in Section 295 of the Companies Act, 1956.
9. The company has entered into Contract falling within the purview of Section 297 of the Act during the year under review.
10. the company is in the process of making entries in the register maintained under Section 301 of the Act.

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11. As there were no instances falling within purview of Section 314 of the Act, the company has not obtained any approval from the Board of Directors, Members and Central Government.
12. the Board of Directors or committee of Directors has not approved the issue of duplicate share certificates.
13. the Company has
 - (i) not made allotment of securities during the year. The Company has delivered all the certificates on lodgment thereof for transfer/ transmission within the time prescribed under the provisions of the Act barring few exception of delayed transfer.
 - (ii) not deposited the amount of dividend since it has not declared the dividend during the year
 - (iii) not paid/posted warrants for dividends to all the members and deposited unpaid dividend as required under the Act as it has not declared any dividend during the year
 - (iv) no transfer of the amounts on account of application money due for refund, matured deposits, matured debenture and the interest accrued thereon which have remained unclaimed or unpaid for a period of 7 years to Investor Education and Protection Fund was involved.
 - (v) duly complied with the requirement of Section 217 of the Act, to the extent applicable to it.
14. the Board of Directors of the company is duly constituted and appointment of directors has been duly made.
15. During the year, the company has appointed Managing Director/ whole time director/ executive director in accordance with the provisions of Schedule XIII to the Companies Act, 1956.
16. the Company has not appointed sole selling agent.
17. there were no transactions requiring the company to obtain approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.
18. the directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under
19. the company has not issued any Shares/ debentures or other securities during the financial year.
20. the company has not bought back any shares during the year under scrutiny.

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21. the company has not redeemed any preference shares/debentures during the year.
22. there were no instances requiring the company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not accepted any deposits from the public and therefore the provisions of sections 58A, 58AA of the Companies Act, 1956 and the rules framed there under are not applicable.
24. the company has borrowed moneys in accordance with the provisions of section 293 (1) (d) of the Act.
25. during the year the company has not advanced any loans. However the company has not made investment, and has not given any guarantees or provided any security to other bodies corporate.
26. the company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. the company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. the company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. the company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
30. the company has not altered its articles of association during the year under review.
31. as informed to me by the Management that no prosecution has been initiated against or show cause notices received by the company for alleged offences under the Act and also the fines and penalties or any other punishment imposed on the company.
32. the company has not received any sum as security as referred to in Section 417 (1) of the Act, from its employees during the year under certification.
33. the company has not created any fund referred to Section 418 of the Companies Act, 1956 and hence said Section is not applicable to the company.

Signature :

Name of Company Secy.: Bipin L. Makwana
C.P. No.: 5265

Place: Ahmedabad

Date : 03.09.2010

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Annexure 'A'

Registers as maintained by the Company

1. Register of Members u/s 150
2. Register of Directors u/s 303
3. Register of Directors' Shareholdings u/s 307.
4. Register of Contracts u/s 301.
5. Register Of Share Transfers.
6. Register Of Charges.

Annexure 'B'

Forms and returns as filed by the company with the Registrar of Companies during the financial year.

| Sl. No. | Nature of Document. | Date of Filing | Filed within <input checked="" type="checkbox"/> prescribed time. | Not filed within prescribed time but filed with additional fees. |
|---------|---|----------------|---|--|
| 01 | Form No.66 (Compliance Certificate for the year 31/3/2009 U/s 383A (1)) | 29/10/2009 | Yes | — |
| 02 | Form No.23AC and Form No.23ACA (Balance Sheet, P& L A/c as at 31/3/2009 filed u/s 220 of the Act) | 30/10/2009 | Yes | — |
| 03 | Form No.20B (Annual Return made upto 30.09.2009 filed u/s 163 of the Act) | 26/11/2009 | Yes | — |
| 04 | Form No.8 for modification of charge filed u/s 135 of the Act. | 15/02/2010 | Yes | — |

The Company has not filed any document with Company Law Board, Regional Director, Central Government during the year under review.

AUDITOR'S REPORT

To,
The Members of
Advance Petrochemicals Limited
Ahmedabad.

1. We have audited the attached Balance Sheet of Advance Petrochemicals Limited as at 31st March 2010, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date both 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 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 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 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 purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;