



**BLUE BLENDS
PETROCHEMICALS
LIMITED**

Report  junction.com

***17th
Annual Report
2005-2006***

BLUE BLENDS PETROCHEMICALS LTD.

BOARD OF DIRECTORS : Shri R. P. Sharma - Whole Time Director

Shri Suraj Dugar - Director

Shri Ganeshmal Surana - Director

Shri Janardan Joshi - Director

AUDITORS : P.C.Surana & Co.
(Chartered Accountants)

SOLICITORS : Malvi Ranchhoddas & Co.

BANKERS : Canara Bank

REGISTERED OFFICE : Plot No.806-807,
& PLANT G.I.D.C., Vapi, Gujarat.

SECRETARIAL DIVISION : JBF House, 2nd Floor,
Old Post Office Lane,
Kalbadevi Road,
Mumbai – 400 002
Ph. No.2208 8736

ANNUAL GENERAL MEETING

On Friday the 29th, September 2006
at 10.00 a.m. at Plot No.806-807,
G.I.D.C., Vapi, Gujarat.



Blue Blends Petrochemicals Ltd.

NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members of BLUE BLENDS PETROCHEMICALS LIMITED will be held on Friday the 29th September, 2006 at 10.00 a.m. at Plot No.806, G.I.D.C., Vapi, Gujarat to transact the following business:

ORDINARY BUSINESS :

- To consider and adopt the Balance Sheet as at 31st March, 2006 and Profit & Loss Account of the Company for the year ended on that date together with reports of the Board of Directors and Auditors' thereon.
- To appoint a Director in place of Mr. Ganeshmal Surana who retires by rotation and being eligible offers himself for re-appointment.
- To appoint auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and fix their remuneration.

SPECIAL BUSINESS :

- To consider and if thought fit, to pass the following resolution with or without modification(s), as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Section 198, 269 and 309 read with schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, the Company accords its approval, for appointment of Mr. Ramprakash Sharma as a Whole-time Director of the company for a period of five years with effect from 29.10.2005 in terms of resolution passed by the board of directors of the Company."
"FURTHER RESOLVED THAT Mr. Ramprakash Sharma as a Whole-time Director, shall not be entitled to any remuneration."
- To consider and if thought fit, to pass the following resolution with or without modification(s), as an Ordinary Resolution:
"RESOLVED THAT Shri Suraj Dugar who was appointed as an Additional Director of the Company on 29.10.2005 and whose term of office expires on the conclusion of this Annual General Meeting and in respect of whom the Company has received notice from some shareholder under section 257 of the Companies Act, 1956 expressing his intention to move necessary resolution for his appointment as a Director of the Company, be and is hereby appointed a Director of the Company."
- To consider and if thought fit, to pass the following resolution with or without modification(s), as an Ordinary Resolution:
"RESOLVED THAT Mr. Janardan Joshi who was appointed as an Additional Director of the Company on 29.10.2005 and whose term of office expires on the conclusion of this Annual General Meeting and in respect of whom the Company has received notice from some shareholder under section 257 of the Companies Act, 1956 expressing his intention to move necessary resolution for his appointment as a Director of the Company, be and is hereby appointed a Director of the Company."
- To consider and if thought fit, to pass the following resolution with or without modification(s), as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 100 to 104 and other applicable provisions of the Companies Act 1956, provisions contained in Article 50 and other applicable provisions contained in the Memorandum and Articles of Association of the Company and subject to confirmation by the competent court, the consent and approval of the company be and is hereby accorded to reduce the issued and paid-up capital of the company by way of sub-division of the face value of existing 1,91,80,000 (one crore ninety one Lacs Eighty thousand) issued and paid up equity shares of Rupees 10/- (Rupees Ten) each aggregating to Rupees 19,18,00,000/- (Nineteen crores eighteen Lacs) into 1,91,80,000 (one crore ninety one Lacs Eighty thousand) equity shares of Rupees 2/- (Rupees two) each aggregating to Rupees 3,83,60,000/- (Rupees three crores eighty three Lacs Sixty Thousand) and accordingly the face value to the extent of Rupees 8/- of every issued and paid up Equity Share shall stand as reduced and cancelled.
"FURTHER RESOLVED THAT the reduction in the capital of the Company aggregating to Rupees 15,34,40,000/- in terms of this resolution as aforesaid be adjusted against and to the extent of debit balance in the Profit & Loss Account of the Company for the year ended 31st March 2006."
"FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to fix, at appropriate time, a record date for the purpose of determining the names of the registered shareholders eligible to receive new share certificates.
"FURTHER RESOLVED THAT upon confirmation of these resolutions and receipt of written order issued by the competent court confirming the reduction of capital as aforesaid, the existing Clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Company shall be substituted by the following:
Clause V : The Authorized Share Capital of the Company is Rupees 20,00,00,000/- (Rupees twenty crores) divided into 10,00,00,000 (Ten crores) equity shares of Rupees 2/- (Rupees two) each with power to increase the capital from time to time and divide the shares of the original or any increased capital into several classes and to

attach thereto respectively such preferential, qualified or special rights, privileges or conditions as regards capital, dividends, voting or otherwise as the regulations of the Company as originally framed or as altered by Special Resolution shall for the time being prescribe and determine.

Article 3 : The Authorized Share Capital of the Company is Rupees 20,00,00,000/- (Rupees twenty crores) divided into 10,00,00,000 (ten crores) equity shares of Rupees 2/- (Rupees two) each with power for the company to sub-divide, consolidate and increase or reduce the said capital and to divide the shares in the capital of the company for the time being into Equity Share capital and Preference Share Capital and to issue any part of its original or increased capital or with or without any Preference, priority or special privileges and conditions as may be determined by or in accordance with the Articles of Association of the Company and vary, modify or abrogate any such rights privileges and conditions in such manner or by law."

"FURTHER RESOLVED THAT for the purpose of giving effect to this resolution the Board of Directors of the Company (which term shall be deemed to include any authorized committee thereof for the time being exercising the power conferred on the Board by this resolution) be and is hereby authorized to do all such acts, deeds and things which the Board may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle any difficulty that may arise with regard to any issue arising from this resolution and to accept such modification in the terms and conditions of reduction of capital which may be required or directed by the Competent court to implement this resolution."

By order of the Board of Directors

Place : Mumbai
Date : 29th June, 2006

R. P. SHARMA
Whole - Time Director

Registered Office :
Plot No.806, G.I.D.C. Vapi, Gujarat

NOTES

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER.
- The Proxies in order to be valid must reach the Secretarial Department of the Company not less than 48 hours before the meeting.
- The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday the 26th day of September, 2006 to Friday, the 29th day of September, 2006 (both days inclusive) for the purpose of Annual General Meeting.
- Members are requested to notify the change of address, if any, to the company.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No.4

Mr. Ramprakash Sharma, was appointed as a Whole-time Director by the Board of Directors of the Company effective from 29.10.2005. He shall not be paid any remuneration in his capacity as a Whole time Director of the Company. The Board considers that it would be in the interest of the Company to have Mr. Ramprakash Sharma on the Board of Directors of the Company and recommend the resolutions at item No. 4. None of the Directors, except Mr. R.P. Sharma, is concerned or interested in the resolution.

Item No.5

Mr. Suraj Dugar was appointed as an Additional Director of the Company with effect from 29.10.2005. He holds office of Director up to the conclusion of forthcoming Annual General Meeting and is eligible for reappointment. The Company has received a notice in writing under section 257 of the Companies Act, 1956 with requisite security deposit from some shareholder expressing his intention to move a resolution for appointing Mr. Suraj Dugar as a Director of the Company. The Board considers that it would be in the interest of the Company to have Mr. Suraj Dugar on the Board of Directors of the Company and recommend the resolutions at item No. 5. None of the Directors, except Mr. Suraj Dugar is concerned or interested in the resolution.

Item No.6

Mr. Janardan Joshi was appointed as an Additional Director of the Company with effect from 29.10.2005. He holds office of Director up to the conclusion of forthcoming Annual General Meeting and is eligible for reappointment. The Company has received a notice in writing under section 257 of the Companies Act, 1956 with requisite security deposit from some shareholder expressing his intention to move a resolution for appointing Mr. Janardan Joshi as a Director of the Company.

The Board considers that it would be in the interest of the Company to have Mr. Janardan Joshi on the Board of Directors of the Company and recommend the resolutions at item No. 6. None of the Directors, except Mr. Janardan Joshi, is concerned or interested in the resolution.

Details of the Directors seeking appointment/reappointment at the forthcoming Annual General Meeting. (In pursuance of Clause 49VIA) of the Listing Agreement)

Name of Director	Mr. Ganeshmal Surana	Mr. Ramprakash Sharma	Mr. Suraj Dugar	Mr. Janardan Joshi
Date of Birth	20.04.1959	01.07.1962	07.05.1959	30.01.1960
Date of Appointment	11.10.2004	11.10.2004	29.10.2005	29.10.2005
Expertise in specific functional areas	Financial and Management Accounting	Commercial and Accounting	Marketing and Finance	Accounting
Qualifications C.S. Final Exam. (1st Group)	B.Com., F.C.A.,	S.S.C.	B. Com	M.Com., P.G. Diploma in Business Administration, Diploma in Material Management.
List of other public limited Companies in which Directorship held.	Premier Synthetics Ltd. Premier Equity Ltd.	Blue Blends Stocks & Securities Ltd.	Blue Blends (India) Ltd.	Blue Blends Finance Ltd.
Chairman / Member of the Committees of the Board of the Companies in which he / she is a Director	Premier Synthetics Ltd. Audit Committee-Chairman & Member Remuneration Committee-Member Shareholding Committee-Member	---	---	Blue Blends Finance Ltd. Audit Committee-Chairman & Member Remuneration Committee-Member Shareholders Committee-Member

Item No.7

The capital of the company has been substantially eroded due to loss amounting to Rs.15.02 crores as appearing in the Profit & Loss Account of the Company for the year ended 31st March, 2006. In view of the above, the Board of Directors of the Company at its meeting held on 29.06.2006 decided to reduce the paid-up capital of the Company not represented by corresponding assets. Accordingly, resolution at item No.7 envisages reduction and sub-division in the face value of the existing 1,91,80,000 (One Crore Ninety One Lacs Eighty Thousand) equity shares of Rupees 10/- (Rupees Ten) each aggregating to Rupees 19,18,00,000/- (Nineteen Crores Eighteen Lacs) into 1,91,80,000 (One Crore Ninety One Lacs Eighty Thousand) equity shares of Rupees 2/- (Rupees two) each aggregating to Rupees 3,83,60,000/- (Rupees Three Crores Eighty Three Lacs Sixty Thousand) which is subject to confirmation from the competent court. As a result, the paid-up capital of the Company shall be reduced by Rs.15,34,40,000/- which shall be adjusted against the debit balance of Profit and Loss Account for the year ended 31st March 2006. Upon confirmation of the resolution at item No. 7 by competent court, the Authorized capital shall stand altered as envisaged in the resolution.

The Board of Directors recommends the resolution.

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

For Blue Blends Petrochemicals Ltd.

Place : Mumbai
Date : 29th June, 2006

R.P.Sharma
Whole-time Director



Blue Blends Petrochemicals Ltd.

DIRECTORS' REPORT

To the members,

The Directors present herewith 17th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2006.

FINANCIAL RESULTS :

	2005-2006 Rs.	2004-2005 Rs.
Gross Revenue (Including sundry trade liabilities written back)	11,018,785.00	17,537.00
Loss Before Additional Depreciation	(1,31,35,923.00)	4,11,688.00
Add : Additional Depreciation	75,369,874.00	-
Loss Before Tax	88,505,797.00	4,11,688.00
Less : Provision for Tax	-	-
Net Loss after Tax	88,505,797.00	4,11,688.00
Add : Loss brought forward from previous year	6,59,09,073.00	6,54,97,385.00
Balance carried forward	15,02,14,870.00	6,59,09,073.00

DIVIDEND

In view of loss, the Board of Directors does not recommend any dividend on Equity Shares for the year 2005-2006.

OPERATIONS

During the year under review, the company did not carry on manufacturing or other business activities. The plant and machinery, electric installations and lab equipments have ceased to be operative. During the year under review the Company has registered net loss after tax of Rs.8.85 crores as against Rs.0.04 crores in the previous year due to additional depreciation on inoperative assets and loss on sale of investments.

The accumulated losses of the Company are recorded at Rs.15.02 crores as against Rs.6.59 crores in the previous year. In view of the losses, the Board of Directors of the Company has decided to reduce the issued and paid-up capital of the Company by way of sub-division of existing 1,91,80,000 issued and paid up Equity Shares of Rs.10/- each aggregating to Rs.19,18,00,000/- into 1,91,80,000 Equity Shares of Rs.2/- each aggregating to Rs.3,83,60,000/-. The notice convening the Annual General Meeting contains necessary resolution for reduction in the capital of the Company which is subject to confirmation from the competent court.

CURRENT YEAR

In the current year also the Company has not carried on any manufacturing activities.

FIXED DEPOSITS

Your Company has neither invited nor accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 and Rules made thereunder.

PERSONNEL

There was no employee drawing Rs.2,00,000/- or more per month as salary during the year and therefore information as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not given.

DIRECTORS

Mr.Ganeshmal Surana retires by rotation and being eligible, offers himself for reappointment. Mr.Ganeshmal Surana had resigned from the office of Whole time Director of the Company while continuing as a Director of the Company with effect from 29.10.2005. Mr.Suraj Dugar and Mr.Janardan Joshi were appointed as Additional Directors of the Company on 29.10.2005 and they hold the office as such directors up to the conclusion of the ensuing Annual General Meeting. The Company has received notices in writing with requisite security deposit under Section 257 of the Companies Act, 1956 from some shareholders proposing the candidature of Mr.Suraj Dugar and Mr.Janardan Joshi as directors of the Company. The Resolutions for appointment of Mr.Suraj Dugar and Mr.Janardan Joshi are contained in the notice of the ensuing Annual General Meeting of the members of the Company.

Mr.Anand Arya and Mr.S.Raghunath have resigned from the office of Director of the Company with effect from 29.10.2005 and 24.11.2005 respectively. The Board of Directors place on records its deep appreciation for the valuable guidance, support and co-operation extended to the company by Mr.Arya and Mr.Raghunath during the tenure of their office.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

i) That in the preparation of the accounts for the financial year ended 31st

March, 2006 the applicable accounting standards have been followed along with proper explanation relating to material departure;

- That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the Company for the year under review.
- That the Directors have taken proper and sufficient care for the maintenance of adequate records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- That the Directors have prepared the accounts for the financial year ended 31st March, 2006 on a "going concern" basis.

LISTING FEES

The Company has paid Listing Fees to Vadodara Stock Exchange for the year 2004-05 and 2006-07. The listing fees to the Calcutta Stock Exchange is not paid from the financial years 1995-96 onwards and to other stock exchanges it is not paid from 1999-2000.

CORPORATE GOVERNANCE

In terms of clause 49 of the Listing Agreement with the Stock Exchanges, a report on the Corporate Governance is appended as annexure to this report.

AUDIT COMMITTEE

The company has constituted an audit committee of Directors as required under Section 292A of the Companies Act, 1956. Some of the terms of reference of audit committee are to review the financial reporting process and to examine accountability, taxation, and disclosure aspect of significant transactions.

AUDITORS

M/s. P.C. Surana & Co., Chartered Accountants, Mumbai hold the office as Auditors of the Company till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Board of Directors recommends their re appointment.

PARTICULARS UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956.

As required under 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, the relevant information is given below:-

A. CONSERVATION OF ENERGY :-

- Energy conservation measures taken :- None
- Additional investments and proposals, if any being implemented for reduction in consumption of energy :- None
- Impact of measures at (a) and (b) above for reduction in energy and consequent impact on the cost of production of goods :- Not Applicable
- Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of industries specified in the schedule thereto:- Since no commercial production was made during the year, no energy has been consumed.

	2005-06	2004-05
1. Electricity		
a) Purchased Units (in '000)	NIL	NIL
Total Amount (Rs. In lakhs)	NIL	NIL
Rate/Unit (Rs.)	NIL	NIL
2. Oil		
Total Consumed Units[In '000]	NIL	NIL
Total amount (Rs. In lakhs)	NIL	NIL
Rate/Unit (Rs.)	NIL	NIL

TECHNOLOGY ABSORPTION

- Research and Development
 - Specific areas in which R&D carried out by the Company :- Nil
 - Benefits derived as a results of above R&D :- Nil
 - Future Plan of Action :- None
 - R & D Expenditure :- None
- Technology Absorption, Adaptation & Innovation :- Nil
- Foreign Exchange Earnings and Outgo :- Nil

ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude, the co-operation and assistance given by the Bankers of the Company during the year under review.

For and on behalf of the board

Place : Mumbai.
Dated : 29th June, 2006

R.P. SHARMA
Whole-time Director



Blue Blends Petrochemicals Ltd.

Report on Corporate Governance (Annexure to Directors' Report)

1. Corporate Governance :

- A. Corporate Governance requirements as contained in Clause 49 of the Listing Agreement are comprehensive and valuable tool for the investors.
- B. Company's Philosophy on Corporate Governance: The Company's Philosophy of Corporate Governance is aimed at attaining high level of transparency, accountability and integrity. The Company has endeavoured to seek greater and active participation by the shareholders at the General Meetings, for better interaction with the shareholders.

2. Board of Directors :

- A. The provisions for appointment of directors, their powers and meetings are contained in the Articles of Association of the Company. The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors with not less than fifty percent of the Board comprising of Non-Executive Directors. At least half of the Board comprises of Independent Directors. During the previous financial year eight board meetings were held on 30th April, 2005, 30th July, 2005, 24th August, 2005, 29th October, 2005, 24th November, 2005, 23rd December, 2005, 30th January, 2006 and 16th March, 2006. The composition of Board of directors, Board meetings and Annual General Meeting attended by directors and other details are given hereunder.

Name of the Director	Category	Date of Appointment	No. of other Directorship held	No. of Meetings attended during F. Yr. 1st April, 2005 to 31st March, 2006	Attendance at the last A.G.M.	No. of Membership / Chairmanship in Committees across all the Companies
* Mr. Anand Arya	Chairman & Director	27.01.89	5	3	No	Chairmanship - Nil
* Mr. S. Raghunath	Independent Director	30.09.00	—	Nil	No	Membership - Nil
Mr. R. P. Sharma	Director (appointed as whole-time director w.e.f. 29.10.2005)	11.10.04	1	8	Yes	Chairmanship - Nil
Mr. Suraj Dugar	Non-executive Director	29.10.05	3	5	Yes	Chairmanship - Nil
Mr. Ganeshmal Surana	Independent Director	11.10.04	2	6	Yes	Chairmanship - 3
Mr. Janardan Joshi	Independent Director	29.10.05	1	5	No	Membership - 4
						Chairmanship - 3
						Membership - 5

* Mr. Anand Arya and Mr. S. Raghunath ceased to be Director of the Company w.e.f. 29.10.2005 and 24.11.2005 respectively.

Note : No Extra-Ordinary General Meeting took place during the previous financial year.

B. Details of sitting fees, remuneration etc. paid to Directors : Nil

C. Code of Conduct

The Board of Directors has laid down a code of conduct for all Board members and senior management of the Company. All the Board members and senior management personnel have affirmed compliance with the code of conduct for the current year.

3. Audit Committee :

Brief description of terms of reference : To review the financial reporting process and financial statements, the accounting policies and practices and to examine accounting, taxation and disclosure aspect of significant transactions.

Present Composition, names of members and Chairperson :

1. Mr. Janardan Joshi (JJ) - Chairman
2. Mr. Ganeshmal Surana (GS) - Member
3. Mr. R. P. Sharma (RPS) - Member

Meetings and attendance during the year from April 2005 to March 2006

Date of Meeting	*SR	Attendance Record	**JJ	*GS	**RS
30.04.2005	No	Yes	N.A.	Yes	Yes
30.07.2005	No	Yes	N.A.	Yes	Yes
24.08.2005	No	Yes	N.A.	Yes	Yes
29.10.2005	N.A.	N.A.	N.A.	Yes	Yes
30.01.2006	N.A.	N.A.	Yes	No	Yes

* Mr. S. Raghunath (SR) and Mr. Anand Arya (AA) ceased to be Director of the Company w.e.f. 24.11.2005 & 29.10.2005 respectively.

** Mr. Janardan Joshi (JJ) was appointed as Member of the Audit Committee w.e.f. 29.10.2005.

4. Board Procedure

The Board meetings are held at least four times in a year with a maximum time gap of four months between any two meetings. None of the Directors of the Company is a member of more than ten committees or acts as a Chairman of five committees across all Companies in which he is a Director. For the purpose of considering the limits of the committees on which a Director can serve, only three committees, viz the Audit Committee, the Shareholders committee and the Remuneration committee are considered.

5. Management

The plant of the Company is shut down and hence Management Discussion and Analysis is not given.

Disclosures by management

All details of financial and commercial transactions where Directors may have an interest are provided to the Board and interested Directors neither participate in the discussion, nor do they vote on such matters. There are no transactions of material nature with the promoters, directors or their relatives etc. that may have potential conflict with the interest of the Company.

As required by Accounting Standard AS-18, details of related party transactions are given in Schedule containing notes forming part of Balance Sheet and Profit & Loss Account.

6. Shareholders:

Details of the Directors seeking appointment/reappointment at the forthcoming Annual General Meeting (In pursuance of Clause 49VI(A) of the Listing Agreements) is given in the explanatory statement under section 173 of the Companies Act, 1956 attached to the notice convening the Annual General Meeting.

Composition of shareholders committee, names of members and Chairperson

1. Mr. Janardan Joshi - Non Executive Independent Director (Chairman of the Committee)

2. Mr. R. P. Sharma - Executive Director and Member

- Name and designation of compliance officer : Mr. I. K. Jha
- Number of shareholders complaints received so far: There is no pending grievance of shareholders. The Company had received 16 letters from shareholders which were attended to the satisfaction of shareholders.
- Number not solved to the satisfaction of shareholders - Nil
- Number of pending share transfers - Nil

7. Compliance Certificate

Compliance Certificate for Corporate Governance from auditors' of the Company is annexed herewith.

8. General Body Meetings :

Location and time, where last three AGMs held:

Location	Date	Time
Plot No 806, G.I.D.C., Vapi, Gujarat.	30.09.2003	10.30 a.m.
Plot No 806, G.I.D.C., Vapi, Gujarat.	29.09.2004	10.00 a.m.
Plot No 806, G.I.D.C., Vapi, Gujarat.	28.09.2005	10.00 a.m.

No postal ballots were used for voting at the general meetings of the shareholders.

9. Disclosures:

- A. Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with interests of company at large: Nil
- B. Accounting treatment: In the preparation of financial statement the company has followed the prescribed accounting standard.
- C. Details of non compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital market, during the last three years.
- The Company has paid Listing Fees to Vadodara Stock Exchange for the year 2004-05 & 2006-2007. The listing fees to the Calcutta Stock Exchange is not paid from the financial years 1995-96 onwards and to other stock exchanges it is not paid from 1999-2000.
 - Dematerialisation of securities of the Company is not completed.
 - The securities of the Company are de-listed by BSE. The trading in securities of the Company at other stock exchanges is suspended due to non-compliance of listing agreement.

D. Whistle Blower Policy: No personnel was denied access to the audit committee.

E. The Company is actively considering for adoption of non mandatory requirements of Corporate Governance.

10. Means of Communication

The information of investors' interest is communicated either directly to the shareholders or through stock exchanges.

General Share Holder Information :

AGM Date, Time and Venue	: 29th September, 2006 At 10.00 A.M. Plot No. 806, G.I.D.C., Vapi, Gujarat.
Financial Calendar	: 1 st April to 31 st March
Date of Book Closure	: From 26th September, 2006 To 29th September, 2006
Dividend Payment Date	: N.A.
Listing on Stock Exchanges	: CSE, ASE, MSE & Vadodara Stock Exchange
Stock Code	: -----
Market Price Date and performance in comparison to broad based indices such as BSE Sensex, CRISIL index etc	: Since no trading had taken place in the previous year, the market price data and performance in comparison to broad based indices such as BSE Sensex, CRISIL index etc. are not given.
Registrar and Transfer Agents	: In-house
Share Transfer System	: Share transfers in physical form are presently registered and returned within a period of 25 to 30 days from the date of receipt, provided the documents are complete and the shares under transfer are not under dispute.

Sufficient delegations have been given to the Share Transfer Committee for expediting share transfers.