



**BLUE BLENDS
PETROCHEMICALS
LIMITED**

**21st
Annual Report
2009-2010**



Blue Blends Petrochemicals Limited

BOARD OF DIRECTORS : Shri Ramprakash Sharma
Shri Suraj Dugar
Shri Janardan Joshi
Shri Pujaram Purohit

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

REGISTERED OFFICE & PLANT : Plot No.806-807,
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 24th September, 2010
at 10.00a.m., at Plot No.806-807,
G.I.D.C., Vapi, Gujarat.



Blue Blends Petrochemicals Limited

NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting of the Members of **BLUE BLENDS PETROCHEMICALS LIMITED** will be held on Friday the 24th September, 2010 at 10.00 a.m. at Plot No.806,G.I.D.C.,Vapi, Gujarat to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at 31st March,2010 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.
2. To appoint a Director in place of Mr. Suraj Dugar, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint auditors M/s P. C. Surana & Co. Chartered Accountants, Mumbai to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and fix their remuneration.

By order of the Board of Directors
For Blue Blends Petrochemicals Ltd.

Place : Mumbai
Date :26th July,2010

Ramprakash Sharma
Whole-time Director

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

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting.

(In pursuance of Clause 49 of the Listing Agreements)

Name of Director	Mr.Suraj Dugar
Date of Birth	07.05.1959
Date of Appointment	29.10.2005
Expertise on specific functional areas	Marketing & Finance
Qualifications	B.Com.
List of Other Public Limited Companies in which Directorship held.	Blue Blends (India) Ltd.
Chairman/Member of the Committees of the Board of other Companies in which he/she is a Director.	—

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER.
2. The Proxies in order to be valid must reach the Secretarial Department of the Company not less than 48 hours before the meeting.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday the 22nd day of September, 2010 to Thursday the 23rd day of September, 2010 (both days inclusive) for the purpose of Annual General Meeting.
4. Members are requested to notify the change of address, if any, to the company.

By order of the Board of Directors
For Blue Blends Petrochemicals Ltd.

Place : Mumbai
Date :26th July,2010

Ramprakash Sharma
Whole-time Director

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



Blue Blends Petrochemicals Limited

DIRECTORS' REPORT

To
The Members,

The Directors present herewith 21st Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2010.

FINANCIAL RESULTS:

(Amount in Rupees)

Particulars	2009-2010	2008-2009
Gross Revenue	9,18,89,950	2,61,43,000
Profit/(Loss) before Additional Depreciation	1,68,846	(3,62,488)
Add : Additional Depreciation	—	—
Profit/(Loss) before Tax	1,68,846	(3,62,488)
Net Profit/(Loss) after Tax	1,68,846	(3,62,488)
Add : Loss brought forward from previous year	(90,63,108)	(87,00,620)
Balance carried forward	(88,94,262)	(90,63,108)

DIVIDEND

Your Directors do not recommend any dividend on Payment of the year 2009-2010.

OPERATIONS

The Company's business operation continued to remain shut and during the year under review the Company has registered a net profit after tax of Rs.1.69 lacs which mainly consists of fixed expenses as against Rs.3.62 lacs in the previous year.

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.Suraj Dugar retires by rotation and being eligible, offers himself for re-appointment.

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:

- That in the preparation of the accounts for the financial year ended 31st March, 2010 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 judgment 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, 2010 on a "going concern" basis.

LISTING FEES

The Company has paid Listing Fees to Vadodara Stock Exchange for the year 2004-05, 2006-07, 2008-09 and 2009-2010. Listing fees for the years 1998-99 to 2003-04, 2005-06 and 2007-08 payable to Vadodara Stock Exchange remains unpaid. The listing fees to the Calcutta Stock Exchange and Ahmedabad Stock Exchange has not been paid from the financial year 1997-98 onwards and Madras Stock Exchange has not been paid for the financial year 2009-2010.

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



Blue Blends Petrochemicals Limited

review the financial reporting process and to examine accountancy, 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.

	2009-10	2008-09
1. Electricity		
a) Purchased Units (in '000)	NIL	NIL
Total Amount (Rs. In lakhs)	NIL	NIL
Rate/Unit (Rs.)	NIL	NIL
2. Oil		
a) Total Consumed Units[In '000]	NIL	NIL
Total amount (Rs. In lakhs)	NIL	NIL
Rate/Unit (Rs.)	NIL	NIL

B. TECHNOLOGY ABSORPTION

A) 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

B) Technology Absorption, Adaptation & Innovation:- Nil

C. Foreign Exchange Earnings and Outgo :- Nil

SECRETARIAL COMPLIANCE CERTIFICATE

Secretarial compliance certificate as required under section 383 A (i) of the Companies Act, 1956 issue by M/s MILAN MEHTA & ASSOCIATES Company Secretaries, is annexed herewith.

ACKNOWLEDGEMENT

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

For and on behalf of the board

Place : Mumbai
Date : 26th July, 2010

Ramprakash Sharma
Whole-time Director



Blue Blends Petrochemicals Limited

Report on Corporate Governance (Annexure to Directors Report)

1 Corporate Governance

The Company's philosophy on Corporate governance is to attain high level of transparency and accountability in the functioning of the Company and in its relationship with employees, shareholders, creditors, lenders and ensuring high degree of regulatory compliances.

The Company also believes that its systems and procedures will enhance corporate performance and maximize shareholder value in the long term.

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 five board meetings were held on 27th April, 2009, 29th June, 2009, 29th July, 2009, 28th October, 2009 and 27th January, 2010. The composition of Board of Directors, Board Meetings and Annual General Meetings 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. 1 st April, 2009 to 31 st March, 2010	Attendance at the last A.G.M.	No. of Membership/ Chairmanship in Committees across all the Companies
Mr. R.P. Sharma (RPS)	Whole Time Director	11.10.2004	1	5	Yes	Chairmanship - Nil Membership - 2
Mr. Suraj Dugar (SD)	Non-Executive Non Independent Director	29.10.2005	3	4	Yes	Chairmanship - Nil Membership - Nil
Mr. Janardan Joshi (JJ)	Independent Director	29.10.2005	2	5	Yes	Chairmanship - 5 Membership - 3
Mr. Pujaram Purohit (PP)	Independent Director	29.06.2009	-	3	Yes	Chairmanship - Nil Membership - Nil
Mr. Ganeshmal Surana (GS)	Independent Director	11.10.2004	-	Nil	No	Chairmanship - Nil Membership - Nil

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) Other Provisions as to Board and Committee:

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 more than 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 the two committees, viz. Audit Committee, and Shareholders Committee are considered. Every Director has informed the Company about committee positions he occupies in other Companies.

D) 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 accountancy taxation and disclosure aspect of significant transactions and other items as per clause 49II (D) of the Listing Agreement.

The Audit Committee comprises three Directors with majority of them being Independent Directors. The Chairman of the Audit Committee is an Independent Director having financial and accounting knowledge. The Chairman of the Audit Committee was present at the previous Annual General Meeting to answer shareholders' queries.

The Composition of the Audit Committee as on 31st March, 2010 was as under

1. Mr. Janardan Joshi (JJ)	-	Chairman
2. Mr. R P Sharma (RPS)	-	Member
3. Mr. Pujaram Purohit (PP)	-	Member

Meetings and attendance during the year from April, 2009 to March, 2010:

Date of Meeting	Attendance Record			
	JJ	GS	RPS	PP
27.04.2009	Yes	No	Yes	N.A
29.07.2009	Yes	N.A	Yes	Yes
28.10.2009	Yes	N.A	Yes	Yes
27.01.2010	Yes	N.A	Yes	Yes

4. 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 interests of the Company during the year 31st March, 2010.

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.

5. Shareholders

Details of the Director's seeking appointment/reappointment at the forthcoming Annual General Meeting (In pursuance of Clause 49 of the Listing Agreements)

Name of Director	Mr. Suraj Dugar
Date of Birth	07.05.1959
Date of Appointment	29.10.2005
Expertise on specific functional areas	Marketing & Finance