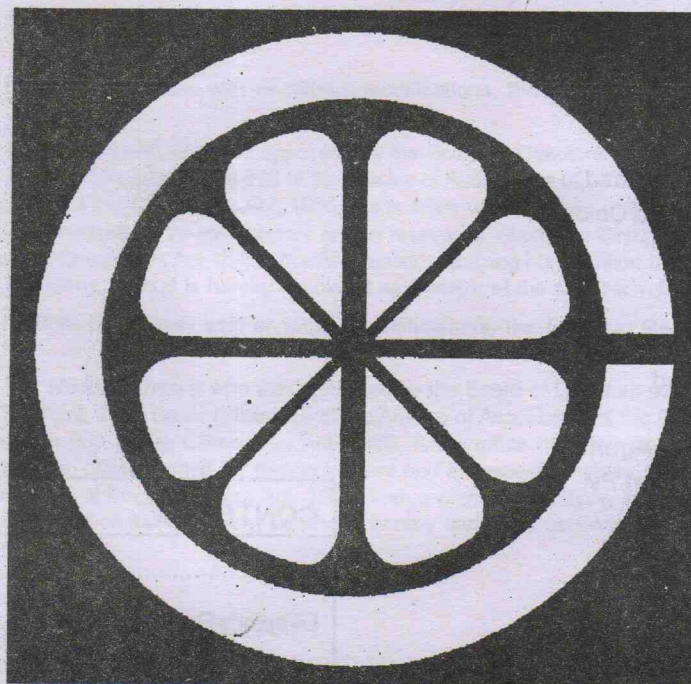


# **CITURGIA BIOCHEMICALS LIMITED**



**Annual Report  
2009-2010**



**DIRECTORS (As On 23rd April, 2010)**

Mr. Akshod Kumar Sharma (Executive Director)

Mr. Bhagat Ram Kothari

Mr. Chandra Shekhar

Mr. Sanjeev Kumar

Mr. Vivek Singh

**Bankers**

Union Bank of India

Oriental Bank of Commerce

**Auditors**

S. C. Garg &amp; Co.

Chartered Accountants

**Registered Office**

46, Guru Govind Singh Road,

Near J.J. School, Mulund Colony,

Mulund (West)

Mumbai-400062

**Factory**

Rishikesh, Uttarakhand

**Registrar & Transfer Agents**

Sharepro Services (India) Pvt. Ltd.

Satam Industrial Estate,

Cardinal Gracious Road,

Above Bank of Baroda,

Chakala, Andheri (E),

Mumbai-400099

Tel Nos : 2821 5168 / 2820 2114 /

2820 2108

Fax No : 2837 5646

**Additional Service Centre :**

912, Raheja Centre,

Nariman Point,

Mumbai- 400 021

Tel Nos. : 2288 1568 / 2288 1569

2288 4527 / 2282 5163

Fax No : 2282 5484

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## CITURGIA BIOCHEMICALS LIMITED

### NOTICE

Notice is hereby given that the Thirty Fifth Annual General Meeting of the Members of CITURGIA BIOCHEMICALS LIMITED will be held at Maheshwari Pragati Mandal, Maheshwari Bhavan, 603, J. S. S. Road, Mumbai - 400 002 on Tuesday, 15<sup>th</sup> June, 2010 at 10.30 a.m. to transact the following business:

#### Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 20<sup>th</sup> April, 2010 and the Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint Messrs S.C.Garg & Co., Chartered Accountants, as Auditors from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.
3. To appoint a Director in place of Mr. Sanjeev Kumar, who retires by Rotation and being eligible, offers himself for re-appointment.

#### Special Business:

4. To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:-

"RESOLVED THAT Mr. Vivek Singh who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 17<sup>th</sup> April, 2010 under Article 115 of the Articles of Association of the Company who by virtue of the provisions of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting, and being eligible, offers himself for re-appointment and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, from a member signifying his intention to propose Mr. Vivek Singh as a Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

5. To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:-

"RESOLVED THAT Ms. Neelam Khanna who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 29<sup>th</sup> April, 2010 under Article 115 of the Articles of Association of the Company who by virtue of the provisions of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting, and being eligible, offers herself for re-appointment and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, from a member signifying his intention to propose w.e.f. 29<sup>th</sup> April, 2010 as a Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

#### NOTES:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL ONLY AND A PROXY NEED NOT BE A MEMBER. The instruments appointing the proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- (b) The relevant Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, setting out material facts relating to business at item no. 4 and 5 of the notice as set out above, is annexed hereto.
- (c) The Share Transfer Books and the Register of Members of the Company will remain closed from Monday, 7<sup>th</sup> June, 2010 to Tuesday, 15<sup>th</sup> June, 2010 both days inclusive.
- (d) Members are requested to notify immediately any change of address:
  - (i) to their Depository Participants (DPs) in respect of their electronic share accounts, and
  - (ii) to the Company's Registrars & Share Transfer Agents, M/s Sharepro Services (India) Pvt. Ltd. (R & TA), at Satam Industrial Estate, 3<sup>rd</sup> Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (E) Mumbai 400 099, or 912, Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai 400 021, in respect of their physical share folios, if any, quoting their folio numbers.



- e) Pursuant to provisions of Section 205A of the Companies Act, 1956, dividends which remain unpaid or unclaimed for a period of 7 years, will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government.
- f) In terms of Section 109A of the Companies Act, 1956, every holder of shares/ debentures in a company may at any time, nominate in the prescribed manner, a person to whom his/ her shares/ debentures in the Company shall vest, in the event of his/ her death. Members, who wish to avail of this facility, may fill the prescribed Form No. 2B and forward the same to R & TA, at either of their addresses given above. The prescribed Form No. 2B can be obtained from the Company or from R & TA.
- g) Members / Proxies should bring the Attendance Slip sent herein duly filled in for attending the Meeting.
- h) Members are requested to bring their copy of the Annual Report to the Meeting.
- i) Members desiring any information/ clarification as regards the Accounts are requested to write to the Company at least 10 days before the Annual General Meeting to enable the Management to reply at the meeting.
- j) As required in terms of Paragraph VI(A) of Clause 49 of the Listing Agreement, the details of the Director being appointed / re-appointed are furnished below:

Name	:	Mr. Sanjeev Kumar
Age	:	49 years
Qualification	:	Graduate
Expertise	:	Real Estate developers & hospitality industry
Other Directorship	:	1. Fogat Impex Pvt. Ltd. 2. Gems Infotech Systems Private Limited

Mr. Sanjeev Kumar does not hold any share of the company.

Name	:	Mr. Vivek Singh
Age	:	27 years
Qualification	:	Graduate (B.A)
Expertise	:	years experience in Business
Other Directorship	:	Nil

Mr. Vivek Singh does not hold any share of the company.

Name	:	Neelam Khanna
Age	:	49 year
Qualification	:	Graduate (B.A)
Expertise	:	25 years experience in Business
Other Directorship	:	Nil

Ms. Neelam Khanna does not hold any share of the company.

By Order of the Board of Directors  
For CITURGIA BIOCHEMICALS LIMITED

Akshod Kumar Sharma  
Executive Director

Registered Office:  
46, Guru Govind Singh Road, Near J.J. School,  
Mulund Colony, Mulund (West), Mumbai 400 082.

Mumbai, 23<sup>rd</sup> April, 2010



## **CITURGIA BIOCHEMICALS LIMITED**

### **ANNEXURE TO THE NOTICE**

#### **Explanatory Statement as required under Section 173 of the Companies Act, 1956**

As required by Section 173 of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 4 and 5 of the accompanying Notice of the Annual General Meeting dated 23<sup>rd</sup> April, 2010.

#### **Item No. 4**

Mr. Vivek Singh was appointed as an Additional Director on the Board of the Company with effect from 17<sup>th</sup> April, 2010, in the Board of Directors Meeting held on 17<sup>th</sup> April, 2010, pursuant to Section 260 of the Companies Act, 1956 ("the Act"), read with Article 115 of the Articles of Association of the Company. Mr. Vivek Singh holds office upto the date of this Annual General Meeting. The Company has received a notice in writing under Section 257 of the Act, from a Member, proposing Mr. Vivek Singh as a Director of the Company along with a deposit of Rs. 500/- which will be refunded to such Member, if Mr. Vivek Singh is elected as a Director.

Recommend that he be appointed as a Director of the Company.

None of the Directors, other than Mr. Vivek Singh, may be considered to be concerned or interested in the said appointment at item no. 4.

#### **Item No. 5**

Ms. Neelam Khanna was appointed as an Additional Director on the Board of the Company with effect from 29<sup>th</sup> April, 2010, in the Board of Directors Meeting held on 29<sup>th</sup> April, 2010, pursuant to Section 260 of the Companies Act, 1956 ("the Act"), read with Article 115 of the Articles of Association of the Company. Ms. Neelam Khanna holds office upto the date of this Annual General Meeting. The Company has received a notice in writing under Section 257 of the Act, from a Member, proposing Ms. Neelam Khanna as a Director of the Company along with a deposit of Rs. 500/- which will be refunded to such Member, if Ms. Neelam Khanna is elected as a Director.

Recommend that he be appointed as a Director of the Company.

None of the Directors, other than Ms. Neelam Khanna, may be considered to be concerned or interested in the said appointment at item no. 5.

By Order of the Board of Directors  
For CITURGIA BIOCHEMICALS LIMITED

Akshod Kumar Sharma  
Executive Director

Registered Office:  
46, Guru Govind Singh Road, Near J.J. School,  
Mulund Colony, Mulund (West), Mumbai 400 082.

Mumbai, 23<sup>rd</sup> April, 2010



**DIRECTORS' REPORT TO THE MEMBERS**

The Directors present the audited Balance Sheet and Profit & Loss Account together with their Report thereon for the Financial Year ended 20<sup>th</sup> April, 2010:

**Financial Results**

	For the year ended 20th April, 2010 Rs. In lacs	For the year ended 31 <sup>st</sup> March, 2009 Rs. In lacs
<b>GROSS TURNOVER</b>	-	-
Other Income	-	-
Provision for interest written back	-	-
(Loss) before interest & Depreciation	(5.88)	(60.92)
Interest Charge:		
(Loss) before Depreciation	(5.88)	(60.92)
Depreciation	(81.21)	(94.12)
<b>(LOSS) BEFORE TAXATION</b>	<b>(87.09)</b>	<b>(155.03)</b>
Add: Effects of Restructuring:-		
Provision for Retrenchment Compensation/ VRS		
Interest	-	97.33
Provision for Statutory Liabilities		
Unsecured Loans Written Back		
Unsecured Creditors Written Back		
Profit/ Loss before tax	(87.09)	(252.37)
Provision for Retrenchment Compensation/ VRS Written Back		
<b>TAXATION</b>		
Deferred Tax Written Back		
Current Income Tax	55.55	28.24
<b>(LOSS) AFTER TAXATION</b>	<b>(31.54)</b>	<b>(224.13)</b>
(Less) Restructuring of Share Capital	-	-
Add: Balance brought forward from Previous Year:	(2593.47)	(2369.34)
<b>BALANCE CARRIED TO BALANCE SHEET</b>	<b>(2625.03)</b>	<b>(2593.47)</b>

**Working Results**

The Company's operations at calcium carbonate division remained suspended through out the year for the want of working capital and clearance from the Uttarakhand Environment Protection and Pollution Control Board. However building construction work of residential complex at Rishikesh site has started in the Real Estate Division of the company. However no revenue has been recognized from this operation as the construction work is at very preliminary stage.

The company has incurred a loss after tax of Rs. 31.54 Lacs during the financial year 2009-10 against a loss after tax of Rs. 224.13 Lacs in the previous year.

In View of the accumulated losses, the Directors do not recommended payment of any dividend.

**Industrial Relations:-**

Pursuant to the mentioned rehabilitation Scheme by Hon'ble BIFR, all the workers at Calcium Carbonate division opted for Voluntary Speculation Scheme (VSS) and as such there are no workers in this division of the company. However relations with staff or other division have been very cordial throughout the year.



## CITURGIA BIOCHEMICALS LIMITED

### Rehabilitation Scheme:

During the last financial year, company could substantially comply with the provisions of sanctioned rehabilitation scheme by Hon'ble BIFR as amended from time to time and your directors are pleased to inform the members that despite huge carried forward losses, the net worth of the company became positive as at 20/4/2010. Gist of major compliances of sanctioned rehabilitation scheme is as under:-

- Pursuant to sanctioned scheme the co-promoters brought in equity capital of Rs 625 lacs earlier and additional equity capital (to be allotted) of Rs. 2000 lacs (including unsecured loans of Rs 717 lacs to be converted into equity) into the company. Apart from it Rs. 250 lacs 10% of Rs. 2500 lacs have been brought in towards share warrant convertible into equity capital balance 90% amount is to be brought in within 18 months.
- All the secured lenders including IIBI, Oriental Bank of commerce/ARCIL and Union Bank of India, operating agency have been paid in full and there are no outstanding of any of the secured lenders on the company as at 20/04/2010.
- All the workers and staff have been paid full compensation and their dues as per the agreement entered into with workers union and as directed by Hon'ble BIFR.
- Complete renovation of the plant has been done at the calcium carbonate factory of the company at Rishikesh.
- Land use was changed by the Government of Uttarakhand as per the sanctioned scheme and company has already got the approval of building Drawings from the Haridwar Development Authority for constructions of housing projects at surplus land. Construction work has also started at site.

Thus in view of the above it is clear that substantial Compliance of the sanctioned rehabilitation scheme has already been done by the company and its networth turning positive the company is applying for the discharge to Hon'ble BIFR.

### Listing and Trading approval from BSE

The Directors are glad to report that Bombay Stock Exchange has granted approval on 20<sup>th</sup> October, 2009 for Trading of 169063 Equity Shares of Rs.10/- each, in respect of which new Share certificate were issued to the Shareholders of the Company consequent to reduction of Paid up Share capital of the Company in pursuance to the direction given by Hon'ble BIFR vide its Order dated 12<sup>th</sup> January, 2007.

The Bombay Stock Exchange has also granted Listing Approval in respect of 62,50,000 equity Shares of rs.10/- each issued at par on Preferential Basis to M/s. Elite Capital Management Services Limited and other Associate Companies pursuant to BIFR Order dated 12<sup>th</sup> January, 2007.

### Future Plans:

- a. **Calcium Carbonate Division:** - The plant being fully renovated, the company is expecting to resume operations immediately on arrangement of working capital and clearance from Uttarakhand Environment Protection and Pollution Control Board.
- b. **Real Estate Division:** - As per the sanctioned rehabilitation scheme the company has got approval of its building plans from appropriate authority for construction of housing complex at 15 acres of land alongside the factory. Company is also in process of getting approvals for construction of old age home/resort, at another piece of land as per the sanctioned scheme. The initial response for its having project is very encouraging

### Fixed Deposits:

The Company has not accepted any fixed deposits during the year under review.

### Insurance:

Due to paucity of funds, the Company has not renewed the insurance policies with respect to the properties of the Company. Adequate security arrangements have, however, been made.

### Directors:

Mr. Sanjeev Kumar retires by rotation and being eligible offers himself for re-appointment.



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Mr. Vivek Singh was appointed as the Additional Director w.e.f. 17<sup>th</sup> April, 2010 in the Board Meeting held on 17<sup>th</sup> April, 2010. He holds office upto the date of the ensuing Annual General Meeting. A Notice has been received in writing from the Members proposing his appointment as the Director.

Ms. Neelam Khanna was appointed as the Additional Director w.e.f. 29<sup>th</sup> April, 2010 in the Board Meeting held on 29<sup>th</sup> April, 2010. She holds office upto the date of the ensuing Annual General Meeting. A Notice has been received in writing from the Members proposing her appointment as the Director.

### DIRECTOR'S RESPONSIBILITY STATEMENT

Director's Responsibility Statement under Section 217(2AA) of the Companies Act, 1956, the Directors, based on the representations received from the Operating Management, confirm that:

- a. in the preparation of the annual accounts of Citurgia Biochemicals Limited (the Company), the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- b. they have, in selection of the accounting policies, consulted the statutory auditors and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company as at 20<sup>th</sup> April, 2010 and of the Company for the year ended 20<sup>th</sup> April, 2010;
- c. they have taken proper and sufficient care of the best of their knowledge and ability for the maintenance of adequate accounting records in the accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis.

### Corporate Governance:-

A separate report on Corporate Governance is being incorporated as a part of the Annual Report alongwith a certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance, which is annexed to the Directors' Report.

Regarding Auditor's remarks in their Certificate on Corporate Governance, on non-compliance with Clause 49-I(A) and 49-II of the Listing Agreement, appropriate explanations has been furnished in the Company's Report on Corporate Governance at para 2 and para 3(a)

### Personnel

The Company has no employees covered under Section 217(2A) of the Companies Act, 1956.

### Auditors

M/s S.C.Garg & Associates, Chartered Accountants, retire at the forthcoming Annual General Meeting and offer themselves for re-appointment.

Conservation of Energy, Technology Absorption, Foreign Exchange earnings and Outgo under Section 217(1)(e) of the Companies Act, 1956.

The information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in the annexure to this Report.

On behalf of the Board of Directors

AKSHOD KUMAR SHARMA  
(EXECUTIVE DIRECTOR)

### Registered Office:

46, Guru Govind Singh Road, Near J.J. School,  
Mulund Colony, Mulund (West),  
Mumbai 400 082.

Mumbai, 23<sup>rd</sup> April, 2010



# CITURGIA BIOCHEMICALS LIMITED

## ANNEXURE TO THE DIRECTORS' REPORT

INFORMATION AS PER SECTION 217(1)(e) READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

### (A) CONSERVATION OF ENERGY

- (a) Measures taken : Nil  
 (b) Additional Investments & Proposals : Nil  
 (c) Impact of measures at (a) and (b) : Not Applicable  
 (d) Total energy consumption and energy consumption per unit of production:

### FORM A

#### A. Power and Fuel Consumption:

#### Calcium Carbonate Division

2009-10 2008-09

#### 1. Electricity:

##### (a) Purchased:

Units	'000 KWH	Nil	Nil
Total amount	Rs./lac	Nil	Nil
Rate/ Unit	Rupees	Nil	Nil

##### (b) Own Generation:

##### (i) Through Diesel

##### Generator:

Units per ltr. Of Diesel Oil for DG Set	'000 KWH	Nil	Nil
Cost/Unit	KWH	Nil	Nil
	Rupees	Nil	Nil

##### (ii) Through Gas

##### Engine

Co-generation Plant	'000 KWH	Nil	Nil
Units per SM^3 of Gas	KWH	Nil	Nil
Cost/ Unit	Rupees	Nil	Nil

#### 2. Coal:

Quantity	M.T.	Nil	Nil
Total Amount	Rs./lac	Nil	Nil
Average Rate	Rupees	Nil	Nil

#### 3. Furnace Oil/

##### Residual Furnace Oil:

Quantity	K.Ltrs.	Nil	Nil
Total Amount	Rs./lac	Nil	Nil
Average Rate	Rupees	Nil	Nil

#### 4. Others:

##### (a) Pearl Coke

Quantity	M.T.	Nil	Nil
Total Amount	Rs./lac	Nil	Nil
Average Rate	Rupees	Nil	Nil

##### (b) Charcoal:

Quantity	M.T.	Nil	Nil
Total Amount	Rs./lac	Nil	Nil
Average Rate	Rupees	Nil	Nil



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## (c) Kerosene Oil:

Quantity  
Total Amount  
Average Rate

K.Ltrs.	Nil	Nil
Rs./lac	Nil	Nil
Rupees	Nil	Nil

## (d) Natural Gas:

Quantity  
Total Amount  
Average Rate

000' SM^3	Nil	Nil
Rs./lac	Nil	Nil
Rupees	Nil	Nil

## B. Consumption per unit of production:

Electricity  
Coal  
Furnace Oil/Residual Furnace Oil  
Coke  
Charcoal  
Biogas  
Kerosene Oil  
Natural Gas

	2009-10	2008-08
KWH/MT	Nil	Nil
MT/MT	Nil	Nil
KL/MT	Nil	Nil
MT/MT	Nil	Nil
MT/MT	Nil	Nil
M3/MT	Nil	Nil
KL/MT	Nil	Nil
Sm^3/MT	Nil	Nil

## (B) TECHNOLOGY ABSORPTION:

### FORM B

**Note:** The Company's manufacturing operations continued to be suspended since March 2003 till date. Other relevant information has been given in the Director's report, under the head 'Operations' and 'Industrial Relations.'

## A. RESEARCH AND DEVELOPMENT (R&D)

- Specific areas in which R&D carried out by the Company:
- Benefits derived as a result of above R&D:
- Future plan of Action:
- Expenditure on R&D:

Nil  
Nil  
Nil

### Rs. in lacs

- Capital
- Recurring
- Total
- Total R & D expenditure as a Percentage of total turnover

Nil  
Nil  
Nil  
Nil

## B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

- Efforts in brief made towards technology absorption, adaptation and innovation:
- Benefits derived as a result of the above efforts:
- Information regarding technology imported during the last 5 years:

Nil  
Nil  
Nil

## (C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

### (a) Activities Relating to Exports:

There were no exports during the year under review.

### (b) Total Foreign Exchange used and earned:

Used (including raw materials, spare parts, capital goods and other expenditure)  
Earned

Nil  
Nil

On behalf of the Board of Directors

AKSHOD KUMAR SHARMA  
(EXECUTIVE DIRECTOR)

Mumbai, 23rd April, 2010