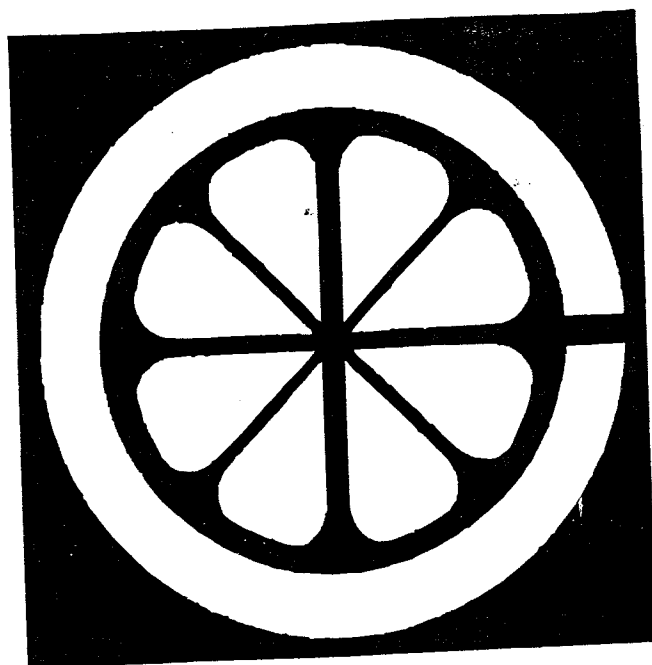


CITURGIA BIOCHEMICALS LIMITED



For Citurgia Biochemicals Ltd.

Abide Mowse

Authorised Signatory

**Annual Report
2010-2011**

CITURGIA BIOCHEMICALS LIMITED

Directors (As on 05th September, 2011)

Mr. Akshod Kumar Sharma (Executive Director)
Mr. Bhagat Ram Kothari
Mr. Chandra Shekhar
Mr. Sanjeev Kumar
Mr. Vivek Singh
Ms. Neelam Khannaa

Bankers

Union Bank of India
HDFC Bank
Oriental Bank of Commerce

Auditors

S. C. Garg & Associates
Chartered Accountants
178, Rajendra Bhawan,
Rajendra Place,
New Delhi-110008

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.
13 AB Samhita Warehousing ,
Complex, 2nd Floor, Sakinaka,
Telephone Exchange Lane ,
Kurla Andheri Road, Sakinaka,
Mumbai-400072
Tel Nos: 67720300 /67720400/
67720304
Fax No: 2850892
Mob: 9920722410

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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NOTICE

Notice is hereby given that the Thirty Sixth Annual General Meeting of the Members of CITURGIA BIOCHEMICALS LIMITED will be held at Azad Mahila Sangh, Flat No. 91, Road No. 25, Sion (W), Mumbai - 400022 on Friday, 30th September, 2011 at 11:00 a.m. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2011 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 M/s Ranjan Gupta & Co as Auditor of the Company for next term M/s S. C. Garg & Associates, Chartered Accountants, has given their unwillingness *to reappointed as Auditors* of the company for next term. M/s Ranjan Gupta & Co will work as Auditor of the company 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. Bhagat Ram Kothari, who retires by Rotation and being eligible, offers himself for re-appointment.

NOTES:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll instead of him and such proxy need not be a Member of the company. Proxies in order to be effective must be received by the Company not later than 48 hours before the Meeting.
2. Members are requested to notify immediately any change in their address.
3. The Register of Members & Share Transfer Book of the Company will remain closed from Friday 23rd September, 2011 to 30th September, 2011 (Both days inclusive).
4. Members desiring to submit mandates, to lodge transfer deed(s) for registration of transfer of shares are requested to forward the same so as to reach the Company's Registrars M/s Sharepro Services (India) Pvt. Ltd. (R & TA), at 13 AB Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Andheri - Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072., or 912, Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai 400 021 on or before 22nd September, 2011. The Company will not be in a position to act upon any document, which is incomplete or received after 22nd September, 2011.

CITURGIA BIOCHEMICALS LIMITED

5. In accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, the particulars of a Director who is proposed to be re-appointed are given in the Corporate Governance Section.
6. Members are requested to quote their Registered Folio Nos. on all correspondence with the Company.
7. Members are requested to send their queries to the Company, if any on Accounts at least 10 days before the Meeting.
8. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
9. Members/Proxies should bring the attendance slip duly filled in, for attending the Meeting. The Attendance slip is sent with this Annual Report.
10. The Ministry of Corporate Affairs (MCA) , Government of India, through its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send official documents to their shareholders electronically as part of its green initiatives in corporate Governance.

Recognizing the spirit of the circular issued by the MCA, we henceforth propose to send Documents like the Notice convening the General Meetings, Financial Statements, Directors' Report, Auditors' Report, etc to the email address provided by you with your depositories.

We request you to update your email address with your depository participant to ensure that the Annual Report and other documents reach you on your preferred email.

11. Members can avail of the Nomination facility by filing Form 2B with the Company or its Registrar. Blank forms will be supplied on request. In case of shares held in Demat form, the nomination has to be lodged with their DP.

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CITURGIA BIOCHEMICALS LIMITED

12. 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.
13. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository Participants with whom they are maintaining their demat accounts(s). Members holding shares in physical form can submit their PAN details to M/s Sharepro Services (India) Pvt. Ltd. (R & TA).
15. Members desirous of getting any information about the accounts and operations of the Company are requested to write to the Company at least seven days before the date of the Meeting.
16. 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. Vivek Singh |
| Age: | 32 years |
| Qualification: | Graduate |
| Expertise: | |
| Other Directorship: | Nil |
| (excluding Directorship in Private Limited Companies) | |

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

By Order of the Board of Directors
For CITURGIA BIOCHEMICALS LIMITED

Sd/-

Akshod Kumar Sharma
Executive Director

CITURGIA BIOCHEMICALS LIMITED

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

Mumbai, 05th September, 2011

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 31st March, 2011:

Financial Results

| | For the period from 21 st April, 2010 to 31 st March, 2011 Rs. In lacs | For the year ended 20 th April, 2010 Rs. In lacs |
|--|--|--|
| GROSS TURNOVER | - | - |
| Other Income | - | - |
| Provision for interest written back | - | - |
| (Loss) before interest & Depreciation | (17.47) | (5.88) |
| Interest Charge: | | |
| (Loss) before Depreciation | (17.47) | (5.88) |
| Depreciation | (81.21) | (81.21) |
| (LOSS) BEFORE TAXATION | (98.68) | (87.09) |
| Add: Effects of Restructuring:- | | |
| Provision for Retrenchment Compensation/ VRS | | |
| Interest | | - |
| Provision for Statutory Liabilities | | |
| Unsecured Loans Written Back | | |
| Unsecured Creditors Written Back | | |
| Profit/ Loss before tax | (98.68) | (87.09) |
| Provision for Retrenchment Compensation/ VRS Written Back | | |
| TAXATION | | |
| Deferred Tax Written Back | | 55.55 |
| Current Income Tax | | |
| (LOSS) AFTER TAXATION | (98.68) | (31.54) |
| (Less) Restructuring of Share Capital | - | - |
| Add: Balance brought forward from Previous Year: | (2625.02) | (2593.47) |
| BALANCE CARRIED TO BALANCE SHEET | (2723.71) | (2625.03) |

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. The company then entered in the work of construction of Building at Rishikesh site and entered in the Real Estate Business in their Real Estate Division of the company which was also

CITURGIA BIOCHEMICALS LIMITED

challenged by local authorities in the Uttarakhand High Court and the construction work was stayed by Hon'ble High Court of Uttarakhand and the matter still pending in Supreme Court of India. The company has not earned any revenue during the last year because the company has not made any operational activity during the year due to disputes pending in the courts.

The company has incurred a loss after tax of Rs.98.68 Lacs during the financial year 2010-11 against a loss after tax of Rs. 31.54 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.

Rehabilitation Scheme:

The Rehabilitation Scheme passed by Hon'ble BIFR are stayed by the Hon'ble Uttarakhand High Court and matter still pending before Supreme Court of India.

Future Plans:

All the future plan of the company will be established as per Order of Court the matter is pending in Supreme Court of India

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. Vivek Singh, Director of the company retires by rotation and being eligible offers himself for re-appointment.

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

CITURGIA BIOCHEMICALS LIMITED

reasonable and prudent, so as to give a true and fair view of the state of affairs of the company as at 31st March, 2011 and of the Company for the year ended 31st March, 2011;

- 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.

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 given their unwillingness for re-appoint as Auditor of the company. The Board of Directors Approaches M/s Ranjan Gupta & Co., Chartered Accountants for the Auditor for the Year 2011-2012 w.e.f this Annual general Meeting to conclusion of next Annual General Meeting. M/s Ranjan Gupta & Co. given their consent to act as Auditor of the company for next term.

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

sd/-

AKSHOD KUMAR SHARMA
(EXECUTIVE DIRECTOR)

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

Mumbai, 05th September, 2011

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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 | |
|--|----------|----------------------------|---------|
| | | 2010-11 | 2009-10 |
| 1. Electricity: | | | |
| (a) <u>Purchased:</u> | | | |
| Units | '000 KWH | Nil | Nil |
| Total amount | Rs./lac | Nil | Nil |
| Rate/ Unit | Rupees | Nil | Nil |
| (b) <u>Own Generation:</u> | | | |
| (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: | | | |

CITURGIA BIOCHEMICALS LIMITED

(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 |

(c) Kerosene Oil:

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

(d) Natural Gas:

| | | | |
|--------------|-----------|-----|-----|
| Quantity | 000' SM^3 | Nil | Nil |
| Total Amount | Rs./lac | Nil | Nil |
| Average Rate | Rupees | Nil | Nil |

B. Consumption per unit of production:

| | | 2010-11 | 2009-10 |
|----------------------------------|---------|---------|---------|
| Electricity | KWH/MT | Nil | Nil |
| Coal | MT/MT | Nil | Nil |
| Furnace Oil/Residual Furnace Oil | KL/MT | Nil | Nil |
| Coke | MT/MT | Nil | Nil |
| Charcoal | MT/MT | Nil | Nil |
| Biogas | M3/MT | Nil | Nil |
| Kerosene Oil | KL/MT | Nil | Nil |
| Natural Gas | 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)

- | | |
|--|-----|
| 1. Specific areas in which R&D carried out by the Company: | Nil |
| 2. Benefits derived as a result of above R&D: | Nil |
| 3. Future plan of Action: | Nil |
| 4. Expenditure on R&D: | |

| | |
|--|--------------------|
| | <u>Rs. in lacs</u> |
| (a) Capital | Nil |
| (b) Recurring | Nil |
| (c) Total | Nil |
| (d) Total R& D expenditure as a Percentage of total turnover | Nil |

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

- Efforts in brief made towards technology absorption,

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