

SHREE HARI CHEMICALS EXPORT LIMITED

BOARD OF DIRECTORS

Shri R. R. Agarwal
Shri K. L. Ramuka
Shri B. C. Agrawal
Shri K. C. Ramuka
Shri H. P. Ramuka
Shri S. K. Sultania
Shri V. N. Gupta
Shri A. M. Kanodia
Shri A. D. Chirania
Shri R. K. Dayma
Shri V. P. Kedia

Whole Time Director
Chairman & Executive Director
Managing Director
Whole Time Director
Whole Time Director
Director
Director
Director
Director
Director
Director

BANKERS

STATE BANK OF INDIA

Backbay Reclamation Branch,
Raheja Chambers, Nariman Point,
MUMBAI - 400 021.

AUDITORS

KAILASH CHAND JAIN & CO.

Chartered Accountants
MUMBAI 400 020.

REGD. OFFICE & WORKS

A/8, M.I.D.C. Indl. Area,
MAHAD, Dist. Raigad
(Maharashtra) 402 309.

ADMINISTRATIVE OFFICE

103/104, Unique Tower,
Near Kamat Club,
S. V. Road, Goregaon (W),
MUMBAI - 400 062.

REGISTRAR & SHARE TRANSFER AGENTS

UNIVERSAL CAPITAL SECURITIES PVT. LTD.

21, Shakil Niwas, Mahakali Caves Road,
Andheri (E), MUMBAI 400 093.

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SHREE HARI CHEMICALS EXPORT LTD.

SHREE HARI CHEMICALS EXPORT LIMITED

Regd. Office: A/8, M.I.D.C. Industrial Area, Mahad, Dist. Raigad (Maharashtra)

NOTICE

Notice is hereby given that the **TWENTY FOURTH** Annual General Meeting of the members of **SHREE HARI CHEMICALS EXPORT LIMITED** be held at A/8, M.I.D.C. Industrial Area, Mahad, Dist. Raigad (Maharashtra) on Saturday, September 10, 2011 at 2.00 p.m. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2011 and the Profit and Loss Account for the year ended on that date and the Directors' and Auditors' Reports thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Shri Kishori Lal Ramuka who retires by rotation and is eligible for reappointment.
4. To appoint a Director in place of Shri Arvind Chirania who retires by rotation and is eligible for reappointment.
5. To appoint a Director in place of Shri Amar Kanodia who retires by rotation and is eligible for reappointment.
6. To appoint Auditors and to fix their remuneration.

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 AND A PROXY NEED NOT BE A MEMBER.
2. THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, September 06, 2011 to Saturday, September 10, 2011 (both days inclusive) for the purpose of Annual General Meeting and declaration of dividend.
4. The dividend on Equity Shares as recommended by the Directors for the year ended 31st March, 2011, if approved at the Annual General Meeting, will be paid to those Members whose names appear in the Register of Members as on 10th September, 2011. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by the depositories for this purpose as at the close of business hours on 5th September, 2011.

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5. Members are requested to notify promptly any change in their addresses to the Company's Registrar and Share Transfer Agents, Universal Capital Securities Pvt. Ltd., 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai 400093. quoting their Folio No.
6. Members are requested to note that pursuant to the provisions of Section 205C of the Companies Act, 1956 the dividend remaining unclaimed or unpaid for a period of seven years from the date they became due for payment shall be credited to the Investor Education and Protection Fund set up by the Central Government. Members who have so far not claimed the dividend are requested to make claim with the Company as no claim shall lie against the fund or the Company in respect of the individual amounts once credited to the said funds.
7. Members are requested to bring their copy of Annual Report as extra copies will not be provided at the Annual General Meeting.
8. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar can not act on any request received directly from the Members holding shares in electronic form for any change of bank.
9. Members are requested to avail the facility of remittance of dividend through the National Electronic Clearing System (NECS) . The NECS facility is available at locations identified by the Reserve Bank of India from time to time, Members holding shares in physical form and desirous of availing this facility are requested to immediately write to the Company's Registrar and Transfer Agents with change in their bank account/account numbers, if any alongwith a photocopy of a blank cheque pertaining to the concerned account particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
10. As a responsible corporate citizen, the Company welcomes and supports the "Green Initiative" taken by the Ministry of Corporate Affairs, enabling the Company to effect electronic delivery of documents. The above initiative will go a long way in conserving paper which is natural resource as also result in substantial savings on printing and posting of annual reports and other documents of your Company sent to shareholders.
11. Members are requested to support this green initiative by updating their email addresses with the respective Depository Participants, in case of electronic shareholding, or registering their email addresses with the Company's Registrar and Transfer Agents, in case of physical shareholding, Join this cause and make the world a cleaner, greener and healthier place to live.

Registered Office:

A/8, M.I.D.C. Industrial Area,
Mahad, Dist. Raigad (Maharashtra)

Dated : 5th August, 2011.

By Order of the Board
BANKESH CHANDRA AGRAWAL
Managing Director

SHREE HARI CHEMICALS EXPORT LTD.

SHREE HARI CHEMICALS EXPORT LIMITED

Regd. Office: A/8, M.I.D.C. Industrial Area, Mahad, Dist. Raigad (Maharashtra)

DIRECTORS' REPORT

To the Members,

The Directors have pleasure in presenting the Twenty Fourth Annual Report together with the Statement of Accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS	2010-2011 (In Rupees)	2009-2010 (In Rupees)
Sales & Other Income	73,37,80,106	69,35,98,765
Profit before Depreciation & Tax	3,76,04,420	3,65,13,137
Less : Depreciation	2,31,07,622	1,69,43,058
Profit After Depreciation	1,44,96,798	1,95,70,079
Less : Provision for Income Tax	29,00,000	10,00,000
Less : Provision for Deferred Tax Liability/(Assets)	34,53,983	1,23,46,904
Less/(Add) : Short/(Excess) provision for		
Income Tax/F.B.T. for Earlier Year	-	(23,00,222)
Profit after tax	81,42,815	85,23,397
Balance Brought forwarded	9,02,72,639	8,69,51,192
	9,84,15,454	9,54,74,588
Appropriation		
Proposed Dividend	44,46,300	44,46,300
Corporate Dividend Tax	7,55,649	7,55,649
Balance Carried forwarded to Balance Sheet	9,32,13,505	9,02,72,639
	9,84,15,454	9,54,74,588

OPERATION :

Your Directors' are pleased to inform you that the company has achieved the turnover of Rs. 7337.80 lacs against 6935.98 lacs in the previous year and profit before tax Rs. 144.97 lacs as against Rs. 195.70 lacs in the previous year.

EXPORT :

The Export turnover of the year under review is Rs.1557.33 lacs as against Rs. 2139.92 lacs in previous year.

DIVIDEND :

The Board of Directors of the Company, for the year ended 31st March, 2011 has recommended a dividend of Re. 1/- per share (10% per equity shares of face value of Rs. 10/- each) subject to the approval of the shareholders at the Annual General Meeting.

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FIXED DEPOSIT :

The Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 read with companies (Acceptance of Deposits) Rules, 1975 made thereunder.

EFFLUENT TREATMENT PLANT :

The Company has its own full fledged Effluent Treatment Plant as per the norms prescribed by the Maharashtra Pollution Control Board. The Company is also a member of Common Effluent Treatment Plant (CETP) managed by the Mahad Manufacturing Association (MMA).

During the year under review the Company has invested Rs.92.86 lacs for upgradation of Effluent Treatment Plant.

DIRECTORS :

Shri Kishori Lal Ramuka, Shri Arvind Chirania and Shri Amar Kanodia would retire by rotation at the ensuing Annual General Meeting of the Company and are eligible for reappointment.

Brief resume of the above Directors, nature of their experience in specific functional areas and names of the companies in which they hold directorship and membership/chairmanship of committees of the Board, as stipulated under clause 49 of the Listing Agreement are given in the section on Corporate Governance in the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to section 217(2AA) of the Companies Act, 1956 your Directors confirm the following :

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) that the directors have selected such accounting policies 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 at the end of the financial year and of the profit of the Company for that period;
- c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting record 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;
- d) that the directors have prepared the annual accounts on a going concern basis.

COMPLIANCE CERTIFICATE :

A Compliance Certificate under section 383A of the Companies Act, 1956 from the Practicing Company Secretary in respect of the financial year ended on March 31, 2011 is attached hereto.

CORPORATE GOVERNANCE :

Pursuant to clause 49 of the Listing Agreement with the Stock Exchange, Reports on Management Discussion & Analysis and on Corporate Governance alongwith a certificate from the Auditors are attached hereto and forms part of this Annual Report.

SHREE HARI CHEMICALS EXPORT LTD.

PARTICULARS OF EMPLOYEES :

The Company does not have any employees whose particulars are required to be given pursuant to the provisions of Section 217 (2A) of the Companies Act 1956, read with the Companies (Particulars of Employees) Rules, 1975.

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, statement showing particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the Annexure forming part of this report.

LISTING :

The Equity Shares of the Company are listed at the Bombay Stock Exchange Limited. The Company has paid the Annual Listing Fees to the Bombay Stock Exchange Limited for the year 2011-2012.

AUDITORS :

M/s. Kailash Chand Jain & Co., Chartered Accountants, the Auditors of the company would retire at the ensuing Annual General Meeting and are eligible for re-appointment. You are requested to appoint auditors and to fix their remuneration.

ACKNOWLEDGEMENT :

Your Directors are pleased to place on record their sincere appreciation to all the employees of the Company whose entiring efforts have made achieving its goal possible. Your Directors wish to thank the Central and State Governments, customers, suppliers, business associates, shareholders, Banks and Financial Institutions for their continued support and for the faith reposed in your Company.

For and on behalf of the Board
KISHORI LAL RAMUKA
Chairman & Executive Director

Dated : 5th August, 2011.

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ANNEXURE TO THE DIRECTORS' REPORT

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

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange earning and outgo as required under Companies (Disclosure of particulars in the report of Board of Directors) Rule 1988 and forming part of the report of the Board of Directors for the year ended 31st March, 2011.

A) CONSERVATION OF ENERGY :

Total energy consumption and energy consumption per unit of production is given in the prescribed form as below:

FORM A

Form for disclosure of particulars with respect to conservation of energy :

a)	Power & Fuel consumption	2010-2011	2009-2010
i)	Electricity :		
a)	Purchased :		
	Units (KWH)	6872049	7359555
	Total Amount (Rs.)	3,78,92,587	3,97,52,849
	Rate/Unit (Rs.)	5.51	5.40
b)	Own Generation (Through D.G.Set)		
	Diesel Oil Consumed (Ltrs.)	15400	12476
	Total Amount	6,11,322	4,33,279
	Rate/Ltr (Rs.)	39.70	34.73
ii)	Steam Coal		
	Qty. (Kgs.)	7867311	8312176
	Total Amount (RS.)	3,93,53,604	3,70,41,872
	Avg. Rate (Rs.)	5.00	4.46
iii)	Steam		
	Units	6573703	-
	Total Amount (Rs)	72,81,867	-
	Avg. Rate (Rs)	1.11	-
b)	Consumption per unit of Production (P.MT) :		
	Product : Dye Intermediates (M.T.)	3285.965	3457.453
	Electricity (KWH)	2091.33	2128.61
	Steam Coal (Kgs)	2394.22	2404.13
	Steam (Units)	2000.54	-
	Own generated Through Generator (Ltrs.)	4.69	3.61

B) FORM B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

Company has in-house Research & Development unit. The R&D work is going on in the specified area of recycling of process waste, water, recovery of impurities of H-Acid and to convert them into useful products.

Technology Absorption, Adoption and Innovation

Efforts are made towards technology absorption, adoption and innovation for optimum utilisation of Naphthalene to recover high production and to improve the yield. The technology is adopted to meet customers specific requirements. Innovation are made whenever required keeping in view their application based on operating conditions.

C) Foreign Exchange Earning and Outgo :	2010-2011	2009-2010
1) Earning CIF Value of Exports (figures includes Direct Export as well as through Export House and Merchant Exporters)	15,57,33,262	21,39,91,756
2) Outgo CIF Value of Imports	15,18,99,240	10,24,89,792

For and on behalf of the Board
KISHORI LAL RAMUKA
Chairman & Executive Director

Dated : 5th August, 2011.

SHREE HARI CHEMICALS EXPORT LTD.

CIN: L99999MH1987PLC044942

Nominal Capital Rs. 10,00,00,000/-

Compliance Certificate

To,
The Members
SHREE HARI CHEMICALS EXPORT LIMITED
A-8, MIDC, Indl. Area,
Mahad, Dist. Raigad,
Maharashtra.

We have examined the registers, records, books and papers of Shree Hari Chemicals Export Limited as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained the registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and entries therein have been recorded.
2. The Company has 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 as mentioned in the said Annexure.
3. The Company being a public limited company, comments that it has minimum prescribed paid-up capital and comments relating to Private Limited Company about maximum number of members, invitation to public to subscribe for shares and acceptance of deposits from persons other than its members, directors or their relatives, are not required.
4. The Board of Directors duly met 5 (Five) times on 29.04.2010, 30.07.2010, 30.10.2010, 18.12.2010 and 31.01.2011 in respect of which meetings notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. (No circular resolution was passed.)
5. The Company has closed its Register of Members from August 30, 2010 to September 06, 2010 and necessary compliance of Section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on 31st March, 2010 was held on 06.09.2010 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 financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or previous approval of the Central Government during the year.
12. The duly constituted committee of Directors has approved the issue of duplicate share certificates.
13.
 - (i) The company has delivered all the certificates on lodgment thereof for transfer /transmission or any other purpose in accordance with the provisions of the Act;
 - (ii) The Company had declared dividend at the Annual General Meeting held on 06th September, 2010 and deposited the amount of dividend in a separate Bank Account on September 8, 2010.
 - (iii) The Company has paid/posted warrants to all the members within a period of 30 days (Thirty) days from the date of declaration and that all unclaimed /unpaid dividend has been transferred to Unpaid Dividend Account of the company with State Bank of India, Mumbai on October 11, 2010
 - (iv) There are no unpaid dividends, application money due for refund, matured deposits, matured debentures or the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
 - (v) The Company has complied with the requirements of section 217 of the Act.

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14. The Board of Directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancies during the financial year.
15. The Company has not appointed any Managing Director / Whole-time Directors / Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such other authorities prescribed under the various provisions of the Act during the financial year.
18. All 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 thereunder.
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 financial year.
21. The Company has not issued any Preference shares/debentures.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The amount borrowed by the Company from banks during the financial year ending 31st March, 2011 is within the borrowing limits of the company and that necessary resolutions as per section 293(1)(d) of the Act have been passed in duly convened annual general meeting.
25. The Company has not made any loans or investments or given guarantees or provided securities to other bodies corporate during the financial year.
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 financial year.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has generally deposited both employees' and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

For Shalini Hegde & Associates

Name of Company Secretary : Shalini Bhat
C. P. No. : 6994

Mumbai : 05.08.2011.

SHREE HARI CHEMICALS EXPORT LTD.

SHREE HARI CHEMICALS EXPORT LIMITED

Annexure 'A'

Statutory Registers as maintained by the Company

1. Register of Charges u/s 143 of the Act.
2. Register of Members u/s 150 of the Act.
3. Minutes Book of Board Meetings u/s 193 of the Act. (in loose-leaf)
4. Minutes Book of General Meetings u/s 193 of the Act. (in loose-leaf)
5. Books of Accounts u/s 209 of the Act are being audited by the Statutory Auditors of the Company.
6. Register of Contracts u/s 301 of the Act.
7. Register of disclosure of interest u/s 301 of the Act.
8. Register of Particulars of Directors etc. u/s 303 of the Act.
9. Register of Directors' Shareholding u/s 307 of the Act.
10. Register of Renewed and Duplicate Certificates under Rule 7 of the Companies (Issue of Share Certificates) Rule 1960.

Other Registers

1. Register of Transfers
2. Attendance Register of Board Meetings.

Annexure 'B'

Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ended on March 31, 2011.

Sr. No.	Form No./ Return	Filed under section	For	Date of filing/ Registration	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid. Yes/No
1.	Form 23	192	Re-appointment of Shri Bankesh Chandra Agrawal as Managing Director w.e.f. 01.03.2010 for a period of five years & Remuneratin for a period of three years w.e.f. 01.03.2010	27.09.2010	Yes	N.A.
2.	Form 23AC & 23ACA alongwith the Annual Report as on 31.03.2010	220	Adopted at the Annual General Meeting held on 06.09.2010	28.09.2010	Yes	N.A.
3.	Form 66 alongwith Compliance Certificate for the year ended 31.03.2010	383A	Financial Year 2009-2010	28.09.2010	Yes	N.A.
4.	Form 20B Annual Return made up to 06.09.2010	159	Annual General Meeting held held on 06.09.2010	26.10.2010	Yes	N.A.

For Shalini Hegde & Associates

Name of Company Secretary : Shalini Bhat
C. P. No. : 6994

Mumbai : 05.08.2011.