

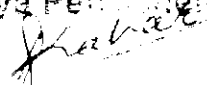
ATREYA PETROCHEM LIMITED

ANNUAL REPORT

2008-09

CERTIFIED TRUE COPY

Atreya Petrochem Limited



Director / Authorised Signatory

ATREYA PETROCHEM LIMITED

NOTICE

Notice is hereby given that the Annual General Meeting of the **Atreya Petrochem Limited** will be held at Vill : Tundao, Tal: Salvi, Vadodara – 391 775 on Wednesday, 30th September, 2009 at 11.00 A.M. to transact the following business :

Ordinary Business:

- ❑ To receive, consider and adopt the Audited Profit and Loss Accounts as at March 31, 2009 and the Audited Balance Sheet for the year ended on that date together with the Reports of the Board of Director and the Auditors thereon.
- ❑ To appoint a Director in place of Santosh Ranchhodbhai Kahar, who retires by rotation and being eligible, offers himself for reappointment.
- ❑ To appoint Auditors and fix their remuneration.

By Order of the Board
For Atreya Petrochem Limited
Sd/-

Date: 25th August, 2009.
Place: Vadodara

Director

NOTES:

- ❖ A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- ❖ Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a Certified Copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
- ❖ The Register of Members and the Shares Transfer Books of the Company will be closed from the **24th Day of September, 2009** to the **29th Day of September, 2009** (both days inclusive).

- ↗ In case of the joint holders attending the meetings, only such joint holder who is higher in the order of names will be entitled to vote.
- ↗ Relevant documents referred to in the accompanying notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 A.M. and 1.00 P.M. up to the date of the meeting.
- ↗ Members/Beneficial Owners are requested to quote their full name as per Company's record, Folio No. /DP and Client ID Nos. as the case may be, in all their correspondence with the Company.

By Order of the Board
Sd/-

Date: 25th August, 2009.
Place: Vadodara.

Director

DIRECTORS' REPORT

Dear Members.

Your Directors have pleasure in presenting their Annual Report together with the Audited Statement of Accounts for the Financial Year ended on 31st March, 2009.

(1) FINANCIAL AND WORKING RESULTS :

<u>PARTICULARS</u>	<u>2008-2009</u> (Rs.)	<u>2007-2008</u> (Rs.)
Gross (Loss) Before Depreciation:	(1,31,062)	(6,62,202)
(Less): Depreciation	(2,14,956)	-
Net (Loss) After Depreciation:	(3,46,018)	(6,62,202)
(Less): Prior Period Expenses	(15,000)	-
Net (Loss) Before Taxation	(3,61,018)	(6,62,202)
(Less): Provision for Taxation	-	-
Net (Loss) After Taxation	(3,61,018)	(6,62,202)
(Less): Loss brought forward from previous year	(2,94,69,867)	(2,88,07,665)
Balance Carried to Balance Sheet	(2,98,30,885)	(2,94,69,867)

During the year under review, the Company has resumed its operation from February, 2009.

(2) DEPOSITS:

The Company has not accepted any deposits during the year from the public.

(3) DIVIDENDS:

In view of carried forward losses, your Directors do not recommend any dividend.

(4) PARTICULARS OF EMPLOYEES:

There was no employee drawing remuneration of Rs. 24,00,000 per annum or Rs. 2,00,000 per month for any part of the year or more and hence no particulars have been furnished as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees Rules), 1975.

(5) **PARTICULARS RELATING TO CONSERVATION OF ENERGY,**

A. CONSERVATION OF ENERGY:

The Company does not have material information required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the Board of Directors) Rules, 1988 to offer and hence no particulars have been furnished.

B. FOREIGN EXCHANGE EARNING & OUTGO:

During the year, the Company has neither earned nor spent any foreign exchange.

(6) **DIRECTORATE:**

Mr. Santosh R. Kahar retires at the ensuing Annual General Meeting and being eligible offers himself for re-election & Mr. Mahesh Nandani resigns from the office of Director due to Personal Reasons on 20.02.2009.

(7) **DIRECTORS RESPONSIBILITY STATEMENT:**

- (i) Your Directors have followed the applicable accounting standards alongwith proper explanation relating to material departure if any, while preparing the annual accounts;
- (ii) Your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of financial year and of the loss of the Company for the period;
- (iii) Your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) Your Directors have prepared the annual accounts on a going concern basis.

(8) **AUDITORS:**

Mrs. N. R. PARIKH & CO., Chartered Accountants, Vadodara. Auditors of the Company retire at the conclusion of this Annual General Meeting and being eligible, offer themselves for reappointment. You are requested to appoint Auditors and fix their remuneration.

(9) **AUDITORS' REPORT:**

Clause no. 2 of Notes to Accounts (schedule L) is self explanatory in respect of Auditors' comment in clause no. 4(d) of their Report.

(10) **ACKNOWLEDGEMENTS:**

Your Directors take opportunity to express their gratitude to employees, bankers and government for their valuable support and co-operation.

FOR AND ON BEHALF OF THE BOARD

Director

Place : Vadodara.
Date : 25th August, 2009

CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is to attain highest level of transparency, accountability and integrity. This objective extends not merely to meet with statutory requirements but also to go beyond them by putting into place procedures and systems which are in accordance with best practices for governance. The Board of Directors supports the broad principles of Corporate Governance and lays strong emphasis on its trusteeship role to align and direct the actions of the organization to achieve its avowed objectives of transparency, accountability and integrity. Given below is report on Corporate Governance of **Atreya Petrochem Limited**.

Board of Directors:

The Board is accountable to the shareholders and other stakeholders of the Company at every level. The Board's responsibilities are active, not passive, and include the responsibility to regularly evaluate the strategic direction of the Company, management policies and the effectiveness with which management implements them. The Board's responsibilities also include overseeing the structure and composition of the Company's top management and monitoring legal compliances and the management of risks related to the Company's operations.

Composition of Board:

Name of the Directors	Designation	Meeting Held	Meeting Attended
Sombhai Shankarbhai Thakkar	Director	5	5
Santosh Ranchhodbhai Kahar	Executive Director	5	5
Bachubhai Shankerlal Thakkar	Director	5	5
Mr. Mahesh M. Nandani	Director	5	5

Number of Board Meeting During the year:

The Board of Directors met **Five** times during the financial year, on the following dates:

30th April, 2008, 31st July, 2008, 25th August, 2008, 31st October, 2008, 31st January, 2009.

Audit committee:

Terms of Reference:

The Audit Committee is to oversee the Company's financial reporting process and disclosure of its financial information, to recommend the appointment of Statutory Auditors and fixation of their

fees, to review and discuss with the Auditors about internal control systems, the scope of Audit including the observations of the Auditors, adequacy of the internal audit system, major accounting policies, practices and entries, compliances with accounting standards and Listing Agreement entered into with the Stock Exchanges and other legal requirements concerning financial statements and related party transactions, if any, to review the Company's Financial and Risk Management Policies and discuss with the Internal Auditors any significant findings for follow-up thereon, to review the Quarterly, Half yearly and Annual Financial Statements before they are submitted to the Board of Directors. The Committee also meets the operating management personnel and reviews the operations, new initiatives and performance of the business units. Minutes of the Audit Committee Meetings are circulated to the Members of the Board, discussed and taken note of.

■ **Composition:**

Sr. No.	Attendance records of the Members	Date on Which the Audit committee Meeting were held				
		22/04/08	22/07/08	18/08/08	22/10/08	22/01/09
1	Bachubhai S. Thakkar	Attended	Attended	Attended	Attended	Attended
2	Sombhai S. Thakkar	Attended	Attended	Attended	Attended	Attended
3	Santosh R. Kahar	Attended	Attended	Attended	Attended	Attended

Mr. Bachubhai S. Thakkar is the chairman of the Audit Committee.

■ **Board Agenda:**

The Board Meetings are scheduled well in time and Board members are given a notice of at least seven days before the meeting date. The Board members are provided with well structured and comprehensive agenda papers. All major agenda items are backed by in-depth background information and analysis, wherever possible, to enable the Board to take appropriate and informed decisions.

🔄 **Shareholders Grievance Committee:**

For redressing investor complaints, the Company has also formed an Investor Grievance Committee titled Share transfer/Share Allotment/Shareholders Grievance Redressal Committee. The Committee has been reconstituted from time to time as per the requirements of Clause 49 of the Listing Agreement.

Its role and responsibility is to expeditiously process and approve the transactions in Securities, complying with SEBI regulations and listing requirements and redressal of investor grievances. The Committee oversees and monitors the performance of the Registrar & Transfer Agents and devices measures for overall improvement in the quality of investor services. The Committee also looks into the

complaints received from the stock exchanges. In view of the non- receipt of any complaints from the shareholders, the Committee did not meet during the year under review.

Remuneration Committee:

The remuneration of the Managing Director is approved by the Board of Directors and the Shareholders. Hence no separate Remuneration Committee has been constituted. The Managing Director and Whole Time Directors are paid by way of salary, perquisites based on his/her contract. Pursuant to the authority granted by the Shareholders, the annual increment for the Managing Director is approved by the Board annually.

General Body Meeting:

■ The last three Annual General Meeting of the Company were held as under:

Year	Location	Date	Time
2005-2006	Tundav Anjesar Road, Village :- Tundao, Tal. Savli Vadodara.	30/09/2006	11.00 A.M
2006-2007	Tundav Anjesar Road, Village :- Tundao, Tal. Savli Vadodara.	29/09/2007	11.00 A.M
2007-2008	Tundav Anjesar Road, Village :- Tundao, Tal. Savli Vadodara.	30/09/2008	11.00 A.M

■ **Special Resolution**

No Special Resolution was passed during the previous three AGMs.

■ **Postal Ballot**

No Special resolution was passed last year through postal ballot.

Code of Conduct:

The Company's code of Conduct, as adopted by the Board of Directors, is applicable to all the Directors, Senior Management and Employees of the Company. The Chairman confirms and affirms compliance with the Company's code of Conduct for the Accounting Year Ended 30th March, 2009.

The Code is derived from three essential and basic principles, which form the ingredient of a growing Company viz. **Good Corporate Governance, Good Corporate Citizenship, Good Ethics.**

SEBI prevention of Insider Trading:

With SEBI imposing the responsibility of "**Prohibition of Insider Trading**" on the Organization, the Board has designed a Code of Conduct strictly in accordance with the Model Code of Conduct prescribed by SEBI. The Code, besides other relevant matters, prohibits as insider from dealing in the shares of the Company, while in possession of the unpublished price sensitive information in relation to the Company.

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2007-2008	Tundav Anjesar Road, Village :- Tundao, Tal. Savli Vadodara.	30/09/2008	11.00 A.M

Special Resolution

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Subsidiary Company:

Company does not have any Subsidiary Company.

Disclosure:

Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large.

There are some transactions in which directors of the company are interested.

The details of Related Party Transaction are as followed

Loans Taken

Name of the Party	Amount in Rupees
Empire Unifor Software Solution Limited	34,59,588.50

Risk Management Framework


The Company has in place mechanisms to inform the Board Members about the risk assessment and minimization procedures and periodical review to ensure that executive management controls risk through means of a properly identified framework. The risk management issues are discussed in Management Discussion & Analysis.


Details of non- compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to Capital markets, during the last three years.


Trading in shares of the Company is currently suspended on Bombay Stock Exchange Limited due to non compliance of various requirements of the Listing Agreement.

General Shareholders information:

Annual General Meeting

 **Date:** 30/09/2008

 **Day:** Tuesday

 **Time:** 11.00 A.M

 **Place:** Tundav Anjesar Road, Village :- Tundao, Tal. Savli Vadodara.

❏ **Book Closure:**

Register of Member & share Transfer Book will remain closed from the 24th Day of September, 2009 to the 29th Day of September, 2009 (both days inclusive).

❏ **Financial Calendar:**

Financial Reporting for the year under review	Month of Reporting (Tentative)
Unaudited Financial Result for the Quarter ending 30 th June, 2009.	31 st July, 2009
Unaudited Financial Result for the Half ending 30 th September, 2009.	31 st October, 2009
Unaudited Financial Result for the Quarter ending 31 st December, 2009.	31 st January, 2010
Unaudited Financial Result for the Year ending 31 st March, 2010.	31 st April, 2010

❏ **Listed on Stock Exchange:**

❖ **Bombay Stock Exchange**

Scrip Code: 514444

❖ **Vadodara Stock Exchange**

Scrip Code: 241

❖ **Ahmedabad Stock Exchange**

Script Code: Atreya

❏ **Market Pricing Data:**

The Company's Equity shares have been suspended from the Bombay Stock Exchange Limited mainly due to none compliances of listing agreement and hence data on market price are not available.

❏ **Registered Office:**

Tundav Anjesar Road, Village :- Tundao, Tal. Savli Vadodara.

❏ **Dematerialisation of shares and liquidity:**

The Company has not entered into the Agreement with NSDL and CDSL.

❏ **Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:**

Not Applicable to the Company.

■ **Address for future Correspondence:**

↻ **Address:** 9th Floor Galav Chambers,
Near Sardar Patel Statue,
Sayajigunj,
Vadodara, - 390 005.

↻ **Telephone Number:** 0265-3010545

↻ **FAX Number:** 265 2361551

↻ **Email I.D:** atreyapetrochem@gmail.com

DECLARATION

All the Directors and Senior Management personnel have affirmed compliance with the **code of conduct** as approved and adopted by board of directors

**By order of the Board
For Atreya Petrochem Limited
S/d-**

**Date: 25th August, 2009.
Place: Vadodara**

Director

MANAGEMENT DISCUSSION AND ANALYSIS

Economic Scenario

Petrochemicals dominate the global chemicals market with a share of almost 40 percent. The coming years are expected to see the petrochemicals industry undergoing a major metamorphosis, particularly with the Middle East as a major petrochemicals supplier and China emerging as a major processing hub. The growth of the chemical industry, currently 2-3 percent above the average world GDP, is likely to face a slowdown in the coming 2 years owing to the global economic slowdown. The coming years are expected to see the petrochemicals industry undergoing a major metamorphosis.

Asian markets are undergoing a sea change in the form of high demand markets for petrochemicals. It was projected that the coming years will see China, India, and the rest of Asia becoming hubs for processing of end products as well as a high demand end-use market. By 2018, 60 percent of the petrochemical growth is likely to take place in Asia, with China accounting for about one-third of the growth. However, with the recent recession hitting the industry, Asian markets also have been affected since Europe and North America have cut down on import of finished goods. Even though Asia is expected to soon become a significant end-use market, the current world economic scenario will have a negative effect on the industry and instead of growing at about 2-3 percent above GDP; the market is expected to grow at a much lower rate. However, this recession will affect the Western markets more than Asian ones.

Industry Outlook

The major driver for the growth of petrochemical industry in India is its (India's) ongoing economic development. With the Government announcing an infrastructure development program of over INR 500 Billion, coupled with growth in key end-use sectors like auto, personal / lifestyle products, and retail (packaging), a boost is expected in the demand for petrochemical products in India. The Government has set in place policies to promote investment in the petrochemical sector, and several key domestic companies have unveiled ambitious expansion plans for the next few years. Two major elements in this support are the decision to allow 100 percent foreign direct investment projects in this sector, and establishment of a series of special economic zones (SEZs) and a number of petroleum, chemicals, and petrochemical investment regions (PCPIRs).

The refining capacity in India is expected to rise from 135 MMTA in 2006-07 to 210-225 MMTA in 2011-12, translating into increased availability of 8-10 MMTA of naphtha. This additional availability of naphtha has already prompted petrochemical majors to announce major downstream expansions in naphtha crackers. The olefin-based capacity is expected to increase from 5 MMTA to 10 MMTA and aromatics based capacity is expected to increase from 3 MMTA to 6 MMT.

Key Issue and Challenges

The Indian petrochemical industry faces a number of challenges for sustained growth, putting India at a competitive disadvantage in the competition with China. India's ethylene capacity is far smaller than China's and is unlikely to rise above its Asian rival's levels in the next 5-7 years. This will make it

impossible for India to develop applications further downstream. Other major issues faced by the Indian petrochemical industry are lack of low cost feedstock and dependence on western countries for technology. New crackers and derivatives projects announced are making slow progress and their coming on stream might be further delayed.

Perceived Business Risks

The Company's business activities are such that it exposes the Company to a variety of risks, in particular Market risk, Credit risk, Operational risk, Liquidity risk and Interest rate risk. Identification and management of these risks are essential to its success and financial soundness. The Company is implementing an Enterprise Risk Management (ERM) framework that adopts an integrated approach to managing all types of risks.

Internal Control Systems

The Company's auditors have confirmed that the Company has proper and adequate internal control systems commensurate with its size and nature of operations which enable it to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and that all applicable statutes and corporate policies are duly complied with.

Human Relations

The Company believes that its employees are at the core of its corporate purpose. They are the key in achieving its vision and are primary source of competitive advantage. Your Company has always stood by its commitment harnessing and developing its people resources in the best possible manner for achievement of its goals and objectives. All through the year the level of people engaged has been of the highest order, which has impacted the process business growth and up gradation of various systems in a significant way.

Corporate Social Responsibility

Your Company is socially responsible corporate citizen committed to deliver a positive impact across social, economic and environmental parameters. The Company acknowledges its responsibility on the manner that its activities influence its consumers, employees and stake holders, as well as the environment. Your Company strives to proactively encourage community growth and development thereby contributing in building a sustainable future.

Cautionary Statement

Statements in this management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

The Company is not under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events

CERTIFICATE ON CORPORATE GOVERNANCE

TO
THE MEMBERS OF
ATREYA PETROCHEM LIMITED
(formerly known as Jal Hi Power Petrochem Limited)

WE HAVE EXAMINED THE COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE by Atreya Petrochem Limited for the year ended 31st March, 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has not complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that based on the report given by the Registrar of the Company to the Grievance Committee as on 31st March, 2009, there were no Investor Grievance Matters against the Company remaining unattended/ pending for more than 30 days.

We further state such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **N.R PARKIH & CO.**
CHARTERED ACCOUNTANTS
FRN No. 107563W

S/d
N.R. PARIKH
Partner
Membership No. **F-07854**
Place: **Vadodara**
Dated: **01-08-2009**

CFO CERTIFICATION

I, Mr. Santosh Kahar, Director & CFO of the Company hereby certify that:

- a. I have reviewed the financial statements and Cash flow statement for the year ended 31st March, 2009 and to the best of my knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contains statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

- b. To the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2009 are fraudulent, illegal or violative of the Company's code of conduct.

- c. I accept responsibility for establishing and maintaining internal controls for financing reporting and I have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which I am aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies;

- d.
 - i) There has not been any significant change in internal control over financial reporting during the year under reference;

 - ii) There has not been any significant change in Accounting policies during the year;
and

 - iii) Instances of significant fraud, if any of which we have become aware, and involvement therein, if any, of the management or an employee having a significant role in Companies internal control system over financial reporting shall be disclosed.

**For Atreya Petrochem Limited
(formerly known as Jal Hi Power Petrochem Limited)**

Sd/-
Director & CFO

Place: Vadodara.

Date: 25-08-2009.



Office : 401, Paradise Complex, Behind Yashkamal Bldg., Sayajigunj, Vadodara-390 005.

PH. : (O) 2362660, 2225205, (R) 2354879

Ref. No. :

Date : 1/03/2009

AUDITOR'S REPORT

To,
The Members of
Atreya Petrochem Ltd.

1. We have audited the attached Balance Sheet of **Atreya Petrochem Ltd.** as at 31st March, 2009 and also the Profit and Loss Account of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 and the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on matters specified in paragraphs 4 and 5 of the said Order.

Reference is invited: -

- a) That Since the F.Y. 2000-2001 to January 2009, the company has not undertaken any business activity. The company has initiated production from February 2009.
- b) That since the beginning the company has not complied with the provision of Section 383A of the Companies Act, 1956 relating to appointment of a whole time secretary.

Therefore, we are unable to comment on the maintenance of various statutory registers, records, compliance of Stock Exchange listing agreement, SEBI Rules & Regulation and The Companies Act, 1956.

- c) The management of the company has not taken due care to arrange in order and or to preserve past years Books of Accounts, relevant records and Shareholder records etc. in proper manner & at proper place.



N. R. PARIKH & CO
CHARTERED ACCOUNTANTS

- d) That Company hold investment of 3,00,000 Nos. of Equity Shares of Rs. 30,00,000/- in Prabhav Industries Ltd. (Formerly :Empire Unifor Software Solutions Ltd.).

In our opinion, no realizable value expected from the above investment and no amount is ascertained from diminutions in the value at investment. No provision has been made for the diminution in the value of share.

- e) That accounts and balance of various major parties remain stagnant and unconfirmed since long back. Therefore, status as to receivable and or payable cannot be ascertained and commented.

- f) For continuing contravention of Section 295 of companies Act, 1956 for allowing Loans & Advances of Rs. 40.14 Lacs in past year to directors, Firms and to the Companies in which Director/ relative are/were interested as director / partner / proprietor. It is also doubtful to be recovered. There were no terms and condition for the interest and recovery of principal.

4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that -

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;

- (c) The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account;

- (d) In our opinion, the Balance Sheet and the Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, except

“AS-22 Accounting for Taxes on Income” in view of no longer reasonably certain and convenience evidence that sufficient future taxable income will be available to recognized Deferred Tax Assets.

- (e) On the basis of written representations received from the directors as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

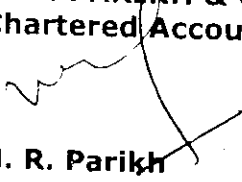
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon, give the information required by the companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

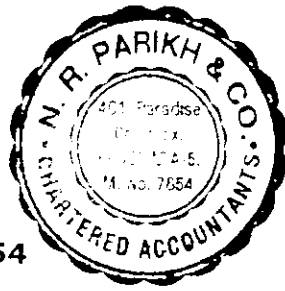
N. R. PARIKH & CO.
CHARTERED ACCOUNTANTS

so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet of the state of affairs of the Company as on 31st March 2009;
- (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the Cash Flow for the year ended on that date.

For
N. R. PARIKH & CO.
Chartered Accountants


N. R. Parikh
Proprietor
Membership No. F-07854
Vadodara: 11/08/2009



ANNEXURE TO AUDITOR'S REPORT

Referred to in paragraph 3 of our report of even date on the accounts for the year ended 31st March 2009 of Atreya Petrochem Ltd.

- (i) (a) Except information available in the books of accounts, The Company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) No Records available as to physical verification of assets carried out by the management at any time during the year.
- Therefore, we are unable to report whether any material discrepancies exist or not.
- (c) As per Books of Accounts, the Company has not disposed off any fixed assets during the year.
- (ii) (a) As informed to us, no physical verification has been conducted at any time by the management.
- (b) In our opinion and according to the information and explanations given to us, company does not have reasonable and adequate procedure for physical verification of inventories.
- (c) In our opinion and according to the information and explanations given to us, the Company has not maintained proper records of inventory.
- (iii) The Company has granted or taken any loans, secured or unsecured to / from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.

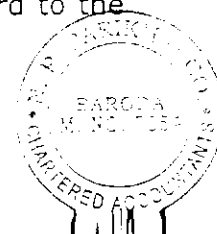
Register maintained, if any u/s. 301 of the Companies Act, 1956 is not available for our verification.

However, on the basis of information with us the Company has granted and taken Loans to/from various parties in past years, which required to be covered in the register u/s. 301 of the Act, are as under-

(a) Loans Granted

Name of the Party	Amount
Galav Finance & Investment Pvt. Ltd.	22,52,000
Kavit Investment Pvt. Ltd.	7,76,000
Empire Housing Finance Ltd.	36,674
Pacific Finstock Ltd.	9,49,602

In respect of above, Loans given, there are no covenants with regard to the Interest/ Recovery or any other terms and conditions.



N. R. PARIKH & CO.
CHARTERED ACCOUNTANTS

There is no recovery of principal or Interest during the year in respect of above loans.

In absences of any covenants as to recovery in respect of above Loans, we are unable to comment on overdue status and No steps taken for the recovery of the principal and interest.

(b) Loan Taken

Name of the Party	Amount
Prabhav Industries Ltd. (Formerly: Empire Unifor Software Solutions Ltd.)	34,54,589
Natural Expo Agro Industries Ltd.	24,84,080
Pacific Securities Ltd.	3,40,000
Santosh Kahar	15,000
Bachubhai Thakkar	18,000
Bharat L Patel	19,000
Sombhai Thakkar	19,500

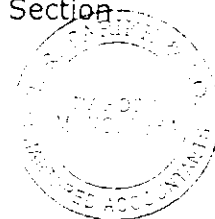
In respect of above Loans taken, there are no covenants with regard to the Interest/ Repayment or any other terms and conditions.

There is no payment of principal or Interest during the year in respect of above loans.

No Provision has been made for the interest of above loans.

In absences of any covenants as to repayment in respect of above Loans, we are unable to comment on overdue status and steps taken for the payment of the principal and interest.

- (iv) In our opinion and according to the information and explanations given to us, there are no adequate internal control procedures commensurate with the size of the Company and the nature of its business.
- (v) According to the information and explanations given to us, the company has not made any transaction in respect of any party that need to be entered into a register in pursuance of Section 301 of the Companies Act 1956 except Loan taken from directors of Rs. 71,500/- during the year.
- (vi) The company has accepted deposits from other corporate which attracting the provisions of section 58A and 58AA of the Companies Act, 1956, and the rules framed there under. The Company has not been filed return of deposits as required U/s. 10 of Companies (Acceptance of Deposits) Rules 1975 with the concerned authorities.
- (vii) The Company is a listed company and or having a paid up capital and reserved exceeding Rs.50 Lacks as at the commencement of the Financial Year and company does not have any Internal Audit System.
- (viii) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.
- (ix) In respect of statutory dues:



N. R. PARIKH & CO.
CHARTERED ACCOUNTANTS

- (a) Account to the records of the Company examined by us, Company is not liable to Pay Provident Fund, Investor Education and Protection fund, Employees State Insurance, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise Duty, Cess no undisputed amounts payable in respect of such statutory dues which have remained outstanding as on 31st march 2009 for a period of more than Six Month from the day they become payable except the following -

Tax Deducted At Sources	Rs.1,98,611
Central Sales Tax	Rs.6,77,642
Motor Spirit Tax	Rs.2,26,238
Professional Tax	Rs.1,520
Taluka Vikas Adhikari, Savli	Rs.31,931
VAT	Rs. 12785

- (b) According to the Information and explanation given to us there are no dues of Sales Tax, Custom Duty, Wealth Tax, Services Tax, Custom Duty, Excise Duty and Cess Which have not been deposited on account of any dispute except the Following -

Name of Status	Rs.	Period	Pending at
Income Tax Act 1961	24,89,300	A.Y.1999-00	ITAT-Ahmedabad
Income Tax Act 1961	1,41,41,065	A.Y.2000-01	ITAT-Ahmedabad
Income Tax Act 1961	35,830	A.Y.2002-03	CIT(A)-Vadodara
Income Tax Act 1961	12,830	A.Y.2003-04	CIT(A)-Vadodara


- X) Accumulated losses at the end of financial year ended on 31st March,2008 is Rs. 2,98,30,885/- which does not exceed 50% of its net worth and it has incurred cash losses in the financial year ended on the date and in the immediately preceding financial Year.
- (xi) According to the information and explanations given to us and records of the company examined by us, the Company has not obtained any loan from financial institutions or banks and has not issued any debentures. Therefore reporting on whether company has defaulted in repayment of dues is not applicable.
- (xii) According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) As the Company is not a chit fund or a nidhi / mutual benefit fund / society to which the provisions of special statute relating to chit fund are applicable, the provisions of clause 4(xiii) of the Order are not applicable.
- (xiv) The company is not dealing in or trading in share, securities, Debenture or other investment ad hence requirement of paragraph 4 (XIV) is not applicable.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.



N. R. PARIKH & CO.
CHARTERED ACCOUNTANTS

- (xvi) According to the information and explanations given to us and as per records made available for our verification, the Company has not taken any term loan during the year
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment, this clause is not applicable.
- (xviii) As the Company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under Section 301 of the Act, the provisions of clause 4(xviii) of the Order are not applicable to the Company.
- (xix) As the Company has not issued any debentures, the provisions of clause 4(xix) of the Order are not applicable to the Company.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company was noticed or reported during year.

For
N. R. PARIKH & CO.
Chartered Accountants


N. R. Parikh
Proprietor
Membership No. F-07854



Dr. H. W. G.

M/S. ATREYA PETROCHEM LIMITED

Balance Sheet as at 31st March, 2009

Sch	As at 31st March, 2009 Amount (Rs.)	As at 31st March, 2008 Amount (Rs.)	
SOURCES OF FUNDS			
Shareholders' funds:			
	Share Capital	"A" 64,500,000	54,500,000
	Reserves and surplus	-	64,500,000
		<u>64,500,000</u>	<u>64,500,000</u>
Loan funds:			
	Secured loans	"B" -	-
	Unsecured loans	8,558,605	7,292,105
		<u>8,558,605</u>	<u>7,292,105</u>
	TOTAL	<u>73,058,605</u>	<u>71,792,105</u>
APPLICATION OF FUNDS			
Fixed Assets			
"C"	[a] Gross Block	30,426,935	30,343,611
	[b] Less: Depreciation	14,088,048	13,873,092
	[c] Net Block	<u>16,338,887</u>	<u>16,470,519</u>
	[d] Capital work in progress	180,675	180,675
		<u>16,519,562</u>	<u>16,651,194</u>
Investments			
"D"		3,000,000	3,000,000
Current Assets, Loans and Advances			
Current Assets			
	Stock In Trade	693,513	144,000
"E"	Sundry debtors	16,889,785	16,271,460
"F"	Cash and bank balances	404,114	138,572
Loans and advances			
"G"		<u>20,216,388</u>	<u>19,853,914</u>
		38,203,801	36,407,946
Less: Current Liabilities and Provisions			
"H"	Current Liabilities	14,334,467	13,592,271
	Provision	161,176	144,631
		<u>14,495,643</u>	<u>13,736,902</u>
	Net Current Assets	23,708,158	22,671,044
Profit & Loss Accounts			
		29,830,885	29,469,867
	TOTAL	<u>73,058,605</u>	<u>71,792,105</u>
Significant Accounting Policies & Notes on Accounts			
"L"			

The Schedules referred to above form an integral part of the Balance Sheet

As per our Report of even date attached

For N. R. PARIKH & CO.
Chartered Accountants

N. R. PARIKH
PROPRIETOR

VADODARA



7/11/09

For and on behalf of the Board of Directors

For Atreya Petrochem Limited

[Signature]
[Signature]
Director

Directors

M/S. ATREYA PETROCHEM LIMITED

Profit and Loss Account for the year ended 31st March, 2009

	Sch	Year Ending 31-Mar-09 Amount (Rs.)	Year Ending 31-Mar-08 Amount (Rs.)
Income			
Sales		1,225,680.00	-
Misc. income (Rent)		100,000.00	-
Increase/(Decrease) in Finish Good and Process Goods	"I"	-	-
Total		1,325,680.0	-
Expenditure			
Cost of Production	"J"	1,277,158	-
Administrative Expenses	"K"	179,584	326,014
Inventory Written Off		-	336,188
Total		1,456,742	662,202
Profit before depreciation		(131,062)	(662,202)
Depreciation		214,956	-
Profit After depreciation		(346,018)	(662,202)
Prior Period Expenses		15,000	-
Profit before taxation		(361,018)	(662,202)
Less: Provision for Tax		-	-
-- Current Tax		-	-
-- Deferred Tax		-	-
Profit after taxation		(361,018)	(662,202)
Less: Prior Period Expenses		-	-
Balance brought forward from previous year		(29,469,867)	(28,807,665)
Balance carried to Balance Sheet		(29,830,885)	(29,469,867)

The Schedules referred to above form an integral part of the Profit and Loss Account.

Significant Accounting Policies & Notes on Accounts

"L"

As per our Report of even date attached

For and on behalf of the Board of Directors

For N. R. PARIKH & CO.
Chartered Accountants

For Atreya Petrochem Limited




Director



N. R. PARIKH
PROPRIETOR

Directors

VADODARA

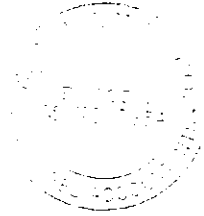
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M/S. ATREYA PETROCHEM LIMITED
Schedules forming part of the Balance Sheet as at 31st March, 2009

	As at 31st March, 2009	As at 31st March, 2008
<u>Schedule "A"</u>		
SHARE CAPITAL		
<u>Authorised:</u>		
65,00,000 Equity shares of Rs. 10 each	<u>65,000,000</u>	<u>65,000,000</u>
<u>Issued, subscribed and paid up:</u>		
64,50,000 Equity shares of Rs. 10 each, fully paid up	64,500,000	64,500,000
Total	<u>64,500,000</u>	<u>64,500,000</u>
<u>Schedule "B"</u>		
UNSECURED LOANS		
A) Inter corporate loans	7,987,518	6,792,518
B) From others	571,087	499,587
Total	<u>8,558,605</u>	<u>7,292,105</u>

For Atreya Petrochem Limited

Shankar
Director



M/S. ATREYA PETROCHEM LIMITED

Schedules forming part of the Balance sheet as at 31st March, 2009

Particulars	Dep %	Gross Block			Depreciation			Net Block		
		As on 31.03.08	Additions during the year	Deletion during the year	As on 31.03.09	As on 01.04.08	during the year	On Deletion	As on 31.3.09	As on 31.3.08
Free Hold Land & Development		1,294,309			1,294,309				1,294,309	1,294,309
Building Shed Factory	3.34%	6,508,297			6,508,297		36,230		4,027,240	4,083,470
Plant & Machinery	4.75%	20,235,598	83,324		20,318,922		160,858		10,160,047	10,237,881
Weigh Bridge	4.75%	631,805			631,805		5,002		884,218	889,220
Laboratory Equipments	4.75%	386,216			386,216		3,058		190,058	193,116
Air Conditioner	4.75%	198,612			198,612		1,572		114,768	116,340
Furniture & Fixture	6.33%	309,982			309,982		3,270		89,443	92,713
Computer & Printer *	40.00%	158,040			158,040		52		79	781
Office Equipments, Factory	4.75%	620,752			620,752		4,914		78,075	82,989
Total		30,343,611	83,324		30,426,935		214,956		16,338,887	16,470,519
Capital Work in Progress		180,675			180,675				180,675	180,675
Grand Total		30,524,286	83,324		30,607,610		214,956		16,519,562	16,651,194
Previous year										

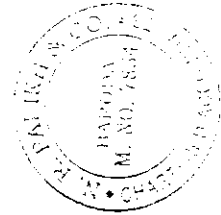
Note: * Depreciation charged on SLM basis

For Atreya Petrochem Limited

S. Shrivastava

R. K. Ramesh

Director



M/S. ATREYA PETROCHEM LIMITED
Schedules forming part of the Balance Sheet as at 31st March, 2009

	As at 31st March, 2009	As at 31st March, 2008
<u>Schedule "D"</u>		
INVESTMENTS		
(Long Term, Quoted, Non Traded)		
Prabhav Industires Ltd. (Formerly : Empire Unifor Software Solutions Ltd. 300,000 Eq.Share @ Rs. 10 fully paid at par)	3,000,000	3,000,000
	<u>3,000,000</u>	<u>3,000,000</u>
<u>Schedule "E"</u>		
SUNDRY DEBTORS (considered as all Unsecured)		
Debts outstanding for a period exceeding six months	16,521,320	16,271,460
Other debts	268,465	-
Total	<u>16,889,785</u>	<u>16,271,460</u>
<u>Schedule "F"</u>		
CASH AND BANK BALANCES		
Cash on hand	1,282	158
Balance with Scheduled banks		
Panjab National Bank	31,656	33,256
Bank of Baroda	270,864	4,846
Fixed Deposits with Scheduled banks		
Panjab National Bank	100,312	100,312
Total	<u>404,114</u>	<u>138,572</u>
<u>Schedule "G"</u>		
LOANS AND ADVANCES		
Unsecured, considered good Unless Otherwise Stated		
Inter Corporate Advances	17,977,300	17,977,300
Other Advances	169,360	169,360
Sales Tax	600,000	600,000
Advances to Suppliers	923,417	560,942
Excise Duty Balance in PLA	6,771	6,771
Excise Duty - MODVAT Receivable	1,011	1,011
Income Tax A.Y. 1998-99	32,530	32,530
Deposits Civil Supply Dept.	500,000	500,000
National Saving Certificate	6,000	6,000
Total	<u>20,216,388</u>	<u>19,853,914</u>
<u>Schedule "H"</u>		
CURRENT LIABILITIES & PROVISIONS		
Sundry creditors	12,797,382	12,087,371
Tax Deducted At Source	198,611	198,611
Brockrage & Underwriting Commission	192,750	192,750
Advances From Customers	226,939	226,939
Other Liability - Profession Tax	1,520	1,520
Sales Tax Payable	904,480	885,080
VAT	12,785	-
Total	<u>14,334,467</u>	<u>13,736,902</u>



For Atreya Petrochem Limited

Shanku

Kakar
Director

M/S. ATREYA PETROCHEM LIMITED
Schedules forming part of the Profit and Loss Account for the year ending 31st March, 2009

	Year Ended 31-Mar-09 Amount (Rs)	Year Ended 31-Mar-08 Amount (Rs)
Schedule "I"		
Opening Stock		
Semi Finished and Finished Goods	144,000	480,188
Less: Written Off During the Year	-	336,188
	<u>144,000</u>	<u>144,000</u>
Closing Stock		
Semi Finished and Finished Goods	144,000	144,000
	<u>144,000</u>	<u>144,000</u>
Increase in Stock	-	-

Schedule "J"		
Cost of Production		
Raw Materials Consumed		
Opening Stock	-	-
Add: Purchase	1,760,571	-
Less: Closing Stock	(549,513)	-
	<u>1,211,058</u>	-
Carting Expenses	1,100	-
Freight Inward Charges	57,200	-
Power & Fuel Expenses	7,800	-
Total	<u>1,277,158</u>	<u>-</u>

Schedule "K"		
ADMINISTRATIVE EXPENSES		
Electricity (Incl. GEB Penalty)	9,777	166,135
Salary Expenses	-	17,400
Legal and professional fees	1,500	12,800
Auditors Remuneration	16,545	16,545
Office Expenses	-	491
Factory Expenses	109,194	67,024
Security charges	-	4,800
Printing & Stationary Expenses	4,640	130
Registration, Application & Filing Fees	5,200	14,400
Bank Charges	5,047	389
Miscellaneous expenses	245	900
Courier Charges	-	200
License Fees	27,436	24,800
Total	<u>179,584</u>	<u>326,014</u>



For Atreya Petrochem Limited

[Signature]

[Signature]

Director

Atreya Petrochem Ltd.
Year ended 31st March, 2009.

Notes to Accounts forming part of the Balance Sheet as at 31st March, 2009

SCHEDULE - "L"

1) **SIGNIFICANT ACCOUNTING POLICIES:**

a) *Accounting Convention*

The Company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

b) *Fixed assets and depreciation*

Fixed assets are stated at cost of acquisition less accumulated depreciation.

Depreciation is provided on SLM basis at the rate and method prescribed under schedule XIV of Companies Act 1956 on plant & Machinery, Factory Building, Air Conditioner, Office Equipment - Factory, Laboratory Equipment, Furniture & Fixture - Factory.

Depreciation is provided on WDV basis at the rate and method prescribed under schedule XIV of Companies Act 1956 on Computer.

As the company has started manufacturing activity from February 2009, the depreciation has been charged accordingly.

c) *Investments*

Investments classified as long-term investments are stated at cost. Diminution in the investment has not been worked out and provided.

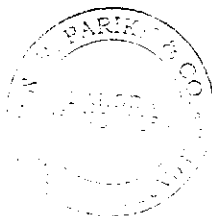
d) *Inventory*

Inventory comprises of raw materials, Semi finished and Finished goods are valued at Cost or net realisable Value, whichever is lower.

Quantity remains unverified.

2) **Provision for Current and Deferred Tax :**

- a) In view of unabsorbed losses and in absence of Taxable income under the provisions of the Income Tax Act, 1961 in the current year, the company believes that there will be no tax liability, no provision has been made for the same.
- b) The Company has unabsorbed depreciation and carry forward losses under the Income Tax Act, 1961. In the absence of virtual certainty of sufficient future taxable income, deferred tax assets are not recognized in the account.



For Atreya Petrochem Limited

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Director

3) **Claims, Demands and Contingencies :**

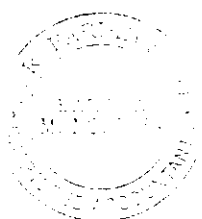
Details of disputed and/ or contingent Liabilities are as follows:

	2008-09	2007-08
Bank Guarantee - Expired (Not Claimed by District Supply Office)	78,345	78,345
Motor Spirit Tax-Disputed	92,50,463	92,50,463
Income Tax Demanded-Disputed	1,66,66,195	1,66,66,195
Excise Duty - Disputed	8,87,65,288	8,87,65,288

- 4) Earning & Expenditure in Foreign Currency : Nil (P.Y. - Nil)
- 5) Non renewal of MST and other licenses manufacturing activity of the company remains suspended since February,2000.
- 6) Sundry Creditors, Unsecured loans, other liabilities, loans and advances, sundry debtors, and other current assets are subject to confirmation and no exercise carried out to determine bad amount. If any.
- 7) In respect of advances given in past years, there are no efforts made for the recovery. No provision has been made for Bad & Doubtful Advances and interest there on.
- 8) Accounts of Debtors are unconfirmed and no amount realize since F.Y.1999-2000. No provision has been made for Bad & Doubtful Debts.
- 9) Where no external evidence is available, the directors have approved all such transactions.
- 10) Directors Remuneration: Nil (P.Y. - Nil)
- 11) Auditors Remuneration : 15,000/- & Taxes (P.Y.15000)
- 12) In the opinion of the Director, Current Assets, Loans & Advances have value at which they are stated in the Balance Sheet, if realized in the ordinary course of business. The provision for depreciation and for all known liabilities is adequate and not in excess of the amount reasonably necessary.

13) **Quantitative information:**

Items	Op Stock		Purchase		Consumed		Net Closing Stock	
	Units	Value (Rs.)	Units	Value (Rs.)	Units	Value (Rs.)	Units	Value (Rs.)
Ocs Parasol B-2	-	-	19000	399092	12000	252059	7000	147033
Sludge Oil	-	-	40000	402480	-	-	40000	402480
Mix Hydrocarbon Oil	-	-	-	498954	-	498954	-	-
Test Crude Oil	-	-	-	460044	-	460044	-	-
Other Stock	-	144000	-	-	-	-	-	144000
Total		144000		1760571		1211058		693513



For Airya Petroleum Limited

[Handwritten Signature]

[Handwritten Signature]
Director

14) **Related party disclosures**

a) List of related parties with whom transaction have taken place

Sr. No.	Name of the Related Party	Relationship
1.	Pacific Securities Ltd.	Companies / Firms in which Directors / Relative of Director are interested
2.	Natural Expo Agro Ltd.	
3.	Prabhav Industries Ltd.	
4.	Galav Finance & Investment Pvt. Ltd.	
5.	Kavit Investment Pvt. Ltd.	
6.	Empire Housing Finance Ltd.	
7.	Pacific Finstock Ltd.	
8.	Santosh Kahar	Director of the Company
9.	Bachubhai Thakkar	
10.	Bharat L Patel	
11.	Sombhai Thakkar	

b) Significant transaction during the past year and current year with related parties

Particulars	(Rs. In Lacs)			
	Companies / Firms in which Directors / Relative of Director are interested		Director of the Company	
	During the Year	Past Years	During the Year	Past Years
Transactions				
Loan / Deposits given	-	40.14	-	-
Loan / Deposits taken / Recovery	0.55	63.34	0.72	-
Investment	-	30.00	-	-

15) Previous years figures have been regrouped, rearranged and reclassified wherever necessary.



For Areye Ish...

Sharma

Kahar
Director

14) **Related party disclosures**

a) List of related parties with whom transaction have taken place

Sr. No.	Name of the Related Party	Relationship
1.	Pacific Securities Ltd.	Companies / Firms in which Directors / Relative of Director are interested
2.	Natural Expo Agro Ltd.	
3.	Prabhav Industries Ltd.	
4.	Galav Finance & Investment Pvt. Ltd.	
5.	Kavit Investment Pvt. Ltd.	
6.	Empire Housing Finance Ltd.	
7.	Pacific Finstock Ltd.	
8.	Santosh Kahar	Director of the Company
9.	Bachubhai Thakkar	
10.	Bharat L Patel	
11.	Sombhai Thakkar	

b) Significant transaction during the past year and current year with related parties

Particulars	(Rs. In Lacs)			
	Companies / Firms in which Directors / Relative of Director are interested		Director of the Company	
	During the Year	Past Years	During the Year	Past Years
Transactions				
Loan / Deposits given	-	40.14	-	-
Loan / Deposits taken / Recovery	0.55	63.34	0.72	-
Investment	-	30.00	-	-

15) Previous years figures have been regrouped, rearranged and reclassified wherever necessary.



For Airya Petroleum Ltd.

Shankar

Kachhal
Director

ATREYA PETROCHEM LIMITED.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2009

PARTICULARS	2008-09	2007-08
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit / (Loss) before tax & extraordinary items	(361,018)	(662,202)
Adjustment for- Depreciation	214,956	-
Inventory Written Off	-	336,188
Operating Profit / (Loss) before Working Capital	(146,062)	(326,014)
Adjustment for- Loans & Advances	(362,474)	314,000
Unsecured Loan	1,266,500	50,000
Current Liabilities & Provision	758,741	16,545
Sundry Debtors	(618,325)	-
Inventory	(549,513)	-
Cash Generated / (Used) from Operating activity	348,866	54,531
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(83,324)	(64,981)
Net Cash Flow / (Used) in Investing activity	265,542	(10,450)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Repayment of Long / Short Term Borrowing	-	-
Proceeds From Long / Short Term Borrowing	-	-
Net Cash Flow / (Used) in Financing activity	265,542	(10,450)
Net Increase (+) / Decrease (-) in Cash & Cash Equivalents	265,542	(10,450)
Cash and Cash Equivalents (Opening Balance)	138,572	149,022
Cash and Cash Equivalents (Closing Balance)	404,114	138,572

For N. R. PARIKH & CO.
Chartered Accountants

N. R. PARIKH
PROPRIETOR

VADODARA



FOR DIRECTORS

Directors

Director

11/7/09

M/S. ATREYA PETROCHEM LIMITED

Grouping of Account for the year ending 31st March, 2009

INTER CORPORATE LOANS

Natural Expo Agro Inds Ltd	2 484 080
Pacific Securities Ltd.	340.000
Spectrum Fin Ser Pvt. Ltd	26.000
Zillion Pharmachem Ltd.	432.850
Prabhav Industries	3 454.589
Komal Roadways	1 250.000
	<u>7,987,518</u>

LOAN FROM OTHERS

Santosh Kahar	15 000
Bachubhai Thakkar	18.000
Bharat L Patel	19.000
Sombhai Thakkar	19.500
Adarsh Associates	499,587
	<u>571,087</u>

SUNDRY CREDITORS

Aavakar	36.040
Akshay Shah & Co	60.860
Aman Transport Services	37.200
Ambika Fabricators	17.250
Amit Enterprise	8.637
Anuj Bulk Carrier	1 207.033
Arvindkumar & Co.	95.135
Atlas Petrochemicals	37.240
Auro Trading Corp	22 757
Avishkar Transport(Mumbai)	235.751
Avishkar Transport - Rajput	764.664
Balaji Chemical Inds- Creditors	868.301
Bharat Bulk Carrier	9.000
Computer Skill Ltd.	3.200
Decoply Agencies	231,549
Delta Engineers	19,865
Ecolink	650
Gandhar Oil Refinery India Ltd	162.000
Gandhi Chemicals	149.506
Gurupal Industries	3.975
Hukumram Mistry	173,730
Indian Oil Corp- Hazira- NAP	578,125
IOCL- Baroda	4.837
Jain Granite & Marbles	17.136
Jay Laxmi Associates	49,376
Kanaram	65 548
Krishna Surgical Company	15.496
Mahalaxmi Plywood	87 910
Manubhai Waghela	5.000
	<u>4 967.770</u>

Balance C/F.



For Atreya Petrochem Limited

Jahat

Shakti
Director

M/S. ATREYA PETROCHEM LIMITED

Grouping of Account for the year ending 31st March, 2009

	Balance B/F.	
Max Chem- Creditors		4,967,770
Mehta Chem		1,023,064
M.L. Construction(New)		209,942
Multi Tech Engineers		44,426
MVR Chemicals & Oils		125,712
Nandkishor Roadlines		498,955
National Security Force		14,021
New India Security Force		8,247
Nikhil Bulk Carrier Pvt. Ltd.		29,932
Nirmal Hardware		742,889
Nisuki Service Center		1,228
Ojas Techno Chem Prod. Ltd.		19,652
Parasnath Organics (P) Ltd		193,375
Perfect Refrigeration & Pipeline		150,000
Pooja Construction		23,857
Pooja Impex		413,168
Premier Capital Mkt & Invt		418,740
Radhakrushna Steel Traders		430,000
Raghuvir Bulk Carrie		63,900
Rajhans Plywood & Hardware		197,295
Roshan Chemicals- Creditors		4,154
Satadhar Trading Co.		716,114
Shivam Roadlines		6,193
Shree Bhagwati Saw Mills		19,615
Shree Hari Enterprise		6,908
Shreenath Petroleum		73,304
Shree Patel Trading Co.		693,600
Shree Vallabh Chemical Corp.		1,536
Shree Vallabh Pharmachem Pvt. L.		469,986
Shri Hardware Mart		166,291
Suchem Enterprise- Creditors		6,970
Taluka Vikas Adhikari- Savli		662,343
Thermosheli		31,931
Thinsol Chemicals- Creditors		261,580
Travel Pack		79,705
Tundav Gram Panchayat		10,162
Vadodara Munciple Corp.		2,000
Vivid System		2,203
		6,615

12,797,382

ADVANCES FROM CUSTOMERS

Shri Sainath Petrochem Co. P. Ltd.

226,939

226,939

PROVISIONS

Provision for Telephone Bill
Provision for Audit Fees
Provision for Other Expenses

70813

33090

57273

161176



For Atreya Petrochem Limited

Shankar

Rakesh

Director

M/S. ATREYA PETROCHEM LIMITED

Grouping of Account for the year ending 31st March, 2009

<u>SUNDRY DEBTORS</u>	<u>LESS THAN 6 MONTH</u>	<u>MORE THAN 6 MONTH</u>
Aadichem Pvt Ltd.	-	349,860
Are Petrochem	-	764,750
Ares Petrochem (New)	-	1,791,672
Arihant Chemical Corporation	-	113,850
Arihant Chemicals	-	3,194
Aristo Adhechem India P. Ltd	-	368,661
Aryamahal Oil Filtration	-	53,000
AVI Enterprise	-	841,725
Bharat Enterprise	-	47,291
D.A Enterprise	-	4,000,849
Galaxy Plasto Chem Industries	-	19,232
Ganesh Chem Tech Pvt. Ltd	-	71,100
Gurudev Chemox Industries	-	608,863
Jay Chemicals	-	199,723
Kanhaiya Chemicals	-	111,480
Kasturi Chemicals	-	530,628
Kaygee Thin Chem	-	543,377
Laxmi Trading Co.	-	704,769
Madhu Chemicals	-	985,261
Manoj Industries	-	519,249
Manpasand Agro Food	262,753	-
Minal Shree Chem P. Ltd.	-	126,000
Motorol India Ltd	-	124,734
Parshwa Industries	-	939,075
Prime Chemicals	-	152,200
Royal Petrochem	-	124,200
Sarvanabava Chemicals	-	1,240,274
Sharp Petrochem	5,712	-
Somabhai Thakkar - Other Deb	-	515,000
South Petrochemicals Corp.	-	608,026
Vibrant Inks & Colours	-	20,268
Vijaya Industries	-	114,367
Vishal Motors	-	28,643
	268,465	16,621,320

**ADVANCES RECOVERABLE IN CASH OR
KIND OR FOR VALUE TO BE RECEIVED :**

ADVANCES TO SUPPLIERS :

Gujarat State Petroleum Corp Ltd	387,476
Indian Oil Corp- Baroda- NAP	57,176
Indian Oil Corp Ltd.- Kandla	2,639
Indian Oil Corp.- Mumbai- NAP	281,614
Indrajit Shahani	15,000
Pruthvi Petrochem	89,000
Reliance Industries Ltd	90,513
	923,417



For Atreya Petrochem Limited

Shankar

Kakar
Director

M/S. ATREYA PETROCHEM LIMITED

Grouping of Account for the year ending 31st March, 2009

INTER CORPORATE ADVANCES :

Atlantic Credit Corp Ltd	9 446.814
Empire Housing Finance Ltd	36.674
Galav Finance & Invt Pvt Ltd	2,252 000
Gujarat Credit Corp. Ltd	1 000.000
Indo American Credit Corp. Ltd.	2 355.431
Indo American Optics Ltd	1,160,779
Kavit Invetment Pvt. Ltd	776 000
Pacific Finstock Ltd	949 602
	<u>17,977,300</u>

FROM OTHERS

Jayesh Thakkar	154,360
Prepaid License Fees	15,000
	<u>169,360</u>



For Atreya Petrochem Limited

[Signature]

[Signature]

Director

ATREYA PETROCHEM LIMITED

Regd. Off.: Village: Tundav, Taluka: Savli, Vadodara- 391 775.

ATTENDANCE SLIP

Annual General Meeting

Day: Wednesday, 30th September, 2009 at 11:00 A.M

Regd. Folio No. : _____ No. of Shares: _____

Client ID* : _____ DP ID No. : _____

Name of the member/Proxy: _____

I state that I am a member/proxy for the member of the Company. I hereby record my presence at the Annual General Meeting at Village: Tundao, Taluka: Savli, Vadodara- 391 775.

Signature of Attending Member/Proxy

*Applicable for investors holding shares in Electronic Form.

Note: Please complete and sign this Attendance Slip and hand it over at the entrance.

ATREYA PETROCHEM LIMITED

Regd. Off.: Village: Tundav, Taluka: Savli, Vadodara- 391 775.

PROXY FORM

Annual General Meeting

Day: Wednesday, 30th September, 2009 at 11:00 A.M

Regd. Folio No. : _____ No. of Shares: _____

Client ID* : _____ DP ID No. : _____

I/We _____ of _____ being
the member(s) of Atreya Petrochem Limited hereby appoint _____
of _____ or failing him _____
of _____ as my/our Proxy to attend and vote for me/us and on my/our
behalf at the Annual General Meeting of the Company to be held at Village: Tundao, Taluka: Savli,
Vadodara- 391 775 on Wednesday, 30th September, 2009 at 11:00 A.M. and at any adjournment thereof.

Signed this _____ day of 2009.

Signature of Proxy _____ Signature of Member _____

*Applicable for investors holding shares in electronic Form.

Note: The Proxy form in order to be effective must be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.

CERTIFIED TRUE COPY

Atreya Petrochem Limited

Director / Atreya Petrochem Limited