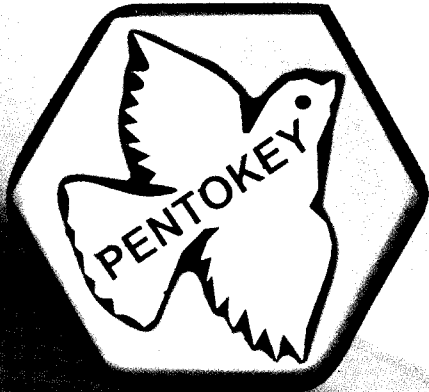
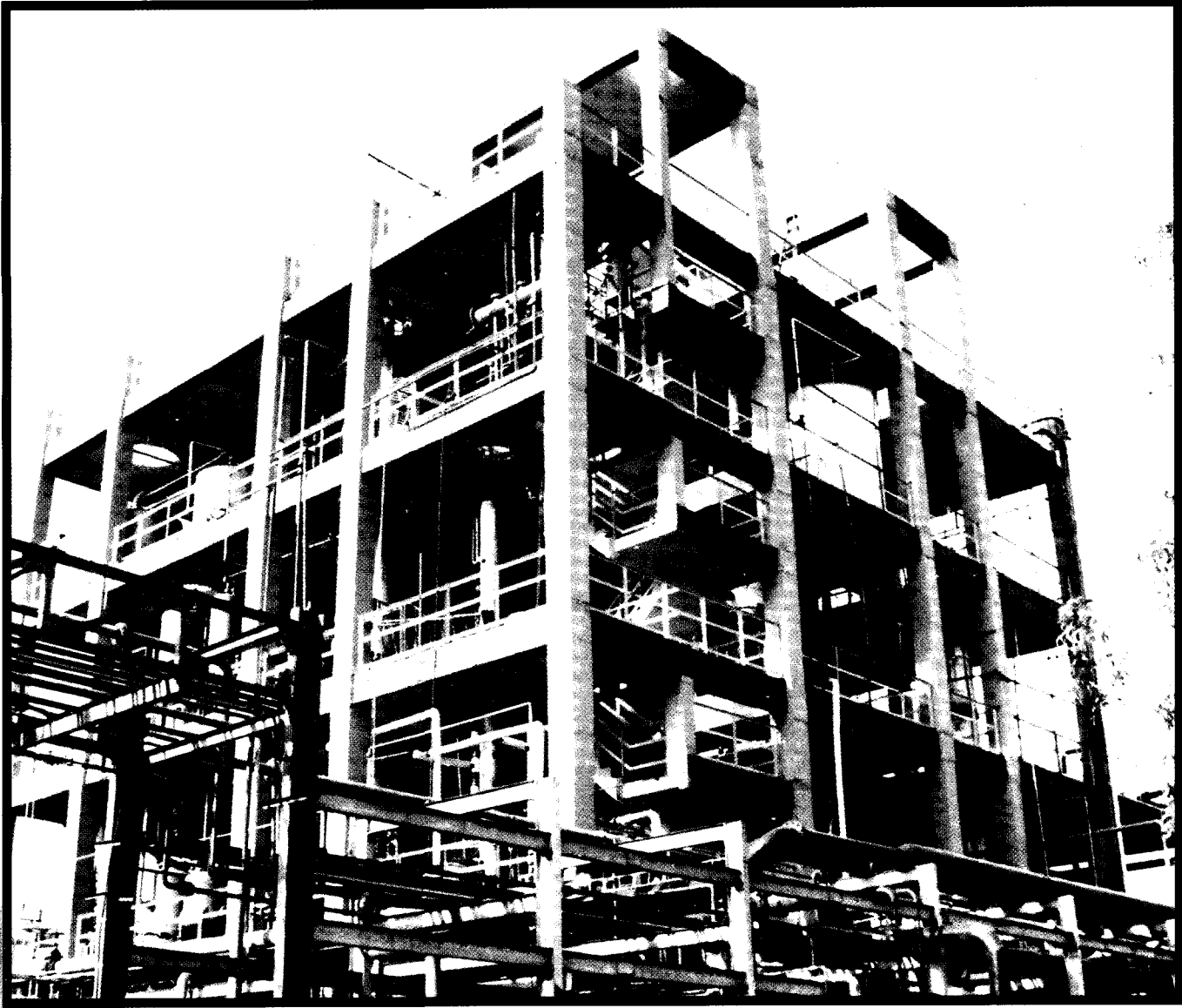


# PENTOKEY ORGANY (INDIA) LIMITED



24th ANNUAL REPORT  
2010-2011

# PENTOKEY ORGANY (INDIA) LIMITED

24TH ANNUAL REPORT 2010-2011

## BOARD OF DIRECTORS

Shri Rajendra V. Shah  
Shri. S. Mohan - Whole-time Director (Appointed on 5-8-2010)  
Dr. Sampatraj B. Chandalia  
Shri Devendra J. Shrimanker  
Shri Vinay V. Joshi - (Resigned on 5-8-2010)  
Shri Girish M. Kajaria  
Shri Shyam C. Balsekar

## AUDITORS

M/s. Desai Saksena & Associates  
Chartered Accountants

## BANKERS

Bank of India  
Indian Overseas Bank

## REGISTERED OFFICE

Yusuf Building, 20 A, 2nd Floor,  
43, M. G. Road, Fort,  
Mumbai - 400 001  
www.pentokey.com

## FACTORY

D1/1, MIDC, Lote Parshuram,  
Tal. Khed,  
Dist. Ratnagiri, Maharashtra

## REGISTRAR & SHARE TRANSFER AGENTS

Datamatics Financial Services Ltd.,  
Plot No. B-5, MIDC, Part B,  
Cross Lane, Andheri (East),  
Mumbai - 400 093.

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**NOTICE**

NOTICE is hereby given that the Twenty-fourth Annual General Meeting of the members of Pentokey Organy (India) Limited, will be held on Wednesday, the 10th August, 2011 at 4.45 p.m. at Kilachand Conference Hall, 2nd Floor, Indian Merchant Chambers, Churchgate, Mumbai - 400020 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Rajendra V. Shah, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sri Shyam C. Baisekar, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Desai Saksena & Associates, Chartered Accountants, as Auditors of the Company to hold office, from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and to fix their remuneration

**Registered Office:**

Yusuf Building, 20A, 2nd Floor,  
43, M. G. Road, Fort,  
Mumbai - 400001

By Order of the Board of Directors

**Priyanka S. Jain**  
Company Secretary

Place : Mumbai  
Date : 26th May, 2011

**NOTE:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Members are requested to notify any change in their address to the Company's Registrars and Share Transfer Agent 'Datamatics Financial Services Limited', Plot No. B-5, MIDC, Part B, Cross Lane, Andheri (East), Mumbai- 400 093
3. The Register of Members and Share Transfer Books of the Company will remain closed from 8th August, 2011 to 10th August, 2011 (both days inclusive).
4. Members/proxies should bring their copies of the Annual Report and the admission slip duly filled in for attending the meeting.
5. Members seeking any information on the Accounts at the Annual General Meeting should write to the Company at least seven days in advance, so as to enable the Company to keep the information ready.

**Registered Office:**

Yusuf Building, 20A, 2<sup>nd</sup> Floor,  
43, M. G. Road, Fort,  
Mumbai - 400001

By Order of the Board of Directors

**Priyanka S. Jain**  
Company Secretary

Place : Mumbai  
Date : 26th May, 2011



# PENTOKEY ORGANY (INDIA) LIMITED

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their Twenty-fourth Annual Report on the business and operation of the Company together with the Audited Accounts for the year ended 31st March, 2011.

### 1. FINANCIAL HIGHLIGHTS

The financial performance of the Company for the financial year ended 31st March, 2011 is summarised below: -

	(Rs. in Lacs)	
	Financial Year 2010-2011	Financial Year 2009-2010
Gross Income	6123.82	4538.55
Profit/(Loss) before Interest and Depreciation & Extraordinary item	363.63	204.62
Less: Interest	28.99	25.06
Profit/(Loss) before Depreciation & Extraordinary item	334.64	179.56
Less: Depreciation	128.13	109.30
Profit/(Loss) for the year before Extraordinary item	206.51	70.26
Add/Less: Exceptional item (Provisions/Balances Written Off/ Back)	-	6.36
Net Profit/(Loss) for the year after Extraordinary item	206.51	76.62
Add : Benefits / (Taxes)	61.49	30.90
Net Profit/(Loss) for the year after Tax	268.00	107.52

Your Company improved upon last year's performance during the year under review. Gross Income of your Company increased by 35% to Rs. 6123.82 Lacs as against Rs. 4538.55 Lacs in the previous year. During the financial year under review, the Profit before Interest, Depreciation and Exceptional Items increased by 77% to Rs. 363.63 Lacs as against Rs. 204.62 Lacs in the previous year. The Company earned Net Profit of Rs. 268.00 Lacs during the year as against Rs. 107.52 Lacs in the previous year registering thereby a growth of 149% in Net Profit after Tax. This has been achieved through continued focus on business development and lowering the operating cost.

Indian Overseas Bank. has sanctioned Working Capital Loan of Rs.7.00 Crores as Fund Based Limit, 3.00 Crores as Non Fund Based facility and Term Loan of Rs. 3.50 Crores.

### 2. MANAGEMENT DISCUSSION AND ANALYSIS

#### a. Industry Structure and Development

Your Company essentially manufactures Ethanol based chemicals including intermediate chemicals and finished products i.e. Ethyl Acetate. With flexibility provided in the plant, your Company has the option of either manufacturing intermediate products from Ethanol or buying these intermediate products depending upon the market conditions. This flexibility helps in optimizing utilization of financial resources and profitability of the company.

During the year under review, the market for chemicals in general and our finished products in particular experienced wide fluctuations. The Ethyl Acetate market continued to grow @7% locally. However with the increase in our production capacity coupled with consistent quality and good customer base across user industries, our turnover increased by 35%. In view of increased production of Sugar and Ethanol during current year as well as next year coupled with continued growth in Ethyl Acetate market, we expect to maintain our competitive edge in next year.

#### b. Opportunities and Threats:

Demand for Ethyl Acetate, which is main finished product of the Company continues to be buoyant and is growing continuously due to improved performance of the user industries namely packaging, pharmaceuticals and paint industry. In fact the demand for Ethyl Acetate manufactured by the Company outstripped the production throughout the year.

The management therefore decided to further expand the capacity of Ethyl Acetate to 18,000 M.T. per annum. This project is currently under implementation. We don't foresee any problems in marketing the increased production. With the improved availability of the raw material, the Company expects to maintain the growth rate during the next year.



However, since the availability and price of Ethanol, which is the by-product of Sugar, largely depends upon the performance of Sugar industry. Any fluctuation in the production of sugar due to agro-climatic conditions or for any other reason would affect the availability and price of Ethanol.

**c. Segment wise and Product wise performance:**

Your Company has been producing Chemicals like Ethyl Acetate, Acetic Acid and Acetaldehyde. Ethyl Acetate contributes more than 90% of the Company's revenue.

Due to growing demand from its customers, your Company has undertaken capacity expansion of Ethyl Acetate, which would be fully operational by mid of 2011-12. The quantity of Ethyl Acetate manufactured by your company is very well accepted by the customers from various segments of industry like packaging, pharmaceutical, paint etc.

During the year under review, the production of intermediate product namely Acetic Acid was not competitive compared with the market prices of Acetic Acid. Your company therefore purchased the Acetic Acid from market instead of producing the same from Ethanol or Acetaldehyde. As a result of this, production of Acetaldehyde, which is an intermediate product for Acetic Acid, was also low. Acetaldehyde was produced only to the extent of demand from customers. Your company could source Ethanol from various distilleries at competitive prices due to improved production of Sugar and Ethanol within the State of Maharashtra.

**d. Risks and Concerns:**

Ethyl Acetate like other chemicals is subject to fluctuations in demand by the user industries as well as the prices of its main raw materials namely Ethanol and Acetic Acid. The management is trying to minimize the impact by closely monitoring operating parameters, procuring raw materials at competitive price and servicing customers' requirement along with ensuring supply of sustained quality of finished products.

**e. Internal Control System:**

Your company has adequate Internal Control System including suitable procedures commensurate with its size and the nature of the business. The Internal Control System provides for all documented policies, guidelines, authorization and approval procedures. Internal Audit is being carried out throughout the year in areas such as Income, Expenditure, Financial Accounting and Statutory Compliances. The primary objective of such audit is to test the adequacy and effectiveness of all internal controls laid down by the Management and to suggest improvements.

**f. Human Resources:**

The employees of the Company including officers and workers contributed greatly to the improved performance of the Company. Your company expects same contribution from the employees during the years to come to enable it to achieve the targeted growth.

**g. Cautionary Statement:**

Certain statement in the Management Discussion and Analysis may be forward looking within the meaning of applicable securities laws and regulations and actual results may differ materially from those expressed or implied. Factors that would make differences to Company's operations include competition, price realization, changes in government policies and regulations, tax regimes, economic development and other incidental factors.

**3. DIVIDEND**

To consolidate the Financial Strength of the Company and to maintain liquidity, the Board of Directors do not recommend any dividend in this Financial Year.

**4. FIXED DEPOSITS**

The Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 from the public.

**5. DIRECTORS**

The term of Shri Rajendra V. Shah as Managing Director of the Company expired on 13th July, 2010 and he has expressed his unwillingness to be reappointed as Managing Director. However, he continued as the member of the Board as a Non-executive Director.

Shri Rajendra V. Shah and Shri Shyam C. Balsekar, Directors of the Company, retire by rotation and being eligible; offer themselves for reappointment at the ensuing Annual General Meeting.



## PENTOKEY ORGANY (INDIA) LIMITED

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Shri Vinay V. Joshi, Director of the Company resigned with effect from 5th August, 2010. The Board placed on record their appreciation for the valuable services and support rendered by him during his tenure on the Board of the Company.

Shri S. Mohan was appointed as the Whole-time Director designated as Director (Works) of the Company with effect from 5th August, 2010.

### 6. AUDITORS

M/s. Desai Saksena & Associates, Chartered Accountants, Mumbai, retire as Auditors of the Company at the ensuing Annual General Meeting and being eligible, have confirmed their willingness for re-appointment.

### 7. INSURANCE

The Company has adequately insured its insurable assets.

### 8. INDUSTRIAL RELATIONS

The Company maintains harmonious and cordial relations with its workers and staff in all its Divisions, which enabled it to achieve this performance level on all fronts.

### 9. PARTICULARS OF EMPLOYEES

The Company has no employees in respect of whom information under Sub-section 2A of Section 217 of the Companies Act, 1956 is required to be furnished.

### 10. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956 the Directors state that

- (i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with the proper explanation relating to material departures;
- (ii) The Directors had selected such accounting policies and applied them consistently and made judgments 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 or loss of the company for that period;
- (iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors had prepared the annual accounts on a going concern basis.

### 11. CORPORATE GOVERNANCE:

As per the requirement of listing agreement with the Stock Exchanges, your company has complied with the requirement of Corporate Governance in all material aspects.

A report on Corporate Governance together with a certificate of its compliance from Statutory Auditors, forms part of this report.

### 12. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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 Annexure-I which forms part of this report.

### 13. APPRECIATION

Your Directors wish to place on record their appreciation of whole hearted co-operation and support from Shareholders, Employees, Suppliers & Customers, Bankers, Financial Institutions, and various Government Agencies and look forward to the same extent of co-operation and cordial support.

For and on behalf of the Board of Directors

S. Mohan  
Whole-time Director

Rajendra V. Shah  
Director

Place : Mumbai

Date : 26th May, 2011

**ANNEXURE - I**

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 attached to and forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2011.

**I. CONSERVATION OF ENERGY:**

Energy conservation measure taken:

Constant efforts are being made to improve power factor and to effect savings in power and fuel consumption.

Total energy consumption and energy consumption per unit of production

<b>A. POWER AND FUEL CONSUMPTION</b>		<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
		<b>2010-11</b>	<b>2009-10</b>
1.	Electricity		
	(a) Purchased	1,584	844
	Units (KWH) (in Thousand)		
	Total Amounts (Rs. in Lacs)	87.25	41.95
	Rate/Unit (Rs.)	5.51	4.97
	(b) Own Generation		
	Through Turbine		
	Units (KWH) (in Thousand)	17.6	NIL
2.	Coal (M.Ts)	4,292	NIL
3.	Furnace Oil:		
	Quantity (Kgs.)	687,639	931,977
	Total Cost (Rs. in Lacs)	135.79	173.70
	Average Rate (Rs.)	19.75	18.64
4.	Light Diesel Oil	NIL	NIL
5.	Other/ Internal generation	NIL	NIL
<b>B. CONSUMPTION PER M.T. OF PRODUCTION</b>			
1.	Electricity (Unit)		
	Acetaldehyde	256	239
	Acetic Acid	NIL	305
	Ethyl Acetate	127	107
2.	Furnace Oil (Kgs.)		
	Acetaldehyde	12	182
	Acetic Acid	NIL	58
	Ethyl Acetate	68	173
3.	Coal (Kgs.)		
	Acetaldehyde	620	NIL
	Acetic Acid	NIL	NIL
	Ethyl Acetate	365	NIL

**II. TECHNOLOGY ABSORPTION ADAPTATION, INNOVATION AND RESEARCH & DEVELOPMENT :**

No Technology has been imported by the Company. Technology innovation and changes wherever possible are being absorbed and adopted.

**III. FOREIGN EXCHANGE EARNING AND OUTGO:**

	Amount in Rs. Year 2010 -11	Amount in Rs. Year 2009-10
Earning	2,795,958	NIL
Outgo	NIL	NIL

For and on behalf of the Board of Directors

**S. Mohan**  
Whole-time Director

**Rajendra V. Shah**  
Director

Place : Mumbai  
Date : 26th May, 2011



**CORPORATE GOVERNANCE.**

**Company's Philosophy on Code of Governance**

Pentokey Organy (India) Limited has always focused on good Corporate Governance, which is a key driver of sustainable corporate growth. Your Company continuously endeavours to improve on these aspects on an ongoing basis. Pentokey Organy (India) Limited recognizes "values and commitments" policy. We are committed to an ethical treatment of all our employees, our customers, our shareholders, our lenders, our suppliers and the Government. Your Company has been constantly devising measures to improve upon to adopt effective Corporate Governance by creating an environment based on professionalism, entrepreneurship and pursuit for excellence. Corporate Governance policies and practices in accordance with the provisions of Clause 49 of the Listing Agreement are:

**Board of Directors  
Composition**

Presently, the Board of Directors of the Company comprises of six members, out of which three are Independent Non executive Directors. The Non executive Directors of the Company are experienced professionals in their respective fields.

The term of Shri Rajendra V. Shah as a Managing Director had expired on 13th July, 2010 and he has expressed his unwillingness to be reappointed as Managing Director of the Company. However he continued to be the member of the Board as a Non-executive Director. Shri S. Mohan was appointed as Whole-time Director of the Company on 5th August, 2010 and Shri Vinay V. Joshi has resigned from the Board of Directors with effect from 5th August, 2010.

**Board Procedures**

During the financial year 2010-2011 the Board of Directors has met four times on the following dates: 13th May, 2010, 5th August, 2010, 12th November, 2010 and 11th February, 2011. The meetings were held as per the mandatory requirements and the dates of the meetings were generally decided well in advance. The gap between two meetings did not exceed four months. All the required information to be furnished to the Board was made available to them alongwith detailed Agenda notes.

**Attendance Record Directorships and Membership of Directors**

Table 1 gives the composition of the Board and the attendance record of all the Directors at the four Board meetings held during the financial year 2010-11, as well as at the last Annual General Meeting as also the number of Directorships and Committee Memberships held by them in other Companies.

Name of Directors	Category	Attendance particulars		Directorships in Companies		Memberships/ Chairmanships In Committees	
		Board Meeting	Last AGM Held on 05.08.2010	In Listed Companie	In Unlisted Public Ltd Companies	Chairman	Member
Rajendra V. Shah	Promoter, Director	3	Yes	-	-	-	-
Dr. Sampatraj B. Chandaiia	Non-executive, Independent	3	Yes	-	-	-	1
Devendra J. Shrimanker	Non-executive, Independent	4	Yes	-	-	1	3
Girish M. Kajaria	Non-executive	3	Yes	-	-	-	1
Shyam C. Balsekar	Non-executive, Independent	2	Yes	-	-	1	1
S.Mohan	Whole-time Director	2	No	-	-	-	1
*Vinay. V. Joshi	Non-executive, Independent	1	No	-	-	-	-

\* Ceased to be the Director of the Company with effect from 5th August, 2010.

Notes (1) Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act, 1956 are excluded for the above purpose.

(2) Only Audit Committee, Shareholders Grievance Committee and Remuneration Committee are considered for the purpose of Committee positions as per Listing Agreement.

**Information supplied to the Board**

The Board of the Company is presented with all the relevant information on various vital matters affecting the working of the Company as well as those that require deliberation at the highest level. Extensive information is provided on various critical items such as: (a) Production, Sales and Capital Expenditure Budget (b) Financial Performance c) Share Transfer Compliance (d) Quarterly Financial Results (e) Significant Labour and Human Relation matters (f) Statutory Compliance Reporting System and any other matters.

**Audit Committee:**

**Constitution and Composition**

The Audit Committee of the Company comprises of Shri Devendra J. Shrimanker, Chairman of the Committee, Dr. Sampatraj B. Chandalia, Independent Director and Shri S. Mohan, Whole-time Director. All members of the Audit Committee have knowledge on financial matters and the Chairman of the Audit Committee is a senior Chartered Accountant in practice having accounting and financial management expertise.

Ms. Priyanka S. Jain is the Secretary to the Audit Committee.





The terms of reference specified by the Board to the Audit Committee are as contained in Clause 49 of the Listing Agreement and under Section 292A of the Companies Act, 1956 and it also undertakes such other matters as may be delegated by the Board from time to time. The primary function of the Audit Committee is:

1. To periodically interact with the Internal Auditors to review their reports and discuss adequacy of Internal Control System and Internal Audit Functions.
2. To recommend the Appointment / Re-appointment of Internal Auditors and Statutory Auditors. Meeting with them to discuss the scope of Audit, their observations and suggestions on accounts and accounting policies.
3. To review with the management, the Company's financial reporting process and the disclosure of its financial information including Annual Financial Statement/ Quarterly Financial Statement and other matter as covered under role of Audit Committee in Clause 49 of Listing Agreement
4. To Review the Related Party Transactions.

The minutes of the Audit Committee Meetings are circulated to the Board, discussed and taken note of.

#### **Meetings and attendance**

The Audit Committee met four times during the Financial Year 2010-11, 13th May, 2010, 5th August, 2010, 12th November, 2010 and 11th February, 2011. The meetings were scheduled well in advance. In addition to the members of the Audit Committee these meetings were attended by Statutory Auditors and those executives of the Company who were considered necessary for providing inputs to the Committee.

<b>Names of the Directors</b>	<b>No. of Meetings attended</b>
1. Shri Devendra J. Shimanker	4
2. Dr. Sampatraj B. Chandalia	3
3. Shri S. Mohan	2
4. *Shri Vinay V. Joshi	2

\*Ceased to be the member of the Audit Committee with effect from 5th August, 2010

#### **Remuneration Committee**

The Board has constituted Remuneration Committee comprising Shri Shyam C. Baisekar, (Chairman of the Committee), Independent Director, Shri Devendra J. Shrimanker, Independent Director and Shri Girish M. Kajaria, Non executive Director.

Terms of Reference: The Remuneration Committee has been constituted to recommend / review remuneration of the Managing Director / Executive Directors.

#### **Remuneration of Directors**

- a. The remuneration paid to the Chairman & Managing Director and Whole-time Director is within the ceiling as per resolution approved by the shareholders. Details of the remuneration paid to the Managing Director and whole-time Director for the Financial Year ended 31st March, 2011 is given below: -

<b>Name of the Director</b>	<b>Category</b>	<b>Salary</b>	<b>Service Years</b>	<b>Contract Period</b>
Rajendra V. Shah	Chairman & Managing Director	235,037/-	5	14th July, 2005 to 13th July, 2010
S. Mohan	Whole-time Director	744,791/-	3	5th August, 2010 to 4th August, 2013

b. Details of Sitting Fees paid to the Non executive Directors for the Financial Year ended 31st March, 2011 is given below: -

<b>Non executive Directors</b>	<b>Sitting Fees (Rs)</b>
1. Shri Rajendra V. Shah	7,000/-
2. Dr. Sampatraj B. Chandalia	21,000/-
3. Shri Devendra J. Shrimanker	28,000/-
4. Shri Girish M. Kajaria	10,500/-
5. Shri Shyam C. Baisekar	7,000/-
6. *Shri Vinay V. Joshi	7,000/-

\* Ceased to be the Director of the Company with effect from 5th August, 2010.

#### **Shareholders Grievances Committee**

The Company has constituted a Shareholder Grievances Committee in compliance with the Clause 49 of the Listing Agreement. The Committee comprises of two Directors viz. Shri Shyam C. Baisekar and Shri Devendra J. Shrimanker. The Committee looks into the matter of share transfers, issue of duplicate certificates and other related matters.

No Transfers /Transmission are pending as on 31st March, 2011.



# PENTOKEY ORGANY (INDIA) LIMITED

## SHAREHOLDERS

### Communications to Shareholders

Pentokey Organy (India) Limited recognizes communication as a key element of the overall Corporate Governance framework. The Company responds the shareholders queries regularly and no such queries are pending.

### Means of Communication:

Quarterly Result/Annual Results: The results of the Company are published in the newspaper such as Free Press Journal and Nav Shakti.

Website: www.pentokey.com

Email Id: investors@pentokey.com

### Details of General Body Meetings:

#### For the period ended

31st March, 2010

#### Date, Time and Locations

5th August, 2010 at 3.30 p.m.

Somaiya Bhavan, 45/47,  
M.G. Road, Fort, Mumbai- 400 001

31st March, 2009

28th July, 2009 at 4.00 p.m.

Fazalbhoy Building, 45/47,  
M.G. Road, Fort, Mumbai- 400 001

### General Shareholders Information Annual General Meeting

Day, Date, Time & Venue

Wednesday, the 10th August, 2011 at 4.45 p.m  
Kiiachand Conference Hall, 2nd Floor,  
Indian Merchant Chambers, Churchgate,  
Mumbai-400 020

### Dividend Payment Date

Listing on Stock Exchanges.

Not Applicable since no dividend has been declared

Bombay Stock Exchange Ltd. (BSE)

Phiroze Jeejeebhoy Towers,  
Dalai Street, Mumbai - 400 001

The Stock Exchange, Ahmedabad  
Kamdhenu Complex, Opp. Sahjanand  
College, Panjrapole  
Ahmedabad - 380 015

### Corporate Identity Number: allotted by Ministry Of Corporate affairs

L24116MH1986PLC041681

### Stock Code:

The Stock Exchange, Mumbai  
The Stock Exchange, Ahmedabad

524210

44750

### Market Price Data:

No rates are quoted during the Financial  
Year 2010-2011.

### Registrar & Transfer Agents:

Datamatics Financial Services Ltd  
Plot No. B-5, MIDC, Part B  
Cross Lane, Andheri (East),  
Mumbai - 400 093.

### Distribution of Shareholdings

Table 2 gives details about the pattern of Shareholdings among various categories as on 31st March, 2011, while table 3 gives the data according to size classes: -

**Table 2: Distribution of shareholdings across categories**

	As on 31st March, 2011		As on 31st March, 2010	
	No. of Shares	% to Total Capital	No. of Shares	% to Total Capital
Promoters and persons acting in concert (Including Directors and Relatives)	4,685,223	83.16	4,685,223	83.16
Foreign Institutional investors	-	-	-	-
Public Financial Institutions	84,490	1.49	202,459	3.59
Mutual funds	3,900	0.07	3,900	0.06
Nationalized and Other banks	-	-	-	-
Private Corporate Bodies	43,825	0.78	23,375	0.42
NRIs and OCBs	-	-	-	-
Others (Public)	816,895	14.50	719,376	12.77
<b>Total</b>	<b>5,634,333</b>	<b>100.00</b>	<b>5,634,333</b>	<b>100.00</b>



Table 3: Distribution of shareholdings according to size class as on 31st March, 2011

	Shares Range		No. of Shares	% to Capital	No. of Holders	% to No. of Holders
	From	To				
1	1	500	625301	11.10	18425	99.43
2	501	1000	31350	0.56	46	0.25
3	1001	2000	29900	0.53	22	0.12
4	2001	3000	14150	0.25	6	0.03
5	3001	4000	23800	0.42	7	0.04
6	4001	5000	9125	0.16	2	0.01
7	5001	10000	73425	1.30	10	0.05
8	10001	50000	126775	2.25	6	0.03
9	50001	9999999999	4700507	83.43	7	0.04
	TOTAL		5634333	100.00	18531	100.00

**Dematerialisation of Shares**

As on date the shares of the Company are not dematerialised.

**Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversions date and likely impact on equity**

The Company has not issued GDRs/ADRs Warrants or any convertible instruments.

**Plant Location**

D-1/1, MIDC, Lote Parshuram, Tal Khed, Dist Ratnagiri, Pin - 415 722

**Address for Correspondence**

Yusuf Building, 20A, 2nd Floor, 43, M. G. Road, Fort, Mumbai-400 001  
[www.pentokey.com](http://www.pentokey.com)

**Auditor's Report on Corporate Governance**

To the Members

**Pentokey Organy (India) Limited**

We have reviewed the records concerning the Company's compliance of the conditions of the Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company with the Stock Exchanges for the year ended on 31st March, 2011.

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 the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for review, and the information and explanations given to us by the Company.

Based on such a review, in our opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement.

On the basis of the records maintained by the Company, we state that there are no Investor Grievances pending against the Company for a period exceeding one month.

We further state that, 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 Desai Saksena & Associates  
Chartered Accountants  
Firm Reg. No. 102358W

Place : Mumbai  
Date : 26th May, 2011

Dr. S. N. Desai  
Partner  
M. No. 32546



## PENTOKEY ORGANY (INDIA) LIMITED

### Auditors' Report

TO THE MEMBERS OF

### PENTOKEY ORGANY (INDIA) LIMITED

1. We have audited the attached Balance Sheet of **PENTOKEY ORGANY (INDIA) LIMITED**, as at 31st March, 2011, the Profit and Loss Account of the Company and the Cash Flow Statement 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 statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") (as amended) issued by the Central Government of India in terms of subsection (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure, referred to in paragraph 3, 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 purpose 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 those books;
  - c) The Balance Sheet and Profit and Loss Account and Cash Flow Statement 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 and Cash Flow Statement dealt with by this report, comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - e) On the basis of written representations received from the directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that, none of the directors is disqualified as on 31st March, 2011 from being appointed as 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 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:
    - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
    - ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
    - iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For **Desai Saksena & Associates**  
Chartered Accountants  
(FRN102358W)

**Dr. S.N. Desai**  
Partner  
M.No.32546

Place : Mumbai

Date : 26th May, 2011

### Annexure to the Auditors' Report

(Referred to in paragraph 3 of the Auditors' Report of even date)

- i. In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
  - (b) As per the explanation given to us, the Company has designed a phased programme for the physical verification of its fixed assets and accordingly, a portion of the fixed assets are verified every year to cover all the items in reasonable time frame. Pursuant to the said programme, during the year, a portion of fixed assets of the Company have been physically verified by the management. As explained to us, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.



- (c) In our opinion, during the year the Company has not disposed off any part of the fixed assets, and in our opinion the going concern status of the Company is not affected.
- ii. In respect of its inventories:
- (a) As explained to us, inventories, raw materials and finished goods were physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanation given to us, the procedures for the physical verification of inventories followed by the management are reasonable and adequate, in relation to the size of the Company and nature of its business.
- (c) The Company has maintained proper records of its inventories. As explained to us, there was no material discrepancies noticed on the physical verification of inventory as compared to the book records.
- iii. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956:
- (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956. As the Company has not granted any loans, secured or unsecured to the parties listed in the Register maintained under Section 301 of the Companies Act, 1956, provisions of clauses (iii)(b), (iii)(c) and (iii)(d) of Paragraph 4 of the Order are not applicable.
- (b) According to the information and explanation given to us, the Company has not taken any loans, secured or unsecured, from Companies, firms or other parties listed in the Register maintained under Section 301 of Companies Act, 1956. Since the Company has not taken any loans, secured or unsecured from parties listed in the Register mentioned under Section 301 of Companies Act, 1956, provisions of clauses (iii)(f) and (iii)(g) of Paragraph 4 of the Order are not applicable.
- iv. In our opinion, and according to the information and explanation given to us, having regard to the explanation, except that some of the items purchased are of a special nature and suitable alternative sources do not exist for obtaining comparable quotations; there are adequate internal control systems which commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and sale of goods. During the course of our audit, we have not observed any major weaknesses in such internal control systems.
- v. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956,
- (a) In our opinion and according to the information and explanations given to us, there were no transactions of sale & purchase during the year with the parties covered under register maintained under Section 301 of the Companies Act, 1956.
- (b) In our opinion and according to the information and explanations given to us, as there are no contracts or agreements that need to be entered into register maintained under Section 301 Companies Act 1956, provisions of clause (v)(b) of Paragraph 4 of the Order are not applicable.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of clause (vi) of Paragraph 4 of the Order are not applicable.
- vii. The Company has an adequate internal audit system commensurate with the size and nature of the business.
- viii. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules of the Central Government for maintenance of Cost Records under Section 209 (1) (d) of the Companies Act, 1956 relating to the manufacture of Acetic Acid. We are of the opinion that, prima facie, the prescribed accounts and records have been maintained. We have not however, made a detailed examination of the said records.
- ix. In respect of statutory and other dues,
- (a) According to the information, explanations and records of the Company in respect of statutory and other dues, the Company, subject to concessions given by Board for Industrial and Financial Reconstruction (BIFR), has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Sales Tax, Custom Duty, Excise Duty, Cess, Service Tax and any other statutory dues, applicable to it, with the appropriate authorities during the year.

BIFR vide its Order dated 26th September, 2007 and vide its deregistration Order dated 16th October 2009 has granted relief to the Company from payment of Minimum Alternative Tax (MAT) payable under section 115JB of the Income Tax Act, 1961. Accordingly the Company has not provided for the said liability.



## PENTOKEY ORGANY (INDIA) LIMITED

BIFR vide its Order dated 26th September, 2007 and deregistration Order dated 16th October, 2009 has granted various reliefs and concessions, including rescheduling of the payment of the statutory dues. As per the explanation given by the Company, the dues are paid in accordance with the said order of BIFR.

- (b) According to the information and explanation given to us, details of dues which have not been deposited on account of a dispute are given below:

Particulars	Financial Year to which it Pertains	Forum Where Dispute is pending	Amount (Rs. in Lacs)
Transport Fees	2002-2007	High Court	103.24 lacs

- x The Company does not have accumulated losses as at 31st March, 2011. The Company has not incurred any cash losses during the financial year covered by the audit. The Company has not incurred cash losses immediately preceding financial year.
- xi. Based on our audit procedures and according to the information and explanations given to us, the Company has not taken any loan from financial institutions or banks therefore default in repayment of the same, does not arise.
- xii. To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, the Company has not granted any loans and advances on the basis security by way of pledge of shares, debentures and any other securities.
- xiii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore the provision of clause (xiii) of Paragraph 4 of the Order is not applicable to the Company.
- xiv. According to information and explanations given to us, we are of the opinion that the Company is not trading in shares, debentures and other investments. Therefore the provisions of clause (xiv) of Paragraph 4 of the Order are not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not given guarantees for loans taken by others, from banks or financial institutions.
- xvi. In our opinion and according to the information and explanations given to us, the Company has not raised term loan. Therefore the provision of clause 4(xvi) of Companies (Auditor's Report) Order 2003, are not applicable to the Company.
- xvii. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we are of the opinion that no short-term funds have prima facie, been used during the year for long-term investments.
- xviii. The Company has not made any allotment of shares during the year. Accordingly the question of preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956, or otherwise, does not arise.
- xix. According to the information and explanations given to us, the Company has not issued any debentures; hence question of creation of security or charge do not arises.
- xx. The Company has not raised any money by way of public issue during the year.
- xxi. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

**For Desai Saksena & Associates**  
Chartered Accountants  
(FRN102358W)

**Dr. S.N. Desai**  
Partner  
M.No.32546

Place: Mumbai  
Date : 26th May, 2011

**BALANCE SHEET AS AT 31ST MARCH, 2011**

(Amounts. in Rs.)

Particulars	Schedule	As at 31st March, 2011	As at 31st March, 2010
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Fund</b>			
Share Capital	A	56,343,330	56,343,330
Reserves & Surplus	B	6,038,352	3,000,000
<b>Loan Funds</b>			
Secured Loans	C	-	2,535,659
Unsecured Loans	D	41,280,023	26,004,837
<b>TOTAL</b>		<b>103,661,705</b>	<b>87,883,826</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
<b>E</b>			
Gross Block		258,986,313	253,733,084
Less: Depreciation & Amortisation		174,729,626	161,916,842
Net Block		84,256,687	91,816,242
Capital Work-in-progress		26,908,709	18,191,458
		111,165,396	110,007,700
<b>Investments</b>	<b>F</b>	5,500	5,500
<b>Current Assets, Loans &amp; Advances</b>			
Inventories	G	66,610,496	52,705,781
Sundry Debtors	H	1,630,212	8,228,432
Cash and Bank Balances	I	3,015,639	4,227,116
Loans and Advances	J	30,162,768	19,447,215
		101,419,115	84,608,544
<b>Less: Current Liabilities and Provisions</b>	<b>K</b>	121,257,406	136,679,928
<b>Net Current Assets</b>		(19,838,291)	(52,071,384)
<b>Deferred Tax Asset (Net)</b>		12,329,100	6,180,000
<b>Profit and Loss Account</b>		-	23,762,010
<b>TOTAL</b>		<b>103,661,705</b>	<b>87,883,826</b>

Significant Accounting Policies and Notes to Accounts Schedules referred to above form an integral part of the financial statement **R**

**As per our Report of even date annexed**

**For Desai Saksena & Associates**  
Chartered Accountants

**Dr. Shashank Desai**  
Partner  
M.N. 32546

Place : Mumbai  
Date : 26th May, 2011

**For and on behalf of the Board**

**S. Mohan**  
Whole-time Director

Place : Mumbai  
Date : 26th May, 2011

**Devendra J. Shrimanker**  
Director

**Priyanka S. Jain**  
Company Secretary



# PENTOKEY ORGANY (INDIA) LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

(Amounts. in Rs.)

Particulars	Schedule	Year ended 2010-11	Year ended 2009-10
<b>INCOME</b>			
Sales			
- Gross Sales		671,442,950	490,315,501
Less: Excise Duty		59,873,440	37,111,063
		<u>611,569,510</u>	<u>453,204,438</u>
Other Income	L	812,687	650,805
<b>TOTAL</b>		<b>612,382,197</b>	<b>453,855,243</b>
<b>EXPENDITURE</b>			
(Increase)/Decrease in Stocks	M	(9,932,487)	(5,361,858)
Manufacturing and Other Expenses	N	557,543,327	416,089,227
Employees Remuneration and Benefits	O	17,144,627	14,371,688
Administrative and Selling Expenses	P	11,218,841	8,252,853
Financial Cost	Q	2,943,843	2,547,459
Depreciation and Amortisation	E	12,812,784	10,929,699
<b>TOTAL</b>		<b>591,730,935</b>	<b>446,829,068</b>
Profit / (Loss) Before Tax & Exceptional Items		20,651,262	7,026,175
<u>Exceptional Items</u>			
Sundry Balances / Provisions Written / back - (Net)		-	636,324
Net Profit / (Loss) Before Tax		20,651,262	7,662,499
Provision for Deferred Tax (Charges) / Credit		6,149,100	3,090,000
Profit/(Loss) After Tax		26,800,362	10,752,499
Add: Loss Brought Forward		(23,762,010)	(34,514,509)
		<u>3,038,352</u>	<u>(23,762,010)</u>
Balance Carried to Balance Sheet		3,038,352	(23,762,010)
<b>Earnings Per Share</b>			
(Refer Note No. (H) of Schedule 'R')			
Basic & Diluted Before Exceptional Items		4.76	1.80
Basic & Diluted After Exceptional Items		4.76	1.91
Significant Accounting Policies and Notes to Accounts	R		
Schedules referred to above form an integral part of the financial statement			

As per our Report of even date annexed

For Desai Saksena & Associates

Chartered Accountants

Dr. Shashank Desai

Partner

M.N. 32546

Place : Mumbai

Date : 26th May, 2011

For and on behalf of the Board

S. Mohan

Whole-time Director

Place : Mumbai

Date : 26th May, 2011

Devendra J. Shrimanker.

Director

Priyanka S. Jain

Company Secretary



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2011**

(Amounts. in Rs.)

<b>Particulars</b>	<b>Year ended 2010-11</b>	<b>Year ended 2009-10</b>
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax after Exceptional Items	20,651,262	7,662,499
<u>Adjustment for:</u>		
Depreciation	12,812,784	10,929,699
Interest Income	(507,369)	(392,701)
Interest & Finance Charges	2,943,843	2,547,459
Provisions/Balances Written Off / (Back)	-	(636,324)
Operating Profit before Working Capital Changes	35,900,520	20,110,632
<u>Adjusted for:</u>		
Inventories	(13,904,715)	(28,985,345)
Sundry Debtors	6,598,220	(2,258,438)
Loans & Advances	(10,693,932)	(5,048,981)
Trade Payables	(23,449,291)	49,376,438
Cash flow Before Exceptional Items & Provision for tax	(5,549,198)	33,194,306
Provisions/Balances Written back	-	636,324
Net Cash from/(Used in) Operating Activities	(5,549,198)	33,830,630
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions to Fixed Assets	(5,943,711)	(18,633,137)
Interest Income	485,747	369,690
Cash Generated from/(used in) Investing Activity	<b>(5,457,964)</b>	<b>(18,263,447)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(3,657,734)	(4,773,176)
Acceptance/(Repayment) of Short Term Borrowings (Net)	13,453,419	(10,578,109)
Cash generated from/(used in) Financing Activity	9,795,685	(15,351,285)
Net Increase/(Decrease) in Cash & Cash Equivalents	(1,211,477)	215,898
Cash & Cash Equivalents at beginning of the year	4,227,116	4,011,218
Cash & Cash Equivalents at end of the year	3,015,639	4,227,116

**As per our Report of even date annexed****For Desai Saksena & Associates**  
Chartered Accountants**Dr. Shashank Desai**  
Partner  
M.N. 32546Place : Mumbai  
Date : 26th May, 2011**For and on behalf of the Board****S. Mohan**  
Whole-time DirectorPlace : Mumbai  
Date : 26th May, 2011**Devendra J. Shrimanker**  
Director**Priyanka S. Jain**  
Company Secretary



# PEN TOKEY ORGANY (INDIA) LIMITED

## SCHEDULES FORMING PART OF BALANCE SHEET

(Amounts. in Rs.)

Particulars	As at 31st March, 2011	As at 31st March, 2010
<b>SCHEDULE 'A' - 'SHARE CAPITAL</b>		
<b>Authorised</b>		
4,00,00,000 (Previous Year 4,00,00,000) Equity Shares of Rs. 10/- each	400,000,000	400,000,000
<b>Issued, Subscribed &amp; Paid-up</b>		
56,34,333 (Previous Year 56,35,333) Equity Shares of Rs. 10/- each fully paid up	56,343,330	56,343,330
	<b>56,343,330</b>	<b>56,343,330</b>
<b>SCHEDULE 'B' - 'RESERVES &amp; SURPLUS</b>		
<b>Capital Reserve :</b>		
Capital Subsidy (SICOM)	3,000,000	3,000,000
Profit and Loss Account	3,038,352	-
	<b>6,038,352</b>	<b>3,000,000</b>
<b>SCHEDULE 'C' - 'SECURED LOANS</b>		
<b>a) Term Loans</b>		
1) From Company		
Lalakana Chemicals Pvt. Ltd.	-	2,535,659
(Fully Secured Against First Charge of all Movable & Immovable Properties both present and future.)		
	-	<b>2,535,659</b>
<b>SCHEDULE 'D' - 'UNSECURED LOANS</b>		
From Others	41,100,000	25,644,794
Sales Tax Deferral Liability	180,023	360,043
	<b>41,280,023</b>	<b>26,004,837</b>



**SCHEDULES FORMING PART OF THE BALANCE SHEET**

**SCHEDULE 'E': FIXED ASSETS**

(Amounts. in Rs.)

PARTICULARS	GROSS BLOCK			DEPRECIATION/ AMORTISATION				NET BLOCK			
	As at 31st March, 2010	Adjustments/ Addition	Deletion	As at 31st March, 2011	As at 31st March, 2010	For The Year	Adjust- ment	Total Dep./Amrt. for the Year	As at 31st March, 2011	As at 31st March, 2011	As at 31st March, 2010
<b>A) Tangible Assets</b>											
Land (Leasehold)	987,872	-	-	987,872	187,193	10,400	-	10,400	197,593	790,279	800,679
Factory Building	28,347,567	-	-	28,347,567	15,285,853	946,809	-	946,809	16,232,662	12,114,905	13,061,714
Plant & Machinery	214,869,624	4,313,142	-	219,182,766	139,107,990	11,418,741	-	11,418,741	150,526,731	68,656,035	75,761,634
Electrical Installation	93,844	-	-	93,844	52,608	4,458	-	4,458	57,066	36,778	41,236
Office/Factory Equipments	4,586,813	612,769	-	5,199,582	2,818,472	222,740	-	222,740	3,041,212	2,158,370	1,768,341
Computers	2,184,362	-	-	2,184,362	1,896,385	82,826	-	82,826	1,979,211	205,151	287,977
Furniture & Fixtures	1,898,152	327,318	-	2,225,470	1,839,837	119,515	-	119,515	1,959,352	266,118	58,315
Vehicles	708,250	-	-	708,250	708,250	-	-	-	708,250	-	-
<b>B) Intangible Assets</b>											
Computer Software	45,000	-	-	45,000	8,654	7,295	-	7,295	15,949	29,051	36,346
Patents & Trade Mark	11,600	-	-	11,600	11,600	-	-	-	11,600	-	-
<b>TOTAL</b>	<b>253,733,084</b>	<b>5,253,229</b>	<b>-</b>	<b>258,986,313</b>	<b>161,916,842</b>	<b>12,812,784</b>	<b>-</b>	<b>12,812,784</b>	<b>174,729,626</b>	<b>84,256,687</b>	<b>91,816,242</b>
Previous Year	199,659,682	54,777,161	(703,759)	253,733,084	151,690,902	10,929,699	(703,759)	10,929,699	161,916,842	91,816,242	47,968,780
Capital Work-in-progress										26,908,709	18,191,458
<b>TOTAL</b>										<b>111,165,396</b>	<b>110,007,700</b>

(Amounts. in Rs.)

Particulars	As at 31st March, 2011	As at 31st March, 2010
<b>SCHEDULE 'F'- INVESTMENTS</b>		
Current Investment		
Quoted Investment		
50 (Previous Year 50) Equity Shares of Rs.100/- each fully paid up of State Bank of India	5,000	5,000
[Market value of quoted investment Rs. 1,38,395/-(Previous Year Rs. 1,03,950/-)]		
Unquoted Investment		
10 (Previous Year 10) Equity Shares of Rs.50/- each fully paid up of The Thane Janata Sahakari Bank Ltd.	500	500
	<b>5,500</b>	<b>5,500</b>

**SCHEDULE 'G'- INVENTORIES**

(As taken, valued and certified by the management)

Raw Materials	38,327,419	35,106,626
Work In Process	1,673,396	1,019,819
Finished Goods	16,154,177	6,875,267
Stores & Spares	10,455,504	9,704,069
	<b>66,610,496</b>	<b>52,705,781</b>



# PENTOKEY ORGANY (INDIA) LIMITED

## SCHEDULES FORMING PART OF BALANCE SHEET

(Amounts. in Rs.)

Particulars	As at 31st March, 2011	As at 31st March, 2010
<b>SCHEDULE 'H'- SUNDRY DEBTORS</b>		
(Unsecured considered good unless otherwise stated)		
Debts outstanding for a period		
a) More Than Six Months	299,501	299,501
Less: Provision for Doubtful Debts	299,501	299,501
	<hr/>	<hr/>
	-	-
b) Less Than Six Months	1,630,212	8,228,432
	<hr/>	<hr/>
	1,630,212	8,228,432
	<hr/>	<hr/>
<b>SCHEDULE 'I'- CASH &amp; BANK BALANCES</b>		
Cash on Hand	286,568	199,372
Balance with Scheduled Banks :		
Current Accounts	2,441,637	3,759,235
Fixed Deposits with Bank	287,433	268,509
	<hr/>	<hr/>
	2,729,071	4,027,744
	<hr/>	<hr/>
	3,015,639	4,227,116
	<hr/>	<hr/>
<b>SCHEDULE 'J'- LOANS &amp; ADVANCES</b>		
(Unsecured considered good unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received		
	22,180,434	11,960,570
Less : Provision for Doubtful Advance	792,260	792,260
	<hr/>	<hr/>
	21,388,174	11,168,310
Advances for Capital Goods	1,259,953	2,378,003
Balance with Excise Dept.	6,266,238	3,941,786
Advance Payment of Taxes	133,879	85,469
Prepaid Expenses	1,114,524	1,873,647
	<hr/>	<hr/>
<b>Total</b>	<b>30,162,768</b>	<b>19,447,215</b>
	<hr/>	<hr/>
<b>SCHEDULE 'K'- CURRENT LIABILITIES &amp; PROVISIONS</b>		
Sundry Creditors	94,269,529	84,116,875
Other Liabilities	24,803,473	50,441,733
Provision For Gratuity	2,184,404	2,121,320
	<hr/>	<hr/>
	121,257,406	136,679,928
	<hr/>	<hr/>

**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT**

(Amounts. in Rs.)

<b>Particulars</b>	<b>Year ended 2010-11</b>	<b>Year ended 2009-10</b>
<b>SCHEDULE 'L'- OTHER INCOME</b>		
Interest Received (Tax Deducted at Source Rs. 51,803/- (Previous Year Rs. 43,160/-))	507,369	392,701
Dividend Received	75	75
Miscellaneous Income	305,243	258,029
	<u>812,687</u>	<u>650,805</u>
<b>SCHEDULE 'M'- (INCREASE)/ DECREASE IN INVENTORIES</b>		
<b>Closing Inventories</b>		
Finished Goods	16,154,177	6,875,267
Work in process	1,673,396	1,019,819
	<u>17,827,573</u>	<u>7,895,086</u>
<b>Less: Opening Inventories</b>		
Finished Goods	6,875,267	1,551,247
Work in process	1,019,819	981,981
	<u>7,895,086</u>	<u>2,533,228</u>
	<u>(9,932,487)</u>	<u>(5,361,858)</u>
<b>SCHEDULE 'N'- MANUFACTURING &amp; OTHER EXPENSES</b>		
<b>Raw Materials Consumed</b>		
Opening Inventories	35,106,626	16,211,312
Purchases	500,662,430	386,922,113
	<u>535,769,056</u>	<u>403,133,425</u>
Less : Closing Inventories	38,327,419	35,106,626
	<u>497,441,637</u>	<u>368,026,799</u>
Packing Material Consumed	7,287,510	5,191,501
Stores Consumed	5,888,112	2,980,694
Fuel & Power	43,884,165	37,888,006
Water Charges	1,017,727	1,025,629
Other Manufacturing Expenses	2,024,176	976,598
	<u>557,543,327</u>	<u>416,089,227</u>



## PENTOKEY ORGANY (INDIA) LIMITED

### SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

(Amounts. in Rs.)

Particulars	Year ended 2010-11	Year ended 2009-10
<b>SCHEDULE 'O'- EMPLOYEES REMUNERATION AND BENEFITS</b>		
Salary, Wages & Bonus	13,001,674	11,209,671
Gratuity & Leave Encashment	621,588	354,681
Contribution to PF & ESIC	923,199	838,222
Staff Welfare Expenses	1,537,838	1,126,674
Directors Remuneration	1,060,328	842,440
	<b>17,144,627</b>	<b>14,371,688</b>
<b>SCHEDULE 'P'- ADMINISTRATIVE &amp; SELLING EXPENSES</b>		
Rent, Rates & Taxes	977,390	1,449,075
Insurance	860,746	555,981
Repairs & Maintenance		
1) Plant	1,865,034	289,590
2) Building	239,883	259,130
3) Others	205,778	159,701
	<b>2,310,695</b>	<b>708,421</b>
Legal & Professional Charges	1,024,664	1,021,541
Motor Car Expenses	70,409	200,716
Travelling & Conveyance Expenses	1,460,968	1,408,209
Postage & Telephone	911,854	262,541
Printing & Stationery	308,420	223,203
Security Service Charges	1,116,249	878,743
Donation	20,500	11,000
Auditors Remuneration	172,649	165,450
Other Expenses	1,657,887	1,367,973
Clearing & Forwarding Charges Export	295,398	-
Exchange Fluctuation	31,012	-
	<b>11,218,841</b>	<b>8,252,853</b>
<b>SCHEDULE 'Q'- FINANCIAL COST</b>		
Interest - Others	2,898,588	2,505,659
Bank Charges	45,255	41,800
	<b>2,943,843</b>	<b>2,547,459</b>



**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011**

**SCHEDULE "R"**

**1) SIGNIFICANT ACCOUNTING POLICIES**

**A) Basis of Preparation of Financial Statements:**

The financial statements have been prepared under the historical cost convention on an accrual basis of accounting in accordance with generally accepted accounting principles in India, the provisions of Companies Act, 1956 and Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 to the extent applicable and practices generally prevalent in the industry.

**B) Use of Estimates:**

The preparation of financial statement requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

**C) Fixed Assets and Depreciation:**

- i) Fixed Assets are stated at cost net of Cenvat and Value Added Tax less accumulated depreciation including impairment loss. All cost relating to installation upto the commencement of commercial production are capitalised.
- ii) Depreciation on Fixed Assets has been provided on Straight Line Method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956. The cost of leasehold land has been amortised over the lease period of 95 years.
- iii) Intangible assets are stated at cost of acquisition less accumulated amortization.

**D) Investments:**

Current investments are carried at the lower of cost and quoted/fair value.

**E) Inventories:**

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any.

- i) Raw Materials and Stores and Spares are valued at cost.
- ii) Finished stock & process stock are valued at cost or net realisable value whichever is lower.
- iii) The valuation of inventories includes taxes, duties of non refundable nature and direct expenses, and other direct cost attributable to the cost of inventory, net of excise duty / counter-vailing duty / education cess and value added tax.

**F) Provision for Current tax and Deferred tax**

- i) Tax on Income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on expected outcome of earlier year assessments/appeals.
- ii) Deferred Tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted and substantively enacted as on the Balance Sheet date.
- iii) Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty or virtual certainty as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.



## PENTOKEY ORGANY (INDIA) LIMITED

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### G) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

### H) Revenue Recognition:

- i) Sales of goods are recognised on dispatches to the customers & includes Excise Duty adjusted for discounts.
- ii) Dividends are recognised when the right to receive them is established.

### I) Turnover

Turnover includes sale of goods, excise duty net of sales tax, adjusted for discounts.

### J) Employee Benefits:

- i) Short Term employee benefits are recognised as expenses at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- ii) Post employment employee benefits are recognised as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation technique.

### K) Impairment of Assets:

As asset is treated as impaired when the carrying cost of assets exceeds recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### L) Borrowing Cost:

Borrowing Cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing cost is charged to Profit and Loss account.

## 2) NOTES TO ACCOUNTS:

A) The Company has no dues to micro and small enterprises during the year ended 31st March, 2011, 31st March, 2010 and as at 31st March, 2011, as at 31st March, 2010. This information is required to be disclose under Micro, Small and Medium Enterprises Act, 2006 (MSMED Act) has been determined to the extent such parties have been identified on the basis of information available with the Company

### B) Contingent Liabilities:

#### Claims against the Company not acknowledged as a debt:

The State Excise Department, Government of Maharashtra has demanded Rs. 103.24 Lacs (Previous Year Rs. 103.24 Lacs) for Transportation fess / administration charges for purchase of Special Denatured Spirit (S.D.S.) for the period 1st April,2002 to 31st March,2007.The Company has along with other manufacturers using industrial alcohol jointly contested the said demand in Bombay High Court.

C) Loans & Advances including Rs. 5,154,199/- towards amount paid to Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL), formerly known as Maharashtra State Electricity Board (MSEB), which has been appropriated by MSEDCL, details as under:





1. Minimum Demand Charges, Interest and late payment charges	: Rs. 2,905,702/-
2. Deposits	: Rs. 2,248,497/-
	<hr/>
Total	: <b>Rs. 5,154,199/-</b>
	<hr/>

The Company has contested the aforesaid appropriation, based on the concession given by Board For Industrial and Financial Reconstruction (BIFR) vide its Order dated 26th September, 2007, and a Writ has been filed at High Court, Bombay. The Company has been legally advised that the aforesaid appropriation by MSEDCL is not tenable and the Company is entitled for the refund. Accordingly this amount is shown under Loans & Advances.

- D) The value of capital work in progress and Capital Advance pertaining to Aldehyde / Acetic Acid plant amounting to Rs.1.76 crores (Previous year Rs. 2.18 crore) is yet be capitalised.
- E) The values of Current Assets and Loans & Advances are stated at realisable in ordinary course of the business in Balance Sheet, as per the opinion of the Management of the Company
- F) Disclosure of Segment Reporting:
- i) The business segment has been considered as the primary segment. The only segment in which the Company is engaged in manufacture of Organic Chemicals namely Acetic Acid, Ethyl Acetate & Butyl Acetate. Hence disclosure of business segment (primary disclosure) is not applicable to the Company.
- ii) The Secondary disclosure as required by Accounting Standard "Segment Reporting" AS-17 is as follows:

		Amt in Rs.	
Sr.	Particulars	2010-11	2009-10
1	Domestic Sales	608,557,261	453,204,438
2	Export Sales	3,012,249	-
	<b>Total</b>	<b>611,569,510</b>	<b>453,204,438</b>

G) Disclosure of Related Party:

a. List of Related Parties:

Subsidiary Companies	None
Associate Concerns	1. Vikasini Leasing & Finance Pvt. Ltd. 2. Sakarwadi Trading Company Pvt. Ltd. 3. Lakshmiwadi Mines & Minerals Pvt. Ltd 4. Somaiya Agencies Pvt. Ltd. 5. Jasmine Trading Co Pvt. Ltd 6. Godavari Biorefineries Ltd. 7. K. J. Somaiya & Sons Pvt. Ltd
Key Management Personnel	Shri Rajendra V. Shah - Director Shri S. Mohan - Director (Works)



## PENTOKEY ORGANY (INDIA) LIMITED

### b. Transactions with Related Parties:

Particulars	2010-11	2009-10
<b>Associate Concerns</b>		
<b>Interest</b>		
Lakshmiwadi Mines & Minerals Pvt. Ltd.	2,342,165	2,757,396
<b>Rent</b>		
K. J. Somaiya & Sons Pvt. Ltd.	694,892	694,890
<b>Purchase</b>		
Godavari Biorefineries Ltd.	117,296,289	126,554,556
<b>Sales</b>		
Godavari Biorefineries Ltd.	22,824,861	29,715,632
<b>Year end Balances</b>		
<b>Loan Fund</b>		
Vikasini Leasing & Finance Pvt. Ltd.	-	90,000
Lakshmiwadi Mines & Minerals Pvt. Ltd.	-	25,554,794
<b>Creditors</b>		
Godavari Biorefineries Ltd.	48,726,921	57,772,146
K. J. Somaiya & Sons Pvt. Ltd.	-	625,401
<b>Key Management Personnel</b>		
<b>Remuneration</b>		
Rajendra V. Shah	235,037	733,940
S. Mohan	744,791	-
<b>Relatives of Key Management Personnel</b>		
<b>Sitting Fees</b>		
Pragna R. Shah	-	3,500



**H) Disclosure of Earning Per Share:**

	Current Year (Rupees)	Previous Year (Rupees)
Net Profit / (Loss) for the year after Tax Before Exceptional item	26,800,362	10,116,175
Net Profit / (Loss) for the year after Tax After Exceptional item	26,800,362	10,752,499
No. of weighted Average Equity Shares of Rs.10/- each.	5,634,333	5,634,333
No. of Diluted Equity Shares	-	-
Earning Per Share Before Exceptional Items		
- Basic	4.76	1.80
- Diluted	4.76	1.80
Earning Per Share After Exceptional Items		
- Basic	4.76	1.91
- Diluted	4.76	1.91

**I) Deferred Tax:**

	As At 31st March, 2011 Rupees	As At 31st March, 2010 Rupees
Deferred Tax Liability (DTL)		
On account of Difference in Depreciation	10,446,025	10,990,110
Deferred Tax Asset (DTA)		
On Account of Section 43B of Income Tax Act, 1961, and B/f Losses *	22,775,125	17,170,110
Net Deferred Tax Liability / (Asset)	<u>(12,329,100)</u>	<u>(6,180,000)</u>

\* In view of substantial brought forward losses, the deferred tax asset has been recognised on the basis of virtual certainty of profit in the immediate future.

J) The amount of Interest on Loans capitalised regarding expansion project during the year was Rs. Nil. (Previous Year Rs. 4.42 Lacs)

K) As per BIFR Order dated 26th September, 2007 & Order dated 16th October, 2009, the provisions of Section 115JB of the Income Tax Act, 1961 are not applicable to the Company for the financial year under consideration and hence the Company has not provided for Minimum Alternate Tax (MAT).

**L) Retirement Benefits**

a) Defined Benefit Plan: The Company Provides for Gratuity on the basis of Actuarial valuation. The Company does not have any fund for Gratuity Liability.

The following table summarised the net benefit / Expenses recognised in Profit and Loss Account and Balance Sheet.

<b>I. Reconciliation of Opening &amp; Closing balances of Present Value of Defined Benefit obligations (PVDBO)</b>	<b>As at 31st March, 2011 (Unfunded)</b>	<b>As at 31st March, 2010 (Unfunded)</b>
(PVDBO) at beginning of period	2,121,320	1,887,493
Interest Cost	154,417	135,234
Current Service Cost	253,930	219,099
Benefits Paid	(124,864)	(168,757)
Actuarial (gain)/loss on obligation	(220,399)	48,251
(PVDBO) at end of period	2,184,404	2,121,320



## PENTOKEY ORGANY (INDIA) LIMITED

II. Reconciliation of Opening & Closing balances of fair value of plan assets	As at 31st March, 2011 (Unfunded)	As at 31st March, 2010 (Unfunded)
Fair Value of Plan Assets at beginning of period	-	-
Expected Return on Plan Assets	-	-
Employer Contributions	124,864	168,757
Benefit Paid	(124,864)	(168,757)
Actuarial gain/(loss) on plan assets	-	-
Fair Value of Plan Assets at end of period	-	-
<b>III. Fair Value of Plan Assets</b>		
Fair Value of Plan Assets at beginning of period	-	-
Actual Return on Plan Asset	-	-
Contributions	124,864	168,757
Benefit Paid	(124,864)	(168,757)
Fair Value of Plan Assets at end of period	-	-
Present Value of Defined Benefit obligations	(2,184,404)	(2,121,320)
Excess of actual over estimated return on Plan Assets	-	-
<b>IV. Amounts to be recognised in the Balance Sheet</b>		
(PVDBO) at end of period	2,184,404	2,121,320
Fair Value of Plan Assets at end of period	-	-
Funded Status	(2,184,404)	(2,121,320)
Unrecognised Actuarial Gain/(Loss)	-	-
Net Asset/(Liability) recognised in the balance sheet	(2,184,404)	(2,121,320)
<b>V. Expense recognised in the statement of Profit and Loss Account</b>	<b>Year Ended March 2011 (Unfunded)</b>	<b>Year Ended March 2010 (Unfunded)</b>
Current Service Cost	253,930	219,099
Interest cost	154,417	135,234
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/Loss recognised for the period	(220,399)	48,251
Expense recognised in the statement of P & L A/c.	187,948	402,584
<b>VI. Movements in the Liability recognised in Balance Sheet</b>	<b>As at 31st March, 2011 (Unfunded)</b>	<b>As at 31st March, 2010 (Unfunded)</b>
Opening Net Liability	2,121,320	1,887,493
Expenses as above	187,948	402,584
Contribution paid	(124,864)	(168,757)
Closing Net Liability	2,184,404	2,121,320
<b>VII. Assumptions as at</b>		
Mortality Table	LIC(1994-96) Ultimate	LIC(1994-96) Ultimate
Discount Rate	8.50%	7.50%
Rate of increase in compensation	4.00%	4.00%
Rate of return (expected) on plan assets	-	-

The above information is certified by Actuary.

### b) Defined Contribution Plan

Contribution to defined contribution plans recognised as expense for the year as under:

Particulars	2010-11	2009-10
Employers Contribution to Provident Fund & Pension Fund	897,909/-	820,106/-
Employers Contribution to ESIC	17,298/-	10,664/-



**M) Disclosure of additional information pursuant of the provisions of paragraph 3,4C and 4D of part II Schedule VI to the Companies Act, 1956, to the extent applicable.**

PARTICULARS	Unit	Current Year		Previous Year	
		Quantity	Value(Rs)	Quantity	Value(Rs)
<b>1 Installed Capacity :</b> (As certified by Management)					
Acetic Acid	MT	7000.000		7000.000	
Acetaldehyde	MT	6000.000		6000.000	
Ethyl Acetate / Butyl Acetate	MT	14000.000		10000.000	
<b>2 Actual Production (Qty) :</b>					
Ethyl Acetate	*MT	14059.639		9905.454	
Acetaldehyde	*MT	1135.888		1080.294	
<b>Total :</b>		<b>15195.527</b>		<b>10985.748</b>	
*Includes Captive Consumption:					
Ethyl Acetate	MT	89.544		33.731	
Acetaldehyde	MT	2.897		-	
<b>3 Turnover:</b>					
Ethyl Acetate	MT	13724.755	563,714,325	9776.210	408,950,110
Acetaldehyde	MT	1148.720	47,840,585	1055.190	44,254,328
Weak Acid	MT	14.600	14,600	-	-
<b>Total :</b>			<b>611,569,510</b>		<b>453,204,438</b>
<b>4 Closing Stock</b>					
Acetaldehyde	MT	9.375	408,455	25.104	1,119,055
Ethyl Acetate	MT	377.955	15,745,722	132.615	5,756,212
Weak Acid	MT		-	14.600	-
<b>Total</b>			<b>16,154,177</b>		<b>6,875,267</b>
<b>5 Opening Stock :</b>					
Acetaldehyde	MT	25.104	1,119,055	-	-
Ethyl Acetate	MT	132.615	5,756,212	37.102	1,551,247
Weak Acid	MT	14.600	-	14.600	-
<b>Total :</b>			<b>6,875,267</b>		<b>1,551,247</b>
<b>6 Consumption of Raw Materials:</b>					
Ethyl Alcohol	KL	11924.784	264,694,984	8811.744	199,517,454
Acetic Acid (R. M.)	MT	9795.083	228,696,846	6804.207	167,300,400
Crotonaldehyde	MT	4.242	510,895	4.280	507290
Other Chemicals		-	3,538,912	-	701,655
<b>Total :</b>			<b>497,441,637</b>		<b>368,026,799</b>
<b>7 Consumption of Imported / Indigenous Raw Materials and Stores &amp; Spares:</b>					
			<b>Current Year</b>		<b>Previous Year</b>
			<b>Value (Rs)</b>	<b>% age</b>	<b>Value (Rs)</b>
					<b>% age</b>
Raw Materials - Indigeneous		497,441,637	100%	368,026,799	100%
Stores & Spares - Indigenous		5,888,112	100%	2,980,694	100%



## PENTOKEY ORGANY (INDIA) LIMITED

	As At 31st March, 2011 Rupees	As At 31st March, 2010 Rupees
<b>8. Auditors Remuneration</b>		
Audit Fees	110,300	110,300
Tax Audit Fees	55,150	55,150
Other Matters	7,199	-
<b>Total</b>	<b>172,649</b>	<b>165,450</b>
<b>9. Directors Remuneration</b>		
Salaries and Perquisites	895,859	687,860
Company's Contribution to PF	83,969	46,080
<b>Total</b>	<b>979,828</b>	<b>733,940</b>
<b>10. Sitting Fees (Non-executive Director)</b>	<b>80,500</b>	<b>108,500</b>
<b>Total</b>	<b>80,500</b>	<b>108,500</b>
11. FOB Value of Exports	2,795,958	-
12. The Company has not incurred any expenditure in foreign currency during the previous year.		

- N) Estimated value of contracts remaining to be executed on capital account and not provided for in the accounts as at 31st March, 2011 was Rs. 64.06 lacs (Previous year Rs. 95.65 lacs).
- O) The figures of the previous year have been re-grouped and rearranged wherever necessary so as to make them comparable with those of the current financial year.

Signature to Schedule 'A' to 'R'

**For Desai Saksena & Associates**  
Chartered Accountants

**For Pentokey Organy (India) Limited**

**Dr. S.N. Desai**  
Partner  
M.N.32546

**Priyanka S. Jain**  
Company Secretary

**S. Mohan**  
Whole-time Director

**Devendra J. Shrimanker**  
Director

Place : Mumbai  
Date : 26th May, 2011

Place: Mumbai  
Date : 26th May, 2011



**Information pursuant to Part IV of Schedule VI to the Companies Act, 1956  
Balance Sheet Abstract and Company's General Business Profile**

**I Registration details**

Registration No	State Code
11-41681-1986	11

Balance Sheet Date 31-03-2011

**II Capital Raised during the year (Amount Rs. in Thousands)**

Public Issue	Rights Issue
NIL	NIL
Bonus Issue	Private Placement
NIL	NIL

**III Position of Mobilisation & Deployment of Funds (Amount Rs. in Thousands)**

Total Liabilities	Total Assets
224919	224919

**Sources of Funds**

Paid up Capital	Reserves & Surplus
56343	6038
Secured Loans	Unsecured Loans
0000	41280

**Application of Funds**

Net Fixed Assets	Investments
111165	006
Net Current Assets	Misc Expenditure
-19838	NIL
Accumulated Losses	
NIL	

**IV Performance of the Company (Amount Rs. in Thousands)**

Turnover	Total Expenditure
612382	591731
Profit/Loss before Tax	Profit/Loss after Tax
20651	20651
Earning Per Share Rs. (Basic)	Dividend
4.76	NIL

**V Generic Names of Three Principal Products (as per monetary terms)**

Item Code No (ITC code)	29152100
Product Description	ACETIC ACID
Item Code No (ITC code)	29153100
Product Description	ETHYL ACETATE
Item Code No (ITC code)	29121200
Product Description	ACETALDEHYDE

**For and on behalf of the Board**

**S. Mohan**  
Whole-time Director

**Devendra J. Shrimanker**  
Director

Place : Mumbai  
Date : 26th May, 2011

# PENTOKEY ORGANY (INDIA) LIMITED

Regd. Off : Yusuf Building, 20 A, 2nd Floor, 43, M. G. Road, Fort, Mumbai - 400 001

## Attendance Slip

I/We hereby record my/our presence at the 24th Annual General Meeting held at Kilachand Conference Hall, 2nd Floor, Indian Merchant Chambers, Churchgate, Mumbai - 400020, Wednesday, the 10th August, 2011 at 4.45 p. m.

Shareholder/Proxy :

(Surname) (First Name) (Second Name)

Reg. Folio No. : ..... No. of Shares held .....

Signature of Shareholder/Proxy :

Please complete this attendance slip and hand it over at the entrance of the meeting hall.

----- (Tear Here) -----

# PENTOKEY ORGANY (INDIA) LIMITED

Regd. Off : Yusuf Building, 20 A, 2nd Floor, 43, M. G. Road, Fort, Mumbai - 400 001

## Form of Proxy

I/We \_\_\_\_\_ of \_\_\_\_\_

Being Member/Members of Pentokey Organy (India) Limited

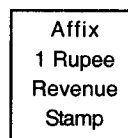
hereby appoint \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_

or failing him \_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to attend and vote for me/us on my/our behalf at the 24th Annual General Meeting of the Company to be held at Kilachand Conference Hall, 2nd Floor, Indian Merchant Chambers, Churchgate, Mumbai - 400020, Wednesday, the 10th August, 2011 at 4.45 p. m. or at any adjournment thereof.

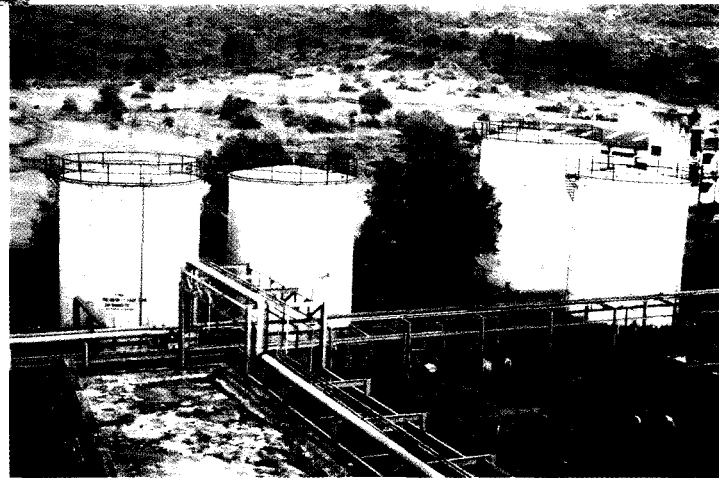
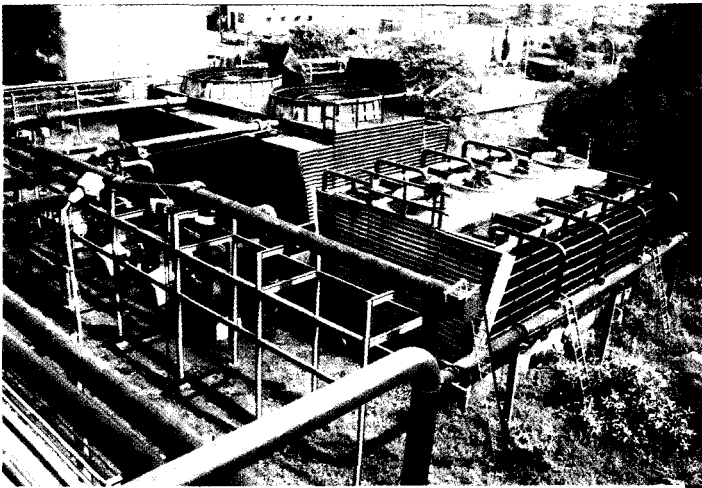
Signed this the \_\_\_\_\_ day of \_\_\_\_\_ 2011.



Signature of the shareholder(s).

**Note :** The Proxy Form duly completed must be deposited at the Company's Registered Office not less than 48 hours before the time of holding the aforesaid meeting.





*If undelivered, please return to*

**DATAMATICS FINANCIAL SERVICES LIMITED**  
(Unit: Pentokey Organy (India) Limited)  
Plot No. B-5, MIDC,  
Part B, Cross Lane, Andheri (East)  
Mumbai - 400 093.