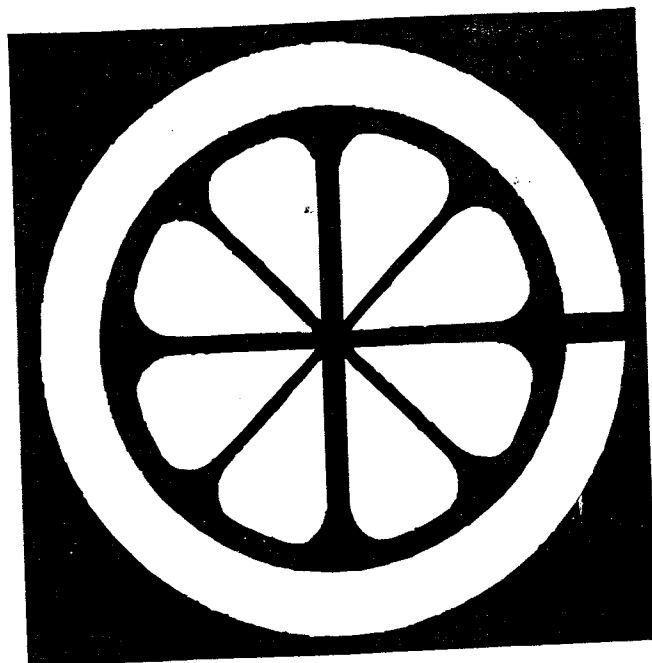


CITURGIA BIOCHEMICALS LIMITED



For Citurgia Biochemicals Ltd.

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Authorised Signatory

**Annual Report
2010-2011**

CITURGIA BIOCHEMICALS LIMITED

Directors (As on 05th September, 2011)

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

Bankers

Union Bank of India
HDFC Bank
Oriental Bank of Commerce

Auditors

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

Registered Office

46, Guru Govind Singh Road,
Near J.J. School, Mulund Colony,
Mulund (West)
Mumbai-400062

Factory

Rishikesh, Uttarakhand

Registrar & Transfer Agents
Sharepro Services (India) Pvt. Ltd.
13 AB Samhita Warehousing ,
Complex, 2nd Floor, Sakinaka,
Telephone Exchange Lane ,
Kurla Andheri Road, Sakinaka,
Mumbai-400072
Tel Nos: 67720300 /67720400/
67720304
Fax No: 2850892
Mob: 9920722410

Additional Service Centre:

912, Raheja Centre,
Nariman Point,
Mumbai- 400 021
Tel Nos. : 2288 1568 / 2288 1569
2288 4527 / 2282 5163
Fax No : 2282 5484

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NOTICE

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

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint M/s Ranjan Gupta & Co as Auditor of the Company for next term M/s S. C. Garg & Associates, Chartered Accountants, has given their unwillingness to *reappointed as Auditors* of the company for next term. M/s Ranjan Gupta & Co will work as Auditor of the company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.
3. To appoint a Director in place of Mr. Bhagat Ram Kothari, who retires by Rotation and being eligible, offers himself for re-appointment.

NOTES:

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

CITURGIA BIOCHEMICALS LIMITED

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

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

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

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

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CITURGIA BIOCHEMICALS LIMITED

12. Pursuant to provisions of Section 205A of the Companies Act, 1956, dividends which remain unpaid or unclaimed for a period of 7 years, will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government.
13. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository Participants with whom they are maintaining their demat accounts(s). Members holding shares in physical form can submit their PAN details to M/s Sharepro Services (India) Pvt. Ltd. (R & TA).
15. Members desirous of getting any information about the accounts and operations of the Company are requested to write to the Company at least seven days before the date of the Meeting.
16. As required in terms of Paragraph VI(A) of Clause 49 of the Listing Agreement, the details of the Director being appointed / re-appointed are furnished below:

Name:	Mr. Vivek Singh
Age:	32 years
Qualification:	Graduate
Expertise:	
Other Directorship: (excluding Directorship in Private Limited Companies)	Nil

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

By Order of the Board of Directors
For CITURGIA BIOCHEMICALS LIMITED

Sd/-

Akshod Kumar Sharma
Executive Director

CITURGIA BIOCHEMICALS LIMITED

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

Mumbai, 05th September, 2011

DIRECTORS' REPORT TO THE MEMBERS

The Directors present the audited Balance Sheet and Profit & Loss Account together with their Report thereon for the Financial Year ended 31st March, 2011:

Financial Results

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

Working Results

The Company's operations at calcium carbonate division remained suspended through out the year for the want of working capital and clearance from the Uttarakhand Environment Protection and Pollution Control Board. The company then entered in the work of construction of Building at Rishikesh site and entered in the Real Estate Business in their Real Estate Division of the company which was also

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CITURGIA BIOCHEMICALS LIMITED

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

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

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

Industrial Relations:-

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

Rehabilitation Scheme:

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

Future Plans:

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

Fixed Deposits:

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

Insurance:

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

Directors:

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

Director's Responsibility Statement

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

- a. in the preparation of the annual accounts of Citurgia Biochemicals Limited (the Company), the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- b. they have, in selection of the accounting policies, consulted the statutory auditors and applied them consistently and made judgements and estimates that are

CITURGIA BIOCHEMICALS LIMITED

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

- c. they have taken proper and sufficient care of the best of their knowledge and ability for the maintenance of adequate accounting records in the accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis.

Corporate Governance:-

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

Personnel

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

Auditors

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

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

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

On behalf of the Board of Directors

sd/-
AKSHOD KUMAR SHARMA
(EXECUTIVE DIRECTOR)

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

Mumbai, 05th September, 2011

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ANNEXURE TO THE DIRECTORS' REPORT

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

(A) CONSERVATION OF ENERGY

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

FORM A**A. Power and Fuel Consumption:**

		Calcium Carbonate Division	
		2010-11	2009-10
1. Electricity:			
(a) Purchased:			
Units	'000 KWH	Nil	Nil
Total amount	Rs./lac	Nil	Nil
Rate/ Unit	Rupees	Nil	Nil
(b) Own Generation:			
(i) Through Diesel Generator:			
Units per ltr. Of Diesel Oil for DG Set	'000 KWH	Nil	Nil
Cost/Unit	KWH	Nil	Nil
	Rupees	Nil	Nil
(ii) Through Gas Engine:			
Co-generation Plant	'000 KWH	Nil	Nil
Units per SM ³ of Gas	KWH	Nil	Nil
Cost/ Unit	Rupees	Nil	Nil
2. Coal:			
Quantity	M.T.	Nil	Nil
Total Amount	Rs./lac	Nil	Nil
Average Rate	Rupees	Nil	Nil
3. Furnace Oil/ Residual Furnace Oil:			
Quantity	K.Ltrs.	Nil	Nil
Total Amount	Rs./lac	Nil	Nil
Average Rate	Rupees	Nil	Nil
4. Others:			

CITURGIA BIOCHEMICALS LIMITED

(a) Pearl Coke:

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

(b) Charcoal:

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

(c) Kerosene Oil:

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

(d) Natural Gas:

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

B. Consumption per unit of production:

		2010-11	2009-10
Electricity	KWH/MT	Nil	Nil
Coal	MT/MT	Nil	Nil
Furnace Oil/Residual Furnace Oil	KL/MT	Nil	Nil
Coke	MT/MT	Nil	Nil
Charcoal	MT/MT	Nil	Nil
Biogas	M3/MT	Nil	Nil
Kerosene Oil	KL/MT	Nil	Nil
Natural Gas	Sm ³ /MT	Nil	Nil

(B) TECHNOLOGY ABSORPTION:

FORM B

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

A. RESEARCH AND DEVELOPMENT (R&D)

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

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

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

- Efforts in brief made towards technology absorption,

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CITURGIA BIOCHEMICALS LIMITED

- | | |
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| adaptation and innovation: | Nil |
| 2. Benefits derived as a result of the above efforts: | Nil |
| 3. Information regarding technology imported during the last 5 years: | Nil |

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

- | | |
|---|-----|
| (a) <u>Activities Relating to Exports:</u>
There were no exports during the year under review. | |
| (b) <u>Total Foreign Exchange used and earned:</u> | |
| Used (including raw materials, spare parts, capital goods and other expenditure) | Nil |
| Earned | Nil |

On behalf of the Board of Directors

Sd/-

AKSHOD KUMAR SHARMA
(Executive Director)

Mumbai, 05th September, 2011

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company's operations continued to be suspended throughout the year. The lock out declared at Rishikesh factory with effect from 29th September, 2003 continues to be in force till date. The production and sales were nil during the year under review. Material developments in industry structure have been dealt with in the directors report under the head 'Rehabilitation Scheme' and 'Future plans' which should be treated forming part of this Management Discussion and Analysis.

OUTLOOK, OPPORTUNITIES AND THREATS

Discussions on outlook & opportunities have already been dealt with in Directors Report which should be treated as forming part of the Management Discussion and analysis.

RISK AND CONCERN

This is not discussed in detail since the Company's operations continued to be suspended through out the year.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has not conducted internal audit for the year under report.

FINANCIAL PERFORMANCE

Discussion on financial performance with reference to operational performance has been dealt with in the Directors' Report which should be treated as forming part of this Management Discussion and Analysis.

HUMAN RESOURCES

Material development in human resources/ industrial relations front has been dealt with in the Directors' Report, under the head 'Operations' and 'Industrial Relations', which should be treated as forming part of this Management and Discussion Analysis. As at 31st March, 2011, the employee strength (on permanent rolls) of the Company was Nil.

CAUTIONARY STATEMENT

Statement in this Management Discussion and analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates.

Mumbai, 05th September, 2011

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance:

Your Company is fully committed to the principles of transparency, integrity and accountability in all spheres of its operations and has been practicing the principles of good corporate governance over the years. In keeping with this commitment, your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings and continuously endeavors to review, strengthen and upgrade its systems and procedures so as to bring in transparency and efficiency in its various business segments.

2. Board of Directors:

The Board is headed by an Executive Chairman, Mr. Akshod Kumar Sharma, and comprised of committed and eminent persons with considerable professional experience in varied fields with a majority of Non-Executive Directors. The composition of Board of Directors is not in accordance with Clause 49(A)(ii) of the Listing Agreement. The Hon'ble BIFR while sanctioning the Rehabilitation Scheme by Order dated 12/01/2007 has exempted the Company from the applicability of the said Clause 49(A)(ii) of the Listing Agreement. The details of Board of Directors are given below:

Directors	Whether Promoter, Executive, Non-Executive, Independent Non-Executive, Nominee	No. of outside directorships held *(excluding Directorship in Private Limited Companies)	Total no. of Committee Membership held in Public Limited Companies (including Citurgia Biochemicals Limited)	
			Chairman	Member
Mr. Bhagat Ram Kothari	Non-Executive	1. Sab Electronics Devices Limited	-	2
Mr. Chandra Shekhar	Non-Executive	1. Elite Capital & Management Services Limited 2. G. L. Commercial Limited	1	-
Mr. Sanjeev Kumar	Non-Executive	1. Habitech Promoters Limited 2. Habitech Infrastructure Limited	-	2

CITURGIA BIOCHEMICALS LIMITED

Mr. Akshod Kumar Sharma	Executive Director (Chairman)	1. Gandharva Holding Limited 2. Gold Line International Finvest Limited	1	-
Mr. Vivek Singh	Non-Executive	-	-	-
Ms. Neelam Khanna	Non-Executive	1. Protech Intrade Limited 2. Prabhatam Colonizers Limited 3. Naman Realbuild Limited 4. HSB Home Solutions Limited 5. Prabhatam Realbuild Limited 6. Prabhatam Realtech Limited 7. Prabhatam Infra Build Limited 8. Prabhatam Radisafe Limited 9. Esha Herbal Lifesciences Limited 10. Prabhatam Developers Limited 11. Prabhatam Textile Park Limited 12. Naman Buildcon Limited	-	-

* Excludes alternate directorships and directorships in foreign companies and private companies which are neither a subsidiary nor a holding company of a public company.

Excludes Committees other than Audit Committee and Shareholders'/ Investors' Grievance Committee and Companies other than public limited companies.

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CITURGIA BIOCHEMICALS LIMITED

1. Ms. Neelam Khannaa, Non-Executive Director appointed as Additional Director w.e.f. 29th April, 2010.

Board Meetings and AGM:

During the financial year under review, 17 (Seventeen) Board Meetings were held; the dates being 23/04/2010, 29/04/2010, 05/05/2010, 05/07/2010, 13/08/2010, 20/08/2010, 06/09/2010, 28/09/2010, 05/10/2010, 13/10/2010, 20/10/2010, 13/11/2010, 06/12/2010, 05/01/2011, 03/02/2011, 11/02/2011, 21/02/2011.

The last Annual General Meeting was held on 15th June, 2010.

Details of attendance of each Director at the Board Meetings and Annual General Meeting are given below:

Directors	No. of Board Meetings attended	Whether attended last Annual General Meeting
Mr. Chandra Shekhar		-
Mr. Sanjeev Kumar		-
Mr. Bhagat Ram Kothari		-
Mr. Akshod Kumar Sharma		1
Mr. Vivek Singh		-
Ms. Neelam Khannaa		-

Details of Directors being re-appointed and appointed in pursuance of clause 49 of the Listing Agreement

(1) Mr. Vivek Singh retires by rotation is proposed to be re-appointed as Directors at the ensuing Annual General Meeting.

Name: Mr. Vivek Singh

Age: 32 Years

Qualification: Graduate

Expertise:

Other Directorships:
(excluding Directorship
in Private Limited
Companies) Nil

3. Board Committees

The Board has constituted the following Committees of Directors:

(a) Audit Committee :

The Audit Committee consists of the following Non-Executive Directors;

Mr. Chandra Shekhar (Chairman)
Mr. Sanjeev Kumar
Mr. Bhagat Ram Kothari

Notes:

1. The Audit Committee met on 23rd April, 2010, 13th August, 2010, 13th October, 2010, 11th February, 2011.

Name of Member	Designation	No. of Meetings held	No. of Meetings attended
Chandra Shekhar	Chairman	4	4
Sanjeev Kumar	Member	4	3
Bhagat Ram Kothari	Member	4	1

The Audit Committee has not been constituted as per Clause 49-II of the Listing Agreement. The Hon'ble BIFR while sanctioning the Rehabilitation Scheme by order dated 12/01/2007 has exempted the Company from the applicability of the said Clause 49-II of the Listing Agreement.

A brief description of the terms of reference of the Audit Committee is as follows:

To review Internal Audit Reports, Statutory Auditors' Report on the financial statements, to generally interact with the Internal Auditors and Statutory Auditors, to review the adequacy of internal control systems, to select and establish accounting policies, to review financial statements before submission to the Board, to recommend the appointment and removal of external auditor and fixation of audit fees and other matters specified under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

During the financial year under review meetings of the Audit Committee were held six times. The Chairman of the Audit Committee is Shri Chandra Shekhar who is a non Executive Director. All the Members of the Audit committee are however financially literate and at least one member is having expertise in accounting and financial fields.

CITURGIA BIOCHEMICALS LIMITED

(b) Share Transfer & Shareholders' / Investors' Grievance Committee :

The Share Transfer & Shareholders' / Investors' Grievance Committee comprised of:

Mr. Akshod Kumar Sharma, Chairman
Mr. Sanjeev Kumar
Mr. Bhagat Ram Kothari

The constitution and terms of reference of the Share Transfer & Shareholders' / Investors' Grievance Committee is in agreement with the guidelines prescribed under Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

This committee (i) approves and monitors transfers, transmission, splitting and consolidation of securities and issue of duplicate Certificates by the Company; (ii) looks into various issues relating to shareholders, including the redressal of shareholders' and investors' complaints like transfer of shares, non-receipt of Balance Sheet, dividend etc.; and (iii) carries out the functions envisaged under the Code of Conduct for Prevention of Insider Trading adopted in terms of Regulation 12(1) of the SEBI (Prohibition of Insider Trading) Regulations, 1992.

The Share Transfer & Shareholders' / Investors' Grievance Committee met ten times during the financial year i.e. on 05.05.2010, 05.07.2010, 06.09.2010, 28.09.2010, 05.10.2010, 20.10.2010, 06.12.2010, 05.01.2011, 03.02.2011 and 21.02.2011

Name of Member	Designation	No. of Meetings held	No. of Meetings attended
Akshod Kumar Sharma	Chairman	10	10
Neelam Khanna	Member	10	6
Vivek Singh	Member	10	4

Name and designation of Compliance officer:

- Mr. Sanjeev Kumar, Compliance Officer.
- No. of shareholders' complaints received during the year : NIL
- No. of complaints not resolved to the satisfaction of shareholders : NIL
- No. of pending share transfers : NIL

Remuneration of Directors

- I. There are no pecuniary relationships or transactions of Non-Executive Directors vis-a vis. the Company.
None of the directors have been paid any Remuneration.
- II. Presently the Company does not have a scheme for grant of stock options either to the working Directors or employees.
- III. There are no Service Contracts as none of the Directors have been paid any Managerial Remuneration.

CITURGIA BIOCHEMICALS LIMITED

IV. None of the directors have been paid any Sitting Fees.

V. None of the Non-Executive Directors hold any Shares in the Company.

4. General Body Meetings:

(a) Location and time where last three Annual General Meetings were held:

Date & Time	Location	Special Resolution passed
1) 15 th June, 2010 10:30 A.M.	Maheshwari Pragati Mandal, Maheswari Bhavan, 603, J. S. S. Road, Mumbai - 400 002	Nil
2) 29 th September, 2009 11:30 A.M.	Maheshwari Pragati Mandal, Maheswari Bhavan, 603, J. S. S. Road, Mumbai - 400 002	Nil
3) 22 nd September, 2008 03:00 P.M.	Abhineha's Ceremonial, Willow Tower Shopping, Vasant Gardens, Near Swapnagari, Mulund, West Mulund, Mumbai - 400080	Nil

(b) Whether Special Resolutions were put through postal ballot last year:
No.

(c) Are votes proposed to be conducted through postal ballot this year:

During the year under Report, the Company has not passed any resolution through Postal Ballot.

5. Other disclosures:

(a) **Related Party Transactions**

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of Company at large:

None of the transactions with any of the related parties were in conflict with the interest of the Company at large.

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(b) Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

(c) Disclosures on Risk Management

During the year under review, a detailed exercise on Business Risk Management was carried out covering the entire spectrum of business operations and the Board has been informed about the risk assessment and minimization procedures as required under Clause 49 of the Listing Agreement. The Company has framed the Risk Assessment and Minimization Procedure which will be periodically reviewed by the Board.

(d) Code of Conduct

The Board of Directors has adopted the Code of Conduct for Directors and Senior Management Personnel. The said Code has been communicated to all the Directors and Senior Management Personnel. However, being a Sick Company, the Company does not have any website of its own; therefore, the Company is unable to post the Code of Conduct on a website as required under Clause 49 of the Listing Agreement.

(e) Details of non-compliance by the Company, penalties, 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:

None

6. CEO/CFO Certification

The Company, being a Sick Company, it is being managed by the Board of Directors. The Company has appointed Shri Akshod Kumar Sharma, CEO of the Company and he has given certificate as required under Clause 49 (V) of the Listing Agreement.

7. Means of communication:

(a) Quarterly results:

The un-audited quarterly results are announced within forty five days from the end of the quarter and as stipulated under the listing agreement with the Bombay Stock Exchange Limited.

(b) Newspapers wherein normally published :

The Company has published all the quarterly financial result in the Hindi and English news papers However a Sick Company is exempted from publishing Un-audited / Audited Financial Results in newspapers.

CITURGIA BIOCHEMICALS LIMITED

- (c) Any Website, wherein displayed : Yes
- (d) Whether Website also displays official news releases: Yes
- (e) Whether presentations made to institutional investors or to the analysts: No
- (f) Whether Management Discussion & Analysis Report is a part of Annual Report: Yes

8. General Shareholder information:

- (a) AGM date, time and venue:

Friday, 30th September, 2011 at 11:00 a.m.

- (b) Financial Year: The Financial Year is from 01st April to 31st March.

Tentative Schedule

Results for quarter ending June 30, 2011	: 12 th August, 2011
Results for quarter ending September 30, 2011	: End 14 th November, 2011
Results for quarter ending December 31, 2011	: End 14 th February, 2012
Results for year ending March 31, 2012	: End May, 2012
AGM for year ending March 31, 2012	: End September, 2012

- (c) Book Closure period: Friday, 23rd September, 2011 to Friday, 30th September, 2011, both days inclusive.

- (d) Dividend payment date: Not Applicable

- (e) Stock Exchanges where securities are listed.

The Company's securities are listed at:

1. Bombay Stock Exchange Limited (BSE)
2. Ahmedabad Stock Exchange Limited (ASE)

The Company has paid the applicable listing fees to the above Stock Exchanges up to date.

- (f) Stock code:

(BSE): 506373

CITURGIA BIOCHEMICALS LIMITED

(g) Stock Market Data (Monthly High Low prices, volumes, trades, value):

STOCK MARKET DATA- (BSE based) *					
Month	High (Rs.)	Low (Rs.)	No. of Shares Traded	No. of Trades	Net T/O Rs.
Apr-10	234.95	170.10	15,144	366	30,19,137
May-10	187.15	136.60	4,447	202	7,19,456
Jun-10	167.85	136.00	4,326	129	6,78,469
Jul-10	164.30	137.50	1,229	124	1,87,336
Aug-10	193.10	146.60	5,675	153	9,41,808
Sep-10	190.00	146.35	1,840	173	3,05,638
Oct-10	198.90	150.00	2,297	197	3,91,280
Nov-10	242.50	170.10	5,552	213	11,70,776
Dec-10	184.80	150.00	513	58	85,487
Jan-11	156.50	131.00	687	47	97,653
Feb-11	144.00	106.00	1,294	70	1,60,831
Mar-11	121.40	105.00	284	16	31,987

(i) Registrar and Transfer Agent:

M/s Sharepro Services (India) Pvt. Ltd. (R & TA), at 13 AB Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Andheri - Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072., with Additional Service Centre at 912, Raheja Centre, Nariman Point, Mumbai 400 021.

(j) Share transfer system with number of shares transferred:

Share transfers in physical form are registered and returned within a period of 15-20 days from the date of receipt, in case documents are complete in all respects. The Share Transfer & Shareholders'/ Investors' Grievance Committee meets at least every fortnight. The total numbers of shares transferred during the financial year under review were as below:

	No. of transfers	No. of Shares
Transfer:	17	113
Other cases (like; deletion, transmission, transposition etc.)	5	31
Total:	22	144

(k) Dematerialization of shares and liquidity:

Trading in Equity Shares of the Company is permitted only in Dematerialized form effective from 25th September, 2000, as per notification issued by the Securities & Exchange Board of India (SEBI). However the Company's Shares are suspended for trading due to non-compliance of Listing Agreement Clauses.

CITURGIA BIOCHEMICALS LIMITED

0.3428% of the paid-up equity shares have been dematerialised upto 31st March, 2011. The trading / liquidity details are given in clause (g) above.

- (l) Outstanding GDRs/ Warrants, Convertible Bonds, conversion date and its impact on equity. Nil
- (m) Distribution of Shareholding and Shareholding Pattern as on 31st March, 2011.

(i) Distribution of Shareholding as on 31st March, 2011:

Group of shares	No. of shareholders	%age to Total shareholder
Below 500	5666	99.473
501 1000	12	0.211
1001 2000	2	0.035
2001 3000	0	0.000
3001 4000	1	0.018
4001 5000	3	0.053
5001 10000	3	0.053
10001 And above	9	0.158
TOTAL	5696	100.000

(ii) Shareholding pattern as at 31st March, 2011:

	No. of Shares held	% to Total Shares
Promoter Group	26333049	99.67
Mutual Funds and UTI	104	0.00
Banks & Financial institutions & Insurance Companies etc.	991	0.01
Corporate Bodies	4631	0.02
Indian Public	79356	0.30
NRIs/ OCBs	932	0.00
TOTAL	26419063	100

- (n) Plant Location:
Rishikesh, Uttaranchal.
- (o) Address for correspondence:
46, Guru Govind Singh Road, Near J. J. School, Mulund Colony, Mulund (West), Mumbai – 400 082, Fax: 22665966. or

M/s Sharepro Services (India) Pvt. Ltd. (R & TA), at 13 AB Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Andheri – Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072.; or

912, Raheja Centre, Nariman Point, Mumbai 400 021

CITURGIA BIOCHEMICALS LIMITED

Non-Mandatory Requirements:

- (a) Office of the Chairman of the Board:
The Company does not defray the secretarial expenses of the Chairman's office.
- (b) Remuneration Committee:
The Board of Directors has not constituted any Remuneration Committee.
- (c) Shareholder rights- furnishing of half yearly results:
The Company is not furnishing half yearly results to its Shareholders.
- (d) Postal Ballot:
The Company will comply with the requirements of postal ballot as and when such matter arises requiring approval of the shareholders by such process in terms of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

Adoption of other non-mandatory requirements under Clause 49 of the Listing Agreement is being reviewed by the Board from time to time.

Rishikesh, 05th September, 2011

DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, this is to confirm that all the Members of the Board have affirmed compliance with the Code of Conduct for the year ended 31st March, 2011.

For Citurgia Biochemicals Limited

Sd/-

Akshod Kumar Sharma
Executive Director

Rishikesh, 05th September, 2011

CEO / CFO CERTIFICATE

I Akshod Kumar Sharma, CEO of CITURGIA BIO-CHEMICALS LTD. appointed in terms of the Companies Act, 1956 certify to the Board that:

- (a) I have reviewed financial statements and the cash flow statement for the year ended 31st March, 2011 and that to the best of my knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain 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) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee:
- (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

sdt-
Akshod Kumar Sharma
(CEO)

If undel
CITUR
Registe
46, Gurr
Near J.J
Mulund
Mumbai

Place: Rishikesh
Date: 05th September, 2011

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of CITURGIA BIOCHEMICALS LIMITED

We have examined the Company's Compliances of conditions of Corporate Governance by CITURGIA BIOCHEMICALS LIMITED, for the year ended 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with Bombay Stock Exchange Limited.

Compliance with the condition of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring compliances with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanation given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of the Corporate Governance stipulated in Clause 49 of the above mentioned Listing Agreement, except to the extent the following:

- (i) The Board of Directors and the Audit Committee have not been constituted as per Clause 49 I (A) and Clause 49II (A),
- (ii) The Corporate Governance Report has not been certified by CFO as required under Clause 49V of the Listing Agreement,
- (iii) The Company has not appointed Whole Time Company Secretary u/s. 383-A of the Companies Act, 1956,
- (iv) The Company has not appointed Managing or Whole Time Director or a Manager as required under Section 269 of the Companies Act, 1956.

We have been informed by the Management that the Hon'ble BIFR by Order dated 12/01/2007 in reference no. 232/2003 has exempted the Company from compliance of Clause 49I(A) and 49II(A) of the Listing Agreement.

We have to state that based on the report given by the Registrar of the Company to the Share Transfer and Shareholder/Investor Grievance Committee, there were no investor Complaints pending for action to be taken by the Company for a period of a month.

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

Place: Delhi
Date: 05th September, 2011

For S.K.Jha & Associates
Sd/-
Company Secretaries

Sanjay Kumar Jha
C. P. No. 3749

Auditors Report

To
The Members of
CITURGIA BIOCHEMICALS LIMITES

We have audited the attached Balance Sheet of CITURGIA BIOCHEMICALS LIMITED as at 31st March 2011, and also the Profit & Loss Account and Cash Flow Statement for the year ended 31st March 2011 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.

We conducted our audit in accordance with the 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.

We report that:

1. As required by the Company's (Auditor's Report)(amendment) order, 2004 notified by the Central Government of India in the Department of Company Affairs (vide notification no. GSR 766 (E) dated 25.11.2004 in terms of sub-section (4A) of section 227 of the Companies Act, 1956 (1 of 1956) we enclose in the Annexure hereto a statement of the matters specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above and subject to our following observations and subject to the notes to the accounts given in schedule 'N' annexed to the Balance Sheet.
 - i. Pursuant to the order of the State Government of Uttarakhand under which the whole premises of the company at Rishikesh have been ceased and under Government possession due to which the very existence of the company has come at a stake.
 - ii. Pursuant to the order of the Hon'ble High Court of Uttarakhand and thereafter the consequential orders of Hon'ble BIFR and State Government due to which substantial part of the sanctioned rehabilitation scheme i.e. change of land use and redevelopment of surplus land stands cancelled.
 - iii. Non-provision for the loss of Rs. 329.68 Lacs being the value of inventories in the real estate division which have come at stake due to cancellation of change of land use and non provision of consequential losses which are not quantifiable at this stage as the matter is pending before the Hon'ble Supreme Court of India. As a result the losses have been understated to this extent.
 - iv. Inability to physically verify various fixed assets, plant and machinery and inventories and part of books of accounts lying at Rishikesh premises which are under Government seal.

- v. Non-availability of bank balance confirmation certificates and unconfirmed balances of Sundry Creditors and inter corporate deposits,
 - vi. Despite all the above points the annual accounts of the company have been prepared on going concern concept in anticipation of getting justice from the Apex Court.
3. Further to our comments in Annexure referred to point no. 2 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 accounts required by law have been kept by the company so far as appears from our examination of those books.
 - c. The balance Sheet & Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - d. In our opinion the Balance Sheet & 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.
 - e. In our opinion, and based on information & explanations given to us none of the directors are disqualified as on 31st March, 2011 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 together with the significant Accounting Policies and other notes thereon give the information required by Companies Act, 1956 in the manner so required and present a true and fair view in conformity with the accounting principle generally accepted in India.
 - i. In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March 2011 and
 - ii. In so far as it relates to Profit & Loss account of the loss for the period ended on that date.
 - iii. In so far as it relates to the cash and fund flow statement for the period ended on that date.

For S. C. GARG & ASSOCIATES
Chartered Accountants

Sd/-

Subhash Garg
Partner
M. No. 85615
Place: New Delhi
Date : 05/09/2011.

Annexure to the Auditors Report

(Referred to in Paragraph 1 of our report of even date on the accounts for the period ended 31st March, 2011 of CITURGIA BIOCHEMICALS LIMITED)

- (i) (a) As explanation given by the management in respect of its fixed assets in schedule D forming part of accounts regarding the lock out by State Government of Uttarakhand at the Rishikesh Plant, subject thereto
The company has maintained proper records of fixed assets showing full particulars including quantitative details and location of fixed assets at head office.
- (b) Assets were not physically verified during the period by the management in view of lockout by State Government of Uttarakhand at Rishikesh plant as disclosed.
- (ii) (a) As per information and explanation received from the management the inventory has not been physically verified during the period under audit due to lockout at Rishikesh plant.
(b) Not applicable
(c) In view of lockout the same is not applicable
- (iii)
- (a) The company has not granted unsecured loans to any party covered in the register maintained under section 301 of the companies Act, 1956.
(b) According to the information & explanations given to us the rate of the interest and other terms & conditions in respect of unsecured loans given by the company, are not prima facie prejudicial to the interest of the company.
(c) In our opinion and according to the information and explanations given to us, the receipt of principle amount and interest is regular.
(d) In our opinion and according to the information and explanations given to us there are no overdue amounts in respect of the unsecured loans given by the company.
(e) The company has not taken unsecured loans from party covered in the register maintained under section 301 of the companies act 1956.
(f) Whether the rate of interest and other terms and conditions of loans taken by the company, secured or unsecured are prima facie prejudicial to the interest of the company and -----
Not Applicable -----
(g) Whether payment of the principal amount and interest are also regular. -----Not Applicable-----
- (iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase fixed assets and other items and not prima facie prejudicial to the interest of the company.
- (v) (a) Transactions that need to be entered into a register in pursuance of section 301 of the Act have been entered.

(b) In our opinion and to the best of our knowledge each of these transaction exceeding the value of Rs. 5 lacs in respect of any party and in any one financial year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

(vi) Since the company has not accepted any deposited from public accordingly the provision requiring that whether the directives issued by the Reserve Bank of India and the provisions of section 58 A and 58AA of the Act the rules framed there under, were applicable have been complied with is not applicable to the company.

(vii) In view of lock out at calcium carbonate division at Rishikesh the company has been unable to conduct the internal audit for the period end report.

(viii) The provisions requiring maintenance of cost records as prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act are not applicable to the company.

(ix) (a) The provisions of investor Education and Protection Fund are not applicable to the company. With reference to the provisions of the Sales Tax , Wealth Tax, Customs Duty and Excise Duty/Cess are applicable to the company. The company is not regular in depositing its statutory dues in respect of ESIC, EPF & Income Tax with the appropriate authorities A amount of Rs. 12.31 lacs is outstanding as payable for statutory liabilities and tds as on 31.03.2011.

(b) As per records of the company there are disputed amounts payable as at 31.03.2011 in respect of income tax, wealth tax, custom duty and excise duty etc. Further as per notes of accounts liabilities towards income tax, sales tax/excise and ESIC matter are lying with respective tribunal/courts and the same are shown as contingent liability.

(x) In our opinion and to the best of our knowledge and as per information and explanation received from the management the company has not defaulted in repayment of dues to a bank.

(xi) The provisions requiring that, whether adequate documents and records are maintained in cases where the company has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities are not applicable to the company.

(xii) To the best to our knowledge the provisions special statues applicable to chit fund are not applicable to the company.

(xiii) Since the company is not dealing in shares and securities comments under this clause of the order are not required.

(xiv) As per explanation/representation received from the management the company has not given any guarantee for loans taken by others from bank or financial institutions hence the provisions requiring whether the terms and conditions whereof are prejudicial to the interest of the company, are not applicable to the company.

- (xv) The company has not availed any short-term loan from the bank to the best of our knowledge & belief.
- (xvi) The company has not utilized the funds on short-term basis for long term investment and vice-versa.
- (xvii) As per information given to us the company has not made preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- (xviii) The provisions requiring that whether securities have been created in respect of debentures issued, are not applicable to the company.
- (xix) The provisions requiring that, whether the management has disclosed on the end use of money raised by public issues and the same has been not applicable to the company which is prejudicial to the interest of members of company.
- (xx) No fraud on or by the company has been noticed or reported during the period.

For S. C. GARG & ASSOCIATES
Chartered Accountants

Sd/-

Subhash Garg
Partner
M. No. 85615
Place: New Delhi
Date : 05/09/2011.

CITURGIA BIOCHEMICALS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	As at 31st March 2011 Rs.in '000	As at 20th April 2010 Rs.in '000
SOURCES OF FUNDS:			
Shareholders' Funds:			
Share Capital	"A"	289,190.63	289,190.63
Reserves and Surplus	"B"	(271,634.68)	(261,765.78)
		17,555.95	27,424.85
Loan Funds:			
Secured Loans	"C"	42,330.98	41,211.98
Unsecured Loans		42,330.98	41,211.98
		17,105.99	17,106.36
Deferred Tax Liability		76,992.92	85,743.19
TOTAL			
APPLICATION OF FUNDS:			
Fixed Assets:			
Gross Block	"D"	266,967.50	266,967.50
Less: Depreciation		202,717.58	194,596.24
		64,249.92	72,371.26
Capital WIP		2.00	2.00
Investments			
Current Assets, Loans and Advances:			
Current Assets:			
Inventories	"F"	33,374.91	35,842.41
Sundry Debtors	"G"	75.00	75.00
Securities		45.21	45.21
TDS receivable	"H"	673.23	599.36
Cash and Bank Balances		34,168.34	36,561.98
		21,099.00	21,099.00
Loans and Advances	"I"	55,267.34	57,660.98
Less: Current Liabilities and Provisions:			
Current Liabilities	"J"	38,637.35	39,394.05
Provisions	"K"	4,897.00	4,897.00
		43,534.35	44,291.05
Net Current Assets		11,732.99	13,369.93
		1,008.00	-
Misc. Expenses (To the extent not written off)		76,992.92	85,743.19
TOTAL			
Significant accounting policies and notes to the accounts	"N"		
<p>In terms of our report of even date For S. C. GARG & ASSOCIATES Chartered Accountants</p> <p style="text-align: center;"><i>Sd/-</i></p> <p>Subhash Garg Partner M. No. 85615 Firm Regd No. Place: New Delhi Date: 5/9/2011</p>		<p style="text-align: center;">Sd/- { (Director)</p> <p style="text-align: center;">{</p> <p style="text-align: center;">Directors {</p> <p style="text-align: center;">{ Sd/- { (Director)</p> <p style="text-align: center;">{</p>	

CITURGIA BIOCHEMICALS LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule	2010-11		2009-10	
			Rs. '000		Rs. '000
			TOTAL		TOTAL
INCOME :					
Sale of Products and Other Income	"L"		-		-
			-		-
EXPENDITURE:					
Manufacturing and Other Expenses	"M"		1,747.56		587.58
Depreciation			8,121.34		8,121.34
			9,868.90		8,708.91
Total Expenditure			9,868.90		8,708.91
Profit / (Loss) before tax			(9,868.90)		(8,708.91)
Tax- Deferred tax written back			-		5,554.98
Profit / (Loss) after tax			(9,868.90)		(3,153.93)
Add : Loss Brought Forward			(262,502.78)		(259,348.85)
			-		-
LOSS CARRIED TO BALANCE SHEET			(272,371.68)		(262,502.78)
			-		-
Earnings per Share (Rs.) : Basic			(0.37)		(0.33)
: Diluted			-		-
(Refer note no.10)					
Significant accounting policies and notes to the accounts	"N"				
<p>In terms of our report of even date For S. C. GARG & ASSOCIATES Chartered Accountants</p> <p style="margin-left: 20px;"><i>Sd/-</i></p> <p>Subhash Garg Partner M. No. 85615 Firm Regd.No. Place: New Delhi Date: 05/09/2011</p> <div style="float: right; margin-right: 20px;"> <p>{ _____ (Director)</p> <p>Directors { _____ { _____ { _____ { _____ (Director)</p> </div>					

A
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31 ST MARCH 2011

	As at 31st March 2011 Rs.in '000	As at 20th April 2010 Rs.in '000
SCHEDULE "A"		
SHARE CAPITAL		
Authorised 2,70,00,000 Equity Shares of Rs.10/- each	270000.00	270000.00
	270000.00	270000.00
Issued, Subscribed and Paid-up <i>(26419063 Equity Share Capital of Rs. 10/- each fully paid-up)</i>	264190.63	264190.63
Share Warrant Money <i>(10% of Total Share Warrant Amount of Rs. 2500 Lacs, remaining amount was to be paid within 18 months. Period of 18 Months have already passed but the company did not receive the balance amount of Rs. 2,25,000 Thousands for converting them in equity shares. This amount is bound to be forfeited. However looking at the present scenerio and litigation pending in Apex Court, Board is of the opinion to grant further time to the depositors of Share warrant provided due permission from Hon'ble BIFR is received in this regard.)</i>	25000.00	25000.00
Net Share Capital	289190.63	289190.63

CITURGIA BIOCHEMICALS LIMITED

	As at 31st March 2011 Rs.in '000	As at 20th April 2010 Rs.in '000
SCHEDULE "B"		
RESERVES AND SURPLUS		
Capital Reserve As per last Balance Sheet	420.00	420.00
Capital Redemption Reserve As per last Balance Sheet	2.00	2.00
Special Reserve As per last Balance Sheet	315.00	315.00
Debit balance of Profit & Loss account	(272,371.68)	(262,502.78)
	(271,634.68)	(261,765.78)

CITURGIA BIOCHEMICALS LIMITED

	As at 31st March 2011 Rs.in '000	As at 20th April 2010 Rs.in '000
SCHEDULE "C"		
UNSECURED LOANS		
Short term loans and advances		
- Intercorporate Deposits (Payable within one year and includes interest accrued and due Rs.4,569 thousand)	27569.00	27569.00
Loan from Promoters/Directors/Others	14761.98	13642.98
	42330.98	41211.98

SCHEDULE "D"
FIXED ASSETS

CITURGIA BIOCHEMICALS LIMITED

(Rs. in '000)

Description	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Cost as at 21st April, 2010	Additions during the year	Deductions during the year	Cost as at 31st March 2011	Depreciation upto 21st April, 2010	Depreciation for the year	Depreciation on deductions	Depreciation upto 31st April, 2011	As at 31st March 2011,00	As at 20th April, 2010,00
Freehold Land	135.00	0.00	0.00	135.00	0.00	0.00	0.00	0.00	135.00	135.00
Buildings	11315.00	0.00	0.00	11315.00	8781.00	242.00	0.00	9023.00	2292.00	2534.00
Roads & Drains	787.00	0.00	0.00	787.00	571.00	7.00	0.00	578.00	189.00	196.00
Plant & Machinery	239808.50	0.00	0.00	239808.50	170344.49	7864.34	0.00	178208.83	61589.67	69464.01
Tools & Laboratory Equipments	403.00	0.00	0.00	403.00	382.00	8.00	0.00	390.00	13.00	21.00
Office Furniture, Fittings and Equipments	14539.00	0.00	0.00	14539.00	14517.75	0.00	0.00	14517.75	21.25	21.25
Total	266987.50	0.00	0.00	266987.50	194596.24	8121.34	0.00	202717.58	64249.92	72371.26
Previous Year	266987.50	0.00	0.00	266987.50	188474.90	8121.34	0.00	194596.24	72371.26	74837.35

CITURGIA BIOCHEMICALS LIMITED

	As at 31st March 2011 Rs.in '000	As at 20th April 2010 Rs.in '000
SCHEDULE "E"		
INVESTMENTS - LONG TERM (NON - TRADE)	0.00	0.00
I. UNQUOTED (at cost)		
250.00 Shares in Citurgia Thrift & Credit Co-operative Society Ltd., Rs.10/- each	2.00	2.00
Investment in Subsidiary Companies:	0.00	0.00
	2.00	2.00
Less: Provision for diminution in value of Investment	0.00	0.00
	2.00	2.00
QUOTED: Cost		
Market Value		
UNQUOTED: Cost	2.00	2.00

CITURGIA BIOCHEMICALS LIMITED

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	As at 31st March 2011 Rs.in '000	As at 20th April 2010 Rs.in '000
SCHEDULE "F"		
INVENTORIES		
<u>Calcium Carbonate Division</u>		
Stores and Spare Parts (at cost)	274.48	274.48
Fuel Stock (at cost)	8.00	8.00
Raw Materials (at cost)	123.00	123.00
Finished Goods (at the lower of cost or net realizable value)	1.50	1.50
<u>Real Estate Division</u>		
Work in Progress	32967.94	35435.44
	33374.91	35842.41
SCHEDULE "G"		
SUNDRY DEBTORS		
Considered good	0.00	0.00
Debts outstanding for a period exceeding six months	0.00	0.00
Other Debts	0.00	0.00
Considered doubtful	0.00	0.00
Less: Provision for doubtful debts	0.00	0.00
	0.00	0.00
SCHEDULE "H"		
CASH AND BANK BALANCES		
Cash Balance	48.57	12.07
With Scheduled Banks in Current Accounts	360.20	322.83
Fixed Deposits with Bank	264.46	264.46
	673.23	599.36

CITURGIA BIOCHEMICALS LIMITED

	As at 31st March 2011 Rs.in '000	As at 20th April 2010 Rs.in '000
SCHEDULE "I"		
LOANS AND ADVANCES (Unsecured, considered good, unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received including amount paid under protest Rs.3,014 thousand for disputed sales tax matters (Refer Notes to the accounts 5 (b))	3214.00	3214.00
Deposits	5426.00	5426.00
Advance Payment of Tax	12459.00	12459.00
	21099.00	21099.00
SCHEDULE "J"		
CURRENT LIABILITIES		
Sundry Creditors	36359.55	36362.00
Security & Other Deposits	340.00	340.00
Other Liabilities	1172.62	1172.62
Goods in bonded warehouse	2.00	2.00
Provision for Statutory Liabilities	415.00	1215.00
Audit Fees Payable	71.53	49.47
Exp. Payable	257.33	237.33
TDS Payable	19.32	15.62
	38637.35	39394.05
SCHEDULE "K"		
PROVISIONS		
Provision for taxation	4897.00	4897.00
	4897.00	4897.00

CITURGIA BIOCHEMICALS LIMITED

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	2010-11 Rs.in '000	2009-10 Rs.in '000
SCHEDULE "L"		
A) SALE OF PRODUCTS		
Sale of Manufactured Goods	0.00	0.00
Less: Excise Duty	0.00	0.00
Less: CST	0.00	0.00
	0.00	0.00
TOTAL (A)	0.00	0.00
OTHER INCOME		
Miscellaneous Income	0.00	0.00
Sundry Balances Appropriated (net)	0.00	0.00
TOTAL	0.00	0.00

CITURGIA BIOCHEMICALS LIMITED

	2010-11 Rs.in '000	2009-10 Rs.in '000
SCHEDULE "M"		
MANUFACTURING AND OTHER EXPENSES	0.00	0.00
1. RAW MATERIALS CONSUMED		
2. PAYMENTS TO AND PROVISION FOR EMPLOYEES	180.00	162.50
Salaries, Wages and Bonus/Incentives	0.00	0.00
Company's Contribution to Provident and Other Funds	0.00	0.00
Staff Welfare Expenses	0.00	0.00
	180.00	162.50
3. OPERATING AND OTHER EXPENSES		
Power, Fuel and Water Charges	0.00	0.00
Repairs and Maintenance - Buildings	0.00	0.00
Repairs and Maintenance - Others	80.52	0.00
Rent	60.00	130.00
Postage, Telephones and Telegrams	12.06	0.00
Fees for providing Security Services	0.00	0.00
Traveling Expenses	148.75	28.33
Misc. Exp. Written Off	252.00	
4. BROKERAGE	0.00	0.00
5. Miscellaneous Expenses	992.17	190.74
	1545.50	349.07
6. COMMISSION ON SALE	0.00	0.00
8. DIMINUTION IN VALUE OF INVESTMENTS	0.00	0.00
9. LOSS IN SALE OF INVENTORY	0.00	0.00
4. AUDITORS' REMUNERATION	22.06	70.85
(a) Audit Fees	0.00	0.00
(b) In Other Matters	0.00	5.15
(c) Service Tax	22.06	76.00
5. DECREASE/ (INCREASE) IN FINISHED STOCK		
(a) Opening Stock	1.50	1.50
(ii) Finished Stock	-	-
(iii) Stores and Spares	1.50	1.50
(b) Closing Stock	1.50	1.50
(ii) Finished Stock	-	-
(iii) Stores and Spares	1.50	1.50
Decrease in Finished Stock	0.00	0.00
	1747.56	587.58

SCHEDULE "N"

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

A. Significant Accounting Policies

(a) System of Accounting:

The Company adopts the accrual concept in the preparation of its accounts.

(b) Fixed Assets:

Fixed Assets are capitalised at cost inclusive of inward freight, duties, taxes, interest paid till the date of capitalisation, front end fees paid to financial institutions and installation expenses.

(c) Investments:

Long term investments are carried at cost less provision for permanent diminution in value of such investments. Current investments are carried at lower of cost and fair value.

(d) Inventories:

(i) Stores & Spare Parts, Raw Materials and Stocks-in-Process -

Stores & Spare Parts and Raw Materials are valued at cost after providing for cost of obsolescence, on Weighted Average Basis whereas Stocks-in-Process is valued at cost or equivalent finished goods valuation less packing cost and includes elements of factory overheads.

(ii) Finished goods are valued at lower of cost or net realizable value and includes elements of factory overheads and excise duty.

(e) Foreign Currency Transactions:

There are no foreign currency transactions during the year.

(f) Depreciation:

Depreciation on Fixed Assets of the Company is provided at the rates specified in Schedule XIV to the Companies Act, 1956 and the cost of leasehold land which is written off over the period of lease, except on assets of Unit I of Calcium Carbonate Division which is provided on Written Down Value basis, at the rates specified in Schedule XII to the Companies Act, 1956 and the cost of leasehold land which is written off over the period of lease.

In respect of assets transferred from Jasper Investments Ltd., consequent to its amalgamation with the Company depreciation has been provided on the Written Down Value basis, at the rates specified in Schedule XIV to the Companies Act, 1956.

Lease income in respect of Assets leased out is disclosed as gross lease rentals accrued during the year (as per agreements) as adjusted for the difference between capital recovery included in the lease rentals and depreciation provided in the books. The accumulated lease adjustments arising there from is reflected against written down value of such assets.

(h) Deferred Taxation:

The differences that result between the profit offered for income taxes and the profits as per the financial statements are identified and thereafter a deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred tax assets are recognised only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

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CITURGIA BIOCHEMICALS LIMITED

B) NOTES TO THE ACCOUNTS

1 The Company being a Sick Industrial Company since 2003. Under the provisions of Sick industries Companies Act, 1985, the Board for Industrial and Financial Reconstruction had passed Scheme for rehabilitation of the Company on January 12, 2007.

(a) Although company could substantially comply with the provisions of sanctioned rehabilitation scheme by Hon'ble BIFR as amended from time to time and the net worth of the company became positive last year, However on a public interest litigation. Hon'ble High Court of Uttarakhand asked the BIFR to amend the sanctioned scheme to the extent of change of land use for redevelopment and company was allowed to carry on the activity at Rishikesh land for the purpose for which it was originally allotted to company i.e. for manufacturing of calcium carbonate. BIFR also amended the sanctioned scheme as per High Court Order. However State Government of Uttarakhand cancelled the order of change of land use and also ceased the complete premises including factory at Rishikesh. Company has moved an appeal before the Hon'ble Supreme Court of India which is under hearing next date of hearing is on 13th September. Company is hopeful of getting justice from Apex Court.

(b) All the secured lenders including IIBI, Oriental Bank of commerce/ARCIL and Union Bank of India, operating agency have been paid in full and there are no outstanding of any of the secured lenders on the company as at 31/03/2011.

(c) All the workers and staff have been paid full compensation and their dues as per the agreement entered into with workers union and as directed by Hon'ble BIFR.

(d) Substantial renovation of the plant has been done at the calcium carbonate factory of the company at Rishikesh.

(e) Land use was changed by the Government of Uttarakhand as per the sanctioned scheme and company got the approval of building Drawings from the Haridwar Development Authority for constructions of housing projects at surplus land. Construction work also started at site. But after abovesaid order of Hon'ble High Court, Haridwar Development Authority has cancelled its permission on technical grounds and Land use change by Government of Uttarakhand.

As the Net Worth of company has become positive and directors believe that company shall be able to get justice from the Hon'ble Supreme Court, the Company has prepared the accounts on a going concern basis.

2 The ESIC dues of workmen at the Calcium Carbonate division, Rishikesh had not been deducted/ deposited by the Company due to the stay order from the Hon'ble High Court, at Allahabad. Despite this order, Employee's State Insurance Corporation (ESIC), Dehradun served various recovery notices to the Company covering the period from February 1994 to September 2003. The Company has paid off the Employer's contribution for the period from May 1998 to March 2003 with interest due under protest as legally advised, without acceptance of the said liability. Dues as demanded prior to May 1998, being barred by limitation, has not been paid by the Company nor provided in the books of account. The Company has already submitted its objections to the concerned authorities for a sum aggregating to about Rs.97 lacs.

3 Manufacturing operations continued to be temporarily suspended since March, 2003 as the whole premises are under the lock and seal of State Government of Uttarakhand.

4 In anticipation of getting relief from Apex Court, inventory of real estate division has been shown at cost and no provision for loss has been made on this account.

CITURGIA BIOCHEMICALS LIMITED

NOTES TO THE ACCOUNTS - (Contd.)

	2010-11	2009-10
	Rupees in '000	Rupees in '000
4. Contingent Liabilities not provided for in respect of:		
(a) Disputed Income-tax matters This relates to penalty levied by Income Tax Department u/s 271(1)(c) for 8 years. The company has filed appeal with Income Tax Appellate Tribunal.	6,181	6,181
(b) Disputed Sales-tax and Excise matters The Company has already taken into accounts the Sales Tax Liability, but interest on this liability is still in dispute and company has requested for waiver of it. The amount is still not quantifiable. The Company is hopeful to obtain favourable appellate orders.	1,700	NIL
(c) Disputed ESIC matters Recovery notices received from ESIC, Dehradun for non-payment of Employee's-Employer's contribution for past years, which is under dispute and not paid. Net of Rs.74 lacs paid under protest.	9,672	9,672

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CITURGIA BIOCHEMICALS LIMITED

NOTES TO THE ACCOUNTS - (Contd.)

	2010-2011		2009-2010	
	Qty. MT	Value Rs.in '000	Qty. MT	Value Rs.in '000
5. Information pursuant to the provisions of paragraphs 3,4C and 4D of Part II of Schedule VI to the Companies Act, 1956.				
(a) Turnover of Manufactured Goods:				
Calcium Carbonate	-	-	-	-
		-		-
(b) Opening & Closing Stock of Finished Goods:				
Opening Stock:				
Calcium Carbonate	26	1	313	18
		1		18
Closing Stock:				
Calcium Carbonate	26	1	26	1
		1		1
(c) Licensed/DGTD Registered Capacity:				
Citric Acid		5,000 tpa		5,000 tpa
Calcium Carbonate		33,500 tpa		33,500 tpa
Plastic Architectural Products		1,000 tpa		1,000 tpa
Adhesives & Sealants		4,000 tpa		4,000 tpa
Installed Capacity (as certified by Managing Director and not verified by Auditors this being a technical matter).				
Calcium Carbonate		40,000 tpa		40,000 tpa
Actual Production :				
Calcium Carbonate		Nil		Nil
(d) Consumption:				
STORES, SPARE PARTS AND PACKING MATERIALS				
Imported	-	-	-	-
Indigenous	-	-	-	-
	-	-	-	-

6. Sundry Creditors includes Rs.11.38 lacs (previous year Rs.22.75 lacs) due to Small Scale Industries of which, amounts outstanding for a period over one month as per terms of contract are to Shriram Carbon Sales Pvt. Ltd., Shree Jagadamba Lime Chemicals and Unique Carbon & Chemicals. The above information has been compiled in respect of parties to the extent to which they could be identified as small scale and ancillary undertakings on the basis of information available with the company.

CITURGIA BIOCHEMICALS LTD.

NOTES TO THE ACCOUNTS - (Contd.)

7. RELATED PARTY TRANSACTIONS:

Related Party Transactions as required by AS-18 "Related Party Disclosures" are given below.

	Nature of Relationship	Nature of Transactions	
		2010-2011	2009-2010
(A) Key Management Personnel NIL	N.A.	N.A.	-

8. The deferred tax liability

Deferred Tax Liabilities on account of :
Depreciation differences

	As at 31.03.2011 Rs.in '000	As at 20.04.2010 Rs.in '000
	17,106	17,106
	17,106	17,106

9. Earning Per Share:

Profit/(Loss) after Tax (Rs. In '000)
Number of Equity Shares
Basic Earning per Share (Rs.)
Diluted earning per Share (Rs.)

	2010-2011	2009-2010
	(9,869)	(8,708)
	26,419,100	26,419,100
	(0.37)	(0.33)

10. The figures for the corresponding period have been regrouped/recast wherever necessary.

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CITURGLIA BIOCHEMICALS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2011		2010-2011 Rs.in '000	2009-2010 Rs.in '000
A CASH FLOW FROM OPERATING ACTIVITIES			
Loss Before Taxes.....		(9,869)	(3,154)
Adjustments for:			
Depreciation.....		8,121	8,121
Deferred Tax Liability		-	(5,555)
Operating Loss before Working Capital Changes.....		(1,748)	(588)
Adjustments for			
(Increase) / Decrease in Debtors/Gratuity Trust receivable		-	-
(Increase) / Decrease in Loans & Advances.....		-	-
(Increase) / Decrease in Inventories.....		2,468	(35,435)
Increase / (Decrease) in Current Liabilities.....		(757)	(1,251)
Misc Exp.		(1,008)	-
Net Cash flow from Operating Activities (A).....		(1,045)	(37,274)
B CASH FLOW FROM INVESTING ACTIVITIES:			
Net Cash Used in Investing Activities (B).....		-	-
Purchase of Fixed Assets		-	-
Increase in Capital Work In Progress		-	-
Sale of Fixed Assets		-	-
C CASH FLOW FROM FINANCING ACTIVITIES			
Increase / (Decrease) in Secured Loans.....		-	(109,347)
Share Application Money.....		-	200,000
Share Warrant Money		-	25,000
Issue of share capital		-	-
Increase / (Decrease) in Unsecured Loans.....		1,119	(78,288)
Interest paid.....		-	-
Retrenchment Compensation written back		-	-
Net Cash Used in Financing Activities (C).....		1,119	37,365
Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C).		74	91
Cash and Cash Equivalents - Opening balance as at 21.04.2010.....		599	508
Cash and Cash Equivalents - Closing balance as at 31.03.2011.....		674	599

In terms of our report of even date

For S. C. GARG & ASSOCIATES
Chartered Accountants

Sd/-
Subhash Garg
Partner
M. No. 85615
Place: New Delhi
Date : 05/09/2011.

Sd/-
(Director)

Sd/-
(Director)

CITURGIA BIOCHEMICALS LIMITED

NOTES TO THE ACCOUNTS - (Contd.)

11. Balance Sheet Abstract and Company's General Business Profile
(In terms of amendment to Schedule VI Part IV)

I. Registration Details

Registration No. 17773 State Code: 1 1
Balance Sheet Date 31 03 2011 D M Y

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

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousand)

Total Liabilities	76,993	Total Assets	76,993
Source of Funds		Reserves & Surplus	(271,635)
Paid-up Capital	264,191	Unsecured Loans	42,331
Share Application Money	-	Investments	2
Secured Loans	-	Miscellaneous Expenditure	0
Deferred Tax Liability	17,106		
Application of Funds			
Net Fixed Assets	64,250		
Net Current Assets	43,534.35		

IV. Performance of the Company (Amount in Rs. Thousand)

Turnover & Other Income		Total Expenditure	9,869
+ - Profit/Loss before tax	(9,868.90)	+ - Profit/Loss after tax	(9,868.90)
- Earning per share in Rs.	-0.37	+ Dividend rate % (Proposed)	-

V. Generic Name of the Principal Products/Services of the Company (as per monetary terms)

Item Code No.	283650 00	Product Description	Calcium Carbonate
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For and on behalf of the Board of Directors

Sd/-

Chairman

Managing Director

Directors {
Sd/-
(Director)
{
Sd/-
(Director)
}