

AHMEDABAD GASES LIMITED

20TH ANNUAL REPORT

2011-12

BOARD OF DIRECTORS:

SHRI SUMEET S. SETHI	-	CHAIRMAN & MANAGING DIRECTOR
SHRI ROHITKUMAR THAKKAR	-	DIRECTOR - NON EXECUTIVE
SHRI PRAVINBHAI L JOSHI	-	DIRECTOR - NON EXECUTIVE (w. e. f. 21.11.11)
SHRI RAJNIKANT RAMABHAI JADAV	-	DIRECTOR UP TO 21.11.2011)
SMT. YOGITA S. SETHI	-	DIRECTOR UP TO 12.10.2011

STATUTORY AUDITORS : SAMIR. M. SHAH & ASSOCIATES
CHARTERED ACCOUNTANT,
AHMEDABAD.

BANKERS : KOTAK BANK,
DRIVE IN ROAD,
AHMEDABAD

REG. OFFICE : 306, SARTHIK COMPLEX,
NR. FUN REPUBLIC,
ISCON CROSS ROAD,
SATELLITE, AHMEDABAD - 380015.

REGISTRARS &
SHARE TRANSFER
AGENTS : PURVA SHAREGISTRY (INDIA) PVT. LTD.
NO. 9, SHIV SHAKTI INDUSTRIAL ESTATE,
GROUND FLOOR, J R BORICHA MARG,
OPP. KASTURBA HOSPITAL,
LOWER PAREL, MUMBAI – 400 011.

Website: www.ahmedabadgases.com

Email id: ahmedabadgases@gmail.com

NOTICE

Notice is hereby given that the 20th Annual General Meeting of the members of AHMEDABAD GASES LTD will be held on **18th September, 2012** at 10:00 a.m. at the Registered Office of the Company 306, SARTHIK COMPLEX, NR. FUN REPUBLIC, SATELLITE, AHMEDABAD – 380015 to transact the following businesses:

ORDINARY BUSINESS:

01. To receive, consider and adopt the Audited Balance Sheet of the Company as on 31st March, 2012 and Profit and Loss Account for the year ended on the same date, together with the reports of the Board of Directors and Auditors thereon.
02. To consider appointment of Director in place of Director retiring by rotation. **Mr. Rohit Thakkar**, a Director of the company liable to retire by rotation at this Annual General Meeting and being eligible for reappointment, offers himself for reappointment.
03. To appoint statutory auditors of the company being Samir M. Shah & Associates and to fix their remuneration.

SPECIAL BUSINESSES:

04. Regularizing the Director in Causal Vacancy – Shri Pravinbhai Joshi:

To Consider and if thought fit, to pass the following resolution with or without modification(s), as an ordinary resolution.

“RESOLVED THAT **Shri Pravinbhai Joshi**, who was appointed as the Director in Casual Vacancy on the board of the Company w. e. f. 21/11/2011 pursuant to provisions of section 262 of the Companies Act 1956 and who shall hold such office up to the date of ensuing Annual General Meeting of the Company and in respect to which the Company has received a notice in writing from such Director under section 257 of the Companies Act 1956 proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company.”

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be the member of the company. The proxies in order to be effective must be submitted at the registered office of the company not less than 48 hours before the commencement of the meeting.
2. The Register of Members & Share Transfer Register of the company will remain close from **September 11, 2012 to September 15, 2012 (both days inclusive)** in connection with ensuing Annual General Meeting for Financial Year 2011 - 12.
3. Members are requested to inform the company of any change in their addresses immediately so as to enable the Company for any further communication at their correct addresses.
4. Member holding shares in identical order of names in more than one folio are requested to write to the Company enclosing their share certificates to enable the Company to consolidate their holdings in one folio.

5. Members/Proxies are requested to bring the copy of Annual Report and attendance slip duly filled in along with them to the Annual General Meeting, as extra copies will not be supplied at the meeting.
6. The relevant explanatory statement pursuant to section 173 (2) of the Companies Act 1956, in respect of special business, set out in the notice is herewith annexed.

Explanatory Statement under section 173 (2) of the Companies Act 1956:

In conformity with the provisions of Section 173(2) of the Companies Act 1956, the following Explanatory Statement sets out all material facts relating to Special Businesses mentioned in the accompanying Notice and should be taken as forming part of the Notice:

Item No. 04:

Shri Pravinbhai Joshi was appointed by the Board of Directors of the Company as an Director in Casual Vacancy w. e. f. 21.11.2011 pursuant to the provisions of section 262 of the Companies Act 1956 and as per clause no. 135 (a) of the Articles of Association of the Company and he holds such office only up to the date up to which the Director in whose place he is appointed would have hold office if it had not been vacated as aforesaid. A notice in writing has been received under section 257 of the Companies Act 1956 along with a deposit of Rs. 500 from a member signifying his intention to propose his appointment as Director of the Company.

None of the Directors of the Company are concerned / interested in the proposed resolution, except Shri Rohitkumar Thakkar, himself.

Date : 02.07.2012

Place : Ahmedabad

By Order Of Board of Directors

FOR AHMEDABAD GASES LTD.

SUMEET SETHI

CHAIRMAN AND MANGING DIRECTOR

DIRECTORS' REPORT

Dear Members,

Your directors feel pleasure in presenting their 20th Annual Report together with the Audited Statements of accounts for the financial year ended on 31st March, 2012.

FINANCIAL RESULTS:

The company has made a **Loss of ₹ 49.75 lacs** before provision of Taxation during the year under review. The brief extracts of the financial results during the year are as under:

Particulars	(₹ In Lacs)	
	Current Year 2011 - 12 Rs.	Previous Year 2010 - 11 Rs.
Sales & Other Income	0.00	8.48
Profit / (Loss) before Depreciation & Taxation	(49.18)	7.59
Less/(Add) : Depreciation	0.56	1.48
Profit / (Loss) before Taxation	(49.75)	6.11
Less/(Add) : Prior Period Adjustments	0.00	0.00
Less/(Add) : Provision for Taxation	0.00	0.00
Profit / (Loss) after Appropriation	(49.75)	6.11
Deferred Tax Asset / (Liabilities)	0.00	0.00
Add. : Balance Brought forward	(218.97)	(225.08)
Balance Carried forward to Balance Sheet	(268.73)	(218.97)

OPERATIONS:

Due to tough financial condition and obsolete equipments, the company is undergoing stressed phase to operate. It is under constant efforts to overcome the stringent condition. The Company is under negotiating stage to shake the hands with other corporate and with their corporate network; the company hopes to come out of the stringent condition.

DIVIDEND:

As the Company, does not have any revenue generation, no dividend is recommended.

DEPOSIT:

The Company has not accepted any deposits from Public under section 58A from the public during the year under review.

DIRECTORS:

Shri Rohit Thakkar, being the Director liable to retire by rotation, retires at the Annual General Meeting and being eligible for reappointment, offers himself for reappointment. During the year, Shri Rohit Thakkar was appointed as the Additional Director w. e. f. 07.05.2011 and was subsequently confirmed as the Director in the previous annual general meeting. Smt. Yogita Sethi resigned from the Board of the Company due to her preoccupation w. e. f. 12.10.2011. Shri Rajnikant Jadav resigned from the Board w. e. f. 21.11.2011. Consequently your Board of Directors has appointed Shri Pravin Joshi w. e. f. 21.11.2011, as a Director appointed in casual vacancy.

STATUTORY AUDITORS:

M/s Samir M. Shah & Associates, Chartered Accountant, Ahmedabad, the Statutory Auditors of the Company hold the office until the conclusion of the ensuing Annual General Meeting. The Company has received a letter to the effect that their appointment, if made, will be within the prescribed limits under section 224 (1-b) of the Companies

Act 1956. The said auditors will be appointed as the auditors of the Company at the ensuing Annual General Meeting. Hence, your Directors propose to appoint the Auditors as set out in the notice accompanying the Annual Accounts.

COMPLIANCE CERTIFICATE:

Pursuant to the provisions of section 383A of the Companies Act 1956, the company having paid up capital of more than ₹ 10 Lacs and below ₹ 5 Cr. is required to obtain a Compliance Certificate from the Practicing Company Secretary confirming the compliance with the provisions of Companies Act 1956. Accordingly M/s. J. Akhiani & Associates, the Practicing Company Secretary, Ahmedabad has been appointed to issue the Compliance Certificate to the Company for the financial year 2011-12.

DIRECTORS' RESPONSIBILITY STATEMENT:

The directors declare and confirm:

- (A) that in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (B) that the Directors have 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 ended on 31st March, 2012 and of the profit of the company for the that year.
- (C) That the Directors have taken proper and sufficient care for maintenance of adequate accounting records for the year ended 31st March 2012 in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for prevention and detection of fraud and other irregularities.
- (D) That the Directors have prepared the accounts for the financial year ended 31st March 2012 on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSOPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The major element of energy is power consumption. For manufacturing of industrial and medical gases, the company does not require substantial energy. The technologies of the Company have become obsolete and are not much fruit full. Besides, during the year under review, the company has not carried out the business operations and so the company is not required to furnish the information with regard to consumption under section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988.

PARTICULARS OF EMPLOYEES:

There is no employee in the Company drawing remuneration for which information is required to be furnished under section 217 (2A) of the Companies Act 1956 read with Companies (Particulars of Employees) Rules 1975 as amended.

APPRECIATION:

The Directors feel pleasure thanking all the stakeholders who have reposed their faith in the management and the company and for their valuable support and cooperation.

For and on behalf of the Board of Directors

**PLACE: AHMEDABAD
DATE: 02/07/2012**

**SUMEET SETHI
MANAGING DIRECTOR**

**ROHIT THAKKAR
DIRECTOR**

Management Discussions & Analysis

(A) The present market conditions and peer group review reveal that there is a space and scope for developing the business and to get the momentum. A Business unit with adequate technologies and network eyes the better future prospects for growth. For this, huge funds, material technologies and manpower are pre requisites. Considering this, the SWOT analyses reveal:

Opportunity:

Opportunities in terms of space and scope are there to catch the track of growth. In liberal market conditions, companies with strong technology and finance back up are likely to gain.

Risk Factors:

The Risk factor is but naturally involved in any type of industry including market risk. For the company, Constant threat of obsolete technologies and deficit of funds fears the management to stand in the competitive market. However, the company is under process to shake the hands with other corporate to gain the competitive stand and thereby to overcome the market risk.

Future Outlook:

The Company foresees some strategic decision with the other corporate to overcome the stringent condition of the Company and thereby hopes to get a stand in the competitive market. The expects the business operation to resume soon during the year.

(B) Internal Control System and their Adequacy:

The Internal Control System comprises of exercising control at various stages and is established in order to provide reasonable assurance for:

- i) Safeguarding Assets and their usage,
- ii) Maintenance of Proper Accounting Records and,
- iii) Adequacy and Reliability of the information used for carrying on Business Operations.

The Managing Director handles most of the day-to-day functions. The Directors are regularly looking after all the key areas of the Operations. Additionally the Audit Committee is reviewing all Audit Plans with significant control over all the matters and issues, internal control etc.

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Code of Governance:

As per the listing agreement clause 49 this report on Corporate Governance is given in order to enable the shareholders to get a true and fair view of the company's policies and procedures. The main aim of the company is to act in the best interest of its shareholders, customers, employees and society.

Your company has been providing a true and fair view of its accounts and policy matters to the shareholders through full transparency and full disclosure. For the company, its' shareholders interests are on the first priority of consideration while taking any decision.

Name of Director	Designation	Experience	Attendance Particulars		Nos of other Directorship and Membership	
			BM	AGM	Directorship	Committee Memberships
Sumeet Sethi	Director	A young businessman having a sound knowledge of Management & Financial matters as well as good decision taker.	9	1	3	3
Yogita Sethi (up to 23.10.11)	Director	A young leader leading the whole personnel management of the company.	6	1	-	-
Rohit Thakkar (w. e. f. 07/05/11)	Director	A graduate having broad experience of dealing in and with the market and is a good decision taker.	8	1	1	3
Rajnikant Jadav (up to 21/11/2011)	Director	Good experience and exposure in the Industrial and Medical Gas Market.	4	-	-	-
Pravinbhai Joshi (w. e. f. 21/11/2011)	Director in casual vacancy	A good manager and looks after the business operations of the Company.	2	-	-	3

During the year under review, Nine Board Meetings were held during the year 2011 - 12. The dates on which the meeting held were as follows: **11/04/2011, 07/05/2011, 11/06/2011, 22/06/2011, 11/07/2011, 01/09/2011, 23/10/2011, 21/11/2011, and 10/01/2012**, the maximum time gap between any two meetings was not more than four calendar months. None of the directors of the company was a member of more than 10 committees nor was the chairman of more than 5 committees across all companies in which he/she was a director.

2. **Audit Committee:**

The Board of Directors of Ahmedabad Gases Limited has constituted an Audit Committee, comprising of the following directors. The terms of reference of the committee are as provided under the Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. The committee verifies the accounting policies framed by the company and gives suggestions for modification of the same as and when required. The committee also overlooks the internal audit section of the company. The committee met on the following dates to go through the company's accounting policies and presentations.

Composition and Attendance of Audit Committee

Name of Members of Audit Committee	Designation	Attendance Particulars (Date of Meetings Attended)
Rohit Thakkar (w. e. f. 22.06.2011)	Member	30/08/11 11/10/11 11/01/12
Rajnikant Jadav (Up to. 21.11.2011)	Chairman	11/07/11 30/08/11 11/10/11
Sumeet. Sethi	Member	09/05/11 11/07/11 30/08/11 11/10/11 11/01/12
Pravinbhai Joshi (w.e.f 21.11.2011)	Chairman	11/01/12
Yogita Sethi (Up to 12/10/2011)	Member	09/05/11 11/07/11 30/08/11 11/10/2011

3. **Remuneration of Directors and details of Director's Shareholding**

The Company has not set up the Remuneration committee. The company needs to disclose all pecuniary relationship or transactions of the executive & non-executive director's vis-a-vis the company.

As the Company does not have any revenue during the year, no remuneration has been paid to the executive & non-executive director's

The Company shall disclose the number of shares and convertible instruments held by non-executive directors in the annual report.

Details of Director's Shareholding in the Company are as follows:

Sr.	Details of present directors	No. of Shares
1.	Shri Sumeet S. Sethi	1,34,100

4. **Code of Conduct**

The Board of directors of your company have laid down a code of conduct ("the Code") applicable to all Board of members and senior management personnel of your company. A declaration from the Managing Director of your company to the effect that all Board members and senior management personnel of your company have affirmed compliance with the Code forms a part of this Report.

5. **Declaration**

As provided under Clause 49 of Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2012.

6. **Investor Grievance Committee:**

The Company has a Shareholder's/Investor's Grievance Committee comprising of Shri Sumeet S. Sethi, Shri Pravinbhai Joshi and Shri Rohit Thakkar, directors of the company. The Committee inter alia approves issue of duplicate share certificates and oversees and reviews all matters connected with the securities transfer. The Committee also looks into redressal of shareholders complaints like transfer/transmission of shares, non- receipt of Annual Report, non receipt of declared dividends, etc. Shri Sumeet S. Sethi will act as the Chairman of the Committee. The Board has designated Shri Sumeet Sethi as the Compliance Officer.

The company is receiving only a few transfer requests. As the Company has appointed M/s. Purva Sharegistry (India) Pvt. Ltd. as its Registrar and Share Transfer Agent w. e. f. 15.09.2009, the company gets the transfer and transmission related works done through Share Transfer Agent.

There were no investor's complaints pending with the Company as on 31/03/2012.

8. **Details of last three AGM**

Year	Date	Time	Venue
2010-11	30/09/11	4.00 pm	Registered office of the Company
2009-10	30/09/10	4.00 pm	Registered office of the Company
2008-09	30/09/09	4.00 pm	Registered office of the Company

During the year ended on 31st March, 2012 there have been no resolutions passed by the Company's shareholders through postal ballot.

9. Disclosure

- (i) Disclosure on materially significant related party transactions:
There are no transactions with related parties conflicting with the interest of the company at large.
- (ii) Details of non-compliance by the company, penalties and strictures imposed on the Company by the Stock Exchange or SEBI or any Statutory Authorities on any matter related to capital markets during the last 3 years:
None in last three years.
- (iii) Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices:
Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended, the company has formulated, adopted and implemented the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices.
- (iv) CEO/CFO Certification:
A Certification from the managing Director (CEO/CFO) and Senior Manager Finance in terms of Clause 49(V) of the Listing Agreement was placed before the Board of Directors.

10. Means of Communication: Half yearly and Quarterly results

The Company has published its quarterly / half-yearly results in news papers in vernacular and English News Paper and has also updated the same on the website of the Company www.ahmedabadgases.com.

11. General Shareholder Information**□ Annual General Meeting Details**

Date : 18/09/2012
Time : 11.00 a.m.
Venue : 306, SARTHIK COMPLEX, NR. FUN REPUBLIC, SATELLITE, AHMEDABAD – 380015

□ Financial Calendar (for the year 2011-2012):

1. Date of Book Closure : 11/09/2012 TO 15/09/2012.
2. Date & Venue of AGM : 18/09/2012 at 306, Sarthik Complex, Nr. Fun Republic, Satellite, Ahmadabad - 380015
3. Financial Calendar : April, 2011 to March, 2012.
 - Results for the quarter ending on June 30, 2011 : Last week of July, 2011.
 - Results for the quarter ending on September 30, 2011 : Last week of October, 2011.
 - Results for the quarter ending on December 31, 2011 : Last week of January, 2012.
 - Results for the quarter ending on March 31, 2012 : Last week of April, 2012.
 - Annual General Meeting for the Year 2011-12 : 18th September 2012.

- Listing on Stock Exchanges** : The Stock Exchange, Mumbai
: The Stock Exchange, Ahmedabad

- Registered & Corporate Office** : 306, Sarthik Complex, Nr. Fun Republic,
Satellite,
Ahmadabad – 380015.

□ Stock / Company Code and Market Data

The Company has not yet dematerialized its shares. The Company is at the verge of dematerialization of Shares. The company has paid listing fees for the year 2011-12 to all the stock exchanges. Company's shares have not been traded during the last year through BSE portal.

❑ **Share Transfer System & Dematerialisation of Shares**

Shares transfer would be registered and returned within a period of 30 days from the date of receipt, if the documents are valid in all respects. The share transfer committee generally meets every fortnight. Total 3,213,500 shares are in physical form. Because of net worth requirement the company is not able to dematerialize its shares.

❑ **Transfer of unclaimed dividends to Investor Education and Protection Fund (IEPF)**

Pursuant to the provision of Section 205A (5) of the Companies Act, 1956 no dividend is lying unpaid with the company as on to date.

❑ **Pecuniary Transactions with the non executive Directors**

The Company has not entered into any pecuniary transactions with non-executive Directors during the year.

❑ **Share Holding Pattern**

The Shareholding pattern as on 31.03.2012 are as follows :

No. of Equity Shares Held	No. of Shareholders	% of Shareholders	Share Amount in Rupees	Share Amount % to Total
Less than 5000	7184	91.69	9903000	30.82
5001 to 10000	355	4.53	3040000	9.46
10001 to 20000	178	2.27	2790000	8.68
20001 to 30000	40	0.51	1002000	3.12
30001 to 40000	11	0.14	407000	1.27
40001 to 50000	15	0.19	717000	2.23
50001 to 100000	24	0.31	1776000	5.53
100001 to above	28	0.36	12500000	38.90
TOTAL	7835	100.00	32135000	100.00

Categories of Shareholders as on 31.03.2012 are as follows :

Sr. No.	Categories	No. of Shareholders	Voting Strength	No. of Shares
1	Individuals	7468	55.20	1773900
2	Bodies Corporate	25	18.80	604000
3	Promoters/Directors	23	13.53	434800
4	Director's Relatives	NIL	Nil	NIL
5	Employees	NIL	Nil	NIL
6	Non Resident Indians	319	12.47	400800
7	Others	NIL	Nil	NIL
	TOTAL	7835	100.00	3213500

□ **Registrar & Transfer Agents**

The Company has appointed Registrar & Transfer Agent w. e. f. **15.09.2009**. The details of which are as under:

Purva Sharegistry (India) Pvt. Ltd.

No-9, Shiv Shakti Estate, Ground Floor,
J. R. Boricha Marg,
Opp. Kasturba Hospital,
Lower Parel, Mumbai – 400011
Contact Details: 022 – 2301 6761 / 2301 8261

□ **Non-Mandatory Requirement**

1. Remuneration Committee : The Company has not yet set up the remuneration committee.
2. Postal Ballot : No item to be passed through postal ballot this year.

ANNEXURE - A

(A) CONSERVATION OF ENERGY

1. Energy conservation measures taken: NIL.
2. Additional Investments & Proposal, if any, being implemented for reduction of consumption of energy: NIL
3. Total energy consumption and energy consumption per unit of production as per Form-A: NOT APPLICABLE.

(B) TECHNOLOGY ABSORPTION:

1. RESEARCH & DEVELOPMENT:
The Company has not so far formally established Research & Development wing.
2. TECHNOLOGY ABSORPTION, ADAPTION & INNOVATION:
The Company has not invested for the Technology up gradation due to lack of funds.

(C) FOREIGN EXCHANGE EARNING / OUTGO

1. Total foreign exchange used NIL
2. Total foreign exchange earned NIL

SAMIR M. SHAH & ASSOCIATES

Chartered Accountants

B-516, Gopal Palace, Nr. Shiromani Flats, Opp. Ocean Park, Satellite Road, Ambawadi, Ahmedabad – 380 015.
Phone : 079 – 2676 9033 / 40308385 E-mail : info@smshah.co.in

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

The Members of
Ahmedabad Gases Limited
Ahmedabad.

We have examined the compliance of conditions of Corporate Governance by **Ahmedabad Gases Limited** (“the Company”), for the year ended on **31 March 2012**, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information, and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement except as stated below.

1. The Company has not appointed a qualified company secretary.
2. The Company has yet not dematerialized its shares.
3. The Company has yet not published its quarterly / half-yearly accounts in any news papers

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Investors Grievance Committee.

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 SAMIR M. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. No.: 122377W**

**Place: Ahmedabad
Date: 02/07/2012**

**SAMIR M. SHAH
(PARTNER)
MEMBERSHIP No.: 111052**

SAMIR M. SHAH & ASSOCIATES

Chartered Accountants

B-516, Gopal Palace, Nr. Shiromani Flats, Opp. Ocean Park, Satellite Road, Ambawadi, Ahmedabad – 380 015.
Phone : 079 – 2676 9033 / 40308385

E-mail : info@smshah.co.in

AUDITORS' REPORT

To,
The Members
Ahmedabad Gases Limited

We have audited the attached Balance-Sheet of **AHMEDABAD GASES LTD.**, as on **31st March 2012** and the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of 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 auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies Auditors' Order, 2003 issued by the Central Government of India in terms of Sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit;
- ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from examination of the books;
- iii) The Balance-Sheet and Profit and Loss Account dealt with by the report are in agreement with the books of account;
- iv) In our opinion, the Profit & Loss Account and the Balance Sheet comply with the accounting standards referred to in Sub-section (3C) of Section 211 of the Companies' Act, 1956 except AS – 15 (Revised) as mentioned in accounting policy
- v) on the basis of written representations received from the directors of the company as at **March 31, 2012** and taken on record by the board of directors, we report that no director is disqualified as on **31st March 2012** from being appointed as director of the company under clause (g) of sub-section (1) of section 274 of the Companies' Act, 1956;

...2...

- vi) In our opinion and to the best of our information and according to the explanation given to us, the accounts, read together with Notes thereon mentioned in, Schedule 15 specifically Note No 17 give the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India.:
- a) in the case of Balance-Sheet, of the state of affairs of the company as at **31st March, 2012**; and
 - b) in the case of the Profit & Loss Account, of the **LOSS** for the year ended on that date.
 - c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Place : Ahmedabad

**For SAMIR M. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. No.: 122377W**

Date : 02nd July, 2012

**SAMIR M. SHAH
(PARTNER)
MEMBERSHIP No.: 111052
B-516, Gopal Palace,
Nr. Shiromani Flates,
Opp. Ocean Park,
Satellite Road, Ahmedabad-380015**

ANNEXURE REFERRED TO IN THE AUDITORS REPORT TO THE SHAREHOLDERS OF AHMEDABAD GASES LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2012

- (i)
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The management during the year has physically verified at the fixed assets. According to the information and explanations given to us, there is a regular Programme of verification which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) During the year, Company has not disposed of any substantial / major part of fixed assets.
- (ii)
- (a) As the Company has no business in the Financial Year and hence Inventory is not there with the company this clause is not applicable.
 - (b) As the Company has no business in the Financial Year and hence Inventory is not there with the company this clause is not applicable.
 - (c) As the Company has no business in the Financial Year and hence Inventory is not there with the company this clause is not applicable.
- (iii)
- (a) The company has not granted any loans to any parties who are covered in the Register, maintained under section 301 of the Companies Act, 1956 during the current as well as preceding financial year. The Company has not accepted loan from the Company which is covered under section 301 of the Companies Act, 1956.
 - (b) According to the information and explanations given to us, in our opinion, the rate of interest and other terms and conditions of above loans given or taken by the Company, secured or unsecured, are not prima facie prejudicial to the interest of the Company.
 - (c) As the Company has not granted any loans this clause is not applicable.
 - (d) As the Company has not taken or granted any loans this clause is not applicable.
- (iv)
- In our opinion and as per information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control.
- (v)
- (a) In our opinion and as per information and explanations given to us, transactions that need to be entered into a register in pursuance of section 301 of the Act, have been so entered;
 - (b) In our opinion and as per information and explanations given to us, the transactions exceeding Rupees five lakh each have been made at prices, which are reasonable having regard to the prevailing market prices at the relevant time;
- (This information is required only in case of transactions exceeding the value of five lakh rupees in respect of any party and in any one financial year)
- (vi)
- In our opinion and as per information and explanations given to us, the Company has complied with the provisions of Sec.58 A and 58AA of the Companies Act, 1956 and rules framed there under with regard to deposits accepted from public.
- (vii)
- As per the information and explanations given to us, the company is yet to set up a formal internal audit system commensurate with the size of the Company and nature of its business. We are also informed that the day-to-day activities of the company are under direct control and supervision of directors of the company.

- (viii) The maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.
- (ix) (a) According to the records of the Company, the company has been regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Cess and other statutory dues with the appropriate authorities during the year.
(b) According to the information and explanations provided to us there were no undisputed demands payable in respect of Sales Tax, Income Tax, Custom Duty, Cess, Wealth tax, Excise Duty, Cess etc., where in arrears as at **31st March, 2012** for a period of more than six months from the date they became payable.
(c) According to the information and explanations provided to us there were no undisputed demands payable in respect of Sales Tax, Income Tax, Custom Duty, Cess, Wealth tax, Excise Duty, Cess etc., which have not been deposited on account of any dispute.
- (x) The accumulated losses of the Company at the end of the year are more than fifty percent of its net worth. The Company has incurred cash losses during the current financial year. However, during the last year there was no cash loss.
- (xi) Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to a financial institution or bank or debenture holders.
- (xii) According to the records, of the Company and information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any Special Statute applicable to Chit Fund, Nidhi Fund or any Mutual Benefit/ Societies are not applicable to the Company.
- (xiv) Based on the records examined by us and according to the information and explanations given to us, we are of the opinion that the Company has not entered into transactions and contracts of dealing in shares and securities so this clause is not applicable.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
- (xvi) As explained to us and on the basis of the records provided to us, Company has not availed any Term Loan Facility during the year.
- (xvii) According to the Cash Flow Statement and records examined by us and according to the information and explanation given to us, on overall basis, funds raised on short term basis have , prima facie, not been used during the year for long term investment and vice versa.
- (xviii) The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956, during the year so the clause is not applicable to the Company.
- (xix) The Company has not issued debenture during the year so the clause is not applicable to the Company.
- (xx) The Company has not raised money by any public issues during the year so the clause is not applicable to the Company.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

Place : Ahmedabad

**For SAMIR M. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. No.: 122377W**

Date : 02nd July, 2012

**SAMIR M. SHAH
(PARTNER)
MEMBERSHIP No.: 111052
B-516, Gopal Palace,
Nr. Shiromani Flates, Opp. Ocean Park,
Satellite Road, Ahmedabad-380015.**

Ahmedabad Gases Limited
Balance Sheet as at 31 March, 2012

Particulars		Note No.	As at 31 March, 2012	As at 31 March, 2011
			₹	₹
A	EQUITY AND LIABILITIES			
	1 Shareholders' funds			
	(a) Share capital	1	32,135,000	32,135,000
	(b) Reserves and surplus	2	(26,872,703)	(21,897,695)
	(c) Money received against share warrants			
			5,262,297	10,237,305
	2 Share application money pending allotment		-	-
	3 Non-current liabilities			
	(a) Long-term borrowings	3	507,500	507,500
	(b) Deferred tax liabilities (net)		-	-
	(c) Other long-term liabilities		-	-
	(d) Long-term provisions		-	-
			507,500	507,500
	4 Current liabilities			
	(a) Short-term borrowings		-	-
	(b) Trade payables	4	-	100,000
	(c) Other current liabilities	5	61,114	104,114
	(d) Short-term provisions	6	73,418	73,418
			134,532	277,532
	TOTAL		5,904,329	11,022,337
B	ASSETS			
	1 Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	7	327,900	384,440
	(ii) Intangible assets		-	-
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(v) Fixed assets held for sale		-	-
			327,900	384,440
	(b) Non-current investments		-	-
	(c) Deferred tax assets (net)		-	-
	(d) Long-term loans and advances		-	-
	(e) Other non-current assets		-	-
			-	-

Balance Sheet for the year ended 31 March, 2012 (contd.)			
2 Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables	8	1,244,513	2,014,970
(d) Cash and cash equivalents	9	4,277,768	1,861,673
(e) Short-term loans and advances	10	54,147	6,761,254
(f) Other current assets			
		5,576,428	10,637,897
TOTAL		5,904,329	11,022,337
See accompanying notes forming part of the financial statements			

In terms of our report attached.

For Samir M. Shah & Associates
Chartered Accountants
Firm Reg. No.: 122377W

For and on behalf of the Board of Directors

Samir Shah
Partner
Membership No. 111052

Sumeet Sethi
Managing Director

Rohit Thakkar
Director

Place : Ahmedabad
Date : 2nd July,2012

Place : Ahmedabad
Date : 2nd July,2012

Ahmedabad Gases Limited

Statement of Profit and Loss for the year ended 31 March, 2012

Particulars		Note No.	For the year ended	For the year ended
			31 March, 2012	31 March, 2011
			₹	₹
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)		-	-
	Less: Excise duty		-	-
	Revenue from operations (net)		-	-
2	Other income	11	-	848,290
3	Total revenue (1+2)		-	848,290
4	Expenses			
	(a) Cost of materials consumed			
	(b) Purchases of stock-in-trade			
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade			
	(d) Employee benefits expense	12	390,000	-
	(e) Finance costs	13	4,032	1,655
	(f) Depreciation and amortisation expense	7	56,539	148,290
	(g) Other expenses	14	4,524,437	87,404
	Total expenses		4,975,008	237,349
5	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		(4,975,008)	610,941
6	Exceptional items		-	-
7	Profit / (Loss) before extraordinary items and tax (5 + 6)		(4,975,008)	610,941
8	Extraordinary items		-	-
9	Profit / (Loss) before tax (7 ± 8)		(4,975,008)	610,941
10	Tax expense:			
	(a) Current tax expense for current year		-	-
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Current tax expense relating to prior years		-	-
	(d) Net current tax expense		-	-
	(e) Deferred tax		-	-
11	Profit / (Loss) from continuing operations (9 ± 10)		(4,975,008)	610,941

Statement of Profit and Loss for the year ended 31 March, 2012 (contd.)

B	DISCONTINUING OPERATIONS			
12.i	Profit / (Loss) from discontinuing operations (before tax)			
12.ii	Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations			
12.iii	Add / (Less): Tax expense of discontinuing operations (a) on ordinary activities attributable to the discontinuing operations (b) on gain / (loss) on disposal of assets / settlement of liabilities			
			-	-
13	Profit / (Loss) from discontinuing operations (12.i ± 12.ii ± 12.iii)		-	-
C	TOTAL OPERATIONS			
14	Profit / (Loss) for the year (11 ± 13)		(4,975,008)	610,941
15.i	Earnings per share (of ₹ 10/- each):			
	(a) Basic			
	(i) Continuing operations	15	(1.55)	0.19
	(ii) Total operations	15	(1.55)	0.19
	(b) Diluted			
	(i) Continuing operations	15	(1.55)	0.19
	(ii) Total operations	15	(1.55)	0.19
15.ii	Earnings per share (excluding extraordinary items) (of ₹ 10/- each):			
	(a) Basic			
	(i) Continuing operations	15	(1.55)	0.19
	(ii) Total operations	15	(1.55)	0.19
	(b) Diluted			
	(i) Continuing operations	15	(1.55)	0.19
	(ii) Total operations	15	(1.55)	0.19
	See accompanying notes forming part of the financial statements			

In terms of our report attached.

For Samir M. Shah & Associates

Chartered Accountants

Firm Reg. No.: 122377W

Samir Shah

Partner

Membership No. 111052

Place : Ahmedabad

Date : 2nd July, 2012

For and on behalf of the Board of Directors

Sumeet Sethi

Managing Director

Rohit Thakkar

Director

Place : Ahmedabad

Date : 2nd July, 2012

(Statement of Profit and Loss stating EBITDA)

Ahmedabad Gases Limited

Statement of Profit and Loss for the year ended 31 March, 2012

Particulars		Note No.	For the year ended	For the year ended
			31 March, 2012	31 March, 2011
			₹	₹
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)	22		
	Less: Excise duty	22		
	Revenue from operations (net)		-	-
2	Expenses			
	(a) Cost of materials consumed	24.a		
	(b) Purchases of stock-in-trade	24.b		
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	24.c		
	(d) Employee benefits expense	25	390,000	
	(e) Other expenses	27	4,524,437	87,404
	Total		4,914,437	87,404
3	Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA) (1 - 2)		(4,914,437)	(87,404)
4	Finance costs	26	4,032	1,655
5	Depreciation and amortisation expense	12.C	56,539	148,290
6	Other income	23		848,290
7	Profit / (Loss) before exceptional and extraordinary items and tax (3 + 4 + 5 + 6)		(4,975,008)	610,941
8	Exceptional items	28.a		
9	Profit / (Loss) before extraordinary items and tax (7 + 8)		(4,975,008)	610,941
10	Extraordinary items	28.b		
11	Profit / (Loss) before tax (9 + 10)		(4,975,008)	610,941
12	Tax expense:			
	(a) Current tax expense for current year			
	(b) (Less): MAT credit (where applicable)			
	(c) Current tax expense relating to prior years			
	(d) Net current tax expense		-	-
	(e) Deferred tax		-	-
13	Profit / (Loss) from continuing operations (11 + 12)		(4,975,008)	610,941
B	DISCONTINUING OPERATIONS			
14.i	Profit / (Loss) from discontinuing operations (before tax)	30.11		
14.ii	Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations	30.11		
14.iii	Add / (Less): Tax expense of discontinuing operations	30.11		
	(a) on ordinary activities attributable to the discontinuing operations			
	(b) on gain / (loss) on disposal of assets / settlement of liabilities		-	-
15	Profit / (Loss) from discontinuing operations (14.i + 14.ii + 14.iii)	30.11	-	-
C	TOTAL OPERATIONS			
16	Profit / (Loss) for the year (13 + 15)		(4,975,008)	610,941

(Statement of Profit and Loss stating EBITDA)

Name of the Company

Statement of Profit and Loss for the year ended 31 March, 2012

Particulars	Note No.	For the year ended	For the year ended
		31 March, 2012	31 March, 2011
		₹	₹
17.i Earnings per share (of ₹10/- each):			
(a) Basic			
(i) Continuing operations	30.9.a	(1.55)	0.19
(ii) Total operations	30.9.b	(1.55)	0.19
(b) Diluted			
(i) Continuing operations	30.9.e	(1.55)	0.19
(ii) Total operations	30.9.f	(1.55)	0.19
17.ii Earnings per share (excluding extraordinary items) (of ₹ 10/- each):			
(a) Basic			
(i) Continuing operations	30.9.c	(1.55)	0.19
(ii) Total operations	30.9.d	(1.55)	0.19
(b) Diluted			
(i) Continuing operations	30.9.g	(1.55)	0.19
(ii) Total operations	30.9.h	(1.55)	0.19
See accompanying notes forming part of the financial statements			

In terms of our report attached.

For Samir M. Shah & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Samir Shah
Partner

Sumeet Sethi
Managing Director

Rohit Thakkar
Director

Place : Ahmedabad

Place : Ahmedabad

Date :

Date :

Ahmedabad Gases Limited
Cash Flow Statement for the year ended 31 March, 2012

Particulars	For the year ended 31 March, 2012		For the year ended 31 March, 2011	
	₹	₹	₹	₹
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		(4,975,008)		610,941
<u>Adjustments for:</u>				
Depreciation and amortisation	56,539		148,290	
Finance costs	4,032		21,655	
Interest income & Other Income			(848,290)	
		60,571		(678,345)
Operating profit / (loss) before working capital changes		(4,914,437)		(67,404)
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Trade receivables	770,457		(1,139,049)	
Short-term loans and advances	6,707,107		61,230	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	(100,000)			
Other current liabilities	(43,000)		48,114	
		7,334,564		(1,029,705)
		2,420,127		(1,097,109)
Cash flow from extraordinary items		-		-
Cash generated from operations		2,420,127		(1,097,109)
Net income tax (paid) / refunds		-		-
Net cash flow from / (used in) operating activities (A)		2,420,127		(1,097,109)
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances				290,759
Proceeds from sale of fixed assets			848,290	848,290
Other Income Received		-		
Cash flow from extraordinary items		-		1,139,049
Net income tax (paid) / refunds				
Net cash flow from / (used in) investing activities (B)		-		1,139,049

Cash Flow Statement Loss for the year ended 31 March, 2012 (contd.)

C. Cash flow from financing activities				
Proceeds from long-term borrowings			507,500	
Finance cost	(4,032)	(4,032)	(21,655)	485,845
Cash flow from extraordinary items				
Net cash flow from / (used in) financing activities (C)		(4,032)		485,845
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		2,416,095		527,785
Cash and cash equivalents at the beginning of the year		1,861,673		1,333,888
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents				
Cash and cash equivalents at the end of the year		4,277,768		1,861,673
Reconciliation of Cash and cash equivalents				
Cash and cash equivalents as per Balance Sheet (Refer Note 9)		4,277,768		1,861,673
Less: Bank balances not considered as Cash		-		-
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)		4,277,768		1,861,673
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)		-		
Cash and cash equivalents at the end of the year *		4,277,768		1,861,673
* Comprises:				
(a) Cash on hand		512,097		1,720,097
(b) Balances with banks				
(i) In current accounts		3,765,671		141,576
(c) Current investments considered as part of Cash and cash equivalents				
		4,277,768		1,861,673

Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.
- (ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

See accompanying notes forming part of the financial

In terms of our report attached.

For Samir M. Shah & Associates
Chartered Accountants
Firm Reg. No.: 122377W

For and on behalf of the Board of Directors

Samir Shah
Partner
Mem. No. 111052

Sumeet Sethi
Managing Director

Rohit Thakkar
Director

Place : Ahmedabad
Date : 2nd July, 2012

Place : Ahmedabad
Date : 2nd July, 2012

Ahmedabad Gase Limited
Notes forming part of the financial statements

Note 1 Share capital

Particulars	As at 31 March, 2012		As at 31 March, 2011	
	Number of shares	₹	Number of shares	₹
(a) Authorised Equity shares of ₹ 10/- each with voting rights	3,500,000	35,000,000	3,500,000	35,000,000
(b) Issued Equity shares of ₹ 10/- each with voting rights	3,213,500	32,135,000	3,213,500	32,135,000
(c) Subscribed and fully paid up Equity shares of ₹ 11/- each with voting rights	3,213,500	32,135,000	3,213,500	32,135,000
(d) Subscribed but not fully paid up	-	-	-	-
Total	3,213,500	32,135,000	3,213,500	32,135,000

Ahmedabad Gases Limited

Notes forming part of the financial statements

Note 1A Share capital (contd.)

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Other changes (give details)	Closing Balance
Equity shares with voting rights								
Year ended 31 March, 2012								
- Number of shares	3,213,500	-	-	-	-	-	-	3,213,500
- Amount (₹)	32,135,000	-	-	-	-	-	-	32,135,000
Year ended 31 March, 2011								
- Number of shares	3,213,500	-	-	-	-	-	-	3,213,500
- Amount (₹)	32,135,000	-	-	-	-	-	-	32,135,000

Ahmedabad Gases Limited
Notes forming part of the financial statements

Note 1B Share capital (contd.)

Arrears of fixed cumulative dividends on preference shares as at 31 March, 2012 ₹ NIL (As at 31 March, 2011 ₹ NIL)

(iii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	Equity shares with voting rights	Equity shares with differential voting rights	Compulsorily convertible preference shares	Optionally convertible preference shares	Redeemable preference shares
	Number of shares				
As at 31 March, 2012					
_____, the holding company	----- Not Applicable -----				
_____, the ultimate holding company					
Subsidiaries of the holding company					
Associates of the holding company					
Subsidiaries of the ultimate holding company					
Associates of the ultimate holding company					
As at 31 March, 2011					
_____, the holding company	----- Not Applicable -----				
_____, the ultimate holding company					
Subsidiaries of the holding company					
Associates of the holding company					
Subsidiaries of the ultimate holding company					
Associates of the ultimate holding company					

(iv) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2012		As at 31 March, 2011	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Earnest Gases Pvt Ltd	218,300	6.79	218,300	6.79

(vi) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

Particulars	Aggregate number of shares	
	As at 31 March, 2012	As at 31 March, 2011
Equity shares with voting rights		
Fully paid up pursuant to contract(s) without payment being received in cash		

(vii) Details of calls unpaid

Particulars	As at 31 March, 2012		As at 31 March, 2011	
	Number of shares	₹	Number of shares	₹
Equity shares with voting rights				
Aggregate of calls unpaid				
- by directors				
- by officers				
- by others				

(viii) Details of forfeited shares

Class of shares	As at 31 March, 2012		As at 31 March, 2011	
	Number of shares	Amount originally paid up ₹	Number of shares	Amount originally paid up ₹
Equity shares with voting rights				

Ahmedabad Gases Limited
Notes forming part of the financial statements
Note 2 Reserves and surplus

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Capital reserve		
Opening balance	NIL	NIL
Add: Additions during the year (give details)	NIL	NIL
Less: Utilised / transferred during the year (give details)	NIL	NIL
Closing balance	NIL	NIL
(b) Capital redemption reserve		
Opening balance	NIL	NIL
Add: Additions during the year	NIL	NIL
Transferred from surplus in Statement of Profit and Loss	NIL	NIL
Others (give details)	NIL	NIL
Less: Utilised during the year (give details)	NIL	NIL
Closing balance	NIL	NIL
(c) Securities premium account		
Opening balance	NIL	NIL
Add : Premium on shares issued during the year	NIL	NIL
Less : Utilised during the year for:	NIL	NIL
Issuing bonus shares	NIL	NIL
Writing off preliminary expenses	NIL	NIL
Writing off shares / debentures issue expenses	NIL	NIL
Premium on redemption of redeemable preference shares / debentures	NIL	NIL
Buy back of shares	NIL	NIL
Others (give details)	NIL	NIL
Closing balance	NIL	NIL
(d) Debenture redemption reserve		
Opening balance	NIL	NIL
Add: Additions during the year	NIL	NIL
Transferred from surplus in Statement of Profit and Loss	NIL	NIL
Others (give details)	NIL	NIL
Less: Utilised / transferred during the year (give details)	NIL	NIL
Closing balance	NIL	NIL

(e) Revaluation reserve		
Opening balance	NIL	NIL
Add: Addition on revaluations during the year	NIL	NIL
Less: Utilised for set off against depreciation	NIL	NIL
Written back / other utilisations during the year (give details)	NIL	NIL
Closing balance	NIL	NIL
(f) Share options outstanding account		
Opening balance	NIL	NIL
Add: Amounts recorded on grants/modifications/cancellations during the year	NIL	NIL
Less: Written back to Statement of Profit and Loss during the year	NIL	NIL
Transferred to Securities premium account	NIL	NIL
Less: Deferred stock compensation expense	NIL	NIL
Closing balance	NIL	NIL
(g) General reserve		
Opening balance	NIL	NIL
Add: Transferred from surplus in Statement of Profit and Loss	NIL	NIL
Less: Utilised / transferred during the year for:	NIL	NIL
Issuing bonus shares	NIL	NIL
Others (give details)	NIL	NIL
Closing balance	NIL	NIL
(h) Foreign currency translation reserve		
Opening balance	NIL	NIL
Add / (Less): Effect of foreign exchange rate variations during the year	NIL	NIL
Add / (Less): Transferred to Statement of Profit and Loss on disposal of the net investment in non-integral foreign operations	NIL	NIL
Closing balance	NIL	NIL

Note 4 Reserves and surplus (contd.)

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(i) Hedging reserve		
Opening balance	NIL	NIL
Add / (Less): Effect of foreign exchange rate variations on hedging instruments outstanding at the end of the year	NIL	NIL
Add / (Less): Transferred to Statement of Profit and Loss	NIL	NIL
Closing balance	NIL	NIL
(j) Other reserves (specify the nature and purpose of each reserve)		
Opening balance	NIL	NIL
Add: Additions / transfers during the year	NIL	NIL
Less: Utilisations / transfers during the year	NIL	NIL
Closing balance	NIL	NIL
(k) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(21,897,695)	(23,008,636)
Add: Profit / (Loss) for the year	(4,975,008)	610,941
Amounts transferred from:		
General reserve shown as per Contra	-	500,000
Other reserves (give details)	-	-
Less: Interim dividend	-	-
Dividends proposed to be distributed to equity shareholders (₹___ per share)	-	-
Dividends proposed to be distributed to preference shareholders (₹___ per share)	-	-
Tax on dividend	-	-
Transferred to:	-	-
General reserve	-	-
Capital redemption reserve	-	-
Debenture redemption reserve	-	-
Other reserves (give details)	-	-
Closing balance	(26,872,703)	(21,897,695)
Total	(26,872,703)	(21,897,695)

Ahmedabad Gases Limited
Notes forming part of the financial statements
Note 3 Long-term borrowings

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Bonds / debentures (Refer Note (i) below)		
Secured	-	-
Unsecured	-	-
(b) Term loans		
From banks		
Secured	-	-
Unsecured	-	-
From other parties		
Secured	-	-
Unsecured	507,500	507,500
	507,500	507,500
(c) Deferred payment liabilities		
Secured	-	-
Unsecured	-	-
(d) Deposits		
Secured	-	-
Unsecured	-	-
(e) Loans and advances from related parties @ (Refer Note 30.7)		
Secured	-	-
Unsecured	-	-
(f) Long-term maturities of finance lease obligations (Refer Note 30.8.c)		
Secured	-	-
Unsecured	-	-
(g) Other loans and advances (specify nature)		
Secured	-	-
Unsecured	-	-
	-	-
Total	507,500	507,500

Ahmedabad Gases Limited
Notes forming part of the financial statements

Note 4 Trade payables

Particulars	As at 31 March,	As at 31 March,
	2012	2011
	₹	₹
Trade payables:		
Acceptances		
Shree Sitaram Industries Pvt Ltd	-	100,000
Other than Acceptances		
Total	-	100,000

Ahmedabad Gases Limited
Notes forming part of the financial statements

Note 5 Other current liabilities

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Current maturities of long-term debt	-	-
(b) Current maturities of finance lease obligations	-	-
(c) Interest accrued but not due on borrowings	-	-
(d) Interest accrued and due on borrowings	-	-
(e) Income received in advance (Unearned revenue)	-	-
(f) Unpaid dividends	-	-
(g) Application money received for allotment of securities and due for refund and interest accrued thereon	-	-
(h) Unpaid matured deposits and interest accrued thereon	-	-
(i) Unpaid matured debentures and interest accrued thereon	-	-
(j) Other payables	-	-
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	-	-
(ii) Payables on purchase of fixed assets	-	-
(iii) Contractually reimbursable expenses	-	-
(iv) Interest accrued on trade payables	-	-
(v) Interest accrued on others	-	-
(vi) Trade / security deposits received	-	-
- Om Gases	13,000	13,000
(vii) Advances from customers	-	-
(viii) Others	-	-
- Mudra Capital Services Pvt Ltd	-	43,000
- Jagdish Akhani - Director	48,114	48,114
Total	61,114	104,114

Ahmedabad Gases Limited
Notes forming part of the financial statements

Note 6 Short-term provisions

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Provision for employee benefits:		
(i) Provision for bonus	-	-
(ii) Provision for compensated absences	-	-
(iii) Provision for gratuity (net)	-	-
(iv) Provision for post-employment medical benefits	-	-
(v) Provision for other defined benefit plans (net)	-	-
(vi) Provision for other employee benefits	-	-
(b) Provision - Others:		
(i) Provision for tax	-	-
(ii) Provision for premium payable on redemption of bonds	-	-
(iii) Provision for estimated loss on derivatives	-	-
(iv) Provision for warranty	-	-
(v) Provision for estimated losses on onerous contracts	-	-
(vi) Provision for other contingencies	-	-
(vii) Provision for proposed equity dividend	-	-
(viii) Provision for proposed preference dividend	-	-
(ix) Provision for tax on proposed dividends	-	-
(x) Provision for Additional Output VAT @ 1%	1,050	1,050
(xi) Creditors for Expense	118	118
(xi) Provision for Professional Tax	1,200	1,200
(xii) Unpaid Expenses	12,000	12,000
(xiii) Unpaid FBT	12,600	12,600
(xiv) Unpaid Income Tax	10,584	10,584
(xv) Unpaid Salary	10,450	10,450
(xvi) Unpaid TDS on Fees	2,206	2,206
(xvii) Unpaid Output VAT @ 4%	23,210	23,210
	73,418	73,418
Total	73,418	73,418

Note 7 Fixed assets (contd.)

	Tangible assets	Accumulated depreciation and impairment							Net block		
		Balance as at 1 April, 2011	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Eliminated on reclassification as held for sale	Impairment losses recognised in statement of profit and loss	Reversal of impairment losses recognised in Statement of Profit and Loss	Other adjustments	Balance as at 31 March, 2012	Balance as at 31 March, 2012	Balance as at 31 March, 2011
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
(a) Land											
Freehold	-	-	-	-	-	-	-	-	-	-	
Leasehold	-	-	-	-	-	-	-	-	-	-	
(b) Buildings											
Own use	-	-	-	-	-	-	-	-	-	-	
Given under operating lease	-	-	-	-	-	-	-	-	-	-	
(c) Plant and Equipment											
Owned											
Gas Sylinders (D.A.)	2,738,760	19,008	-	-	-	-	-	2,757,768	41,232	60,240	
Computers	189,820	2,187	-	-	-	-	-	192,007	4,743	6,930	
Taken under finance lease	-	-	-	-	-	-	-	-	-	-	
Given under operating lease	-	-	-	-	-	-	-	-	-	-	
(d) Furniture and Fixtures											
Owned	116,056	2,158	-	-	-	-	-	118,214	25,457	27,615	
Taken under finance lease	-	-	-	-	-	-	-	-	-	-	
Given under operating lease	-	-	-	-	-	-	-	-	-	-	
(e) Vehicles											
Owned	752,489	29,396	-	-	-	-	-	781,885	191,849	221,245	
Taken under finance lease	-	-	-	-	-	-	-	-	-	-	
Given under operating lease	-	-	-	-	-	-	-	-	-	-	
(f) Office equipment											
Owned	115,717	3,790	-	-	-	-	-	119,507	64,619	68,410	
Taken under finance lease	-	-	-	-	-	-	-	-	-	-	
Given under operating lease	-	-	-	-	-	-	-	-	-	-	
(g) Leasehold improvements											
Owned	-	-	-	-	-	-	-	-	-	-	
Taken under finance lease	-	-	-	-	-	-	-	-	-	-	
Given under operating lease	-	-	-	-	-	-	-	-	-	-	
(h) Others (specify nature)											
Owned	-	-	-	-	-	-	-	-	-	-	
Taken under finance lease	-	-	-	-	-	-	-	-	-	-	
Given under operating lease	-	-	-	-	-	-	-	-	-	-	
Total	3,912,842	56,539	-	-	-	-	-	3,969,381	327,900	384,440	
Previous year	16,984,055	148,290	13,219,504	-	-	-	-	3,912,841	384,441	823,489	

Ahmedabad Gases Limited
Notes forming part of the financial statements

Note 7 Fixed assets (contd.)

Depreciation and amortisation relating to continuing operations:

Particulars	For the year ended	For the year ended
	31 March, 2012	31 March, 2011
	₹	₹
Depreciation and amortisation for the year on tangible assets as per Note 7	56,539	148,290
Depreciation and amortisation for the year on intangible assets	-	-
Less: Utilised from revaluation reserve	-	-
Depreciation and amortisation relating to discontinuing	-	-
Depreciation and amortisation relating to continuing operations	56,539	148,290

Ahmedabad Gases Limited
Notes forming part of the financial statements

Note 8 Trade receivables

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good		
Adeshwar Cotton Industries Ltd	1,269,049	1,139,049
Hindustan Oxygen Co. Ltd	-	327,019
Mahalaxmi Oxygen Sales Agency	-	214,510
Mahaveer Rolling Mills Ltd	-	6,844
Shantinath Traders	-	166,883
Abhishek Trading Co.	-	21,940
Nandeshwar Enterprises	-	56,341
Priyam Oxygen	-	51,384
Rameshwar Mina	-	20,449
Ahmedabad Oxygen & Equipments Services	-	31,403
D.R. Gas Agency	(900)	(900)
Gujarat Oxy and Ace. Ltd	(3,031)	(3,031)
Gurucharan Oxygen Ltd - Guru	(2,626)	(2,626)
Jai Chamunda Eng.	(2,800)	(2,800)
Jay Mahalaxmi Steel Profile	(1,842)	1,842
Mahaveer Casting Ltd	(13,337)	(13,337)
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
Other Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
Total	1,244,513	2,014,970

Ahmedabad Gases Limited
Notes forming part of the financial statements

Note 9 Cash and cash equivalents

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Cash on hand	512,097	1,720,097
(b) Cheques, drafts on hand	-	-
(c) Balances with banks	-	-
(i) In current accounts	-	-
Kotak Bank	3,761,880	3,791
Saraspur Nagrik Bank	3,791	137,786
(ii) In EEFC accounts	-	-
(iii) In deposit accounts	-	-
(iv) In earmarked accounts	-	-
- Unpaid dividend accounts	-	-
- Unpaid matured deposits	-	-
- Unpaid matured debentures	-	-
- Share application money received for allotment of securities and due for refund	-	-
- Balances held as margin money or security against borrowings, guarantees and other commitments	-	-
- Other earmarked accounts	-	-
(d) Others	-	-
Total	4,277,768	1,861,674
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements		

Ahmedabad Gases Limited
Notes forming part of the financial statements

Note 10 Short-term loans and advances

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Loans and advances to related parties		
Secured, considered good	-	-
Unsecured, considered good		
- Ahmedabad Cryogenic Products Ltd	-	4,838,287
- S.J. Infratech Pvt Ltd	-	1,438,770
Doubtful		
Less: Provision for doubtful loans and advances	-	-
(b) Security deposits		
Secured, considered good	-	-
Unsecured, considered good		
Fascel Limited - Business Deposit	-	5,050
Samip Estate - Business Deposit	-	425,000
Doubtful		
Less: Provision for doubtful deposits	-	-
(c) Loans and advances to employees		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
(d) Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.)	-	-
(e) Balances with government authorities		
Unsecured, considered good		
(i) CENVAT credit receivable	-	-
(ii) VAT credit receivable	31,347	31,347
(iii) Service Tax credit receivable	-	-
(f) Inter-corporate deposits		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful inter-corporate deposits	-	-
(g) Others (specify nature)		
Secured, considered good	-	-
Unsecured, considered good		
TDS on Salary	22,800	22,800
Doubtful	-	-
Less: Provision for other doubtful loans and advances	-	-
Total	54,147	6,761,254

Ahmedabad Gases Limited
Notes forming part of the financial statements

Note 11 Other income

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
Profit on sale of fixed assets - Gas Sylinders [net of expenses directly attributable ₹ NIL (Year ended 31 March, 2011 ₹ NIL)]	-	848,290
Total - Other non-operating income	-	848,290
Total		

Ahmedabad Gases Limited
Notes forming part of the financial statements

Note 12 Employee benefits expense

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
Salaries and wages	360,000	-
Diwali Bonus	30,000	-
Total	390,000	-

Ahmedabad Gases Limited
Notes forming part of the financial statements

Note 13 Finance costs

Particulars	For the year ended 31	For the year ended 31
	March, 2012	March, 2011
	₹	₹
(a) Interest expense on:		
(i) Borrowings	-	-
(ii) Trade payables	-	-
(iii) Others		
- Interest on delayed / deferred payment of income tax	-	-
- Bank Charges	4,032	1,655
(b) Other borrowing cost	-	-
(c) Net (gain) / loss on foreign currency transactions and translation (considered as finance cost)	-	-
Total	4,032	1,655

Ahmedabad Gases Limited
Notes forming part of the financial statements

Note 14 Other expenses

Particulars	For the year ended	For the year ended
	31 March, 2012	31 March, 2011
	₹	₹
Rent including lease rentals	-	18,060
Bad trade and other receivables, loans and advances written off	4,168,794	-
Depository Fees	6,618	-
Listing Fees	343,890	49,344
Share Registry Charges	-	20,000
ROC Fees	5,135	-
Total	4,524,437	87,404

Ahmedabad Gases Limited
Notes forming part of the financial statements
Note 15 Disclosures under Accounting Standards (contd.)

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
Earnings per share		
<u>Basic</u>		
<u>Continuing operations</u>		
Net profit / (loss) for the year from continuing operations	(4,975,008)	610,941
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	(4,975,008)	610,941
Weighted average number of equity shares	3,213,500	3,213,500
Par value per share	10	10
Earnings per share from continuing operations - Basic	(1.55)	0.19
<u>Total operations</u>		
Net profit / (loss) for the year	(4,975,008)	610,941
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders	(4,975,008)	610,941
Weighted average number of equity shares	3,213,500	3,213,500
Par value per share	10	10
Earnings per share - Basic	(1.55)	0.19
<u>Basic (excluding extraordinary items)</u>		
<u>Continuing operations</u>		
Net profit / (loss) for the year from continuing operations	(4,975,008)	610,941
(Add) / Less: Extraordinary items (net of tax) relating to continuing operations	-	-
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders, excluding extraordinary items	(4,975,008)	610,941
Weighted average number of equity shares	3,213,500	3,213,500
Par value per share	10	10
Earnings per share from continuing operations, excluding extraordinary items - Basic	(1.55)	0.19
<u>Total operations</u>		
Net profit / (loss) for the year	(4,975,008)	610,941
(Add) / Less: Extraordinary items (net of tax)	-	-
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders, excluding extraordinary items	(4,975,008)	610,941
Weighted average number of equity shares	3,213,500	3,213,500
Par value per share	10	10
Earnings per share, excluding extraordinary items - Basic	(1.55)	0.19

Note 30 Disclosures under Accounting Standards (contd.)Diluted

The diluted earnings per share has been computed by dividing the Net Profit After Tax available for Equity Shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock Options and Convertible bonds for the respective periods. Since, the effect of the conversion of Preference shares was anti-dilutive, it has been ignored.

Continuing operations

Net profit / (loss) for the year from continuing operations	(4,975,008)	610,941
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders from continuing operations	(4,975,008)	610,941
Add: Interest expense and exchange fluctuation on convertible bonds (net)	-	-
Profit / (loss) attributable to equity shareholders from continuing operations (on dilution)	(4,975,008)	610,941
Weighted average number of equity shares for Basic EPS	3,213,500	3,213,500
Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive	-	-
Weighted average number of equity shares - for diluted EPS	3,213,500	3,213,500
Par value per share	10	10
Earnings per share, from continuing operations - Diluted	(1.55)	0.19

Particulars**For the year ended
31 March, 2012
₹****For the year ended
31 March, 2011
₹**Total operations

Net profit / (loss) for the year	(4,975,008)	610,941
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders	(4,975,008)	610,941
Add: Interest expense and exchange fluctuation on convertible bonds (net)	-	-
Profit / (loss) attributable to equity shareholders (on dilution)	(4,975,008)	610,941
Weighted average number of equity shares for Basic EPS	3,213,500	3,213,500
Add: Effect of Warrants, ESOPs and Convertible bonds which are dilutive	-	-
Weighted average number of equity shares - for diluted EPS	3,213,500	3,213,500
Par value per share	10	10
Earnings per share - Diluted	(1.55)	0.19

Diluted (excluding extraordinary items)Continuing operations

Net profit / (loss) for the year from continuing operations	(4,975,008)	610,941
(Add) / Less: Extraordinary items (net of tax)	-	-
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders, excluding extraordinary items	(4,975,008)	610,941
Add: Interest expense and exchange fluctuation on convertible bonds (net)	-	-
Profit / (loss) from continuing operations attributable to equity shareholders (on dilution)	(4,975,008)	610,941
Weighted average number of equity shares for Basic EPS	3,213,500	3,213,500

Note 30 Disclosures under Accounting Standards (contd.)

Add: Effect of Warrants, ESOPs and Convertible bonds which are dilutive	-	-
Weighted average number of equity shares - for diluted EPS	3,213,500	3,213,500
Par value per share	10	10
Earnings per share, from continuing operations, excluding extraordinary items - Diluted	(1.55)	0.19
<u>Total operations</u>		
Net profit / (loss) for the year	(4,975,008)	610,941
(Add) / Less: Extraordinary items (net of tax)	-	-
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders, excluding extraordinary items	(4,975,008)	610,941
Add: Interest expense and exchange fluctuation on convertible bonds (net)	-	-
Profit / (loss) attributable to equity shareholders (on dilution)	(4,975,008)	610,941
Weighted average number of equity shares for Basic EPS	3,213,500	3,213,500
Add: Effect of Warrants, ESOPs and Convertible bonds which are dilutive	-	-
Weighted average number of equity shares - for diluted EPS	3,213,500	3,213,500
Par value per share	10	10
Earnings per share, excluding extraordinary items - Diluted	(1.55)	0.19

SIGNIFICANT ACCOUNTING POLICIES**a. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

The Financial statements have been prepared on a historical cost convention on an accrual basis and generally comply with the requirements of the Companies' Act, 1956.

b. REVENUE RECOGNITION:

All Income and expenses are recognized on Accrual basis.

c. FIXED ASSETS AND DEPRECIATION:

All Fixed Assets are stated at its cost of acquisition/construction including any attributable expenses incurred for bringing the asset into working condition for its intended use, less accumulated depreciation.

Depreciation on assets have been provided on straight line method at the rates, and in the manner prescribed in Schedule XIV to the Companies' Act 1956.

Depreciation for assets purchased / sold during the period is proportionately charged.

d. INVENTORIES:

There are no closing stocks at the end of year under report.

e. INVESTMENTS:

There are no investments made during the year under report.

f. RETIREMENT BENEFITS TO EMPLOYEES:

As per the explanation received from the management no provision for gratuity has been made since none of the employees of the Company have completed the specified period of service. However, the same is in contravention to the Accounting Standard 15 (Revised) – Retirement Benefits as issued by the institute of Chartered Accountants of India.

g. TAXATION:

Income taxes are computed using the tax effect accounting method, where taxes are accrued in the same period the related revenue and expenses arise. A provision is made for income tax annually based on the tax liability computed after considering tax allowances and exemptions. The deferred tax is recognized on timing differences; being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

h. EARNINGS PER SHARE:

In determining earning per share, the company considers the net profit/loss after tax and includes the post – tax effect of any extra – ordinary items. The number of shares used in computing diluted earnings per share is the weighted average number of shares outstanding during the period. There are no potentially dilutive equity shares.

i. SEGMENT REPORTING:

The company is engaged in the business of industrial gases. The products are similar in nature and therefore are not subject to different risks and returns. Moreover, the company caters only to the needs of Indian Markets. Hence there are no reportable business segments/geographical segments.

AHMEDABAD GASES LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.	U24111GJ1992PTC018192	State Code	04
Balance Sheet Date	31-03-2012		

II. Capital Raised during the Year (Amount Rs. In Thousands)

Public Issue	--NIL--	Right Issue	--NIL--
Bonus Issue	--NIL--	Private Placement	--NIL--

III. Position of mobilization and Deployment of Fund (Amount Rs. In Thousands)

<u>Sources of Funds</u>		<u>Application of Funds</u>	
Total Liabilities	5904.33	Total Assets	5904.33
Paid – Up Capital	32135.00	Net Fixed Assets	327.90
Share Appli. Money	--NIL--	Defer. Tax Assets	--NIL--
Reserves & Surplus	(26872.70)	Investments	--NIL--
Secured Loans	--NIL--	Trade Receivables	1244.51
Unsecured Loans	507.50	Cash & Cash Equivalents	4277.77
Other Current Liabilities	61.11	Short Term Loans & Advances	54.147
Short Term Provisions	73.42	Misc. Expenditure	--NIL--
Defer. Tax Liability	--NIL--	Profit & Loss Account	--NIL--

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

Turnover(Gross Rev)	--NIL--	Total Expenditure	4975.00
Profit/(Loss) Before Tax	(4975.01)	Profit/(Loss) after Tax	(4975.01)
E. P. Share in (%)	(0.15)	Dividend Rate %	-- NIL --

V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Item Code NO. (ITC Code)	(1) 280430.00	(2) 280440.00
Product Description	(1) Nitrogen Gas	(2) Oxygen Gas

For Samir M. Shah & Associates
Chartered Accountants
FIRM REG. No.: 122377W

For Ahmedabad Gases Ltd.

(Samir M. Shah)
PARTNER
MEMBERSHIP No.: 111052

(Sumeet Sethi)
Managing Director

(Rohit Thakkar)
Director

Place : Ahmedabad
Date : 2nd July, 2012

Place : Ahmedabad
Date : 2nd July, 2012

SAMIR M. SHAH & ASSOCIATES
Chartered Accountants

B-516, Gopal Palace, Nr. Shiromani Flats, Opp. Ocean Park, Satellite Road, Ambawadi, Ahmedabad – 380 015.
Phone : 079 – 2676 9033 / 40308385 E-mail : info@smshah.co.in

AUDITORS' CERTIFICATE ON CASH FLOW STATEMENT

We have examined the annexed Cash Flow Statement of “AHMEDABAD GASES LIMITED” for the year ended **31st March, 2012**. The Statement has been prepared by the Company in accordance with the requirements of Clause 32 of the listing agreement with Ahmedabad Stock Exchange & Bombay Stock Exchange and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of 2nd July, 2012 to the members of the Company.

Place: Ahmedabad

**For SAMIR M. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. No.: 122377W**

Date: 2nd July, 2012

**SAMIR M. SHAH
(PARTNER)
MEMBERSHIP No.: 111052**

CEO/CFO CERTIFICATION TO THE BOARD

(Under Clause 49(V) of Listing Agreement)

I Certify that:

a) I have reviewed the financial statements and the cash flow statement for the year 2011-12 and that to the best of our knowledge and belief:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- These statements together present a true and fair view of the Bank's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

b) There are, to the best of our knowledge and belief, no transactions entered into by the Bank during the year 2011-12 which are fraudulent, illegal or violative of the Bank's code of conduct;

c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Bank and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee -

- Significant changes in internal control over the financial reporting during the year 2011-12.
- Significant changes in accounting policies during the year 2011-12 and that the same have been disclosed in the notes to the financial statements; and
- 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 Bank's internal control system over the financial reporting.

Place: Ahmedabad

FOR AHMEDABAD GASES LIMITED

Date: 02/07/2012

(SUMEET SETHI)

MANAGING DIRECTOR

ATTENDANCE SLIP

AHMEDABAD GASES LIMITED

**REGISTERED OFFICE: 306, SARTHIK COMPLEX, NR.FUN REPUBLIC,
SATELLITE, AHMEDABAD 380015**

L. F. NO. : _____

NAME OF THE SHAREHOLDER PROXY _____

ADDRESS: _____

Hereby record my presence at the 20th ANNUAL GENERAL MEETING of the company to be held on 18th September 2012 at 10.00 a.m. at the Registered Office of the Company.

SIGNATURE OF SHAREHOLDER / PROXY*

*Strike out whichever is not applicable.

AHMEDABAD GASES LIMITED

**REGISTERED OFFICE; 306, SARTHIK COMPLEX, NR.FUN REPUBLIC,
SATELLITE, AHMEDABAD 380015**

L.F. NO.: _____

I/We _____ of
_____ being a member/ members of ANMEDABAD GASES LIMITED hereby
appoint Mr./Ms. _____ of
failing _____ him/her _____ Mr./Ms.

_____ of as my/our proxy
to vote for me / us and my/ our behalf at the 20th ANNUAL GENERAL MEETING of the
company to be held on 18th September 2012 at 11.00 a.m. at the Registered Office of the
Company.

Signed this _____ day of _____ 2012 by the said.

Revenue
Stamp of
Re. 1/-

Signature

NOTE:

The Proxy should be returned so as to reach at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be the Member of the Company.