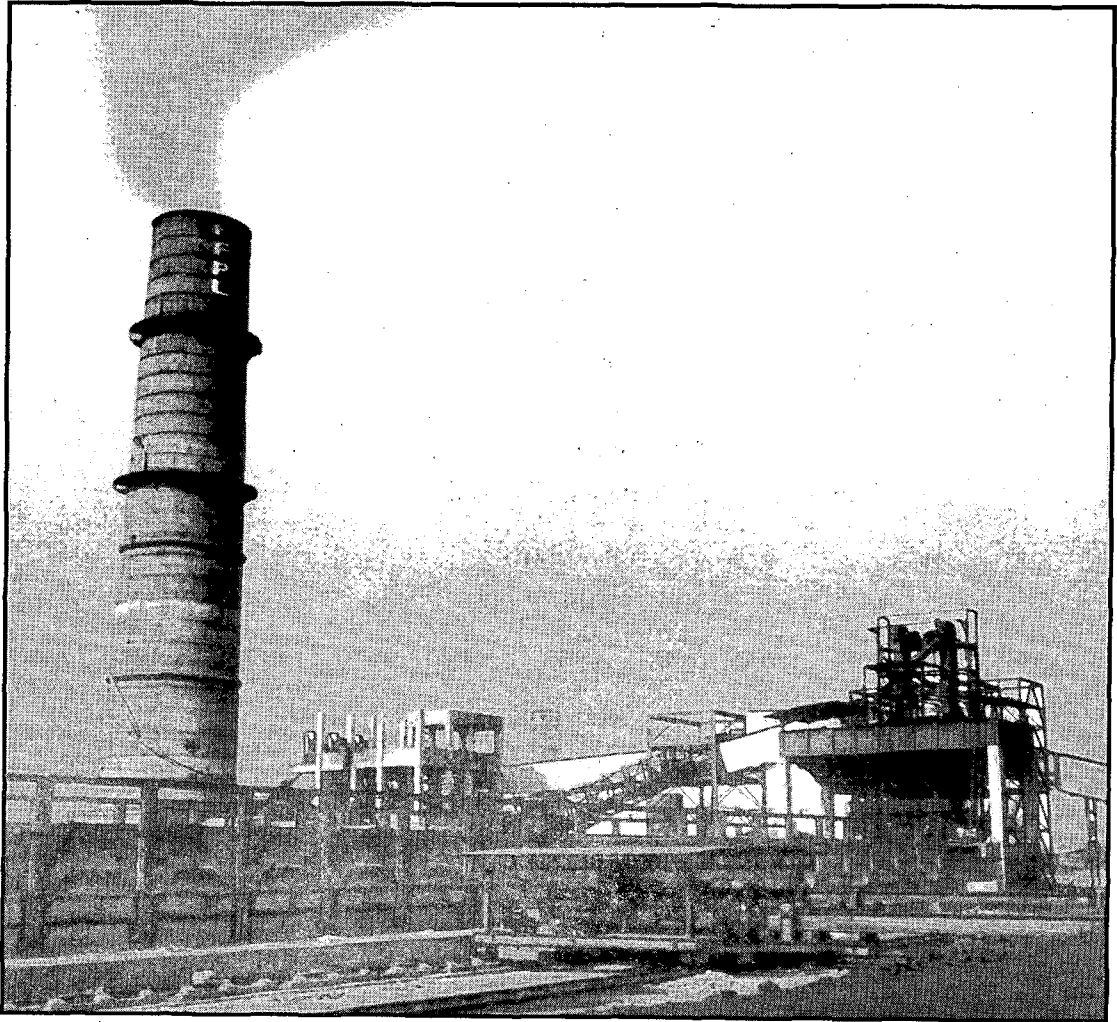


ANNUAL REPORT

2008-2009



FOUNDRY FUEL PRODUCTS LIMITED



BOARD OF DIRECTORS

D. K. Agarwalla

- *Chairman & Managing Director*

N.K. Agarwalla

Brij Mohan Todi

S. K. Kedia

Promod Kr. Agarwalla

COMPLIANCE OFFICER

B. Sharma

AUDITORS

Ashok Kedia & Company

Chartered Accountants

4, Gangadhar Babu Lane

Kolkata - 700 012

BANKER

HDFC Bank

DEPOSITORY REGISTRAR

Niche Technologies Pvt. Ltd.

C-444, Bagree Market,

71, B.R.B. Basu Road

Kolkata - 700 001

REGD. OFFICE

8, Waterloo Street

Kolkata - 700 069

CORPORATE OFFICE & WORKS

G T. Road, Govindpur

Dhanbad, Jharkhand



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 45th Annual General Meeting of the Members of Foundry Fuel Products Limited will be held at "MAHAJATI SADAN" (Annexee Building), 166, Chittaranjan Avenue, Kolkata-700 007 on Saturday, the 19th September, 2009 at 10.30 A.M. to transact the following: -

AS ORDINARY BUSINESS

1. To receive, consider and adopt Audited Balance Sheet of the Company as at 31st March, 2009 and the Profit & Loss Account for the year ended on that date together with the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Santosh Kumar Kedia, who retires by rotation and, being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Nandan Kumar Agarwalla, who retires by rotation and, being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

**By Order of the Board of Directors
For Foundry Fuel Products Ltd.**

8, Waterloo Street
Kolkata -700 069
14th August, 2009

**(D.K. AGARWALLA)
CHAIRMAN & MANAGING DIRECTOR**

Notes:

1. A member entitled to attend and vote at this Annual General Meeting may appoint a proxy to attend and vote on a poll on his/her behalf. A proxy need not be a member of the Company. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 14th September, 2009 to 19th September, 2009, both days inclusive.
3. Members desiring any information on the accounts are requested to write the Company at least one week before the meeting so as to enable the management to keep the information ready.

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Annual Report together with the Audited Accounts for the year ended 31st March, 2009.

FINANCIAL RESULTS

		Rs.
Loss before depreciation, interest & tax		4,44,244
Less: Interest	Rs. Nil	
Depreciation	<u>Rs. 23,69,511</u>	
		<u>23,69,511</u>
Loss before taxation		19,25,267
Less: Provision of FBT W/B	Rs. 836	
Short Provision of IT	Rs. 1,366	
Short Provision of FBT	<u>Rs. 15,729</u>	
		<u>17,931</u>
Loss for the year		19,43,198
Add: Amount of loss brought forward from last year		58,119,251
Balance of Loss Carried Forward		<u>6,00,62,449</u>

PERFORMANCE & PROSPECTS

Your company has posted a lower turnover of Rs. 24 Lacs which is 13% lower than the previous year. Your Company could not do well due to working capital shortage. There is increase in the loss of the company comparing to the previous year. During the period under review your company has recorded a loss of Rs. 19.43 Lacs. The accumulated losses of the Company increased to Rs.600.62 Lacs. Your Company is in a position of extreme working capital shortage for which the operation of the Company was very low. Cut throat competition, sluggish demand and a growth trend in the economy have shown a mixed workings of the Company.

The situation for the current year is not encouraging till now. The company has eroded more than 50% of its networth during the period under review. Your company was debt free within the financial year 2004-2005 by paying all dues to the IDBI and SBI in One Time Settlement and Compromise Settlement respectively but your Company was not withdrawn from BIRF/AAIFR since then though application for withdrawing the name was made to AAIFR/BIFR. Your Board of Directors taking into accounting the pending application with BIFA/AAIFR and are approaching for proper course. The company results in the coming years will be laudable.

**FOREIGN EXCHANGE EARNING AND OUTGO**

There was no foreign exchange earning and outgo during the year under review.

DIVIDEND

In view of the huge accumulated losses from the previous years, your Directors regret to recommend a dividend.

DIRECTORS

Mr. S.K. Kedia & Mr. Nandan Kumar Agarwalla, retires by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS

The Auditors Messrs Ashok Kedia & Co., Chartered Accountants, retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS' REPORT

Appropriate notes to the Accounts explain the observations in the Auditors' Report.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) That in the preparation of the annual accounts, the applicable accounting standards issued by the Institute of Chartered Accountants of India had been followed;
- ii) That the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2009 and of the loss of the Company for the year ended on that date;
- iii) That the Directors had taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) That the Directors had prepared the annual accounts on a going concern basis.

PROMOTERS

The Promoters of the Company infused fresh Unsecured Loans for part financing the rehabilitation scheme and follow up with State Government and various relevant State Government authorities for grant of relief and concessions. Your Promoters are ready to bring in additional interest-free unsecured loans to meet all the unprovided and contingent liabilities, if any, as and when crystallized.

CORPORATE GOVERNANCE

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under the Listing Agreements with the stock Exchanges. A separate report on Corporate Governance alongwith the certificate from Practising Company Secretary, Messrs D. Raut & Associates, Company Secretaries, confirming compliance with the conditions of Corporate Governance, as stipulated under Clause 49 of the Listing Agreements entered into with the Stock Exchanges is annexed.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Your Company used D.G. Set as the only form of energy, the consumption of which is very minimal. No such technology absorbed by the Company during the period under review. There is no other information under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 to be furnished.

PARTICULARS OF EMPLOYEES

During the year under review none of the employees of the Company was paid remuneration over the limit prescribed in Section 217 (2A) of the Companies Act, 1956.

ACKNOWLEDGEMENT

Your Directors express their appreciation or assistance and co-operation received from Government authorities, banks, vendors, customers and Shareholders of the Company. Your Directors also wish to place on record their sincere sense of appreciation for their continuous support the sincere efforts put in by all employees and workmen in the performance of the Company.

For and on behalf of the Board

(D.K.AGARWALLA)

Chairman & Managing Director

8, Waterloo Street
Kolkata - 700 069
14th August, 2009



MANAGEMENT DISCUSSION AND ANALYSIS

The Company's performance during the year ended 31st March, 2009 and the Management's views on future outlook are discussed below:

This report contains forward looking statements that address expectations or projections about the future including but not limited to statements about the Company's strategy for growth, expenditures and financial results which are based on assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized.

The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements.

During the year under review the Indian economy witnessed a slowdown due to the global economy turmoil.

The Government of India through its earlier policies and regulations have discouraged setting up of indigenous Coke industries due to the reduction in the landed price of imported low ash coal and custom duty thereon which made Low Ash Metallurgical Coke (LAMC) from imported coal competitive to LAMC manufacturers by high ash coal available indigenously. Since the Coal India Limited is the sole supplier of indigenous Coal, the main raw material, any changes in Government policies affecting coal prices may have an impact in the workings of the Company. Due to cut throat competition and working capital shortage your Company could not do well during the year under review.

A number of large public sector unit in India are also importing coal as the quality of imported coal is better than indigenous. The quality of imported coal is better due to the reason that the coals produced by them are of good quality and not regulated by their Government. The demand for indigenous coal declined because of low grade coal supplied by the Government Undertaking - BCCL, who is the sole supplier of indigenous Coal and have the monopoly in regulating the price and allotment of coal.

Your Company is not free while competing with the indigenous industries as well as with imported coal. Although the coke market is doing well but your Company's working are below expectation due to working capital shortage & carry forward losses of the previous



years. In between these limiting factors your Company make losses.

Your Company's integrated plants are well in operation to manufacture LAMC with a Coal Washery. There is a large demand & supply gap for LAMC being consumed in steel, foundries & chemical industries. Your Company has further taken adequate steps in achieving high levels of production with quality improvements. Thus we see an opportunity for better than Industry realization by focusing on top quality production. Increasing imports of coal and better quality production are major threats that the Company will face. Your Company perceives that stiff competition and unclear Government policies as the major risk that confronts your Company and the coke Industry. Your Company also during the year perceives a tight cash flow and its subsequent impact on meeting of commitments to long term debts of State Bank of India as a major concern although the Company has settled the dues of the IDBI.

Your Company has adequate internal control systems, commensurate with its size of operations and nature of its business and works in a highly automated environment. The statutory auditors have certified in their audit report that the internal control procedure are adequate and commensurate with the size of the Company and nature of its business.

Your Company has again incurred loss of Rs.19.43 Lacs and accordingly the accumulated losses increased to 600.62 Lacs. Your promoters arranged funds for working capital. It appears that the tight financial conditions will continue during the year also.

Your Company's constant endeavour has been to attract human potential by developing human values. Your Company has during the previous year continued to have good industrial relations with its workers and employees at all levels.

Statements in the Management Discussion and Analysis describing the Company's objectives, strengths, estimates, projections, expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. The economic conditions in which the Company operates, changes in Government regulations, other statutes and other incidental factors including the order to be passed by the AAIFR could make a difference to the Company's workings is regarded as important factors.



REPORT ON CORPORATE GOVERNANCE

Corporate Governance is the set of policies, processes and practices governing the affairs of a company in pursuit of its business goals. Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. As stakeholders across the globe evince keen interest in the practices and performance of companies, Corporate Governance has emerged on the centre stage. Good governance stems from the culture and mindset of the organisation.

Over the years, governance processes and systems have been strengthened and institutionalized at Foundry Fuel Products Limited. Effective implementation of these policies underpins the commitment of the company to uphold highest principles of Corporate Governance consistent with the Company's goal to enhance overall shareholder value.

The Company in terms of Clause 49 of the Listing Agreement with the Stock Exchanges, is in continuous process of updating the principles and practices of Corporate Governance for ensuring and protecting the rights of its shareholders by means of transparency, integrity, accountability, trusteeship and checks at the different levels of the management of the Company. The details of corporate governance systems & processes are enumerated as under:

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The philosophy of the Company on corporate governance envisages attainment of the highest standards of transparency, accountability and equity in all facets of its operations, and in all its interactions with its stakeholders. The Company believes that all its actions must focus of enhancing overall shareholders' value. The Directors are committed to serve fairly and in proper balance, the interests of all groups associated with the business viz. investors, customers, employees, suppliers, Government and the society in which it conducts its business. The Company maintains high moral and ethical standards to reflect honesty, integrity, impartiality, reliability and forthrightness in all relationships.

Pursuant to Clause 49 of the Listing Agreements with Stock Exchanges the following is a report on Corporate Governance Code as implemented by your Company:

Board of Directors

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibilities of strategic supervision of the Company and as trustees of stakeholders.

**(a) Composition and Category of Directors**

The Board of Directors ("The Board") of the Company consists of 5 (Five) Directors, which constitutes as optimum combination of Executive & Non-Executive Directors, having considerable experience in the field of coke and allied matter.

Particulars of Directors as on 14th August, 2009 are given below :-

Director	Designation	Category	No. of other Directorship held	Committee Membership held in other Companies (*)	
				Member	Chairman /M.D.
Mr. D K Agarwalla	Chairman & M.D.	Executive	5	1	1
Mr. B.M. Todi	Director	Non-Executive/Independent	-	-	-
Mr. S. K. Kedia	Director	Non-Executive/Independent	-	-	-
Mr. N.K. Agarwalla	Director	Non-Executive/Independent	2	1	-
Mr. Pramod K Agarwalla	Director	Non-Executive/Independent	-	-	-

(*) Excludes Directorships in Private Limited Companies, Membership of Managing Committees of Chamber of Commerce/Professional Bodies, Co-operatives and Clubs.

Board Meetings and Annual General Meeting (AGM)

During the year under review, **Five Board Meetings were held, the dates being 30.04.08, 31.07.08, 04.09.08, 31.10.08 & 31.01.09.**

The last AGM was held on **29th September, 2008**

(b) Details of Attendance of Directors at the Board Meetings:

Director	Board Meetings		Whether attended last AGM
	Held	Attended	
Mr. D. K Agarwalla	5	5	No
Mr. B. M. Todi	5	5	Yes
Mr. S. K. Kedia	5	-	No
Mr. Pramod K Agarwalla	5	5	No
Mr. N. K. Agarwalla	5	5	Yes

(c) Shareholding of Non-Executive Directors

As on 31.03.2009 the number of shares held by all Non-Executive Directors were as follows:-

Name of Non-Executive Directors	No. of Shares held on 31.03.2009
Mr. B.M. Todi	-
Mr. S.K. Kedia	-
Mr. N.K. Agarwalla	-
Mr. Pramod Kumar Agarwalla	-

3. Committees of the Board

The following committees have been constituted by the Board of Directors as on date with adequate delegation of powers to discharge day-to-day affairs of the Company as well as to meet the exigencies of the business of the Company: -

A. Audit Committee

The Audit Committee is entrusted with review of quarterly and annual financial statements before submission to the Board, review of observations of auditors and to ensure compliance of internal control systems authority for investigation and access for full information and external professional advice for discharge of the functions delegated to the Committee by the Board. The scope of the audit committee, inter alia, includes :

- Review of the Company's financial reporting process, the financial statements and financial/risk management policies ;
- Review of the adequacy of the internal control systems and finance of the internal audit team ;
- Discussions with the management and the external auditors, the audit plan for the financial year and joint post-audit and review of the same.

The Audit Committee consists of three Non-executive Directors Mr. B.M. Todi, Chairman of the Committee, Mr. Santosh Kedia and Mr. Pramod Kumar Agarwalla are the members of the Audit Committee. The Chairman and the Managing Director along with the statutory auditors are invitees of the meetings of the Committee. The rules and the terms of reference of this Committee are wide enough covering matters specified under Clause 49 of the Listing Agreement.



The Audit Committee met five (5) times during the year on **30.04.2008, 31.07.2008, 04.09.08, 31.10.2008 and 31.01.2009**. All the members have attended the Audit Committee Meeting held on those dates.

The composition of the Audit Committee and attendance of its meetings are given below:

Constitution	No. of Meetings Attended
Mr. B. M. Todi- Non- Executive –Independent Director –Chairman	5
Mr. Santosh Kumar Kedia – Non- Executive –Independent Director	5
Mr. Pramod Kumar Agarwalla - Non- Executive –Independent Director	5

The Audit Committee meetings are usually held at Company's Registered Office and attended by members of the Committee, other Accounts Heads and Unit Heads. Representative of the Statutory Auditors are also invited in the meeting as and when required. The Chairman of the Audit Committee was also present at the last Annual General Meeting of the Company. The Compliance Officer is the Secretary to the Audit Committee.

B. Investor Grievance Committee

The Investors Grievance Committee consists of Mr. Santosh Kedia and Mr. B. M. Todi, two non-executive Directors. The Committee oversees the performance of in-house transfer of shares & the Registrar of Demat shares and recommends measures for overall improvement of the quality of investor service.

The Committee met twice during the year. Given below is the position of the complaints received and attended during the year 2008-2009.

Complaints/correspondence/queries received	- 54
Complaints/correspondence/queries attended	- 54
Pending complaints/correspondence/queries as on 31.3.2009	- Nil

C. Remuneration Committee

The Company was passing through a very hard time since the year 1998, hence no remuneration and sitting fees were given to any Directors except remuneration to the Executive Director. As such no separate Remuneration Committee has been formed.

Details of remuneration paid / payable to Chairman & Managing Director of the Company for the year ended 31.03.2009

1)Chairman & Managing Director, Mr. D. K. Agarwalla was paid/payable remuneration of Rs. 4,80,000 (No perquisites / commission was paid/payable to him).

**D. Share Transfer & Dematerialisation Committee**

The Share Transfer Committee meets periodically as and when required and is entrusted with transfer / transmission of shares, issue of duplicate share certificates, change of name/ status, transposition of names, sub-division/ consolidation of share certificates, dematerialisation / re-materialisation of shares, etc.

The Share Transfer Committee comprises of the following members:

Mr. D.K. Agarwalla- Chairman

Mr. B.M. Todi -Member

Mr. Basant Sharma, Compliance Officer & Secretary to the Committee. The rules and the terms of reference of this Committee are wide enough covering matters specified under the provisions of the Companies Act, 1956 & Depository rules & guidelines regarding transfer & Dematerialisation etc. of shares. The share transfers & dematerialisation cases approved by the Committee in their meeting is noted at the forthcoming Board Meeting and so on.

The Committee met Twelve (12) times during the year the dates being 30.09.08,10.10.08,18.11.08,26.11.08,29.12.08, 28.01.09,22.02.09,17.03.09, 27.04.09, 06.06.09,30.06.09,14.08.09.

All the members have attended the Committee Meeting held on those dates.

4. General Body Meeting

Location, date and time of the Annual General Meetings held during the last three years:

AGM	Year Ended	Venue	Date	Time
42 nd	31.03.2006	Mahajati Sadan (Annexee Building), 166, C.R. Avenue, Kolkata-700007	27.09.2006	10.00 AM
43 rd	31.03.2007	Mahajati Sadan (Annexee Building), 166, C.R. Avenue, Kolkata-700007	27.09.2007	10.00 AM
44 th	31.03.2008	Mahajati Sadan (Annexee Building), 166, C.R. Avenue, Kolkata-700007	29.09.2008	10.00 AM

Special Resolution were passed and no postal votes were asked for.

Notes on Directors seeking Appointment/ Re-appointment.

According to the Articles of Association of the Company 1/3rd of the rotational Directors will retire by rotation and eligible to offer themselves for re-appointment at every Annual General Meeting.



At the ensuing Annual General Meeting Messrs. S.K. Kedia & Nandan K. Agarwalla, will retire by rotation and being eligible offers themselves for re-appointment.

Given below are the abbreviated resumes of the Directors seeking appointment/re-appointment.

Mr. Santosh Kumar Kedia

Mr. Santosh Kumar Kedia, B.Com.& has in depth exposure to and involvement in steering businesses and has gained considerable experience and expertise in management of Coal & Steel. Mr. Santosh Kumar Kedia is associated with coal & steel industries for the last 10 years and has varied and wide experience in the same line businesses.

Mr. Nandan Kumar Agarwalla

Mr. Nandan Kumar Agarwalla holds Bachelor Degree in Commerce and Degree in Law, is associated with coal & steel industries for the last 20 years and has varied and wide experience in the same line businesses. He has good knowledge in Income Tax as well as Administrative matters.

He is also Director of the following Companies: -

- i) M/s. Anup Malleables Ltd.
- ii) M/s. Waste Product Reclaimer Pvt. Ltd.

Disclosures

During the year the Company had sale/purchase/transactions in normal course of business with its associate Companies. All transactions were carried out on arms length basis. None of the transactions with any of the related parties were in conflict with the interest of the Company.

There were no penalties imposed on the Company by Stock Exchanges or Securities and Exchange Board of India (SEBI) or by any regulatory authority for non-compliance of any laws.

The Company has not issued any debentures/GDRs/ADRs and has not accepted any deposits from the public and there are no warrants or any convertible instruments issued by the Company.

Means of Communications

Quarterly results are faxed/sent by post to the Stock Exchanges immediately after Board Meetings as required under the Listing Agreement. Quarterly results are published in "Financial Express" in English Language and in "Kalantar" in Bengali Language.

Secretarial Audit

A qualified Practising Company Secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository



Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

General Shareholders Information**i) 45th Annual General Meeting**

Venue : Mahajati Sadan(Annexee Building)
166,Chittaranjan Avenue,
Kolkata - 700 007
Time : 10.30 A.M.
Date : September 19, 2009

ii) Financial Calendar

Unaudited Results for the quarter ending - End of July, 2009
30th June, 2009
Unaudited Results for the quarter ending - End of Oct., 2009
30th Sept., 2009
Unaudited Results for the quarter ending - End of Jan. , 2010
31st Dec., 2009
Audited Annual Accounts for 2009-2010 - End of July, 2010
Annual General Meeting for the year - End of Sept., 2010
Ending 31st March, 2010

iii) Date of Book Closure:

14th September, 2009 to 19th September, 2009 (Both days inclusive)

Listing on Stock Exchanges

The Company's securities are listed at:-

1. The Stock Exchange, Mumbai
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 023
- *2. The Calcutta Stock Exchange Association Ltd.
7 Lyons Range, Kolkata - 700 001
- *3. The Stock Exchange, Ahmedabad
Kamdhenu Complex, Opposite Sahajand College, Panjarapole,
Ahmedabad - 380 015
- *4. The Magadh Stock Exchange Association Ltd.
"Ashiana Plaza", 9th Floor, Budh Marg, Patna - 800 001

***{However, the Company is in the process to delist its shares from the Exchanges ("*) and will continue listed on the Stock Exchange, Mumbai, which has nation wide trading terminals, as per the SEBI Delisting Guidelines, 2003 & SEBI Delisting Regulations, 2009}.**

Stock Code:-

Stock Exchange	Stock Code
The Stock Exchange, Mumbai	513579
The Calcutta Stock Exchange Association Ltd.	F019
The Stock Exchange, Ahmedabad	17500
The Magadh Stock Exchange Association Ltd	F018

Note: There is no regular transaction at Calcutta Stock Exchange, Ahmedabad Stock Exchange and Magadh Stock Exchange.

Stock Performance

Not commented, as the fluctuations in share prices are not material. The shares are traded regularly in the Stock Exchange, Mumbai. The last 52 Weeks Highest price of a share was Rs. 10.00 and the last 52 weeks Lowest price of a share was Re.3.61.

Registrar & Share Transfer System

The Dematerialisation Registrar and Transfer Agent of the Company for the shares held in electronic form is mentioned elsewhere in this Report. The Company transfers in-house the shares in physical form. The transfers are normally processed & returned within a stipulated time period of which the documents are complete in all respects. The Transfer Committee formed by the Board of Directors is empowered to approve transfers. The Company is in the process to handover the shares in physical form to the Common Registrar.

Dematerialisation of shares

The Company's shares are compulsorily traded in the demat form with effect from 20th December, 2000 for all categories of shareholders. All transfers are debited/credited through the respective Accounts maintained with the Depository Participants (DPs) of the Investors. 45,27,866 Equity shares of the Company representing 74.487% of the Company's share capital are dematerialized as on 31st March, 2009.

Code No. allotted by NSDL/CDSL

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's Shares is INE617C01019

Shareholding Pattern of the Company as on 31.03.2009

Category Holding	Total Shares	% of Total
Foreign Holding	3,00,000	4.94
Financial Institutions & Banks	1200	0.02
Other Bodies Corporate	573161	9.43
Promoters, Directors & their relatives	1213984	19.97
Public	3990355	65.64
TOTAL	60,78,700	100.00

Distribution of Shareholding as on 31.03.2009

Range	Shareholders		Share (Amount)	
	Number	% to Total	In Rs.	% to Total
Upto - 5,000	9442	99.10	192,68,760	31.70
5,001 - 10,000	28	0.29	22,31,600	3.67
10,001 - 20,000	24	0.25	35,86,300	5.90
20,001 - 30,000	11	0.12	27,34,920	4.50
30,001 - 40,000	4	0.04	14,15,350	2.33
40,001 - 50,001	2	0.02	9,66,000	1.59
50,001 - 1,00,000	5	0.05	30,93,890	5.09
1,00,001 and above	12	0.13	274,90,180	45.22
T O T A L	9528	100.00	60787000	100.00

Plant Location

The Company owns one factory, situated in Jealgora, G.T. Road, Govindpur,
Dist- Dhanbad in the State of Jharkhand.

Address for Correspondence

Regd. Office: 8, Waterloo Street, 1st Floor
Kolkata - 700 069.
Telephone - 2248-6442/6167
Fax - (033) 2248-6167

Compliance Officer

Mr. Basant Sharma
8, Waterloo Street, 1st Floor
Kolkata - 700 069.
Telephone - 2248-6442/6167
Fax - (033) 2248-6167

**CERTIFICATE FROM COMPANY SECRETARIES ON COMPLIANCE WITH
THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49
OF THE LISTING AGREEMENT(S)**

To

The Members of

Foundry Fuel Products Limited

We have examined the compliance of conditions of Corporate Governance by Foundry Fuel Products Limited, for the year ended on 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the 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.

We state that in respect of investor grievances received during the year ended 31st March, 2009, no investor grievances are pending against the Company as per the records maintained by the Company and presented to the Shareholders'/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.

D. Rout & Associates
Practising Company Secretary

Kolkata

14th August, 2009

M. No. 16624

C.P.No.5232

Certification by Chairman & Managing Director of the Company**The Board of Directors,**

M/S. Foundry Fuel Products Ltd.

8, Waterloo Street,

Kolkata - 700069.

Dear Sirs,

In terms of Clause 49 of the Standard Listing Agreement, I, D. K. Agarwalla, Chairman & Managing Director of the Company, Certify that :

1. I have reviewed financial statements and the cash flow statements for the financial year 2008-09 and to my best of knowledge, belief and information –
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading ;
 - ii) these statement together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of my knowledge, belief and information, no transaction entered into by the Company during the financial year 2008-09 are fraudulent, illegal or violative of the Company's Code of Conduct.
3. I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls which I am aware and I have taken and propose to take requisite steps to rectify the deficiencies, if any.
4. I have indicated to the Auditors and the Audit Committee :
 - i) significant changes in internal control during the financial 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
5. I have not come across any instances of significant fraud committed by the management or an employee having significant role in the Company's internal control system.

I further declare that all the Board members and Senior management personnel have affirmed compliance of Code of Conduct for the year 2008-09.

Place : Kolkata

Date : 14.08.2009

Sd/-

D.K. Agarwalla

Chairman & Managing Director



AUDITOR'S REPORT

To
The Members of
M/s Foundry Fuel Products Ltd.

We have audited the attached Balance Sheet of M/s Foundry Fuel Products Ltd. as at 31st March 2009 and also the Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. 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 have 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 that 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 (Auditor's Report) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on 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 purposes of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- (iii) The Balance Sheet and Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet and Profit and Loss Account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;

- (v) On the basis of written representations received from the directors, as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with Notes to the account in Schedule No. 12 give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009; and
 - (b) in the case of the Profit and Loss Account, of the **Loss** for the year ended on that date.
 - (c) In the case of Cash Flow Statement of the Cash flow's of the company for the year ended on that date.

**For ASHOK KEDIA & COMPANY,
CHARTERED ACCOUNTANTS,
4, Gangadhar Babu Lane,
Kolkata – 700 012.**

Dated the 14th day of August 2009.

**CA. A.K. KEDIA
PARTNER
M. No. 050510**

Annexure

Referred to in paragraph 3 of our report of even date.

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the fixed assets have not been physically verified by the management during the year but 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, the company has not disposed of any fixed assets.
- (ii) According to information and explanations given to us, there was no inventory. Therefore, the provisions of clause 4(ii) of the Companies (Auditor's Report) Order, 2004 are not applicable to the company.
- (iii) (a) The Company has not granted any loan secured or Unsecured to the companies, Firm or other parties covered in registered maintained u/s. 301 of the Companies Act 1956. Accordingly clause (iii) (b) to (iii) (d) of paragraph 4 of the Order are not applicable to the company for the current year.
- (b) The company had taken interest free un-secured loan from two parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 102.60 Lacs and the year-ended balance of loans taken from such Parties was Rs. 95.00 Lacs.
- (c) In our opinion and according to the information and explanation given to us, the rate of Interest and other terms and conditions on which loan have been taken are not prima facie prejudicial to the interest of the company.
- (d) Loans taken by the company is repayable on demand.
- (iv) In our opinion and according to the 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 purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.



- (b) In our opinion and according to the information and explanations given to us, there are no transaction in pursuance of contract or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year to Rs. 5,00,000/- or more in respect of any party in the said financial year.
- (vi) According to information and explanations given to us, the company has not accepted any deposits from public; hence the provisions of sections 58A and 58AA of the Companies Act, 1956 and rules framed there under are not applicable.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) As informed to us the Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 for the company.
- (ix) (a) The Company has been generally regular in depositing income-tax, sales tax and cess with the appropriate authorities. The provisions relating to provident fund, investor education and protection fund, employees state insurance, wealth tax, service tax, custom duty and excise duty are not applicable to the Company.

According to the information & explanation given to us, there is no undisputed amount payable in respect of income-tax, sales tax and cess which were outstanding at the year end, for a period of more than six months from the date they become payable. The provisions relating to provident fund, employees state insurance, wealth tax, service tax, custom duty and excise duty are not applicable to the Company.

- (b) As at 31st March 2009, according to the records of the company and information & explanation given to us, the following are the particulars of dues on account of Sales Tax matters that have not been deposited on account of any dispute : -

Name of statute	Nature of dues	Amount in Rs.	Period to which the amount relates	Forum where dispute is pending
Sales Tax Law	Central Sales Tax Jharkhand Sales Tax	323,762.00 -	Year Ended 31.03.1986	Tribunal Ranchi
Sales Tax Law	Central Sales Tax Jharkhand Sales Tax	97405.00 -	Year Ended 31.03.1987	Tribunal Ranchi
Sales Tax Law	Central Sales Tax Jharkhand Sales Tax	3,14,413.64 1,44,412.68	Year Ended 31.03.1995	Tribunal Ranchi
Sales Tax Law	Central Sales Tax Jharkhand Sales Tax	10,71,905.00 156,586.00	Year Ended 31.03.1997	Tribunal Ranchi
Sales Tax Law	Central Sales Tax Jharkhand Sales Tax	67,916.34 96,183.40	Year Ended 31.03.1999	Tribunal Ranchi
Sales Tax Law	Central Sales Tax Jharkhand Sales Tax	2,09,875.00 69,493.00	Year Ended 31.03.2000	Tribunal Ranchi
Sales Tax Law	Central Sales Tax Jharkhand Sales Tax	71,373.00 14,020.00	Year Ended 31.03.2001	Tribunal Ranchi
Sales Tax Law	Central Sales Tax Jharkhand Sales Tax	11,56,995.00 73,713.00	Year Ended 31.03.2002	Tribunal Ranchi
Sales Tax Law	Central Sales Tax Jharkhand Sales Tax	10,75,838.00 —	Year Ended 31.03.2003	Tribunal Ranchi
Sales Tax Law	Central Sales Tax Jharkhand Sales Tax	9,30,420.00 177,818.00	Year Ended 31.03.2004	Tribunal Ranchi
Sales Tax Law	Central Sales Tax Jharkhand Sales Tax	12,96,892.00 —	Year Ended 31.03.2005	Tribunal Ranchi
Sales Tax Law	Central Sales Tax Jharkhand Sales Tax	1,68,338.00 98,120.00	Year Ended 31.03.2006	Tribunal Ranchi



- (x) Accumulated losses of the company are more than 50% of its net worth. The company has not incurred cash losses during the financial year covered by our audit but incurred cash loss in immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information & explanation given by the management, the company has not taken any amount during the year from any financial institution and bank and the company has not issued any debentures. Therefore, the provisions of clause 4(xi) of the Companies (Auditor's Report) Order, 2004 are not applicable to the company
- (xii) According to 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) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2004 are not applicable to the company.
- (xiv) According to the information and explanations given to us the company has not entered in any transactions or contracts in respect of trading in securities, debentures and other investments.
- (xv) According to the information and explanations given to us the company has not given guarantees for loan taken by others from banks or financial institutions.
- (xvi) In our opinion, the company has not taken any term loan.
- (xvii) According to the information and explanations given to us and overall examination of the Cash Flow Statement and Balance Sheet of the Company, in our opinion, the fund raised on short term basis have, prima facie, not been used for long term Investment.
- (xviii) According to the information and explanations 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, 1956.
- (xix) According to the information and explanations given to us, the company has not issued any secured debentures during the period covered by our report. Accordingly provisions of Clause 4 (xix) of the Companies (Auditors Report) Order 2004 are not applicable to the company.
- (xx) During the period covered by our audit report, the company has not raised any money by public issues.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanation given by the management, we report, that no material fraud on or by the company has been noticed or reported during the course of our audit.

**For ASHOK KEDIA & COMPANY,
CHARTERED ACCOUNTANTS,
4, Gangadhar Babu Lane,
Kolkata - 700 012.**

Dated the 14th day of August 2009.

**CA. A.K. KEDIA
PARTNER
M. No. 050510**

BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule	As at 31.03. 2009 (Rs.)	As at 31.03.2008 (Rs.)
	No.		
<u>SOURCES OF FUND</u>			
Shareholder's Fund			
a) Share Capital	1	60,675,000	60,675,000
b) Reserve & Surplus	2	1,283,183	1,283,183
<u>LOAN FUND</u>			
Un-Secured Loan	3	29,663,000	30,423,000
		<u>91,621,183</u>	<u>92,381,183</u>
<u>APPLICATION OF FUND</u>			
<u>Fixed assets</u>			
a) Gross Block	4	87,755,494	87,755,494
b) Less : Depreciation		67,267,254	64,897,743
c) Net Block		20,488,240	22,857,751
Capital Work in Progress		1,355,000	1,355,000
Investment	5	321,250	321,250
<u>CURRENT ASSETS, LOANS & ADVANCES :</u>			
b) Sundry Debtors	6	5,139,654	5,388,672
c) Cash & Bank Balances	7	530,720	213,984
d) Loans & Advances	8	4,400,489	5,332,885
		10,070,863	10,935,541
Less : Current Liabilities & Provisions	9	691,996	1,226,831
Net Current Assets		9,378,867	9,708,710
MISCELLANEOUS EXPENDITURE		15,377	19,221
(To the extent not written off or adjusted)			
PROFIT & LOSS A/C.		60,062,449	58,119,251
		<u>91,621,183</u>	<u>92,381,183</u>

Notes on Account & Accounting Policies

12

The Scheduled referred to above from an integral part of Balance Sheet.

As per our report of even date annexed hereto

For Ashok Kedia & Company
Chartered Accountants
(A.K.Kedia)

Partner

M.No. 050510

4, Gangadhar Babu Lane, Kolkata 700 012

 Dated the 14th day of August 2009

For and on behalf of the Board

D K AGARWALLA

Chairman & Managing Director

N K AGARWALLA

Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Schedule	For the year ended 31.03.2009 (Rs.)	For the year ended 31.03.2008 (Rs.)
<u>INCOME</u>	No.		
Other Income	10	2,401,772	2,763,407
		<u>2,401,772</u>	<u>2,763,407</u>
<u>EXPENDITURE</u>			
Manufacturing & Other Expenditure	11	1,953,684	1,295,538
Miscellaneous Expenses W/Off		3,844	2,334
Depreciation		2,369,511	2,369,468
		<u>4,327,039</u>	<u>3,667,340</u>
Profit/(Loss) before Taxation		(1,925,267)	(903,933)
Provision for Fringe Benefit Tax		836	1,742
Excess/(Short) Provision of I.Tax		(1,366)	-
Excess/ (Short) Provision of FBT		(15,729)	(1,360)
Profit/ (Loss) after Taxation		<u>(1,943,198)</u>	<u>(907,035)</u>
Net Profit (Loss)		(1,943,198)	(907,035)
Add : Loss brought forwarded from last year		(58,119,251)	(57,212,216)
Balance carried to Balance Sheet		(60,062,449)	(58,119,251)
Earning per share (Basic & Diluted) (Rs)		(0.32)	(0.15)
(Face Value Rs.10/- each)			

Notes on Account & Accounting Policies 12

The Scheduled referred to above from an integral part of Balance Sheet.

As per our report of even date annexed hereto

For Ashok Kedia & Company
Chartered Accountants
(A.K.Kedia)

Partner

M.No.050510

4, Gangadhar Babu Lane, Kolkata 700 012.

Dated the 14th day of August 2009

For and on behalf of the Board

D K AGARWALLA

Chairman & Managing Director

N K AGARWALLA

Director

CASH FLOW STATMENT FOR THE YEAR ENDED 31ST MARCH 2009

	For the year ended 31.03.2009 Rs.	For the year ended 31.03.2008 Rs.
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) as per P/L A/c.	(1,925,267)	(903,933)
Adjustments for :		
Depreciation	2,369,511	2,369,468
Gratuity	18,658	7,906
Miscellaneous Expenditure W/Off	3,844	2,334
Operating Profit before Working Capital Charges	466,746	1,475,775
Adjustment for :		
Trade & Other Receivables	249,018	(489,661)
Inventories	-	461,322
Trade & Other Payables	(552,587)	(1,748,918)
Cash Generation from Operation	163,177	(301,482)
Taxes paid	(18,837)	-
Net Cash From Operating Activities	144,340	(301,482)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets and other Capital Expenditure	-	(1,355,000)
Changes in Loans & Advances	932,396	2,509,849
Net Cash used in Investing Activities	932,396	1,154,849
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in Borrowings		
Others	(760,000)	(700,000)
Net Cash used in financing Activities	(760,000)	(700,000)
Net Increase / (Decrease) in Cash equivalent (A+B+C)	316,736	153,367
Cash and Cash Equivalents as at 01.04.2008 (Opening Balance)	213,984	60,617
Cash and Cash Equivalents as at 31.03.2009 (Closing Balance)	530,720	213,984
Note :- Figures in brackets represents Cash outflows		

As per our report of even date annexed hereto

For Ashok Kedia & Company
Chartered Accountants

(A.K.Kedia)
Partner
M.No. 050510
4, Gangadhar Babu Lane, Kolkata 700 012

Dated the 14th day of August 2009

For and on behalf of the Board

D K AGARWALLA
Chairman & Managing Director

N K AGARWALLA
Director

**FOUNDRY FUEL PRODUCTS LIMITED****ANNUAL REPORT 2008-2009****Schedules Annexed to and Forming part of the Balance Sheet as at 31st March, 2009**

	As at 31.03.2009 (Rs.)	As at 31.03.2008 (Rs.)
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SCHEDULE : 1**SHARE CAPITAL****AUTHORISED**

10,000,000 (10,000,000) Shares of Rs.10/- each	<u>100,000,000</u>	<u>100,000,000</u>
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Issued, Subscribed & Paid Up :-

60,78,700 (60,78,700) Equity Shares of Rs.10/- each fully paid up (Out of which 4845 (4845) shares have been allotted as fully paid up pursuant to contract without payment being

received in cash.)	60,787,000	60,787,000
Less : Alotment Money in arrears	112,000	112,000
(Due from Directors-Nil (P.Y Nil)	<u><u>60,675,000</u></u>	<u><u>60,675,000</u></u>

SCHEDULE : 2**RESERVE AND SURPLUS**

General Reserve	1,283,183	1,283,183
	<u><u>1,283,183</u></u>	<u><u>1,283,183</u></u>

SCHEDULE : 3**UNSECURED LOANS**

From Body Corporate	20,163,000	20,923,000
From Directors	9,500,000	9,500,000
	<u><u>29,663,000</u></u>	<u><u>30,423,000</u></u>

Schedules Annexed to and Forming part of the Balance Sheet as at 31st March, 2009

SCHEDULE :4

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	Cost as on 01.04.2008	Additions	Total	Up to 31.03.2008	For the Year	Total	As at 31.03.2009	As at 31.03.2008
Land	905,668	-	905,668	-	-	-	905,688	905,668
Shed & Building	24,260,749	-	24,260,749	10,121,353	761,875	10,883,228	13,377,521	14,139,396
Plant & Machinery	57,989,723	-	57,989,723	50,216,806	15,95,812	51,812,618	6,177,105	7,772,917
Electric Installation	3,445,692	-	3,445,692	3,445,692	-	3,445,692	-	-
Furniture & Fixture	25,390	-	25,390	21,366	1,607	22,973	2,417	4,024
Computers	43,075	-	43,075	26,924	6,982	33,906	9,169	16,151
Office Equipment	231,792	-	231,792	212,197	3,235	215,432	16,360	19,595
Vehicles	853,405	-	853,405	853,405	-	853,405	-	-
TOTAL	87,755,494	-	87,755,494	64,897,743	23,69,511	67,267,254	20,488,240	22,857,751
PREVIOUS YEAR	87,755,494	-	87,755,494	62,528,275	23,69,468	64,897,743	22,857,751	-

Schedules Annexed to and Forming part of the Balance Sheet as at 31st March, 2009

	As at <u>31.03.2009</u> (Rs.)	As at <u>31.03.2008</u> (Rs.)
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SCHEDULE : 5
INVESTMENTS (at Cost)
Long Term :
Quoted :-

48,500 (48500) Equity Shares of Anup Malleables Limited of Rs. 10/- each fully paid up.	485,000	485,000
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Unquoted :-

10,000 (10000) Equity Shares of M.& E.Engg. Co. (P) Ltd. Of Rs. 10/-each fully paid up.	100,000	100,000
10,000 (10000) Equity Shares of B.L. Organics (P) Ltd. of Rs. 10/- each fully paid up.	100,000	100,000

685,000

685,000

Less : Provision for Diminution in value of long term investment	363,750	363,750
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321,250

321,250
SUMMARY

Aggregate of quoted investments	485,000	485,000
Aggregate of unquoted investments	200,000	200,000
Market Value of quoted Investment	121,250	121,250

SCHEDULE : 6
SUNDRY DEBTORS

(Unsecured Considerd Good)

Outstanding for a period exceeding

Six Months	4,899,011	4,899,011
Others Debts	240,643	489,661
	<hr/> 5,139,654	<hr/> 5,388,672

SCHEDULE : 7
CASH & BANK BALANCES

Cash in hand (as certified by the managment)	52,196	198,367
With scheduled Banks in Current Account	33,524	15,617
Cheque in hand	445,000	
	<hr/> 530,720	<hr/> 213,984

**Schedules Annexed to and Forming part of the Balance Sheet as at 31st March, 2009**

	As at 31.03.2009 (Rs.)	As at 31.03.2008 (Rs.)
<u>SCHEDULE : 8</u>		
<u>LOANS & ADVANCES</u>		
(Unsecured considered good except as given)		
Advances recoverable in cash or in kind or for the value to be received.	2,046,322	4,564,405
Share Application Money	1,750,000	-
Advance to Sales Tax Dept under Appeal	116,012	-
Prepaid Expenses	3,802	5,103
Advance/ TDS Receivable (Net off Provisions)	179,693	657,377
Security Deposit	304,660	106,000
	<u>4,400,489</u>	<u>5,332,885</u>

SCHEDULE : 9**CURRENT LIABILITIES & PROVISIONS.****Current Liabilities**

Sundry Creditors		
Due to Micro, Small & Medium Enterprises	-	-
Others	352,463	1,014,682
Liabilities for Expenses	254,421	146,982
Other Liabilities	6,083	3,890
	<u>612,967</u>	<u>1,165,554</u>

Provisions

For FBT	836	1,742
For Gratuity	78,193	59,535
	<u>79,029</u>	<u>61,277</u>
	<u>691,996</u>	<u>1,226,831</u>

**FOUNDRY FUEL PRODUCTS LIMITED****ANNUAL REPORT 2008-2009****Schedules Annexed to and Forming part of the Balance Sheet as at 31st March, 2009**

	As at 31.03.2009 (Rs.)	As at 31.03.2008 (Rs.)
<u>SCHEDULE : 10</u>		
<u>OTHER INCOME</u>		
Interest Received on Fixed Deposits	-	51,969.00
Interest Received from Income Tax Department	2,436	-
Interest Received on security deposit	5,950	-
Hire Charges of Hard Coke Plant	-	1,182,602
Plant Rent Received	2,393,386	1,454,076
Weighment Charges Received	-	74,760
	<u>2,401,772</u>	<u>2,763,407</u>
<u>SCHEDULE : 11</u>		
<u>MANUFACTURING & OTHER</u>		
<u>EXPENDITURE</u>		
Bhatha Heating Charges	-	255,863
Repaires to Plant & Machinery	49,365	256,783
Repaires to Building	437,572	7,500
Director Remuneration	480,000	-
Salary, Wages, Bonus & Gratuity	359,241	294,259
Contribution to P.F & E.S.I.	-	6,629
Rent, Rates & Taxes	16,000	12,822
Insurance	782	1,632
Scooter Maintenance	8,625	9,246
Miscellaneous Expenses	111,403	99,936
Postage	31,360	29,020
Printing & Stationery	44,061	38,825
Travelling Expenses	46,306	7,429
Auditors Remunerations	16,545	16,854
Appeal Fee	29,000	-
Sales Tax	37,709	-
Sales Tax (Penalty)	10,300	-
Professional & Consultancy	207,360	30,100
Subscription & Membership Fee	-	155,800
Legal Charges	68,055	72,840
	<u>1,953,684</u>	<u>1,295,538</u>

**SCHEDULE – 12****NOTES TO THE BALANCE SHEET AS AT 31ST MARCH 2009 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE****1. SIGNIFICANT ACCOUNTING POLICIES:****(A) Basis of preparation of financial statements :**

- (i) The financial statements have been prepared under the historical cost convention and accrual basis in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956 as adopted consistently by the Company.
- (ii) Accounting policies not specifically referred to otherwise be consistent with generally accepted accounting principles followed by the Company.

(B) Fixed Assets and Depreciation :

- (i) Fixed Assets are stated at cost less depreciation.
- (ii) Depreciation is provided on Straight-Line method at the rates specified in Schedule – XIV of the Companies Act, 1956

(C) Impairment of Assets

An asset is treated as impaired when carrying cost of the asset exceeds its recoverable amount. An impairment loss, if any, is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of the recoverable amount.

(D) Investments:

- (i) Long Term Investments are carried at cost after deducting provisions, where the fall in market value has been considered as other than temporary in nature.
- (ii) Current Investments are valued at lower of cost or market value.

(E) Valuation of Inventories:

Raw materials, stores & spares and finished goods are valued at cost or net realizable value, whichever is lower. Cost is determined on FIFO Basis.

(F) Borrowing Cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost till the assets are ready for use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are treated as expense in the period in which these are incurred.

(G) Sales:

Sales are net off sales tax. Revenue from sales is recognized at the point of dispatch to the customers when the risk and reward stands transferred to the customers.

(H) Employee Benefits:

Effective from financial year 2007-08, the company adopted Accounting Standard (AS) 15 (Revised 2005) dealing with Employee Benefits, issued by the Institute of Chartered Accountants of India. The Company has defined benefit plans for gratuity to eligible employees. The company does not have policy of carry forward of the compensated absence to the employees. The details of these defined benefit plans recognized in the financial statement are as under :

Defined Benefit Plan
A. Reconciliation of opening and closing balance of the present Gratuity value of defined benefit obligation

	<u>Current Yr</u>	<u>Previous Yr</u>
Obligation at the beginning of the year	59,535.00	51,629.00
Current Service Cost	12,774.00	3,721.00
Interest Cost	5,509.12	4,446.56
Actuarial (gain)/Loss	374.88	(261.56)
Benefits paid	0.00	0.00
Obligation at the end of the year	78,193.00	59,536.00

B. Reconciliation of opening and closing balance of fair value of plan assets

Plan assets at the beginning of the year, at fair value	-	-
Expected Return on plan assets	-	-
Actuarial gain/(loss)	-	-
Contribution	-	-
Benefits paid	-	-
Plan assets at the end of the year, at fair value	-	-

C. Net Liability recognized in Balance Sheet

Obligation at the end of the year	78,193.00	59,535.00
Less: Plan assets at the end of the year, at fair value	-	-
Liability recognized in Balance Sheet as at 31.03.08	78,193.00	59,535.00

D. Components of employer expenses for the year

Current service cost	12,774.00	3,721.00
Interest cost	5,509.12	4,446.56
Expected return on plan assets	-	-
Net Actuarial (gain)/loss	374.88	(261.56)
Net cost	18,658.00	7906.00


E. Assumptions

Discount Rates (p.a)	7.50%	7.50%
Expected Rate of Return on plan assets (p.a)	0.00%	8.00%
Expected rate of increase in compensation levels (p.a)	5.00%	5.00%

Defined Contribution Plan :

Employees' Provident Fund & other contribution plan are not applicable to the company.

(I) Provisions, Contingent Liabilities & Contingent Assets:

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

(J) Taxes on Income

Current Tax is determined as the tax payable in respect of taxable income for the year. Provision is made for Deferred tax for all timing differences arising between taxable income and accounting income at currently enacted or substantively enacted tax rate. Deferred Tax assets are recognized, 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.

2. NOTES ON ACCOUNTS:-

- (i) Previous year's figures have been re-grouped / re-arranged wherever necessary and figures for previous year and current year have been rounded off to the nearest rupee.
- (ii) Unsecured Loans included Rs. Nil (P.Y. Rs.760,000/-) brought in to the company by the promoters / Directors / associates co promoters on long term basis as per direction of BIFR dated 19.12.2000

(iii) Sundry Creditors

Disclosure under Micro and Small Enterprises Development Act, 2006.

The company has not received the required information from Creditors regarding their status under the Micro, Small and Medium Enterprises Development Act. 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act have not been made.

- (iv) In the opinion of the Board of Directors, all current assets, loans & advances are expected to realize in the ordinary course of business at least an amount equal to the amount at which they are stated in the Balance Sheet.



(v) **Contingent Liabilities :**

- i) Contingent Liabilities not provided in respect of Sales tax demand under appeal Rs. 7,194,312/- (Previous year Rs. 8,452,004/-).
- ii) Claims against the Company not acknowledged as debts Rs. 55,854,882/- (Previous year 55,854,882/-)
- (vi) Miscellaneous Expenses includes item exceeding Rs. 5,000/- or 1% of turnover whichever is higher.
- (vii) Auditors remuneration includes:

		<u>2008-2009</u>	<u>2007-2008</u>
	Rs.	Rs.	
As Audit fee		15,000/-	15,000/-
As Service Tax		1,545/-	1,854/-
(viii) The company has given its Hard Coke Plant on managing contract and income thereof has been shown as Plant Rent.			
(ix) As there is no reasonable certainty that sufficient future taxable income will be available, against which deferred tax assets can be realized, deferred tax assets have been recognized only to the extent of liability.			

(x) **Related party transactions :**

Information in accordance with the requirements of accounting standard -18 on Related party disclosures issued by the institute of chartered Accountants of India.

A) Name of the Related parties with whom transaction have take place during the year :

1) Key Management personnel of the Company :

- a) Mr. Devendra Kumar Agarwalla
- b) Mr. Nandan Kumar Agarwalla
- c) Mr. Brij Mohan Todi
- d) Mr. Pramod Kumar Agarwalla
- e) Mr. Santosh Kumar Kedia

B) Enterprises over which key Management Personnel and Relatives of such Personnel are able to exercise significant Influence.

- a) M/s Anup Malleables Ltd.
- b) M/s BLA International (P)Ltd.
- c) M/s BLA Minerals (P) Ltd.
- d) M/s Mechanical & Electrical Engg. Co (P) Ltd.
- e) M/s Waste Products Reclaimer (P) Ltd.



FOUNDRY FUEL PRODUCTS LIMITED

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Transaction with Related Parties during the year and the status of outstanding balance as on 31st March 2009.

Sl. No.	Nature of the Transaction	Enterprises over which key Management Personnel and Relatives of such Personnel are able to exercise significant Influence.		Key Management Personnel of the company		Total	
		Rs.		Rs.		Rs.	
		2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
1	Advance Repaid : M/s Waste Products Reclaimer (P) Ltd. BLA International (P) Ltd Mr. Devendra Kumar Agarwalla	-	4,00,000	-	-	-	4,00,000
		-	6,89,289	-	-	-	6,89,289
		-	-	-	75,000	-	75,000
2	Loan Repaid : M/s Mechanical & Electrical Engg. Co (P) Ltd.	7,60,000	7,00,000	-	-	7,60,000	7,00,000
3	Receipts towards Advances M/s Anup Malleables Ltd. BLA Minerals (P) Ltd.	67,500 6,61,070	2,32,500 -	- -	- -	67,500 6,61,070	2,32,500 -
4	Advance taken : Mr. Devendra Kumar Agarwalla	-	-	76,804	-	76,804	-
5	Advance given : M/s Anup Malleables Ltd.	-	5,50,000	-	-	-	5,50,000
6	Purchase of Capital Goods : (W.I.P) BLA Minerals (P) Ltd.	-	13,55,000	-	-	-	13,55,000
7	Remuneration : D.K.Agarwalla	-	-	4,80,000	-	4,80,000	-

Sl. No.	Nature of the Transaction	Enterprises over which key Management Personnel and Relatives of such Personnel are able to exercise significant Influence.		Key Management Personnel of the company	
		Rs.		Rs.	
		2008-09	2007-08	2008-09	2007-08
1	Loans Taken : M/s Mechanical & Electrical Engg. Co (P) Ltd.	-	7,60,000	-	-
	Mr. Devendra Kumar Agarwalla	-	-	95,00,000	95,00,000
2	Advance Taken : Mr. Devendra Kumar Agarwalla	-	-	76,804	-
3	Advance Given : M/s Anup Malleables Ltd.	16,00,000	16,67,500	-	-
	BLA Minerals (P) Ltd.	-	6,61,070	-	-

(xi) **Segment reporting**

The company has given its plant on hire, so segment wise reporting on required by Accounting Standard - 17 issued by the Institute of Chartered Accountants of India has not been given.

(xii) **Preliminary expenses**

Preliminary expenses are written off over a period of five years

(xiii) **Earning per share**

The earnings per shares, computed as per the requirement under Accounting Standard 20 on Earning per shares, issued by the Institute of Chartered Accountants of India, is as under

	<u>Current year</u>	<u>Previous year</u>
Net Profit (Loss) Rs.	(1,943,198)	(907,035)
Weighted average number of Shares	6,078,700	6,078,700
Basic / Diluted EPS (Rs) (on nominal value Rs. 10/-per Share)	(0.32)	(0.15)

(xiv) Additional information pursuant to the provisions of paragraphs 3, 4 (C) and 4 (D) of Part II of the schedule VI of the Companies Act, 1956.

(i) Expenditure in foreign currency	Rs Nil	(Previous Year Rs. Nil)
(ii) Earning in foreign currency.	Rs. Nil	(Previous Year Rs. Nil)
(iii) Managerial Remuneration.	Rs. 480,000/-	(Previous Year Rs. Nil)

(iv) **Details of Licensed & Installed Capacity & Production**

Name of Item	Licensed Capacity		Installed Capacity		Production	
	31.03.09	31.03.08	31.03.09	31.03.08	31.03.09	31.03.08
	M.T	M.T	M.T	M.T	M.T	M.T
Coke	350,000	350,000	45,000	45,000	—	—

(v) **Details of goods produced.**

	Unit	Current Year		Previous Year	
		Qty.	Value Rs.	Qty.	Value Rs.
<u>Opening Stock</u>					
Coke	MT	—	—	—	—
<u>SALES</u>					
Coke	M.T	—	—	—	—
<u>By- Products</u>					
Bend &/ Unusable Coal	M.T	—	—	—	—
Process Slurry	M.T	—	—	—	—
H/Coke Dust	M.T	—	—	—	—
<u>PURCHASE:</u>					
Coke	M.T	—	—	—	—
<u>CLOSING STOCK:</u>					
Coke	M.T	—	—	—	—
<u>By- Products</u>					
Middling / Rejects /					
Bend / Unusable Coal	M.T	—	—	—	—

(vi) **CONSUMPTION OF RAW MATERIALS:**

Coal / Slurry	M.T	—	—	—	—
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(vii) **Value of imported and indigenous Raw Materials, Stores and spares consumed.**

	Current Year		Previous Year	
	Rs.	% of Total	Rs.	% of Total
(a) <u>Raw Materials</u>				
Imported	-	-	-	-
Indigenous	=	100	=	100
	=	100	=	100

(b) **Stores & Spares**

Imported	-	-	-	-
Indigenous	=	100	=	100
	=	100	=	100

(viii) **Value of Imports on CIF Basis**

	<u>Current Year</u>	<u>Previous year</u>
In respect of:	-	-
a) Raw Material	-	-
b) Stores & Spares	-	-
c) Capital Goods	-	-

(xv) **Additional Information as required under Part IV of Schedule VI to the Companies Acts, 1956.**

Balance Sheet Abstract and Company's General Profile:

I. Registration No: 026053 State Code: 21 Balance Sheet Date 31.03.2009.

II. Capital raised during the year: (Amount in Rs.)

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

III. Position of Mobilization and deployment of funds: (Amount in Rs.)

Total Liabilities	91,621,183/-	Total Assets	91,621,183/-
<u>Sources of Funds:</u>		<u>Application of Funds:</u>	
Paid up Capital	60,675,000/-	Net Fixed Assets	20,488,240/-
Reserve & Surplus	1,283,183/-	Capital Work in progress	1,355,000/-
Unsecured Loans	29,663,000/-	Investments	321,250/-
		Net Current Assets	9,378,867/-
		Accumulated Losses	60,062,449/-
		Miscellaneous Expenditure	15,377/-

IV. **Performance of Company: (Amount in Rs.)**

Turnover	2,401,772/-	Total Expenditure	4,327,039/-
Profit/ (Loss) before Tax	(1,925,267/-)	Profit/(Loss) after Tax	(1,943,198/-)
Earning per Share	(0.32)	Dividend Rate	NIL

V. **Generic Name of Principal Products, Services of the Company:**

Item Code (ITC Code) 270400.03 Product Description Hard Coke
Signatures to schedules 1 to 12 forming part of the Balance Sheet and Profit & Loss Account.

For Ashok Kedia & Company
Chartered Accountants

For and on behalf of the Board

D K AGARWALLA

Chairman & Managing Director

N K AGARWALLA

Director

(A.K.Kedia)

Partner

M.No. 050510

4, Gangadhar Babu Lane, Kolkata 700 012

Dated the 14th day of August 2009

FOUNDRY FUEL PRODUCTS LIMITED**Regd. Office : 8, Waterloo Street, Kolkata - 700 069****PROXY****45TH ANNYAL GENERAL MEETING, 19TH SEPT., 2009**

DPID *	
CLIENT ID*	

Regd. FOLIO No. .

I/We.....
of.....
.....being a Member/Members of Foundry Fuel Pruducts Limited
hereby appoint.....
of.....
or failing him/her.....
of.....

as my/our Proxy to attend and vote for me/us and on my/our behalf at the 45th Annual General Meeting of the Company to be held on Saturday, 19th Sept., 2009 at 10.30 A.M. and at any adjournment thereof.

As witness my hand/our hands this.....day of2009.

Signature by the said.....

Revenue Stamp

.....

* Applicable to investors who are holding shares in electronic form.

NOTE : The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting .

**FOUNDRY FUEL PRODUCTS LIMITED**

Regd. Office : 8, Waterloo Street, Kolkata - 700 069

ATTENDANCE SLIP

45th Annual General Meeting, 19th September, 2009

DPID *	
CLIENT ID*	

Regd. FOLIO No. .

I certify that I am a registered member /Proxy for the registered member of the company.

I hereby record my attendance at the 45th Annual General Meeting of the Company at Mahajati Sadan, Annexee Building 166, C.R. Avenue, Kolkata-700007, on Saturday, 19th September, 2009.

(Members/Proxy's Name in Block Letters)

(Member's//Proxy's Sign.)

* Applicable to investors who are holding shares in electronic form.

NOTE : Please fill in this Attendance Slip and hand it over at the entrance of the hall.

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FOUNDRIY FUEL PRODUCTS LTD.
8, Waterloo Street, 1st Floor,
Kolkata - 700 069