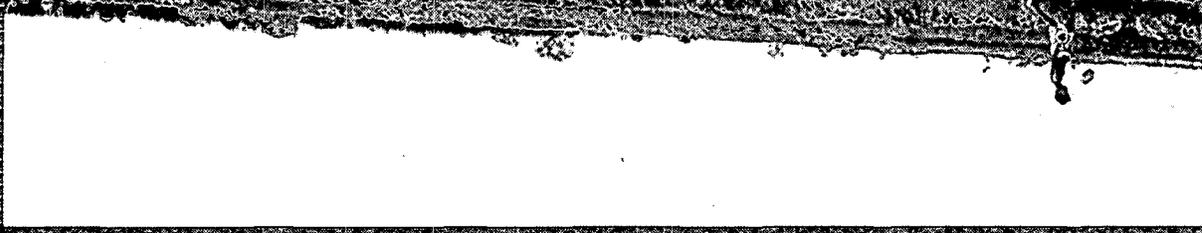


SHIVA FERTILIZERS LTD.



17TH ANNUAL REPORT 2008-2009



Shiva Fertilizers Limited

BOARD OF DIRECTORS

Shri Omprakash Gilda, Chairman
CA. Deepak Maliwal
Shri Arun Toshniwal
Shri Narayanlal Kalantri
Shri Sambhaji Pawar
Shri Vijay Agrawal
Shri Satish Maheshwari
Dr. Raturaj Jadhav
Dr. Santosh Malpani
Shri Diwakar Shetty
Shri Shankarrao Dastapure
CA. Rajgopal Bhutada

REGISTERED OFFICE & WORKS

Hanumannagar, Osmanagar Road,
Village - Dhakni
Dist. Nanded- 431708
(Maharashtra)

AUDITORS

M/s. J. P. Falor & Co.
Chartered Accountants
Sanman Towers,
Vazirabad,
Nanded - 431601.

BANKERS

Union Bank of India
Nanded - 431601.

SHARE TRANSFER AGENT

Aarhi Consultants (P) Ltd.
1-2-285, Domalguda,
Hyderabad - 500 029.



NOTICE

NOTICE is hereby given that the **17th ANNUAL GENERAL MEETING** of the Share holders of the Company will be held at The Administrative Office of the Company on **Tuesday the 29th September, 2009 at 1.00 P.M.** to transact the following.

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended **31st March, 2009** and the Balance Sheet as at that date together with the reports of the Board of Directors and Auditors thereon.
- 2) To elect a Director in place of Shri **Arun R. Toshniwal** who retires by rotation and being eligible offers himself for re-appointment.
- 3) To elect a Director in Place of **Shri Narayanlal P.Kalantri** who retires by rotation and being eligible offers himself for re-appointment.
- 4) To Declare Dividend for the year ended 31st March, 2009.
- 5) To Appoint Auditor to hold office from the conclusion of this Annual General Meeting until conclusion of next Annual General Meeting and fix their Remuneration.
- 6) To consider and if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION**:
“**Resolved that** the consent of the company be and is hereby accorded under the provisions of the section 293(1)(d) of the Companies Act 1956 to the Board of Directors of the company ,borrowing from time to time all such sums of money as they may deem requisite for the purpose of the business of the company notwithstanding that, moneys to be borrowed together with moneys already borrowed by the company (apart from temporary loans obtained from the company’s bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that, the total amount upto which moneys may be borrowed by the Board of Directors shall not exceed the sum of Rs. 6000 Lacs ,at any one time.”
- 7) To consider and if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION**:
“**Resolved That** in accordance with the provisions of Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956 and in accordance with the existing guidelines issued by the Securities & Exchange Board of India (SEBI) and subject to all necessary approvals, consents, permissions and/or sanction of the Government of India, Reserve Bank of India, Foreign Investment Promotion Board ,Secretariat of Industrial Approvals under the Foreign Exchange Management Act, 1999 (including any statutory modification or re-enactment thereof for the time being in force) & other applicable laws and enabling provisions in the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchange where the shares of the company are listed and subject to such terms and conditions as may be determined by the Board of Directors of the Company (hereinafter referred to as “the Board” which expression shall include and committee constituted for the time being in force, thereof) and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, consents, permissions or sanctions and agreed to by the Board, the consent and approval of the company be and is hereby accorded to Board and the Board be and is hereby authorized to offer, issue and allot by way of preferential allotment upto:



i) 1312500 (Thirteen Lacs Twelve Thousand Five Hundred) equity shares of Rs. 10 each at a price not Less than the price which is to be in accordance with the Guidelines for Preferential Issue contained in Chapter XIII of the SEBI (Disclosure & Investor Protection) Guidelines, 2000 as amended, to domestic investors and / or bodies corporate (the "Preferential Shareholders") on preferential allotment basis on such terms and conditions and such manner as the Company may deem fit, with power to the Board to settle details as to form, the terms and conditions of issue and / or allotment and to modify or accept any modifications thereto and utilization of the issue proceeds as it may in its absolute discretion deem fit, without being required to seek any further consent of the Members with the intent that the Members shall be deemed to have given their consent thereto expressly by the authority of this resolution.

Sr. No	Name of the Applicant (Proposed Allottees)	No. of Shares Proposed to be allotted
PROMOTERS		
1	Deepak S Maliwal	200000
2	Deepak S Maliwal(HUF)	100000
3	Rekha D Maliwal	100000
4	Sarojdevi N Kalantri	50000
5	Santoshdevi M Kalantri	50000
NON PROMOTERS		
6	Charumati Finance Pvt Ltd	612500
7	Smt Rekha Dhage	75000
8	Smt Krishna Shah	75000
9	Smt Sonabai Raghunathrao Dhage	50000

Resolved further that the aforesaid equity shares shall rank paripassu in all respect with the existing equity shares of the company. The equity shares allotted on preferential basis shall be locked in from the date of their allotment for such periods as prescribed in clause 13.3.1 of SEBI Guidelines.

Resolved further that the equity shares to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the company.

Resolved further that the Board be and is hereby authorized to accept any modification in the Proposal as may be required by the agencies involved in such issues but subject to such conditions as the Reserve Bank of India (RBI) / Securities and Exchange Board of India (SEBI) / Financial Institutions / Investment Institutions / Insurance Companies / Corporate Debt Restructuring Cell and / or such other appropriate authority may impose at the time of their approval as agreed by the Board.

Resolved further that the Board of Directors of the Company be and are hereby authorized to delegate any or all the powers conferred upon it by this resolution, to any Committee formed thereof for the powers conferred upon it by this resolution, to any individual so authorized by the Board.

Resolved further that for the purpose of creating, issuing, offering and allotting Equity Shares of the Company as aforesaid, the Company be and is hereby authorized to do and perform all such, deeds, matters and things as it may in its absolute discretion, deem necessary, expedient, desirable or appropriate to give



effect to this resolution in all respects and in particular, to settle any question, difficulties or doubts that may arise with regard to the offering, issuing, allotting and utilizing the issue proceeds of the Equity Shares of the Company, as it may in its absolute discretion, deem fit and proper.

By THE ORDER OF THE BOARD

Place : **Nanded**
Dated : **30th June 2009**

OMPRAKASH GILDA
CHAIRMAN



NOTES

1. Any Member entitled to attend and vote is entitled to appoint a proxy to attend and Vote instead of himself, and a proxy need not be member. The proxies, to be effective, should be deposited at the Administrative office of the company not later than 48 hours before the commencement of the meeting.
2. The Register of Members of the Company will remain closed during the period From 17.09.2009 to 29.09.2009 both days inclusive.
3. Members desiring any information concerning accounts are requested to send their queries at least seven days before the date of meeting to the Company so that Information required may be made available at the meeting.
4. Members are requested to bring their copies of Annual Reports along with them to the meeting as copies of the Annual Report will not be distributed at the meeting.



Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in respect of the Special Business set out in the Notice .

Item No. 6

With the expansion in the operations of the company due to take over of a NPK Mix Fertilizers Manufacturing unit, increase in the capacity of Production of SSP and NPK Fertilizers, and putting up a Briquette unit coupled with the increase in the rates of Raw Materials, the need for financing has increased manifold. The company is also planning for a Backward Integration plan by putting up a Sulphuric Acid Plant. All these have necessitated for increase in the Borrowing. Hence the Directors have decided to take the approval of the members in the general meeting for increase in the Borrowing Powers..

None of the Directors are interested in the Resolution.

Item No. 7

The Board in order to support the growth plans of the company and to consolidate its businesses, is considering / reviewing various options including its business operations which would be beneficial in the interest of the company and its shareholders . Pursuant to these resolutions as a part of above process, It is intended to raise funds from the proposed issue of Equity Shares. The funds raised will be utilized to expand the business activities of the company in the area of Solvent Extractions, Fertilizer Business, Seed Processing and Manufacturing of Acid by way of purchase of Shares of the Existing Companies and setting up the new Industrial units, to augment the Long Term & Short Term requirement of working capital of the company. The shares to be issued and allotted shall be subject to the Memorandum and Articles of Association of the Company and the terms of issue, The equity shares referred to in Clause (a) above shall rank *pari passu* with all the existing shares of the company in all respect including as to dividend.

Pursuant to Section 81 (1A) of the said Act the further equity shares may be offered by the Company to such persons in the manner whatsoever, if a special resolution to that effect is passed by the company in General Meeting.

Accordingly, the consent of the shareholders is being sought pursuant to the provisions of section 81 (1A) and other applicable provisions of the Act, Chapter XIII of the SEBI (Disclosure and Investor Protection) Guidelines, 2000, and in terms of the Provisions of the Listing Agreement to issue and allot Equity Shares as stated in the Special Resolutions.

DISCLOSURES REQUIRED TO BE MADE IN THE EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF THE SEBI (DISCLOSURES AND INVESTORS PROTECTION) GUIDELINES, 2000 (THE SEBI GUIDELINES) ARE SET OUT BELOW :

i) The object of the issue through preferential offer :

As mentioned above, the funds raised from the proposed issue of equity shares pursuant to this resolution will be utilized to expand the business activities of the company in the area of Solvent Extractions, Fertilizers Business, Seed Processing and Manufacturing of Acid by way of purchase of shares of the Companies and



setting up the new Industrial units, to augment the Long Term & Short Term requirement of Working Capital of the Company.

II) Intention of the Promoters / Directors / Key Management persons to subscribe to the offer.

The Promoters / Directors / Key Management of the company have conveyed to the Company in writing of their respective intention that Promoters, Directors, Key Management Persons intend to subscribe to the offer being proposed under special resolution of the Notice for shareholder's approval at this meeting.

III) Shareholding Pattern before and after the Preferential Allotment:

Shareholding pattern before and immediately upon the allotment of 1312500 Equity Shares will be as under :

Particulars	Existing Shareholding of equity Shares		Shareholding after Proposed allotment of equity Shares	
	No of Shares	% age	No. of shares	% age
(A) Shareholding of Promoter and Promoter Group				
Indian				
Individuals / Hindu Undivided family	3491188	54.35	3991188	51.59
Any Other (Specify)				
Total Shareholding of Promoter and Promoter Group (A)	3491188	54.35	3991188	51.59
B) Public Shareholding				
1. Institution				
Sub Total (B) (1)				
2. Non- Institutions				
Bodies Corporate	346693	5.40	959193	12.40
Individuals				
i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh.	713056	11.10	713056	9.22
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh.	1872312	29.15	2072312	26.79
Any Other (Specify) Clearing Member	664	0.01	664	0.00
Sub -Total (B) (2)	2932725	45.65	3745225	48.41
Total Public Shareholding (B)=(B) (1) + (B) (2)	2932725	45.65	3745225	48.41
GRAND TOTAL (A) + (B)	6423913	100	7736413	100
C) Shares held by Custodians and against which Depository Receipts have been issued.				
GRAND TOTAL (A) + (B) + (C)	6423913	100	7736413	100



IV) Proposed time within which the allotment shall be completed :

The allotment of Equity shares are proposed to be completed within a maximum period of 15 days from the date of passing of the resolution at this General Meeting, Provided that when the allotment on preferential basis is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within 15 days from the date of receipt of such approval.

V) Auditor Certificate :

A copy of the certificate of the Auditors of the Company certifying the adherence in SEBI's guidelines for Preferential Issues, being Chapter XIII to the SEBI's (Disclosure and Investor Protection) Guidelines, 2000 by the proposed issue shall be laid before the shareholders at their proposed General Meeting.

VI) Lock-in :

The shares allotted on preferential basis shall be locked in from the date of their allotment for such periods as prescribed in clause 13.3.1 of SEBI Guidelines.

VII) Change in Management :

The Proposed preferential allotment of Shares will not result in any change in the Management and control of the Company. Voting right shall change according to the change in shareholding pattern mentioned above.

VIII) Pricing :

The issue of Equity Shares on Preferential basis shall be at a price determined in accordance with the SEBI(DIP) Guidelines, 2000 for Preferential Issue. Equity Shares of face value of Rs. 10/- Each at a price not less than the price which is to be in accordance with the Guidelines for Preferential Issue contained in Chapter XIII of the SEBI (Disclosure & Investor Protection) Guidelines, 2000 as amended.

IX) Identity of the Proposed allottee and the percentage of Post Preferential issue capital that may be held by it :-

	Existing Shareholding		Shareholding after Proposed Allotment of Equity Shares	
	No of Shares	%age	No of Shares	%age
ALLOTTEES				
PROMOTERS				
1) Deepak S Maliwal	365850	5.70	565850	7.31
2) Deepak S Maliwal(HUF)	140900	2.19	240900	3.11
3) Rekha D Maliwal	71350	1.11	171350	2.21
4) Sarojdevi N Kalantri	72388	1.13	122388	1.58
5) Santoshdevi M Kalantri	83200	1.30	133200	1.72
NON PROMOTERS				
1) Charumati Finance Pvt Ltd	95698	1.49	708198	9.15
2) Smt Rekha Dhage	NIL	NIL	75000	0.97
3) Smt Krishna Shah	NIL	NIL	75000	0.97
4) Smt Sonabai R. Dhage	NIL	NIL	50000	0.65



X Interest of Promoters/Directors :

None of the Directors except Mr Deepak S Maliwal and Mr. Narayanlal P Kalantri Directors of the company are concerned or interested in the above resolution to the extent of allotment of Equity Shares to them or their family members.

The members are, therefore, requested to accord their approval authorizing the Board to go for the proposed private placement and/or preferential issue as set out in the special resolution .

The Board of Directors recommend the said resolution for your approval.

By THE ORDER OF THE BOARD

Place : **Nanded**
Dated : **30th June 2009**

OMPRAKASH GILDA
CHAIRMAN





DIRECTOR'S REPORT

Your Directors are pleased to place before you the Seventeenth Annual Report and the Audited Accounts of the company for the year ended March 31, 2009.

PERFORMANCE OF THE COMPANY :

Your company's financial results are summarised hereunder:

	2008-2009	2007-2008
SALES	8867.04	6334.54
PBIDT	576.82	284.09
Finance Charges	276.06	146.33
Depreciation	37.70	37.72
Profit before taxation	263.06	100.04
Provision for taxation - Current	62.70	32.00
- Deferred	17.08	(6.21)
Fringe Benefit Tax	1.31	2.00
Dividend Tax	8.73	7.78
Profit & Loss after Taxation	173.27	64.46
Add: Prior Period Adjustment	0.64	(0.42)
APPROPRIATIONS		
Proposed Dividend	51.39	45.79
Transferred to General Reserve	5.00	1.00
Surplus Carried Forward	117.52	17.25

REVIEW OF OPERATIONS :

Your company has achieved a sales turnover of **Rs. 8867.04 Lacs** during the year under review showing an increase of 40% over previous year. The turnover reflects the turnover from leasehold plant also.

Your company's profitability during the year under review has increased mainly due to improved sales performance during the year. The favourable subsidy policy announced by the government had its impact on the profitability. Sales realization of SSP & NPK fertilizers also improved during the year. The company could have achieved better results but there was severe shortage of Straight fertilizers throughout the country and the company could not achieve its targeted production in NPK Mix fertilizers. Your company is confident of improving its existing level of performance which is expected to be supported by favourable SSP Policy by the Government.

DIVIDEND :

Looking to the sufficient profits during the year Your Directors are pleased to propose a dividend of 8% for the year.

FURTHER PROSPECTS :

Your company is making continuous efforts for consolidating its market share in the SSP & Mix Fertilizers segments. As promised in the previous report the company has taken stakes in field of Seed Processing, Solvent Extraction, and Micro Nutrient



producing units apart from investing in a mixed fertilizer unit. The company is further planning to increase its share in these companies which are already running successfully. The company is also planning to put up a sulphuric acid plant which will cater to the needs of raw material for its SSP Plant. The sulphuric acid plant also produces power which will be consumed by the SSP plant of the company. The company is also planning to raise further Share Capital by way of issuing Equity Shares & Warrants on preferential basis and/or right issue to finance its expansion activities.

FIXED DEPOSIT :

Your company has accepted fixed deposits during the year and there are no unpaid/overdue fixed deposits.

DIRECTORS :

Shri Arun R.Toshniwal & Shri Narayanlal P. Kalantri Directors of the company, retire by rotation and being eligible offer themselves for reappointment.

DIRECTORS RESPONSIBILITY STATEMENT :

Your Directors have :-

- I) Followed, In the preparation of the annual accounts , the applicable accounting standards with proper explanation to material departure.
- II) 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 financial year and the profit of the company for that period.
- III) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act., 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- IV) prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE :

Pursuant to clause 49 of the Listing Agreement with the Stock Exchange a separate section titled "Report on Corporate Governance" is attached to this Annual Report.

AUDITORS :

M/s. J.P. Falor & Co., Chartered Accountants, Auditors of the company who retire at the conclusion of ensuing Annual General Meeting have offered themselves for appointment as Auditors of the Company. Pursuant to Sec. 224 (1B) of the Companies Act 1956, they have furnished a certificate regarding their eligibility for appointment as the Auditors of the Company .

ENERGY, TECHNOLOGY, FOREIGN EXCHANGE :

Details of energy conservation and research and development activities undertaken by the Company along with the information in accordance with the provisions of Section 217 (I) (e) of the Companies Act., 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are given In the Annexure – A to the Directors Reports .



PARTICULARS OF EMPLOYEES :

Information in accordance with the provisions of Section 217(2A) of the Companies Act.,1956 read with the Companies (Particulars of Employees) Rules,1975, as amended is not presently applicable.

ACKNOWLEDGEMENT :

Your Directors have pleasure in recording their appreciation of the assistance extended , and support from various State and Central government Departments. Financial Institutions viz. UNION BANK OF INDIA, DENA BANK and the co-operation received from Share Holders , Employees , Customers and Dealers.

By THE ORDER OF THE BOARD

Place : **Nanded**
Dated : **30th June 2009**

OMPRAKASH GILDA
CHAIRMAN

ANNEXURE TO THE DIRECTORS REPORT

A) CONSERVATION OF ENERGY

FORM -A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO
CONSERVATION OF ENERGY

Power and Fuel Consumption	For the year ended 31.03.2009	For the year ended 31.03.2008
1) Electricity Purchased Units	1744488.00	1611718.00
a) Rate / Units	4.27	4.46
b) Own Generation	Nil	Nil
2) Coal, Bio - Coal & Husk	1725.733 MT	1217.742 MT
b) Consumption per unit of production		
Electricity (KWH)	21.11 PMT	24.05 PMT

B) TECHNOLOGY ABSORPTION

FORM -B

Company has fully absorbed the technology to manufacture Single Super Phosphate (SSP) with an installed capacity of 400 TPD. The plant has been operated at its full efficiency level.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO :

The foreign Exchange outgo on account of purchase of Raw Material is Rs. Nil Only
(P.Y. Rs. Nil)





CORPORATE GOVERNANCE

Corporate Governance Deals with conducting affairs of a Company to maximize share holders value, such that :

- Trust is built around that enterprise is managed adequately and efficiently in its chosen business.
- There is openness, integrity and accountability in the dealings of the Company to the extent, possible.
- There is fairness to its shareholders.
- There is adequate supervision of its business activities.

BOARD OF DIRECTORS

Composition of the Board and Directorship held in other Companies as on 31st March-2009.

Sr. No	Name of the Director(s)	Executive / Non Executive / Independent	No. of other Directorship in Public Limited Companies	No. of other board Committees as	
				Chairman	Member
1	Mr. Omprakash Gilda	Executive	1	Nil	Nil
2	Mr. Arun Toshniwal	Non Executive	1	1	1
3	Mr. Deepak Maliwal	Non Executive	1	1	Nil
4	Mr. Narayanlal Kalantri	Non Executive	1	Nil	Nil
5	Mr. Sambhaji Pawar	Non Executive	1	Nil	Nil
6	Mr. Vijay Agrawal	Non Executive	1	Nil	Nil
7	Mr. Satish Maheshwari	Independent	Nil	Nil	Nil
8	Dr. Raturaj Jadhav	Independent	Nil	Nil	Nil
9	Dr. Santosh Malpani	Independent	Nil	Nil	Nil
10	Mr. Diwakar Shetty	Independent	Nil	Nil	Nil
11	Mr. Shankarrao Dastapure	Independent	Nil	Nil	Nil
12	Mr. Rajgopal Bhutada	Independent	Nil	Nil	1

ATTENDANCE RECORD OF THE DIRECTORS :-

During the Financial year 2008-2009 Meeting of Board of Directors were held on the following days, 30th June-2008, 18th July 2008, 31st July-2008, 31st October-2008, 29th December-2008, 31st January-2009, 28th February-2009, & 31st March, 2009. Annual General Meeting was held on 29th September-2008.

The Attendance of Directors at the Board meetings and Annual General Meeting were as under :-



Directors	Number of Meetings		Attendance at the last Annual General Meeting
	Held	Attended	
Mr. Omprakash K. Gilda	8	7	Yes
Mr. Arun R. Toshniwal	8	6	Yes
Mr. Deepak S. Maliwal	8	8	Yes
Mr. Narayanlal P. Kalantri	8	8	Yes
Mr. Sambhaji L. Pawar	8	6	Yes
Mr. Vijay O. Agrawal	8	6	Yes
Mr. Satish Maheshwari	8	7	Yes
Dr. Raturaj Jadhav	8	6	Yes
Dr. Santosh Malpani	8	5	Yes
Mr. Diwakar Shetty	8	7	Yes
Mr. Shankarrao Dastapure	8	6	Yes
Mr. Rajgopal Bhutada	8	5	Yes

Agenda for each Board Meeting were sent along with notes on agenda items about a week in advance to the board. Matters discussed at these Board Meetings related to among others, review of annual plan, quarterly results of the Company, Minutes of meetings of Audit Committee, observations of the Audit Committee, observations of the Share Transfer Committee, Statutory compliances by the Company.

AUDIT COMMITTEE :

The Audit committee consist of the following directors :

Mr. Deepak Maliwal is a practicing Chartered Accountant with over twenty years of experience in the field of Accounts, Taxation & Audit.

Mr. Arun Toshniwal with vast experience in Finance, Accounts and Corporate Laws

Mr. Rajgopal Bhutada, a practicing Chartered Accountant having vast experience in the fields of Accounts, Taxation & Audit .

The Head of the Accounts Function and representatives of the firm of Statutory Auditors have been permanent invitees to the Audit Committee Meetings. Mr. Jaiprakash Falor, C.A Statutory Auditor of the Company has attended most of the Audit committee meetings.

During the year, the Audit Committee, in its meetings, discussed among other things, the following:

Reviewed with management, quarterly, half yearly and annual financial statements, before submission to the Board.

Recommended appointment & fees of Auditor's and discussed with the Management & the Statutory Auditors the scope and programme of internal Audit.

Reviewed with the Management, and the Statutory Auditors, adequacy of internal control system.

Discussed with the Management, Auditors finding in the audit report.



Deliberated on the applicability, compliance and impact of various Accounting Standards and guidelines issued by the Institute of Chartered Accountants of India from time to time.

The Chairman of the Audit Committee, has briefed the Board of Directors, about the Audit committee on various issues discussed at its meetings. Minutes of the Audit Committee Meetings are also circulated to all the board members along with agenda of the subsequent meeting.

All the suggestions / recommendations of the Audit Committee during the financial year 2008-2009 have been accepted by the Board of Directors.

The Attendance record of each member of the Audit Committee at the Meetings held on date 30th April, 2008, 30th June 2008, 31st July 2008, 31st Oct. 2008, 31st Jan. 2009 are as follows :

Name	Non-Executive / Independent	Numbers of Meeting	
		Held	Attended
Mr. Deepak S. Maliwal	Non-Executive	5	5
Mr. Arun R. Toshniwal	Non-Executive	5	5
Mr. Rajgopal Bhutada	Independent	5	2

SHAREHOLDERS / INVESTORS GRIEVANCES :

The Shareholders / Investors Grievance Committee consists the following

Mr. Arun Toshniwal	Member
Mr. Navin Jain	Member

TERMS OF REFERENCE :

Review the existing investors Redressal System & suggest measures for improvements.

Review the report of Registrars and Share Transfer Agents about investor's grievances and follow up for the necessary action taken for redressal thereof.

Suggest improvements in investor's relation.

Consider and take on record the Certificate from practicing company secretary under clause 47 of the Listing Agreement.

Consider appointment / reappointment of Registrars and Share Transfer Agents and review terms and conditions of their appointments, their remuneration service charge, fees etc.

Consider and take on record the Secretarial Audit Certificate issued by practicing Company secretary certifying that the aggregate number of equity shares held in depositories and in physical form tally with the total number of shares issued, listing and admitted share capital.

The meetings of investors, Grievance Committee were held on 30th April 2008, 30th June-2008, 31st July-2008, 31st October-2008 & 31st January-2009.



All share transfer and correspondence thereon are handled by the company's registrar and share transfer agents viz. M/s Aarthi Consultants Pvt Ltd 1-2-285, Domalguda, Hyderabad - 500 029.

There are no pending legal matters, in which the company has been made a party, before any other courts (s) / consumer forum(s) etc. on investors grievances.

REMUNERATION COMMITTEE :

Since at present the company is not paying any remuneration to any of its directors hence no remuneration committee is formed.

The company has not advanced any loans to any of the directors.

DISCLOSURES :

Related Party Transactions :

There has not been any materially significant related party transaction between the Company and its Directors, promoters etc, that may have potential with the interest of the company at large. However transaction with related parties have been disclosed in Notes on Accounts with the Audit Report.

MISCELLANEOUS :

The company has complied with all the regulations of Stock-Exchange, Securities and Exchange Board of India (SEBI) or other statutory on any matters related to capital market. No penalties have been imposed or strictures passed during the year against the company by SEBI, stock exchange (s) or any other statutory authority.

MEANS OF COMMUNICATION :

Half Yearly / Quarterly Results are not sent to the shareholders, instead the quarterly, half yearly and annual results of the Company's financial performance are published in the newspapers viz. Daily Ekjoot. These, before release to the press, are submitted to the Stock Exchange.

Management Discussion and Analysis forms part of the Annual Report and appears as Annexure to the Director's Report.

COMPLIANCE :

Auditors Certificate on Corporate Governance, as required by clause 49 of the Listing Agreement, is incorporated in this Annual Report.

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the members of Shiva Fertilizers Ltd, Nanded.

We have examined the compliance of conditions of Corporate Governance by Shiva Fertilizers Ltd, for the Financial year 2008-2009, as stipulated in clause 49 of the Listing Agreement entered into by the said Company with the Stock Exchange(s).

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



In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that the Registrar and Share Transfer Agents of the Company has maintained records to show Investors Grievances against the Company and have certified that as on 31st March-2009, there are no Investor Grievances remaining unattended / pending for a period exceeding six month.

We further state that such compliance is neither an assurance as to the future viability of the Company or the efficiency with which the management has conducted the affairs of the Company.

For J.P. FALOR & CO.
CHARTERED ACCOUNTANTS

Place : Nanded
Date : 30th June 2009.

JAIPRAKASH FALOR
PROPRIETOR





SHAREHOLDERS INFORMATION

Annual General Meetings :

Date and time : 29th Sept-2009 at 1.00 pm

Venue : Administrative Office of the Company at : "Shiva House", Near State Bank of India, New Mondha, Nanded

Last 3 Annual General Meetings

Date :	25 th Sept-2006	24 th Sept-2007,	29 th Sept-2008
Time:	1.00 pm	1.00 pm	1.00 pm

Venue :	Osmananagar Road	Osmananagar Road	Osmannagar Road
	Vill : Dhakni	Vill : Dhakni	Vill : Dhakni
	Tq. Loha	Tq. Loha	Tq. Loha
	Dist. Nanded	Dist. Nanded	Dist. Nanded

Date of Book Closure : Thursday the 17th day of Sept-2009 to Tuesday the 29th Day of Sept-2009 (Inclusive of both days)

Dividend Payment : 8%

Dividend Declared : 8%

Listing on stock Exchange(s) :

The Equity shares of the Company are listed on the Stock Exchange-Mumbai Stock Exchange.

The Company has paid upto date listing fees to the stock exchange.

Stock Market Data :

Month	High Price	Low Price	No. of Shares
April 2008	27.15	22.00	16178
May 2008	26.00	21.35	12117
June 2008	25.55	20.00	10461
July 2008	23.50	19.05	50946
August 2008	25.40	20.05	16243
September 2008	26.00	20.95	4269
October 2008	24.75	18.95	12553
November 2008	22.55	18.10	20015
December 2008	25.20	17.20	4266
January 2009	26.00	21.75	7439
February 2009	31.25	23.55	17409
March 2009	31.90	28.80	1860

Registrar and Share Transfer Agents

Aarathi Consultants Pvt Ltd

1-2-285, Damalguda, Hyderabad -500 029.

Tel : 040 - 27633716 Fax 040 - 27632184

E-mail : info@aarathiconsultants.com

**Share Transfer System :**

Company's shares are compulsorily traded in the demat segment on the stock exchange(s) and most transfers of shares takes place in the electronic form.

For expediting the physical transfer of shares, the Board has delegated the share transfer formalities to the Share Transfer Committee, to approve the transfer of shares on every Monday. Physical transfers are effected well within the stipulated period of 30 days.

Shareholding Pattern :**Shareholding Pattern as on 31st March-2009**

Category	No. of Shares held	% of Shareholding
A) Promoter's Holding		
1) Indian Promoters & Group	3491688	54.35%
B) Non-Promoters Holding		
1) Private Corporate Bodies	447057	6.96%
2) Indian Public	2484768	38.69%
3) NIR's / OCB's	300	0.00%
4) Clg. Members	100	0.00%
Grand Total	6423913	100%

Distribution of Shares:

Distribution of shareholding as on 31 st March,2009

S.no.	Category	No. of holders	Holder %	No. of shares	Amount	Amount %
1	1 - 5000	1063	76	233744	2337440	3.64
2	5001 - 10000	119	9	102792	1027920	1.6
3	10001 - 20000	56	4	87091	870910	1.36
4	20001 - 30000	33	2	82558	825580	1.29
5	30001 - 40000	10	1	34841	348410	0.54
6	40001 - 50000	9	1	43497	434970	0.68
7	50001 - 100000	35	3	293255	2932550	4.57
8	100001 & Above	67	5	5546135	55461350	86.34
	TOTAL :	1392	100	6423913	64239130	100

DEMATERIALISATION OF SHARES :

The shares of the company are available for Dematerialization (Holding of shares in electronic form) On both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)

The shares of your company are to be compulsorily traded in the dematerialised form. As on 31 st March 2009,5733138 Equity shares comprising of 89.25 % of paid up capital of the company have been dematerialised by the investors and bulk of transfers take place in the demat segment.



Plant Location :

Hanuman Nagar
Osman Nagar Road,
Vill. Dhakni, Tq. Loha,
Dist. Nanded.
Maharashtra

B-17/2 MIDC,
Nanded .
Dist. Nanded
Maharashtra

Telephone No: (02462)284036, Fax : (02462) 284729

Investor Correspondence may be addressed to any of the following :

Shiva Fertilizers Ltd.
"Shiva House"
Near State Bank of India,
New Mondha, Nanded
Maharashtra
nndshiva@gmail.com

Registrar and Share Transfer Agent
Aarhi Consultants Pvt.Ltd.,
1-2-285, Domalguda, Hyderabad- 500029
Phone: (040) 27633716 Fax : (040) 27632184

Unclaimed Dividend :

Under the Companies Act, 1956 dividend that are unclaimed for a period of seven years automatically get transferred to the Investors Educations and Protection Fund administered by the Central Government.

PROFILE OF DIRECTORS RETIRING BY ROTATION AND ELIBIGLE FOR REAPPOINTMENT :

A) Name : Arun R. Toshniwal

Age : 49 Years

Educational Qualification : Chemical Engineer

Experience : He is having more than 20 years of experience in the field of business

He was appointed as a First Director of the Company and has since continued to be on the Board. He has been providing his service in the form of guidance on all matters. He is due to retire by rotation in the forthcoming Annual General Meeting and being eligible has offered himself for reappointment.

B) Name : Narayanlal P. Kalantri

Age : 61 Years

Educational Qualification : Mechanical Engineer

Experience : He is having more than 30 years of experience in the field of business.

He was appointed as a Director of the Company & has since continued to be on the Board. He is due to retire by rotation in the forthcoming Annual General Meeting and being eligible has offered himself for reappointment.





AUDITORS REPORT

To,
The Share Holders of
Shiva Fertilizers Limited
Nanded

- 1) We have audited the attached Balance Sheet of Shiva Fertilizers Limited as at 31st March 2009 together with the annexed Profit and Loss Account and the Cash Flow Statement of the company 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.
- 2) We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. 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 the managements presentation. We believe that our Audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditor's Report) order 2003 issued by the Central government in terms of Section 227 (4A) of the Companies Act 1956, a statement on the matters specified in paragraph 4 & 5 of the said order is annexed.
- 4) Further, to our comments in the statement referred to in paragraph (3) above :
 - a) We have obtained all the information's and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit:
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examinations of these books .
 - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account:
 - d) In our opinion, the Balance Sheet, Profit & Loss Account & the Cash Flow Statement comply with the Accounting Standards referred to in Sub section (3C) of the section 211 of the Companies Act., 1956
 - e) On the basis of written representation received from the Directors as on 31st March 2009 ,& taken on record by he Board of Directors , we report that none of the Directors is disqualified as on 31st March 2009 from being appointed as a Director in terms of clause (g) of Sub section (1) of Section 274 of the Companies Act., 1956
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with significant accounting policies and other notes thereon give the information required by the Companies Act., 1956. In the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :-
 - I) In the case of the Balance Sheet, the state of affairs of the company as at 31st March 2009
 - II) In case of the profit and loss account , the profit of the company for the year ended on that date : and,
 - III) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

FOR J.P. FALOR & CO
CHARTERED ACCOUNTANTS

Place : **Nanded**
Date : **30th June 2009.**

JAIPRAKASH FALOR
PROPRIETOR



ANNEXURE TO THE AUDITORS REPORT

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR AUDITORS REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2009 OF SHIVA FERTILIZERS LIMITED

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state as under :

i. **Fixed Assets**

- a) the Company has generally maintained proper records showing particulars , including quantitative details and situation of fixed assets.
- b) As explained to us certain items of Fixed Assets were physically verified by the management once during the year. Which in our opinion is reasonable , looking to the size of the Company and the nature of its business. According to the information and explanation given to us, no material discrepancies were observed on such verification.
- c) The Company has not disposed off any part of its Fixed Asssets so as to affect its going concern & status of the Company.

ii. **Stock in Trade :**

- a) As explained to us, inventories have been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
- b) The procedure explained to us, which are followed by the management for physically verification of inventories, are. In our opinion, reasonable & adequate in relation to the size of the Company and the nature of its business.
- c) On the basis of our explanation of the inventory records of the Company, we are of the opinion, that the Company is maintaining proper records of its inventory and no material discrepancies were noticed on physical verification of inventory as compared to book records.

iii. **Loans and Advances**

- a) According to the information & explanation given to us, the Company has neither taken nor granted any loan, secured or unsecured from / to Companies , Firms or Other parties listed in the register maintained under section 301 of the Companies Act., 1956.

iv. **Internal Controls**

- a) In our opinion and according to the explanations given to us, there are generally adequate internal control procedures commensurate with the size of the Company and the nature of its business with regards to purchase of inventory, fixed assets and for sale of goods. During the course of our previous assessment, no major weakness has been noticed in the internal control.
- b) On the basis of the audit procedures performed by us, and according to the information, explanations and representation given to us, we are of the opinion, that, the transactions in which directors were interested as contemplated Under Section 297 and sub-section (6) of section 299 of the Company Act., 1956 and which were required to be entered in the register maintained under section 301 of the said act., have been so entered.
- c) In our opinion and according to the information and explanations given to us, the



transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act-1956 exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant times.

- d) On the basis of the internal audit reports broadly reviewed by us, we are of the opinion that the coverage and scope of the internal audit carried on by the internal audit, is adequate and commensurate with the size & nature of its business.

v. **Deposits**

- a) In our opinion and according to the information and explanation given to us, the company has complied with the provisions of section 58A of the Companies Act, and its Rules, and also the directives of Reserve Bank of India with regard to acceptances of deposits from the public. Since the Company has not defaulted in repayment of deposits, compliance of Section 58 AA or obtaining any order from the National Company Law Tribunal, does not arise.

vi. **Taxation**

- (a) According to the records of the Company, it has been generally regular in depositing undisputed statutory dues including provident fund, Investor Education and Protection fund, Income Tax, Sales Tax, Service Tax, Cess and other Statutory Dues with the appropriate authorities.
- b) According to the information and explanation given to us there were no undisputed amounts payable in respect of the Statutory dues referred to the above which have remained outstanding as at 31-03-2009 for a period of more than six months from the date they became payable.

vii. **Others**

- a) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 in respect of the Company's products to which the said Rules, prima-facie, the prescribed accounts and records have been made and maintained. We have, however not made a detailed examination of the records with a view to determine whether they are accurate.
- b) The Company has neither accumulated losses at the end of the financial year nor has it incurred cash losses both, in the financial year under report and the immediately preceding financial year.
- c) On the basis of the records examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions & banks.
- d) As explained to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities.
- e) The provisions of any special statute applicable to chit fund, Nidhi, Mutual benefit fund/ societies are not applicable to the Company.
- f) The Company is not dealing in or trading in Shares, Securities, Debentures or other investments. All the shares are held by the Company in its own name.
- g) According to the information and explanations given to us, and the representations made by the management, the company has not given any guarantees for loans taken by other from any bank or financial institution.



- h) On the basis of the record examined by us, the Company has take term loan during the year.
- i) According to the information and explanations given to us and on overall examination of the Financial Statements of the Company and after placing reliance on the reasonable assumptions made by the Company for classification of long term and short term usages of terms funds have not been utilized for long term purposes, and vice – versa.
- j) The Company has made an preferential issue of Shares & Warrants to parites and companies, covered in the register maintained under section 301 of the Companies Act, 1956. The price at which the shares have been issued is in accordance with the guidelines issued by SEBI and is not prejudicial to the interest of the company.
- k) There are no debentures issued and outstanding during the year.
- l) The Company has not raised any money by public issue during the year.
- m) According to the information and explanations given to us, and to the best of our knowledge and belief, no fraud on or by the Company, has been noticed or reported by the Company during the course of our audit.

For and on behalf of
J.P. FALOR & CO.
CHARTERED ACCOUNTANTS

Place : **Nanded**
Date : **30 June 2009**

JAIPRAKASH FALOR
PROPRIETOR
Membership No. 43337





Shiva Fertilizers Ltd.

BALANCE SHEET AS AT 31st MARCH 2009

(Amount in Rs.)

PARTICULARS	SCHEDULE	As at 31-03-2009	As at 31-03-2008
I) SOURCES OF FUNDS			
A) Share Holders Funds			
i) Share Capital	A	64239130	47309130
ii) Share Application Money		0	45390000
ii) Reserve & Surplus	B	126649583	80537176
B) Loan Funds			
i) Secured Loans	C	194508656	138741463
ii) Unsecured Loans	D	2076984	0
C) Deferred Tax Liability		6275185	4570398
TOTAL		393749538	316548167
II) APPLICATION OF FUNDS			
A) Fixed Assets	E		
i) Gross Block		148630496	127482929
ii) Less Depreciation		85223472	81631139
iii) Net Block		63407024	45851790
iv) Capital work In Progress		0	7331310
B) Investments	F	52913872	4280131
C) Current Assets Loans & Advances			
i) Inventories	G	138835924	173279794
ii) Sundry Debtors	H	85160270	22616579
iii) Cash & Bank Balances	I	34430511	72702204
iv) Loans & Advances	J	48143901	23520013
TOTAL		306570606	292118590
LESS :			
D) Current Liabilities & Provisions	K	29414970	33397662
E) Net Current Assets (C-D)		277155636	258720929
F) Miscellaneous Expenses (to the extent not written off)	S	273006	364008
TOTAL		393749538	316548167
Significant Accounting Policies & Notes on Accounts	T		

As per our report of even date

On behalf of the Board

For J.P.Falor & Co.
CHARTERED ACCOUNTANTS

OMPRAKASH GILDA
CHAIRMAN

JAIPRAKASH FALOR
PROPRIETOR

ARUN TOSHNIWAL
DIRECTOR

DEEPAK MALIWAL
DIRECTOR

Place : NANDED
Date : 30.06.2009



Shiva Fertilizers Ltd.

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2009

(Amount in Rs.)

PARTICULARS	SCHEDULE	Year Ended 31st MARCH,09 Amount	Year Ended 31st MARCH,08 Amount
I) INCOME			
Sales		886703686	633453753
Other Income	L	9325917	4837039
(Increase) / Decrease In Stocks	M	62423566	(68048)
Total		833606037	638358840
II) EXPENDITURE			
Raw Materials Consumed	N	495588500	286096248
Trading Purchases		161307834	233652179
Manufacturing & Other Expenses	O	66650646	42353764
Administrative Expenses	P	12214029	9229152
Selling & Distribution Expenses	Q	40071747	38527270
Interest & Other Finance Charges	R	27606172	14633020
Depreciation	E	3769554	3772473
Misc. Exp. Written Off.	S	91002	91002
Total		807299484	628355108
III) PROFIT			
Profit Before Tax		26306553	10003732
Less : Deferred Tax		1704787	-620630
Less: Provision For Current Tax		6270000	3200000
Less: Fringe Benefit Tax		131000	200000
Less: Provision For Dividend Tax		873395	778452
Profit after Tax		17327370	6445910
Add Balance Brought forward		38392806	36668010
Total		55720176	43113920
Add/(Less) : Prior Period Adjustment (Net)		64167	(41984)
Balance available for Appropriation		55784343	43071936
IV) Appropriations:			
Transfer to Proposed Dividend (8%)		5139130	4579130
Transfer to General reserve		500000	100000
Balance Carried To Balance Sheet		50145213	38392806
Earning Per Share (Basic & Diluted)		2.70	1.36
Significant Accounting Policies & Notes on Accounts	T		

As per our report of even date

On behalf of the Board

For J.P.Falor & Co.
CHARTERED ACCOUNTANTS

OMPRAKASH GILDA
CHAIRMAN

JAIPRAKASH FALOR
PROPRIETOR

ARUN TOSHNIWAL
DIRECTOR

DEEPAK MALIWAL
DIRECTOR

Place : NANDED
Date : 30.06.2009

**SCHEDULES TO BALANCE SHEET**

PARTICULARS		As At	As At
		31.03.2009	31.03.2008
		Amount	Amount
		Rs.	Rs.
Schedule - A - Share Capital			
i) Authorised 10000000 Equity Share of Rs.10/- each		100000000	100000000
ii) Issued & Subscribed & Paid Up 6423913 Equity shares of Rs.10/- each Previous Year 4730913 Equity shares of Rs. 10/- each Shares Issued - Includes 1629813 Equit. Shares of Rs.10/- each Issued pursuant to scheme of arrangement for consideration other than cash		64239130	47309130
Total		64239130	47309130
Schedule - B - Reserves & Surplus			
i) Securities Premium As per last Balance Sheet Add: Additions during the year	15646500 <u>33860000</u>	49506500	15646500
ii) Special Capital Incentive		7607500	7607500
iii) General Reserve			
a) Balance Brought Forward	18890370		
b) Transferred from P & L Account during the year	<u>500000</u>	19390370	18890370
iv) Profit & Loss Account -Surplus		50145213	38392806
Total		126649583	80537176
Schedule -C-Secured Loans			
a) From Bank			
i) Term Loan		7083336	0
ii) Cash Credit/ Working Capital Loan		187425320	138741463
Total		194508656	138741463
Schedule -D-Unsecured Loans			
a) Public Fixed Deposit		2076984	0
Total		2076984	0



Shiva Fertilizers Ltd.

Schedule -F-Investments

PARTICULARS	Face Value Rs.	Holding As at 31.03.09		As at 31.03.09	As at 31.03.08
		Numbers	Amount Rs.	Amount Rs.	Amount Rs.
1) Investment in Government Securities 6Years national Savings Certificate				5000	25000
2) Fully Paid Equity Shares (Quoted)					
Gujrat State Fertilizers & Chemicals Ltd.(GSFC)	10	100	13892		
Aditya Birla Nuvo Ltd.	10	33	14044		
Zuari Industries Ltd.	10	100	9752		
The Rashtriya Chemicals & Fertilizers Ltd.	10	100	3898		
Coromandel Fertilizers & Chemicals Ltd.	2	500	36800		
Nagarjuna Fertilizers & Chemicals Ltd.	10	500	8335		
Union Bank of India	10	2321	255310		
Deepak Fertilizers & Petrochemicals Corpn. Ltd.	10	50	4587		
Monsanto Chemicals Ltd.	10	10	16634		
Kaveri Seeds Co. Ltd.	10	50	12577	375829	342031
3) Fully Paid Equity Shares in Others(Unquoted)					
Shiva Parvati Poultry Feed Pvt. Ltd.	100	129670	16857100		
Kirtiman Agro Genetics Ltd.	100	150000	15000000		
Ghatprabha Fertilizers Pvt. Ltd.	100	98750	11850000	43707100	0
4) Investment in Capital of Partnership Firm					
Shiva Global Biotech			2664943		
Mahalaxmi Developers			1000000	3664943	0
5) Other Non Trade Investments					
a) Share Application in Unquoted Shares				5161000	3913100
Total				52913872	4280131
		As At 31.03.09		As At. 31.03.08	
		Book	Market	Book	Market
		Value Rs.	Value Rs.	Value Rs.	Value Rs.
a) Aggregate of Quoted investments		375829	460277	342031	395589
b) Aggregate of Unquoted investments		43707100	43707100	-----	-----
Schedule-G-*Inventories					
PARTICULARS			As At 31.03.2009 Amount	As At 31.03.2008 Amount	
1) Stores, Spares & Packing Material			9408330	8558059	
2) Stock in Trade					
a) Raw Materials		117516412			
b) Finished Goods		5532004			
c) Work-in-Process		6379178			
d) Trading Stock		0	129427594	164721735	
Total			138835924	173279794	

* (As taken, valued and certified by the Management)



**SCHEDULE "E" FIXED ASSETS -2008-2009
DEPRECIATION SCHEDULE**

(Amount in Rs.)

Sr. No.	Particulars	Gross Block				Depreciation				Net Block	
		As On 31.03.08	Additions During the year	Deletion During the year	As On 31-3-09	As on 31-3-08	For the Year	Adjustment/ Deletions	As on 31-3-09	As on 31-3-09	As on 31-3-2008
1.	Land	2394484	0	432081	1962403	0	0	0	0	1962403	2394484
2.	Land Development	2025820	0	274852	1750968	0	0	0	0	1750968	2025820
3.	Building	39905182	4154752	0	44059934	14450546	1414919	0	15865465	28194469	25454636
4.	Electrical Machinery	8073449	0	0	8073449	6504022	153665	0	6657687	1415762	1569427
5.	Plant & Machinery	65040255	14807727	0	79847982	57355115	1813855	0	59168970	20679012	7685140
6.	Furniture & Fixture	2490897	127294	0	2618191	986772	161214	0	1147986	1470205	1504125
7.	Vehicles	2120506	0	356445	1764061	996257	58278	177221	877314	886747	1124249
8.	Computer	989986	300282	0	1290268	884079	52314	0	936393	353875	105907
9.	Laboratory Equipment	196121	0	0	196121	123496	4618	0	128114	68007	72625
10.	Intangible Assets	40000	0	0	40000	40000	0	0	40000	0	0
11.	Office Equipment	153056	51287	0	204343	5240	7616	0	12856	191487	147816
12.	Godowon	4053173	0	0	4053173	285612	66067	0	351679	3701494	3767561
13.	Briquette Machinery	0	1436361	0	1436361	0	25877	0	25877	1410484	0
14.	Bulding Briquetteunt	0	1333242	0	1333242	0	11133	0	11133	1322109	0
	TOTAL	127482929	22210945	1063378	148630496	81631139	3769554	177221	85223472	63407024	45851790
	PREVIOUS YEARS	124613679	2869250	0	127482929	77858666	3772473	0	81631139	45851790	46755013



PARTICULARS	As At 31.03.2009 Amount Rs.	As At 31.03.2008 Amount Rs.
Schedule-H-Sundry Debtors :		
Unsecured & Considered good		
1) Over Six Months old	288289	684239
2) Others	84871981	21932340
Including Subsidy Receivable Rs 69748066 (P.Y.Rs.15232837)		
Total	85160270	22616579
Schedule-I-Cash & Bank Balances		
a) Cash on Hand	923014	317779
b) Balances with Scheduled Banks		
i) In Current Accounts	5311402	11624183
ii) In Fixed Deposits	28196095	60760242
(Includes Bank Deposit Pledged against Bank Guarantee Rs.24420231 (P.Y. Rs.16784378)		
Total	34430511	72702204
Schedule-J-Loans & Advance		
(Unsecured & considered good)		
Advances recoverable in cash or Kind or for value to be received.		
a) Advances for Supplies	27341385	9513580
b) Advances for Expenses	3059264	905702
c) Advances -staff	804352	919281
d) Deposits	1188646	1368146
e) Interest accrued on Fixed Deposits	2522045	950253
f) Advance Income Tax	7988572	5332054
g) Advance Fringe benefit Tax	139252	150426
h) Vat tax	5100385	4380571
Total	48143901	23520013
Schedule-K-Current Liabilities & Provisions		
i) Current Liabilities		
a) Sundry Creditors for Expenses	9856612	17557859
b) Sundry Creditors For Others	4183741	2494855
c) Trade Deposits	1405000	4200000
d) Unclaimed Dividend	172676	0
ii) Provisions For		
a) Income tax	6270000	3200000
b) Expenses	1383416	387366
c) Fringe Benefit Tax	131000	200000
d) Dividend Tax	873395	778452
e) Proposed Dividend	5139130	4579130
Total	29414970	33397662



SCHEDULES TO PROFIT & LOSS ACCOUNT

PARTICULARS		As At 31.03.2009 Amount Rs.	As At 31.03.2008 Amount Rs.
Schedule-L - Other Income			
Interest Income		5887944	1034057
(TDS of Rs.1220396/- P.Y. Rs. 472990/-)			
Profit on Sale of Fixed Assets		738843	0
Other Income		2699130	3802982
Total		9325917	4837039
Schedule-M-Increase/Decrease In Stocks			
i) Opening Stock			
a) Finished Goods	38517381		58365256
b) Work in Process	1644642		4529317
c) Traded Stock	<u>34172725</u>	74334748	11372127
Total A		74334748	74266700
LESS :			
ii) Closing Stock :			
a) Finished Goods	5532004		38517381
b) Work in Process	6379178		1644642
c) Traded Stock	<u>0</u>	11911182	34172725
Total-B		11911182	74334748
Increase/Decrease in Stock(B-A)		(62423566)	68048
Schedule-N-Raw Materials Consumed			
Opening Stock		90386986	65486619
Add : Purchases		522717926	310996616
Total		613104912	376483235
Less : Closing Stock		117516412	90386987
Raw Materials Consumed		495588500	286096248
Schedule -O- Manufacturing & Other Expenses			
Packing Material Consumed		19935480	13997297
Stores & Spares Consumed		15765313	7587882
Lab Chemicals		104933	126579
Power & Fuel		12451927	10460044
Labour Charges		1271260	1650716
Repairs & Maintenance-Machinery		5314940	1428819
Repairs & Maintenance- Building		2113921	667841
Other Manufacturing Expenses		976835	596061
Material Handling charges		8716037	5838525
Total		66650646	42353764



PARTICULARS	As At 31.03.2009 Amount Rs.	As At 31.03.2008 Amount Rs.
Schedule-P-Administrative Expense		
Salaries	5682996	3694047
Rent	536131	0
Rates & Taxes	717454	951193
Insurance Charges	355556	456432
Postage & Telegrams	91556	98506
Printing & Stationery	337812	295218
Membership & Subscriptions	236447	152525
Legal & Professional charges	234893	480297
Auditors Remuneration	150000	150000
Office Expenses	909640	571823
Repairs to general	327020	153717
Other Expenses	135180	149911
Telephone Charges	444647	347728
Staff Welfare Expenses	245433	231107
Travelling Expenses	1809264	1496648
Total	12214029	9229152
Schedule-Q-Selling & Distribution charges		
Discount & Comm. on Sales	13334889	9504752
Freight & Transportation Charges	26127711	27978801
Advertisement & Publicity	306398	625621
Sales Promotion Expenses	302749	418096
Total	40071747	38527270
Schedule-R-Interest & Other Finance Charges		
i) Interest on		
a) Term Loan	444316	173398
b) Working Capital	21116452	10555525
c) Others	2389246	645331
ii) Bank Charges	3656158	3258766
Total	27606172	14633020
Schedule-S-Miscellaneous Expenditure W/off		
a) Opening Balance	364008	0
b) Add : Additions during the year	0	455010
Total	364008	455010
c) Less : Written off during the year	91002	91002
Balancer c/f	273006	364008



SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A) SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF ACCOUNTING :

The Financial Statements are prepared on accrual basis following the historical cost convention in accordance with generally accepted accounting principles (GAAP), in compliance with the provisions of the Companies Act, 1956 and with the accounting standards prescribed by the ICAI.

b) USE OF ESTIMATES :

The presentation of financial statements requires certain estimates and assumptions. These estimations and assumptions affect the reported amount of assets and liabilities on date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/materialized.

c) FIXED ASSETS AND DEPRECIATION :

i) Tangible Assets :

Fixed Assets are stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and impairment losses.

Cost of acquisition comprises all costs incurred to bring the assets to their location and working condition up to the date the assets are put to use. Costs of construction are composed of those costs that relate directly to specific assets and those that are attributable to the construction activity in general and can be allotted to the specific assets up to the date the asset are put to use. The expenditure incurred during the period of construction is debited to the capital work-in-progress and on completion the costs are allotted to the respective fixed assets.

Depreciation on fixed assets is provided on straight line method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

ii) Intangible Assets :

Intangible assets are stated at their cost of acquisition less accumulated amortization and impairment losses. An asset is recognized, where it is probable that the future economic benefits attributable to the assets will flow to the enterprise and where its cost can be reliably measured. Specified software purchased are amortized over a period of three years.

d) INVESTMENTS :

Investments are classified as current or long-term in accordance with Accounting Standard 13 on "Accounting for Investments".

Current investments are stated at lower of cost and fair value. Any reduction in the carrying amount and any reversals of such reductions are charged or credited to the profit and loss account.

Long term investments are stated at cost. Provision for diminution is made to recognize a decline, other than temporary, in the value of such investments.

e) INVENTORIES :

Finished goods and work in process are valued at lower of cost or net realizable value. Cost comprises of material, labour, power, depreciation and appropriate portion of overheads, incurred in bringing the inventories to their present location & condition.

Raw Materials, Stores & Spares and Packing Materials are valued at cost (Net of Input Credits) or Net realizable value whichever is lower.



f) EMPLOYEE BENEFITS :

- a) Retirement benefits in the form of contribution to provident Fund are charged to Profit & Loss Account on accrual basis and deposited in employees provident Fund Account administered by the central Government.
- b) Gratuity Liability under the payment of Gratuity Act is accounted on accrual basis.

g) BORROWING COST :

Borrowing costs that are attributable to the construction/ acquisition of manufacturing plant and other related facilities capitalized as a part of the cost of these capitalized assets till the date of completion of physical construction/ mechanical completion of the plant.

Other borrowing cost are recognized as an expense in the period in which they are incurred.

h) REVENUE RECOGNITION :

Revenue from sale of products is recognized when the significant risk & rewards of ownership of the goods have passed to the buyer and there is no uncertainty regarding the amount of consideration or collectability.

Other items of income are accounted as & when the right to receive arises.

i) TAXES ON INCOME :

Current tax is determined as the amount of tax payable on taxable income for the year.

Deferred tax are recognized on the basis of timing difference between the taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years.

j) CASH FLOW STATEMENT :

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the company. Cash and cash equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks.

k) PROVISIONS AND CONTINGENCIES :

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. Contingent assets are neither recognized nor disclosed in the financial statements.

l) NET PROFIT FOR THE PERIOD & PRIOR PERIOD ITEM :

- i) All items of Income and expenses pertaining to the year are included in arriving at the net profit for the year unless specifically mentioned elsewhere in the financial statements or as required by Accounting Standards.
- ii) Prior period items are disclosed separately in the Profit & Loss Account below the line.

B) NOTES ON ACCOUNTS :

- 1) The company has allotted 993000 Equity Shares of Rs. 10/- each at a premium of Rs. 20 each on preferential basis pursuant to the offer of Preferential Issue of Equity Shares to the Promoters, Promoter Group or Non Promoters. The company has allotted 700000 Equity Shares pursuant to conversion of convertible warrant, @ 30/- each, convertible into one equity share of Rs.10/-each at a premium of Rs. 20 each. During the year holders of 700000 warrants have paid the sum and exercised the option.

The company has utilized the funds so received for the purpose of investment .



- 2) a) Loans from Bank on Cash Credit are secured by Hypothecation of Stock of Raw Materials, Finished Goods, Work-in Process, Stores, Book Debts, Fixed Assets & personal guarantee of the executive and non-executive directors of the company
- b) Loans from Bank on Term Loan are secured by Mortgage of Fixed Assets.
- c) The Loans from bank are personally guaranteed by the executive and non-executive directors of the company

3) Contingent Liabilities

(Rs. In Lacs)

PARTICULARS	31st March,2009	31st March,2008
i) Contingent Liabilities : (Not provided for in respect of)		
a) Outstanding Bank Guarantees	963.25	613.25
b) Claims against the Company not acknowledged as debts.	5.00	7.30

4) Information in respect of Partnership Firms in which the company is a partner

Name of the Partners	Capital	Share of Profit
A) Shiva Global Biotech		
1) Shiva Fertilizers Ltd.	2664943	51.00%
2) Mrs. Rajshree Ajay Sharma	849968	16.33%
3) Mrs. Smita Nitin Vaidya	875156	16.34%
4) Mrs. Sandhya Sanjay Laddha	859968	16.33%
B) Mahalaxmi Developers :-		
1) Shiva Fertilizers Ltd.	1000000	51.00%
2) Shailesh Shetty	500000	20.00%
3) Madhuri A Kothari	170000	8.00%
4) Chitrlekha R. Shetty	500000	5.00%
5) Sanket Diwakar Shetty	Nil	8.00%
6) Dilip M. Agrharkar	170000	8.00%

5.) Related Party Disclosures :

- a) Names of related parties and nature of related parties relationship where control exists.

Associates

- i) Preeti Enterprises Inc. Nanded
- ii) Kalantri Engineering Works, Nanded
- iii) Madhu Industries, Nanded
- iv) Sai Trading Company, Nanded
- v) Vijay Fertilizers Agency, Parbhani
- vi) Kedar Krishi Sewa Kendra, Manatha
- vii) Ravitto Engineering Corporation, Nanded.
- viii) Shiva Parvati Poultry Feeds Pvt. Ltd. Hingoli
- ix) Shiva Global Biotech, Nanded.

b) Transaction With Related Parties :

Associates

Purchase of Goods	33285647
Sale of goods	42044225
Services Received	812313

6) Dues to Micro, Small and Medium Enterprises :

The classification of the suppliers under Micro, Small and Medium Enterprise Development Act,2006 is made on the submission of the Registration Certificate



under the said act by the suppliers. The outstanding to the Micro, Small and Medium Enterprises for more than 60 days of closing date is Nil.

7) AUDITORS REMUNERATION :

	Year Ended 31-03-2009	Year Ended 31-03-2008
i) Audit Fees	60,000/-	60,000/-
ii) Certification Fees	18,000/-	18,000/-
iii) Tax Audit Fees	25,000/-	25,000/-
iv) Vat Audit Fees	25,000/-	25,000/-
v) Income Tax Matters	12,000/-	12,000/-
vi) Out of Pocket Expenses	10,000/-	10,000/-

8) Prior period adjustment includes **Rs. 100850/-** net effect of excess/short provisions of Income Tax & F.B.T.

9) Except in cases where balance confirmation are available, the remaining balances under the heads Sundry Debtors, Sundry Creditors Other Liabilities, Loans & Advances and Deposits are as shown by books of accounts and are subject to reconciliation/adjustment, if any.

10) **Segment Reporting :**

The Company operates in a Business Segment of Fertilizers & Briquette in the domestic market.

11) **Impairment of assets :**

The Company has carried out comprehensive exercise to assess the impairment loss of assets. Based on such exercise, there is no impairment of asset required to be made in the accounts.

12.) **Earning Per Share :**

Basic earning per shares has been calculated by dividing profit for the year attributable to equity share holders by the number of equity shares outstanding during the year. The Company has not issued any potential equity shares and accordingly, the basic earning per share and diluted earning per shares are the same. Earning per share has been computed as under:

	31-03-2009	31-03-2008
Face Value Per Share	Rs. 10/-	Rs. 10/-
Profit After Tax	Rs. 1,73,27,370/-	Rs. 64,45,908/-
Number of Shares used in Computing earning per shares	64,23,913	47,30,913
E.P.S.	2.70	1.36

13. **Deferred Tax :**

Movement in Deferred Tax Liability :

PARTICULARS	2008-2009	2007-2008
Op. : Deferred Tax Liability	45,70,398	51,91,028
Deferred Tax Liability arising from Transaction during the year	17,04,787	(6,20,630)
Deferred Tax Liability	62,75,185	45,70,398



14 Additional information pursuant to the provisions of part -II of Schedule VI to the Companies Act., 1956.

a) **Turnover** (Rs. In lacs)

	2008-2009		2007-2008	
	QTY MTS	Value Rs.	QTY. MTS	Value Rs.
Single Superphosphate	60299.50	4551.87	41254.00	1901.37
N.P.K.Fertilizers	42072.55	3297.36	46058.45	3253.74
Other Fertilizers	16158.81	904.87	20769.22	1136.26
Other Sales	—	102.96	—	43.16
In come from partnership firms	—	9.98	—	—
TOTAL	118530.86	8867.04	108081.67	6334.53

b) **Raw Material Consumed :** (Rs. In lacs)

	2008-2009		2007-2008	
	QTY MTS	Value Rs.	QTY. MTS	Value Rs.
Rock Phosphate	31623.852	2038.01	20957.261	908.59
Spent Sulphuric Acid	28614.025	1199.09	18390.171	304.92
Other Fertilizers for NPK	25781.951	1680.97	29851.380	1642.09
Bio- degradable waste	1992.000	33.77	---	---
TOTAL	88011.828	4951.84	69198.812	2855.60

* Raw Material Consumption except Rock Phosphate & Acid excludes Handling Charges of Rs.4.04 Lacs. (P.Y. Rs. 5.34 Lacs)

c) **Opening and closing stock of finished goods:** (Rs. In lacs)

	Opening Stock		Closing Stock	
	QTY. MTS	Value Rs.	QTY. MTS	Value Rs.
Single Super Phosphates & N.P.K.				
Finished Goods (S.S.P.)	4297.625	167.34	381.101	20.40
Stock in process	443.097	16.45	1250.574	63.79
N.P.K.	3500.85	217.83	493.000	34.92

d) **Particulars of capacity and production** (in Qty MT.)

2008-09				2007-2008		
Products	Licenced Capacity	Installed Capacity	Actual Prod.	Licenced Capacity	Installed Capacity	Actual Prod.
S.S.P.	N.A.	120000	57228	N. A.	90000	37608
N.P.K.	N.A.	52800	25400	N. A.	43200	29406

The Installed Capacity are certified by the management and accepted by the Auditors as correct , being a technical matter.

15.) **Value of Raw Materials, Stores & Spares and Components Consumed** (Rs. In Lacs)

	2008-09	2007-2008
a) Raw Material	4955.88	2860.96
b) Stores , Spares and components	157.65	75.88
c) Expenditure in Foreign Currency	Nil	Nil



- 16) Value of Direct Import : (C.I.F. Basis)
a) Raw Material : Rs. Nil
- 17) Installment of Term Loan falling due for repayment within one year is Rs. 42.50 Lacs (P.Y. NIL)
- 18) The figures of the Previous year have been rearranged & regrouped wherever necessary to make them comparable with the figures of the current year..
- 19) Figures have been rounded off to the nearest Rupees.

AS PER OUR REPORT OF EVEN DATE ATTACHED HERETO.

**For J.P. FALOR & CO.
CHARTERED ACCOUNTANTS**

For and on behalf of
the Board of Directors

**JAIPRAKASH FALOR
PROPRIETOR**

**OMPRAKASH GILDA
CHAIRMAN**

**ARUN TOSHNIWAL
DIRECTOR**

**DEEPAK MALIWAL
DIRECTOR**

Place : **Nanded**
Date : **30h June 2009**



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009.**

(AMOUNT IN Rs.)

	For the year 31-3-2009		For the year 31-3-2008	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax and Extra - Ordinary Items		26370720		9961736
Adjustment for				
Amortisation of Revenue Exp.	91002		91002	
Deperciation	3769554		3772473	
Interest Paid	27606172		14633020	
Total	31466728		18496495	
Less: Interest Received	5887944		1034057	
Profit on Sale of Fixed Asset	738843	24839941	0	17462438
Operating Profit Before Working Capital Changes		51210661		27424174
Adjustments For				
Increase/Decrease in Trade and other Receivable	62543691		39035183	
Increase/Decrease in Inventories	-34443871		-21814352	
Increase/Decrease in Loan and Advance	24623887		591715	
Increase/Decrease in Current Liabilities	5303741		-38969704	-21157156
Cash Generated From Operations		-6816788		6267018
Direct Taxes Paid	5804621		3200000	
Fringe Benefit Taxes Paid	102950		200000	
Dividend Tax Paid	778452		778452	
NET CASH FROM OPERATING ACTIVITIES		-13502811		2088566
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	14879635		10200560	
Interest Received	5887944		1034057	
Investments Realised (made)	48633741		3913100	
Proceeds from Issue of Share	5400000		45390000	
Miscellaneous Expenditure	0		455010	
Subsidy Received	0		607500	
Sale of Fixed Assets	1625000		0	-32462887
NET CASH IN INVESTING ACTIVITIES		50600432	0	
C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Short Term Borrowing	55767192		35064644	
Repayment of Short Term Borrowing	0		- 2355662	
Proceeds from Long Term Term Deposits	2076984		2002716	
Dividend Paid	4406454		4579130	
Interest Paid	27606172	25831550	14633020	
NET CASH IN FINANCING ACTIVITIES				15499548
Net Increase in Cash and Cash Equivalents		-38271691		50051001
Cash and Cash Equivalents as at 31-03-2008		72702204		22651203
Cash and Cash Equivalents as at 31-03-2009		34430511		72702204
OMPRAKASH GILDA	ARUN TOSHNIWAL	DEEPAK MALIWAL		
CHAIRMAN	DIRECTOR	DIRECTOR		



Shiva Fertilizers Ltd.

AUDITORS' CERTIFICATE

We have examined the cash flow statement of SHIVA FERTILIZERS LTD., for the year ended 31st March-2009. The Statement has been prepared by the Company in accordance with the requirements of Clause 32 of the Listing Agreement and is based on and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report Dated : 30th June 2009 to the members of the Company.

For **J. P. FALOR & Co.**
CHARTERED ACCOUNTANTS

JAIPRAKASH FALOR
PROPRIETOR

Place : Nanded

Dated : 30th June, 2009





Shiva Fertilizers Ltd.

SHIVA FERTILIZERS LIMITED

Regd. Office : Hanumannagar, Osmannagar Road, Village : Dhakni, Dist. Nanded.

Regd. Folio No. :

No. of Shares Held :

PROXY FORM

I / We _____ of _____ the district _____ being a member / members of the above named Company hereby appoint _____ as my / our Proxy to vote for me/us my/ our behalf at the 17th Annual General Meeting of the company to be held on Tuesday 29th September, 2009 at 1.00 p.m. at the Administrative office of the Company, and at any adjournment thereof.

Signed this _____ day of _____ 2009

AFFIX
REVENUE
STAMP

Note : a) Proxy need not be a member

b) The Proxy form duly sined by the member (s) should reach the company's Registered Office, at least 48 hours before the time fixed for the meeting.

SHIVA FERTILIZERS LIMITED

Regd. Office : Hanumannagar, Osmannagar Road, Village : Dhakni, Dist. Nanded.

THIS ATTENDANCE SLIP DULY FILLED IN IS TO BE HANDED
OVER AT THE ENTRANCE OF THE MEETING HALL

Name of the attending member (in Block Letters) _____

Member's Folio Number _____ Name of

Proxy (in Block Letters, to be filled if the Proxy attends instead of the Member)

No of Shares held _____

I hereby record my presence at the 17th Annual General Meeting held on Tuesday, the 29th September 2009 at 1.00 p.m. at the Administrative office of the Company.

Member / Proxy's Signature**

* Cancel whatever is not applicable

** To be signed at the time of handling over this slip



SHIVA FERTILIZERS LIMITED

ADMN. OFFICE, 'SHIVA HOUSE' NEAR S.B.I.
NEW MONDHA, NANDED.

Tel.: (02462) 284036 Fax : 284729

E-mali :- nndshiva@gmail.com

Dear Shareholder,

Reg. Payment of dividend through Electronic Clearing Services –(ECS)

Please note that Securities and Exchange Board of India (SEBI) vide its Circular / Press note no DCC/FITT/CIR-3/2001 dated 15th October 2001 had advised all companies to use ECS mode (wherever available) for remittance of dividend to the investor's bank account. We reiterate benefits of receiving the dividend through ECS, here under

No more "Loss in Transit"

* Effortless receipt

No fraudulent encashment

* Account statement / pass book will show the Source of credit

In the light of above, we request you to register the ECS mandate with us by furnishing your bank account details in the mandate form appended below together with a blank cancelled MICR cheque leaf or a Photostat copy of the cheque for the purpose of verification of bank's name and address, branch code no. etc.

We are sure you will avail this facility, to enable us to serve you better as well as for hassle-free payment of dividend

If you have already submitted the desired details, kindly send us a copy of the same for taking necessary action at our end.

Thanking you,

Yours faithfully,

For SHIVA FERTILIZERS LTD

(DIRECTOR)



ECS MANDATE (BANK ACCOUNT DETAILS)

- 1 Shareholder's Name : _____
(Sole/First holder's name)
- 2 Folio No _____ 3. Number of Shares _____
- 4 Name of the Bank _____ 5. Bank's branch & Address _____
- 6 Type of Account _____ 7. Account Number _____
- 8 9 digit code number of the bank and branch as appearing on the MICR cheque issued by the Bank _____

(Please attach either Photostat copy of cheque or cheque duly cancelled, for verification)

I declare that the details given above are correct and complete in all respects and I undertake to inform you of subsequent changes, if any, in the above particulars before the relevant book closure date(s). If the payment is delayed or not effected at all for any reason(s) beyond the control of the Company, I will not hold the Company responsible. I will not hold the Bank responsible if the ECS facility could not be implemented or the Bank discontinues the ECS facility for any reason.

Signature of (Sole/First)share holder

Note : For shares held in physical mode please send the details to the Company / RTA. For shares held in demat mode please inform the details to your depository participant.

Book Post



If undelivered,
please return to,

SHIVA FERTILIZERS LTD.

Shiva House, Near State Bank of India, New Mondha, Nanded (MS). Ph. 02462 - 284036