

22nd

ANNUAL REPORT

2009 – 2010

TULASEE BIO-ETHANOL LIMITED

TULASEE BIO-ETHANOL LIMITED

BOARD OF DIRECTORS:

Mr. Kapil Nagpal : Managing Director
Mr. Ashwin G. Pandye : Director
Mr. Mr. Kishor Tank : Independent Non Executive Director
Mr. Anil Goyal : Independent Non Executive Director

AUDITORS:

Mulraj D. Gala
Chartered Accountants
Mumbai.

BANKERS:

Axis Bank limited

REGISTERED OFFICE & WORKS:

In-House Registrar Office
Plot No 41/3 & 41/5,
Village Lohop, Lohop Chowk
Tal. Khalapur, Dist. Raigad.
Maharashtra – 400 202.

SHARES LISTED AT:

Bombay Stock Exchange.
Ahamdabad Stock Exchange.

18th ANNUAL GENERAL MEETING:

Date : 30th September, 2010
Day : Thursday
Time: 01:30 P.M.
Place: Plot No 41/3 & 41/5,
Village Lohop, Lohop Chowk
Tal. Khalapur, Dist. Raigad.
Maharashtra – 400 202.

Tulasee Bio-Ethanol Limited

Regd. Off. & Fact. : Plot No. 41/3 & 41/5, Village Lohop, Lohop Chowk Rd., Tal. Khalapur – 410 202. Dist. Raigad, Maharashtra.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 22ND ANNUAL GENERAL MEETING OF THE MEMBERS OF TULASEE BIO- ETHANOL LTD WILL BE HELD ON THURSDAY, 30TH SEPTEMBER 2010, AT 1:30 P.M. AT ITS REGISTERED OFFICE AT 41/3, VILLAGE LOHOP.CHOWK LOHOP ROAD, TAL. KHALAPUR, DIST RAIGAD, RAIGAD, MAHARASHTRA TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive consider and adopt the audited Balance Sheet as at 31st March 2010, the Profit & Loss Account for the year ended on that date and the reports of the Auditors and Directors thereon.
2. To appoint a Director in place of ASHWIN PANDYA who retires by rotation and being eligible offer her for reappointment.
3. To consider, and if thought fit, to pass, with or without modifications, the following resolution as an ordinary resolution :-

“RESOLVED THAT M/S MULRAJ D. GALA, chartered accountants be and are hereby appointed as sole statutory auditors of the company to hold office from the conclusion of this annual general meeting until the conclusion of the next annual general meeting at such remuneration as may be determined by the board of directors of the company.”

For & on behalf of the Board,

PLACE : Mumbai
DATE : 01/09/2010



DIRECTOR

Notes: 1.

1. A 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 a member.
2. The proxy from duly completed must reach the registered office of the Company not later than 48 hours before the time appointed for holding the meeting.
3. Members are requested to intimate immediately, change in their address, at the registered office of the Company.

For & on behalf of the Board,

PLACE : Mumbai
DATE : 01/09/2010



DIRECTOR

Tulasee Bio-Ethanol Limited

Regd. Off. & Fact. : Plot No. 41/3 & 41/5, Village Lohop, Lohop Chowk Rd., Tal. Khalapur – 410 202. Dist. Raigad, Maharashtra.

DIRECTORS' REPORT 2009-2010

THE MEMBERS OF TULASEE BIO- ETHANOL LIMITED

Your directors have pleasure in presenting their annual report together with the audited balance sheet as at 31st March, 2010.

FINANCIAL RESULTS

	2009-10	2008-09
Profit / (Loss) before depreciation and taxation	(20137)	(545608)
Profit / (Loss) before tax	(20137)	(545608)
Less - provision for tax	131461	-----
	-----	-----
Profit / (Loss) after tax	111324	(545608)

Particulars of Employees

The Section 217(2A) of the Companies Act 1956, read with the Companies (particulars of Employees) Rule, 1975 is not given, as the company has not employed any person whose particulars are required to be given.

Director's Responsibility Statement pursuant to sec. 217 (2aa) of Companies Act. 1956.

The Directors hereby confirm:-

- That in the preparation of the accounts for the Financial Year ended on 31st March 2010, the applicable accounting standards had been followed along with proper explanation relating to material departures :
- That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March 2010 and of the profit of the company for that period.
- That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- That the directors had prepared the annual accounts on a going concern basis.

Tulasee Bio-Ethanol Limited

Regd. Off. & Fact. : Plot No. 41/3 & 41/5, Village Lohop, Lohop Chowk Rd., Tal. Khalapur – 410 202. Dist. Raigad, Maharashtra.

BOARD OF DIRECTORS

MR. ASHWIN PANDYA retire from office by rotation, and being eligible, offer himself for re-appointment at the ensuing annual general meeting of the company.

AUDITORS

M/s MULRAJ D. GALA, Chartered Accountants, retiring auditor, being eligible for re-appointment, have signified their willingness to accept the appointment, if made and have further confirmed their eligibility under section 224 (1B) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

The particulars of employees pursuant to provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules is NIL.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTIONS

Since there are no industrial manufacturing activity as specified in section 217(1)(e), information pursuant to section 217(1)(e) of the Companies Act, 1956 read together with the Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988 is not given.

ACKNOWLEDGMENT

The directors take this opportunity to thank members, banker and all the other associated with the company for their co-operation and assistance.

**BY ORDER OF BOARD OF DIRECTOR
TULASEE BIO- ETHANOL LIMITED**

PLACE : Mumbai
DATE : 01/09/2010



DIRECTOR

CORPORATE GOVERNANCE REPORT

1. Company's philosophy:

The Corporate Governance code as introduced by Security and Exchange Board of India (SEBI) in pursuance of clause 49 of Listing Agreement and subsequently amended w.e.f. 1st January, 2006 has implemented by the Company. Corporate Governance is not merely compliance-it involves leveraging the Company's resources and aligning its activities to consumer needs shareholder benefits and employee growth, thereby delighting all its stakeholders while minimizing risk.

2. Board of Directors:

The Board of the Company comprises of 4 Directors out of which one Managing Director while other three are independent Directors. There are no nominees or Institutional Directors in the Company. None of Directors has pecuniary or Business relationship with the Company other than as mentioned in the elsewhere in the Annual Report. No Director of the Company is either member in more than ten committees and/or Chairman of more than five committees across all Companies in which he is Director.

During the year there were in total 6 (Five) Board Meetings were held i.e. on 30.07.2009, 28.08.2009, 30.10.2009, 29.01.2010 and 31.03.2010. Gap between the two meetings was not more than 3 months. All the information required to be furnished to the Board was made available to them along with detailed Agenda notes.

Sr. No.	Name of Director	Category	No. of Meetings Attended	Attendance at Last AGM	No. Of Other Directorship	No. Of Other Committee membership In other Companies
1.	Mr. Kapil Nagpal	Managing Director	6	Yes	3	No
2.	Mr. Ashwin Pandya	Director	6	Yes	No	No
3.	Mr. Kishor Tank	Independent Non Exe. Director	6	Yes	No	No
4.	Mr. Anil Goyal	Independent Non Exe. Director	6	Yes	3	No

3. Audit Committee

Pursuant to the provisions of section 292(A) of The Companies Act, 1956 & clause 49 of Listing Agreement was formed, The said committee consists of 2 (TWO) Independent Directors.

THE ATTENDANCE AT THE AUDIT COMMITTEE MEETING WAS AS UNDER:

Name of Director	No. of Committee Meetings Held	No. of Committee Meetings Attended
Mr. Kishor Tank - Chairman & Independent, Non Exe. Director	4	4
Mr. Anil Goyal - Member & Independent Director	4	4
Mr. Ashwin Pandya - Director	4	4

Broad terms of reference of the Audit Committee are as per following:

- a) Reviewing audit reports of statutory auditors with auditors and management.
- b) Reviewing financial reporting systems, internal control systems and control procedures.
- c) Ensuring compliance with regulatory guidelines.
- d) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- e) Recommending to the Board, the appointment, re-appointment and, if required the replacement or removal of the statutory auditor and fixation of audit fees.
- f) Appointment of statutory auditor and fixing their remuneration.
- g) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

4. Remuneration Committee

The Stock Exchange Listing Agreement stipulates that the Remuneration Committee should comprise of at least Two Non Ex. Independent Directors accordingly the company constituted the Remuneration Committee.

Following are the members of Remuneration Committee.

Mr. Anil Goyal	-	Chairman & Independent Non Exe. Director
Mr. Kishor Tank	-	Member & Independent Non Exe. Director
Mr. Ashwin Pandya	-	Director

There was no meeting of the Remuneration Committee during the financial year 2008-2009.

Disclosure on Remuneration of Directors

- a) All element of remuneration package of individual directors summarized under major groups, such as salary benefits, bonuses, stock option, pension etc. – NIL
- b) Details of fixed component & performance linked incentives, along with the performance criteria - NIL
- c) Service contracts, notice period, severance fees – NIL
- d) Stock option details, if any – and whether issued at a discount as well as the period over which accrued and over which exercisable – NIL

Following is the list of Non – Executive Directors & their Shareholdings in the Company.

Sr. No.	Name of the Non – Executive Directors	Number of Equity Shares	Number of Convertible Instruments	Sitting fees
1.	Mr. Kishor Tank	NIL	NIL	Nil
2.	Mr. Anil Goyal	NIL	NIL	Nil

5. Shareholders/Investors Grievance Committee

The Shareholders/Investors Grievance Committee has been constituted. The committee consists of Two Non Executive & Independent Directors. The committee is chaired by Mr. Anil Goyal. The committee looks into the shareholder & investors grievance that are not settled at the level of Compliance Officer & helps to expedite the share transfers & related matters.

Following are the members of Committee.

Mr. Ashwin Pandya - Director
 Mr. Kishor Tank - Member & Independent Non Exe. Director
 Mr. Anil Goyal - Chairman & Independent Non Exe. Director

THE ATTENDANCE AT THE SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE MEETING WAS AS UNDER:

Director	No. of Committee Meetings Held	No. of Committee Meetings Attended
Mr. Anil Goyal - Chairman & Independent Non Executive Director	26	26
Mr. Kishor Tank- Member & Independent Non Executive Director.	26	26
Mr. Ashwin Pandya – Director.	26	26

The Name & address of the Compliance Officer:

Mr. Ashwin Pandya

Finance Director.

A/15/303, Siddhart Nagar, Borivali (E), Mumbai, 400066

Tel.: (022) 25203161, Fax: (022) 25201177

Email: tulaseebio@gmail.com

Number of complaints from shareholders during the year ended 31st March, 2010

Complaints outstanding as on 1st April, 2009 : Nil
 Complaints received during the year 31st March 2010 : Nil

None of the investors' complaints was pending unresolved as on 31st March, 2010

6. General Body Meetings:

Details of last three Annual General Meetings are given below:

Financial Year	Date	Time	Venue	Special Resolution(s)
2006-2007	30/09/2007	11.30 a.m.	Regd. Office	-- N.A. ---
2007-2008	30/09/2008	03:00 p.m.	Regd. Office	-- N.A. ---
2008-2009	30/09/2009	03.00 p.m.	Regd. Office	-- N.A. ---

No special resolution was put through postal ballot during the financial year.

7. Disclosures:

During the year under review, besides the transactions reported elsewhere, there were no other related party transactions of material nature with the promoters, Directors, the management or their subsidiaries or relatives during the year that may have potential conflict with the interest of the Company at large. The board hereby affirms that no personnel have been denied access to the audit corporate governance. The company has complied with mandatory requirements of clause 49 of the listing agreement.

8. Means of Communication:

The quarterly results were published in local news paper

9. General Shareholders Information:

1.	Annual General Meeting Date and Time Venue	30 th September 2010 at the registered office of the Company at 41/3, Village Lohop Chowk, Lohop Road, Tal. Khalapur, Dist. Raigad
2.	Financial Calendar	1 st April to 31 st March
3	Date of Book-closure	NA
4	Listing on Stock Exchanges in India	Bombay Stock Exchange Limited The Ahmadabad Stock Exchange Limited
5	Listing fees	Paid
6	Registered and corporate office	41/3, Village Lohop Chowk, Lohop Road, Tal. Khalapur, Dist. Raigad, Maharashtra – 400 202
7	Registrar and transfer Agent	Yet to appoint.
8.	Stock Code/ISIN No.	524514

Market price data:

Company's shares are suspended for trading hence market price data is not available.

a)Share Transfer System

The Share transfer of Securities in Physical form are registered, duly transferred and dispatched within one month of the receipt, if the transfer documents are in order. The share transfer requests are approved every fifteen days.

a. Dematerialization of securities

All the shares are in physical mode and Company is in the process of getting it dematerialized.

b. Company has not issued ESOP or any GDRs/ ADRs/ Warrants/ Convertible instrument.

c. Address of Company's Plant:

41/3, Village Lohop Chowk, Lohop Road, Tal. Khalapur, Dist. Raigad, Maharashtra – 400 202.

d. Address for correspondence:

41/3, Village Lohop Chowk, Lohop Road, Tal. Khalapur, Dist. Raigad, Maharashtra – 400 202.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A) INDUSTRY STRUCTURE AND DEVELOPMENT:

As members are aware the Company's main business is Manufacturing of Absolute Alcohol, Ethanol. The said Industry is unpredictable and volatile in nature. Your Directors are taking maximum efforts to safeguard funds of the Company while making investment and in trading in the industry.

B) OPPORTUNITIES / OUTLOOK:

Since your Company is diversified into Manufacturing of Absolute Alcohol, Ethanol; your Directors expect better future outlook. As the Economy and Industrial Sector is developing very fast, there is huge potential which is untapped.

C) THREATS:

The major threats to the Industry will be continuous changes as the entrance of New Strong Competitors in the Industry.

D) RISKS AND CONCERNS:

Your Directors are taking optimum measures to safeguard against such risk of changes that take place & other calamities.

E) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has adequate internal control system.

F) HUMAN RESOURCES POLICIES:

The Company has strong belief in Human Resources and accordingly policies are drawn from time to time.

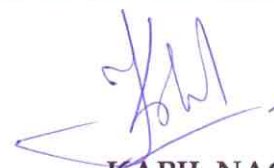
G) CAUTIONARY STATEMENT:

Your Board has taken abundant precaution in selecting and developing its Business.

**BY ORDER OF THE BOARD
TULASEE BIO-ETHANOL LIMITED**

DATE:13THAUGUST, 2010

PLACE: RAIGAD



**KAPIL NAGPAL
(MANAGING DIRECTOR)**

CERTIFICATION BY
CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

To,
The Board of Directors,
TULASEE BIO-ETHANOL LIMITED
Plot No 41/3 & 41/5,
Village Lohop, Lohop Chowk,
Tal. Khalapur, Dist. Raigad,
Maharashtra - 400 202.

We hereby certify that for the financial year, ending 31st March, 2010 on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that:-

1. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
4. we accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that:
 - a) There have been no significant changes in internal control during the year;
 - b) There have been no significant changes in accounting policies during the year.
 - c) There have been no instances of significant fraud of which we are become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.



KAPIL NAGPAL
(CEO & MANAGING DIRECTOR)

Date: 13th August, 2010
Place: Raigad

DECLARATION

In accordance with Clause 49 of the Listing Agreement with the Stock Exchange(s) it is hereby declared that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the code of conduct of the Company for the year ended 31st March, 2010.

FOR TULASEE BIO-ETHANOL LIMITED



**KAPIL NAGPAL
(CEO & MANAGING DIRECTOR)**

DATE: 13th August, 2010

PLACE: Raigad

Mulraj D. Gala

Chartered Accountant

B-21, Shastri Niketan,

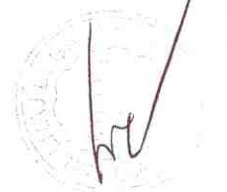
R.C.Marg, Chembur Naka,

Chambur, Mumbai-400071.

AUDITORS' REPORT

To,
The Members of
TULASEE BIO-ETHANOL LIMITED,
MUMBAI.

1. We have audited the attached Balance Sheet of TULASEE BIO-ETHANOL LIMITED, MUMBAI as at 31ST MARCH, 2010, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We 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 about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of section 227(4A) 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 to the extent applicable to the company.
4. 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, Profit & 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, Profit & 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, 2010 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2010 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 subject to Note No.6 regarding non-provision of depreciation and Note No.7 regarding non-provision of gratuity and read together with 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:
- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Place : Mumbai
Date : 18-08-2010


Mulraj D.Gala
Chartered Accountant
M. No. : 41206



TULASEE BIO-ETHANOL LIMITED
ANNEXURE TO THE AUDITOR'S REPORT
(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) These fixed assets have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.
- [ii] (a) As informed to us, the inventory has been physically verified at reasonable intervals during the year by the management.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on verification between physical stock and book records were not material.
- [iii] (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained u/s.301 of the Companies Act, 1956.
- (b) The Company has taken interest free unsecured loans from three parties covered in the register maintained under section 301 of the Companies Act, 1956. The year end balance of such loans were Rs.3,65,16,353/- and the maximum balance outstanding at any time during the year of such loans were Rs.3,65,16,353/-.
- (c) In our opinion, the other terms and conditions of such loans taken by the company are prima facie not prejudicial to the interest of the company.
- (d) The terms of payment of principal amount of such loans were not stipulated and hence no comments regarding regularity of payment of principal amount.
- [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, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- [v] (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

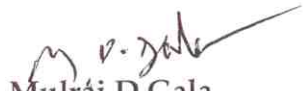


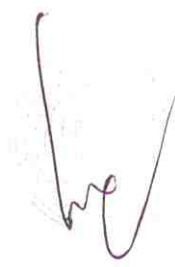
- (b) According to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of each party during the year except loan transactions as reported in clause (iii) above.
- [vi] The company has not accepted any deposits from the public during the year.
- [vii] The company does not have an internal audit system.
- [viii] As informed to us, maintenance of cost records has not been prescribed by the Central Government u/s. 209(1)(d) of the Companies Act, 1956 in respect of the activities carried on by the company.
- [ix] (a) In our opinion and according to the information and explanations given to us, the company has generally been regular in depositing with the appropriate authorities the undisputed statutory dues applicable to it and there were no arrears of outstanding undisputed statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to information and explanations given to us, there are no dues of income tax, service tax, custom duty, wealth tax, cess which have not been deposited on account of any dispute except sales tax demands for the years 2000-2001 & 2001-02 aggregating to Rs.20,90,52,770/- which have been disputed before the Joint Commissioner of Sales Tax, Appeals VIII, Thane and demands of excise duty for the years 1998-99 to 2000-01 aggregating to Rs.25,31,99,278/- which have been disputed before the Custom Excise & Service Tax Appellate Tribunal, Mumbai.
- [x] The company's accumulated losses as at 31st March, 2010 are not less than fifty percent of its net worth. The company has incurred cash losses during the financial year ended on that date and also in the immediately preceding financial year.
- [xi] According to the information provided to us, the company has not borrowed funds from banks or financial institutions or issued debentures. Accordingly, clause 4(xi) of the Order is not applicable.
- [xii] According to the 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. Accordingly, clause 4(xii) of the Order is not applicable.
- [xiii] The company is not a chit fund or a nidhi/mutual benefit fund or a society. Accordingly, clause 4(xiii) of the Order is not applicable.
- [xiv] According to the information and explanations given to us, in our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, clause 4(xiv) of the Order is not applicable.



- [xv] According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, clause 4(xv) of the Order is not applicable.
- [xvi] As informed to us, the company has not obtained any term loans during the year. Accordingly, clause 4(xvi) of the Order is not applicable.
- [xvii] According to the information and explanation given to us and on an overall examination of the balance sheet of the company, in our opinion, the funds raised on short term basis have not been used for long term investment.
- [xviii] According to the information and explanation given to us, the company has not made any preferential allotment of shares to the parties covered in the register maintained u/s.301 of the Companies Act, 1956 during the year.
- [xix] The company has not issued any debentures. Accordingly, clause 4(xix) of the Order is not applicable.
- [xx] The company has not raised any money by public issues during the year. Accordingly, clause 4(xx) of the Order is not applicable.
- [xxi] According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Place : Mumbai
Date : 18-08-2010


Mulraj D. Gala
Chartered Accountant
M. No. : 41206



TULASEE BIO-ETHANOL LIMITED

BALANCE SHEET AS AT 31ST MARCH 2010

Particulars	SCH	As at 31/03/2010		As at 31/03/2009	
		Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
I. SOURCES OF FUNDS:					
1 <u>Shareholders' Funds</u>					
a) Share Capital	1	58,360,300		58,360,300	
b) Reserves & Surplus	2	<u>1,500,000</u>	59,860,300	<u>1,500,000</u>	59,860,300
2 <u>Loan Funds:</u>					
b) Unsecured Loans	3		53,664,747		53,664,747
Total			<u>113,525,047</u>		<u>113,525,047</u>
II. APPLICATION OF FUNDS:					
1 <u>Fixed Assets:</u>	4				
Gross Block		70,313,834		70,313,834	
Less: Depreciation		<u>23,331,035</u>		<u>23,331,035</u>	
Net Block			46,982,800		46,982,800
2 Investments	5		20,000		20,000
3 Deferred Tax Assets (Net)			1,853,884		1,723,423
4 <u>Current Assets, Loans & Advances</u>					
a) Inventories	6	2,121,036		2,121,036	
b) Cash and Bank Balances	7	128,446		148,583	
c) Loans & Advances	8	<u>22,946,054</u>		<u>22,946,054</u>	
		25,195,535		25,215,672	
Less :					
Current Liabilities & Provisions	9	<u>6,248,717</u>		<u>6,249,717</u>	
Net Current Assets			18,946,818		18,965,955
5 Profit and Loss Account			45,721,545		45,832,869
Total			<u>113,525,047</u>		<u>113,525,047</u>

ACCOUNTING POLICIES AND NOTES

ON ACCOUNTS 13

The schedules referred to above form part of accounts

As per our report of even date

M. D. Gala

Mulraj D. Gala
Chartered Accountant
M. No.41206

Place : Mumbai
Dated : 18-08-2010

On Behalf of the Board

A. Ganur

Director

Director

Place : Mumbai
Dated : 18-08-2010




TULASEE BIO-ETHANOL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010

	SCH	2009-10 Amount (Rs.)	2008-09 Amount (Rs.)
1 INCOME			
Increase/(decrease) in Stocks	10	-	-
TOTAL (A)		<u>-</u>	<u>-</u>
2 EXPENDITURE			
Raw Materials Consumed	11	-	-
Administrative & Other Expenses	12	20,137	260,375
Interest & Financial Charges		-	285,233
Depreciation		-	-
TOTAL (B)		<u>20,137</u>	<u>545,608</u>
Loss Before Tax (A) - (B)		<u>(20,137)</u>	<u>(545,608)</u>
Less : Tax Expenses			
Current Tax		-	-
Deferred Tax		(130,461)	-
Fringe Benefit Tax		(1,000)	-
Profit / (Loss) After Tax		<u>111,324</u>	<u>(545,608)</u>
Balance brought forward		<u>(45,832,869)</u>	<u>(45,287,261)</u>
Balance carried to Balance Sheet		<u>(45,721,545)</u>	<u>(45,832,869)</u>
Earning per share		<u>0.02</u>	<u>(0.09)</u>

ACCOUNTING POLICIES AND NOTES
ON ACCOUNTS 13
The schedules referred to above form part of accounts

As per our report of even date


Mulraj D. Gala
Chartered Accountant
M. No.41206

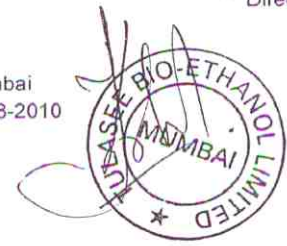
Place : Mumbai
Dated : 18-08-2010

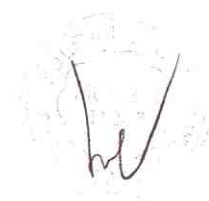
On Behalf of the Board

Director

Place : Mumbai
Dated : 18-08-2010


Director



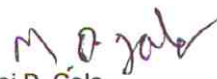


TULASEE BIO-ETHANOL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

Particulars	31.03.2010		31.03.2009	
	Rs.	Rs.	Rs.	Rs.
A CASH FROM OPERATING ACTIVITIES				
Net Loss before tax as per Profit & Loss Account		(20,137)		(545,608)
<u>Adjusted for</u>				
Depreciation	-		-	
Loss on sale of fixed assets	-		129,539	
Interest on Borrowings	-		285,233	414,772
Operating Profit/(Loss) before Working Capital Changes		(20,137)		(130,836)
<u>Adjusted for</u>				
Inventories	-		-	
Trade and Other Receivables	-		110,836	
Trade Payables	-		1,000,000	
Cash Generation from Operation		(20,137)		980,000
Interest on Borrowings	-		(285,233)	(285,233)
Net Cash flow before extraordinary item		(20,137)		694,767
Extraordinary Items		-		-
Net cash Flow from Operating Activities		(20,137)		694,767
B CASH FLOW FROM INVESTING ACTIVITIES				
Sale Proceeds of fixed assets		-		250,000
Net Cash Flow from Investing Activities		-		250,000
C CASH FLOW FROM FINANCING ACTIVITIES				
Increase/(Repayment) of Long term Borrowings	-		(2,592,006)	
Increase/(Decrease) in Unsecured Loans	-		1,600,000	(992,006)
Net Cash Flow From Financing Activities		-		(992,006)
(A+B+C)		(20,137)		(47,239)
Opening Cash or Cash Equivalents	148,583		195,822	
Closing Cash or Cash Equivalents	128,446	(20,137)	148,583	(47,239)
NET INCREASE / DECREASE IN CASH OR CASH EQUIVALENTS		(20,137)		(47,239)

As per our report of even date



Mulraj D. Gala
 Chartered Accountant
 M. No.41206

Place : Mumbai
 Dated : 18-08-2010



For and on behalf of the Board


 Director

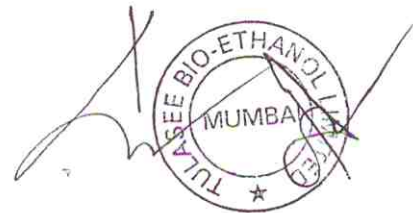

 Director



TULASEE BIO-ETHANOL LIMITED

SCHEDULES FORMING PART OF ACCOUNTS

Particulars	As at 31/03/2010		As at 31/03/2009	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<u>SCHEDULE-1</u>				
<u>SHARE CAPITAL</u>				
<u>Authorised</u>				
60,00,000 Equity Shares of Rs.10/- each		<u>60,000,000</u>		<u>60,000,000</u>
<u>Issued</u>				
60,00,000 Equity Shares of Rs.10/- each		<u>60,000,000</u>		<u>60,000,000</u>
<u>Subscribed and Paid up:</u>				
58,93,100 Equity Shares of Rs.10/- each Rs. 10/- per share called up		<u>58,931,000</u>		<u>58,931,000</u>
<u>Less:</u>				
Calls in arrears:		<u>570,700</u>		<u>570,700</u>
		<u>58,360,300</u>		<u>58,360,300</u>
<u>SCHEDULE-2</u>				
<u>RESERVES AND SURPLUS</u>				
Capital Reserves (Refer Note No.3 of Schedule 13)		<u>1,500,000</u>		<u>1,500,000</u>
		<u>1,500,000</u>		<u>1,500,000</u>
<u>SCHEDULE - 3</u>				
<u>UNSECURED LOANS</u>				
Sales Tax Deffered Liability		<u>13,225,036</u>		<u>13,225,036</u>
Loan From Directors & others		<u>40,439,711</u>		<u>40,439,711</u>
		<u>53,664,747</u>		<u>53,664,747</u>



TULASEE BIO-ETHANOL LIMITED

SCHEDULES FORMING PART OF ACCOUNTS

SCHEDULE - 4

FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 1.4.2009	Additions	Deduction	As at 31.03.2010	As at 31.03.2009	For the year	Deduction	As at 31.03.2010	As at 31.3.2009
Land	1,974,100	-	-	1,974,100	-	-	-	1,974,100	1,974,100
Factory Building	19,293,296	-	-	19,293,296	5,318,353	-	-	13,974,943	13,974,943
Plant & Machinery	42,847,630	-	-	42,847,630	14,734,862	-	-	28,112,768	28,112,768
Electrical Installation	2,871,154	-	-	2,871,154	1,462,519	-	-	1,408,635	1,408,635
Vehicles	1,900,962	-	-	1,900,962	1,023,953	-	-	877,009	877,009
Office Equipment	535,555	-	-	535,555	164,617	-	-	370,938	370,938
Computer	430,236	-	-	430,236	430,236	-	-	-	-
Furniture & Fixture	336,901	-	-	336,901	162,540	-	-	174,361	174,361
Television at Office	27,200	-	-	27,200	8,055	-	-	19,145	19,145
Air Conditioner	88,500	-	-	88,500	23,995	-	-	64,505	64,505
Refrigerator	8,300	-	-	8,300	1,904	-	-	6,396	6,396
Total :	70,313,834	-	-	70,313,834	23,331,035	-	-	46,982,800	46,982,800
Previous year	71,255,552	-	941,718	70,313,834	23,893,213	-	562,179	46,982,800	47,362,339



TULASEE BIO-ETHANOL LIMITED

SCHEDULES FORMING PART OF ACCOUNTS

<u>Particulars</u>	<u>As at 31/03/2010</u> <u>Amount (Rs.)</u>	<u>As at 31/03/2009</u> <u>Amount (Rs.)</u>
<u>SCHEDULE - 5</u>		
<u>INVESTMENTS</u>		
<u>Long term(unquoted) (at cost)</u>		
2000 Equity Shares of Kesar Petro Products Ltd. (Market Value Rs.4,000)	20,000	20,000
	<u>20,000</u>	<u>20,000</u>
<u>SCHEDULE - 6</u>		
<u>INVENTORIES</u>		
(As per inventory taken, valued and certified by the Management)		
Fuel Materials	211,717	211,717
Stock-in-trade:		
a) Raw Materials	1,044,939	1,044,939
b) Work in process	259,800	259,800
c) Finished Goods	604,580	604,580
	<u>2,121,036</u>	<u>2,121,036</u>
<u>SCHEDULE - 7</u>		
<u>CASH & BANK BALANCES</u>		
a) Cash on Hand	126,958	146,958
b) Balances with Scheduled Bank in Current Accounts	1,488	1,625
	<u>128,446</u>	<u>148,583</u>
<u>SCHEDULE - 8</u>		
<u>LOANS & ADVANCES</u>		
(Unsecured considered good)		
a) Advances recoverable in cash or in kind or for value to be received	22,045,564	22,045,564
b) Deposits	900,490	900,490
	<u>22,946,054</u>	<u>22,946,054</u>



TULASEE BIO-ETHANOL LIMITED

SCHEDULES FORMING PART OF ACCOUNTS

Particulars	As at 31/03/2010		As at 31/03/2009	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
SCHEDULE - 9				
CURRENT LIABILITIES & PROVISIONS				
a) Current Liabilities				
Sundry Creditors		6,248,717		6,248,717
b) Provisions				
For Fringe Benefit Tax		-		1,000
		<u>6,248,717</u>		<u>6,249,717</u>
SCHEDULE - 10				
INCREASE/(DECREASE) IN STOCKS AND WORK-IN-PROCESS				
a) Finished Goods				
Closing Stock	604,580		604,580	
Opening Stock	<u>604,580</u>	-	<u>604,580</u>	-
b) Work in process				
Closing Stock	259,800		259,800	
Opening Stock	<u>259,800</u>	-	<u>259,800</u>	-
		<u>-</u>		<u>-</u>
SCHEDULE - 11				
RAW MATERIALS CONSUMED				
Opening Stock	1,044,939		1,044,939	
Add: Purchases	<u>-</u>	1,044,939	<u>-</u>	1,044,939
Less: Closing Stock		<u>1,044,939</u>		<u>1,044,939</u>
		<u>-</u>		<u>-</u>
SCHEDULE - 12				
ADMINISTRATIVE & OTHER EXPENSES				
Auditors' Remuneration		20,000		20,000
Insurance Charges		-		110,836
Loss on sale of fixed assets		-		129,539
Bank charges		137		-
		<u>20,137</u>		<u>260,375</u>

Accounting Policies and Notes on Accounts**A. SIGNIFICANT ACCOUNTING POLICIES**1. Basis of Accounting

The financial statements are prepared on historical cost convention on accrual basis as a going concern in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

2. Fixed Assets

Fixed Assets are stated at original cost of acquisition. The cost of an asset comprises of its purchase price less of excise modvat and any directly attributable cost of bringing the asset to working condition for its intended use.

3. Depreciation

Depreciation on fixed assets is provided on straight line method at the rates prescribed in the amended schedule XIV of the Companies Act, 1956.

4. Investments

Investments are stated at cost.

5. Inventories

Inventories are valued at the lower of cost or estimated net realisable value. Cost of finished goods and work-in-process include cost of material, direct labour and an appropriate portion of overheads. Cost's determined using First In First Out (FIFO) Method.

6. Retirement Benefits

Gratuity is accounted on payment basis. Leave salary is accounted on payment basis.

7. Taxation

Tax expenses comprises current tax and deferred tax charge/credit. The deferred tax charge / credit is recognised using current tax rates. Deferred tax assets/ liabilities are reviewed as at each Balance Sheet date.

8. Provisions, Contingent Liabilities and 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. Contingent Assets are neither recognized nor disclosed in the financial statements.

B. NOTES ON ACCOUNTS

Additional Information pursuant to the provisions of the paragraphs 3,4,4C and 4D of Part II of Schedule VI to the Companies Act, 1956. (As certified by the management)

1. Quantitative information with regard to class of goods manufactured:

	31.03.2010	31.03.2009
Licensed Capacity	30000000LTR	30000000LTR
Installed Capacity	15000000LTR	15000000LTR
Actual Production	NIL	Nil

2. **Turnover & Stock**

a) Sales

Class of Goods	Units	31.3.2010		31.3.2009	
		Quantity	Value(Rs.)	Quantity	Value (Rs.)
			NIL		NIL

b) Consumption of Raw Materials

			NIL		NIL
--	--	--	-----	--	-----

c) Closing Stock

Absolute Alcohol	Ltrs.	29832	604580	29832	604580
Total			604580		604580

- Reserves and surplus includes capital subsidy received from Development Corporation of Konkan Ltd.
- The company has not received any information from any of the supplier of their being a small scale industrial unit, hence the amount due to such unit outstanding as at year end is not applicable.
- The previous year's figure are regrouped or rearranged wherever necessary.
- The company suspended its manufacturing activities during the year ended 31st March, 2007. The company has not provided for depreciation on the fixed assets since F.Y.2006-07 as, in the opinion of the management, the same is not warranted. However, this is not in conformity with the mandatory Accounting Standard AS-6 "Depreciation Accounting" issued by the Institute of Chartered Accountants of India. Due to this, the loss before tax for the year is understated by Rs.30,49,214/-. The total depreciation not provided in the books of account as on 31st March, 2010 is Rs.1,21,96,858/-.
- No provision has been made for accruing liability in respect of gratuity and leave encashment payable to the Employees and director in the absence of quantification of the same. As per the practice followed by the company, the same shall be accounted for on payment basis. However this is not in conformity with the mandatory Accounting Standard (AS-15) on "Accounting for Retirement Benefits" issued by the Institute of Chartered Accountants of India.

8. **Deferred Tax Assets/(Liability) -**

	<u>31-03-2010</u>	<u>31-03-2009</u>
Timing difference on account of Depreciation	(85,97,854)	(87,28,315)
Unabsorbed Depreciation/Business Loss	1,04,51,738	1,04,51,738
	<u>18,53,884</u>	<u>17,23,423</u>
Deferred Tax Assets (Net)	=====	=====

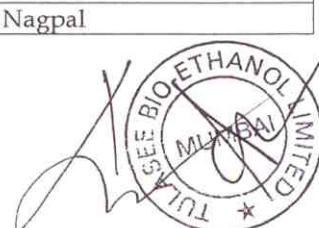
9. **Segment Reporting**

The company is engaged in manufacturing of Liquid Chemicals, which as per AS-17 is considered the only reportable business segment.

10. **Related Parties Disclosures**

a) Information about related parties

Sr. No.	Particulars	Name of the Related Parties
1.	Key Management Personnel	Mr. Ashwin Pandya (Director Finance) Mr. Kapil Nagpal (Director) Mr. Kisore Ramji Tank (Director)
2.	Relatives of Key Management Personnel	Mr. Lalitkumar Nagpal



b) Information about related parties

Sr. No.	Particulars	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned on Significantly influenced by any management Personnel	Total	Total Outstanding Balance
1.	Managerial Remuneration	Nil	Nil	Nil	Nil	Nil
2.	Loan from Directors	3,05,78,484	59,37,869	Nil	Nil	3,65,16,353

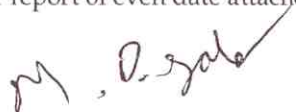
11. Earning Per Share

	<u>31.03.2010</u> (In Rs.)	<u>31.03.2009</u> (In Rs.)
Profit / (Loss) after taxation	1,11,324	(5,45,608)
Weighted number of Equity Share Outstanding	58,93,100	58,93,100
Basic and diluted earnings per share	0.02	(0.19)

12. Balance of sundry debtors, sundry creditors, loans and advances, receivables and payables are subject to confirmation and adjustment if necessary.

Signature to Schedule "1" to "13"

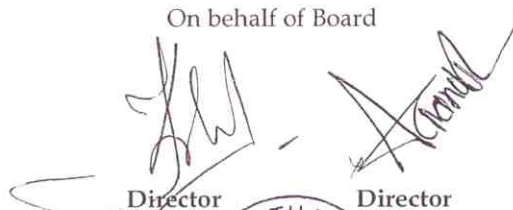
As per our report of even date attached



Mulraj D. Gala
Chartered Accountants
M.No. 41206

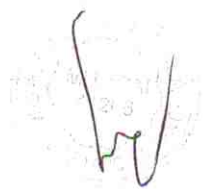
Place : Mumbai
Date : 18-08-2010

On behalf of Board



Director

Director

TULASEE BIO-ETHANOL LIMITED

STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956 Balance Sheet Abstract and Company's General Business Profile

I. REGISTRATION DETAILS

Registration No. 48126 State Code. 11
Balance Sheet Date 31.3.2010

II. CAPITAL RAISED DURING THE YEAR (AMOUNT RS. IN THOUSANDS)

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

III. POSITION OF MOBILISATION AND DEVELOPMENT OF FUNDS

Total Liabilities	113,525	Total Assets	113,525
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SOURCES OF FUNDS :

Paid up Capital	58,360	Reserves and surplus	1,500
Secured Loans	Nil	Unsecured Loans	53,665

APPLICATION OF FUNDS :

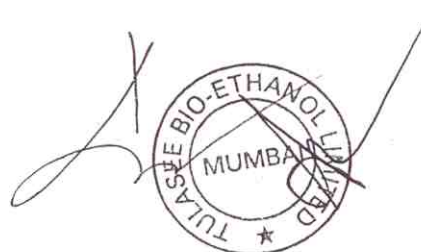
Net Fixed Assets	46,983	Investments	20
Net Current Assets	18,947	Misc. Expenditure	NIL
Deferred Tax Assets	1,854	Accumulated Losses	45,721

IV. PERFORMANCE OF COMPANY

Turnover	NIL	Total Expenditure	20
+ / (-) Profit / (Loss) Before Tax	(20)	+ / (-) Profit / (Loss) After Tax	111
Earning per share (in Rs.)	0.02		

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES/SERVICES OF THE COMPANY (AS PER MONETARY TERMS)

Production Description	ITC Code
Industrial Speciality Solvents & Thinners	3814.00
Absolute Alcohol (Denatured Ethyl Alcohol)	2204.10



TULASEE BIO – ETHANOL LTD.

Regd. Office: 41/3, Village Lohop Chowk Road, Tak. Khalalpur – 410202.
Dist. Raigad, Maharashtra

ATTENDANCE SLIP

Name of the attending Member (In Block Letters) : _____

Folio No.: _____

Name of the Proxy : _____

(To be filled in if the Proxy attends instead of the Member)

No. of Shares held:

I hereby record my presence at the 22nd Annual General Meeting of the Company at 41/3, Village Lohop, Lohop Chowk Road, Tal. Khalapur – 410 202, Dist. Raigad, Maharashtra at 01.30 p.m. on Thursday the 30th September 2010.

Member's / Proxy's Signature

(To be signed at the time of handing over this slip)

NOTE: Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over at the entrance duly signed.

TULASEE BIO – ETHANOL LTD.

Regd. Office: 41/3, Village Lohop Chowk Road, Tak. Khalalpur – 410202.
Dist. Raigad, Maharashtra

I/We _____ of _____ being a Member / Members of the abovenamed Company, hereby appoint _____ or failing him / her _____ as my / our proxy to attend and vote for me / us and on my / our behalf at the 22nd Annual General Meeting of the Company, to be held on Thursday, the 30th September 2010, and at any adjournment thereof. Unless otherwise instructed, the proxy will act as he thinks fit.

Signed this _____ day of _____ 2010

Folio No.: _____ No. of Shares : _____

Signature: _____

Affix
Re. 1
Stamp

NOTE: Proxy form must reach the Company's Registered Office not less than 48 hours before the meeting.