

ANNUAL REPORT
2009-10

SHRI CHLOCHEM LIMITED

SHRI CHLOCHEM LIMITED

BOARD OF DIRECTORS Shri Kandarp K. Amin
Smt. Archana K. Amin
Shri Bhupen Mehta
Shri Haresh Shah
Shri Dipesh Kotak

BANKERS Union Bank of India,
S.S.I. Branch,
Ashram Road, Ahmedabad - 380 014.

AUDITORS G. K. Choksi & Co.
Ahmedabad

REGISTERED OFFICE Plot No. 25/9/A, Phase-III,
G.I.D.C. Naroda,
Ahmedabad 382 330.

WORKS Plot No. 25/9/A, Phase-III, G.I.D.C. Naroda, Ahmedabad 382 330.
Plot No. B/18, Phase-II, G.I.D.C. Naroda, Ahmedabad 382 330.

NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of the Company will be held on Thursday, the 30th September 2010 at 10.30 a.m. at the Registered Office of the Company at Plot No. 25/9/A, Phase III, G.I.D.C. Naroda, Ahmedabad - 382 330, to transact the following business:

ORDINARY BUSINESS

- (1) To receive, consider and adopt the audited Balance Sheet as at 31st March, 2010 and Profit and Loss Account for the year ended on that day together with the Directors' Report and the Auditors' Report thereon.
- (2) To appoint a Director in place of Shri Dipesh Kotak who retires by rotation and being eligible, offers himself for re-appointment.
- (3) To appoint a Director in place of Smt. Archna Amin who retires by rotation and being eligible, offers himself for re-appointment.
- (4) To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER. Proxies in order to be valid must be delivered at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
2. Members are requested to notify the changes, if any, in their registered address.
3. The Register of Members and Share Transfer Book of the Company shall remain closed from Monday, 27th September, 2010 to Thursday, 30th September, 2010 (both days inclusive) for the purpose of Annual General Meeting.
4. Members are requested to bring their copy of Annual Report to the meeting.
5. Members desiring to seek information on Annual Accounts to be explained at the meeting are requested to send their queries at least ten days before the date of the meeting so that the information can be made available at the meeting.
6. Information required to be furnished under the Listing Agreement, as required under the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be appointed, are given below:

i.	Name	:	Shri Dipesh Kotak
	Date of Birth	:	08 - 02 -1984
	Qualification	:	B.Com.
	Expertise	:	Accounting and commercial matters.
ii.	Name	:	Smt. Archna Amin
	Date of Birth	:	11 - 12 -1959
	Qualification	:	B.sc (Chemistry)
	Expertise	:	Procurement, Export Business and Production planning

Place : Registered Office :
Plot No. 25/9/A, Phase III,
G.I.D.C. Naroda, Ahmedabad - 382 330

By Order of the Board
For Shri Chlochem Limited

(Kandarp K. Amin)
Chairman

Date : 31st May, 2010

DIRECTORS' REPORT

TO
THE MEMBERS,

Your Directors present the Annual Report together with the audited Statement of Accounts for the year ended 31st March 2010.

FINANCIAL RESULTS

The operating results of the Company for the year ended 31st March 2010 are briefly indicated below:

	Year 2009-2010 (6 months) (Rs.)	Year 2008-2009 (12 months) (Rs.)
Profit / (loss) Before Depreciation and Taxation	82,25,047	(118,63,579)
Depreciation	17,10,135	38,63,369
Profit / (Loss) before Taxation	65,14,912	(80,00,210)
Provision for taxation - For Current Tax	20,00,000	NIL
Provision for taxation - For Deferred Tax	13,22,370	11,25,330
Provision for taxation - Frienge Benefit Tax	NIL	1,66,683
Profit / (Loss) after Taxation	31,92,542	(92,92,223)
Prior period adjustments	(7,73,939)	17,41,311
Profit / (Loss) after tax and prior period adjustments	24,18,603	(75,50,912)
Balance brought forward from previous year	(65,28,184)	10,22,728
Profit / (Loss) carried to the balance sheet	(41,09,581)	(65,28,184)

DIVIDEND

In view of losses, your Directors do not recommend any payment of Dividend for the year under review.

PERFORMANCE OF THE COMPANY & FUTURE PROSPECTS

During the year under review, the Company has achieved sales of Rs. 837.14 lacs (Previous year sales of Rs. 3645.90 lacs). Further details are given in management discussions and analysis report.

DEPOSITS

The Company has not accepted any deposits with in the meaning of Section 58 A of the Companies Act, 1956.

DIRECTORS

Shri. Dipesh Kotak and Mrs. Archana Amin, Directors of the Company are retiring by rotation and being eligible, offer themselves for re-appointment.

CORPORATE GOVERNANCE REPORT

Your Company has complied with the Corporate Governance practice mandated by Clause 49 of the Listing Agreement. A report on the same is given separately.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, the Directors Confirm that :

- (1) in the preparation of the annual accounts, the applicable accounting standards have been followed;

- (2) appropriate accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- (3) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (4) the accounts have been prepared on going concern basis.

INSURANCE

The Company has taken adequate insurance to cover its assets.

LISTING

The Company's Securities are listed with the Stock Exchanges at Ahmedabad and Mumbai. The Company has paid the listing fees for the year 2010-2011 to both the Stock Exchanges.

EMPLOYEES :

As there are no employees drawing remuneration more than the limit prescribed under Section 217(2A) of the Companies Act, 1956, and the Companies (Particulars of Employees) Rules, 1975, as amended, from time to time, statement under section 217(2A) is not required.

AUDITORS' OBSERVATIONS:

With regard to the observation of auditors regarding non provision of the option loss, the management is of the opinion that the said liability of contingent nature and for the same , legal matter is pending at DRT Mumbai. In view of the same provision has not been made for the option loss and interest thereon. The Company is yet to initiate the process of obtaining confirmation from suppliers who have registered themselves under Micro, Small and Medium Enterprises Development Act, 2006. In the absence of relevant information, the balance due to micro , small and medium enterprises and interest paid and payable under MSMED Act, 2006 could not be complied with and disclosed.

AUDITORS :

The Company's Auditors **M/s. G. K. Choksi & Co.**, Chartered Accountants, will retire at the ensuing Annual General Meeting but being eligible offers themselves for re-appointment. The Members are requested to appoint auditors for the current year and fix remuneration.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

Particulars to be given in respect of the above activity under the Companies (Disclosure of Particulars in report of Directors) Rules, 1988 is given in the annexure to this report.

ACKNOWLEDGEMENT :

The Board is thankful to its bankers for their continued support and assistance, which has played important role in progress of the Company.

Your Directors places on records the contribution of employees of the Company at all levels and other business associates for their commitment, dedication and respective contribution to the Company's operations during the year under review.

Place : Registered Office :
Plot No. 25/9/A, Phase III,
G.I.D.C. Naroda, Ahmedabad - 382 330

For and on behalf of the Board

(Kandarp K. Amin)
Chairman

Date : 31st May, 2010.

ANNEXURE TO THE DIRECTORS' REPORT

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

**FORM : A
(SEE RULE 2)**

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

A. POWER & FUEL CONSUMPTION

	Current year	previous year
1. Electricity		
a) Purchased Units (in lacs)	2.64	9.67
Total amount (Rs. in lacs)	14.05	59.95
Rate/Unit (Rs.)	5.32	6.20
b) Own Generation :		
Units (in lacs)	N.A.	N.A.
Total amount (Rs. in lacs)	N.A.	N.A.
Rate/Unit (Rs.)	N.A.	N.A.
2. Coal & Lignite	N.A.	N.A.
3. Furnace Oil	N.A.	N.A.
4. Other (integral generation)	N.A.	N.A.

FORM : B

II. RESEARCH AND DEVELOPMENT (R&D)

Company is continuously carrying out R & D activities in the areas of new product/process development, improvement in existing process.

These efforts have resulted in improvement in production process, better quality, stability and bio invisibility.

Benefits derived as a result of the above R & D.

Production processes have improved resulting in better productivity.

Expenditure on R & D :

Expenditure charged to respective primary heads of accounts.

III. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION :

The Company always keeps itself updated with all latest technological innovation by way of constant communications, consulting experts. Efforts are being made to reduce cost, improvement in performance etc.

IV. FOREIGN EXCHANGE EARNINGS AND OUTGO :

	Current year	Previous year
Earnings :	Rs. 450.36 lacs	Rs. 1843.30 lacs
Out go :	Rs. 4.54 lacs	Rs. 24.38 lacs

Place : Registered Office :
Plot No. 25/9/A, Phase III,
G.I.D.C. Naroda, Ahmedabad - 382 330

For and on behalf of the Board

Date : 31st May, 2010.

(Kandarp K. Amin)
Chairman

SECRETARIAL COMPLIANCE CERTIFICATE

To,
The Members,
SHRI CHLOCHEM LIMITED.
Plot No. 25/9-A, Phase-III,
GIDC Naroda,
Ahmedabad - 382 330.

We have examined the registers, records, books and papers of SHRI CHLOCHEM LIMITED, (the Company) as required to be maintained under the Companies Act, 1956 (the Act), and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the period ended 31-03-2010. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents and to the best of our knowledge and belief, we certify that in respect of the aforesaid financial year :

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions of the Act, and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Gujarat.
3. The Company, being a Public Limited Company and has minimum prescribed share capital and comments on the maximum number of members during the year under review is not required.
4. The Board of Directors duly met 5 times on (1) 15-10-2009 (2) 21-11-2009 (3) 24-11-2009 (4) 30-12-2009 and (5) 30-01-2010 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
The Audit Committee duly met on (1) 24-11-2009 and (2) 30-01-2010 in respect of which meeting proper notice was given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 26-12-2009 to 30-12-2009 and necessary compliance of section 154 of the Act has been made during the year under review.
6. The Annual General Meeting for the financial year ended on 30-09-2009 was held on 30-12-2009 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the year under review.
8. The Company has not advanced any loans to its Directors or persons or firms or Companies referred to under section 295 of the Act during the year under review.
9. The Company has complied with the provision of section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. There were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of Directors, Members or Central Government, during the year under review.
12. The Company has not issued any duplicate share certificate during the year under review.
13. During the year under review :
 - (i) the Company has delivered all the certificates on lodgment there of for transfer /transmission of shares in accordance with the provisions of the Act and there was no allotment of Shares or securities.
 - (ii) the Company has not deposited any amount in a in separate Bank Account as no dividend was declared.
 - (iii) the Company was not required to post warrants to any members of the Company as no dividend was declared.
 - (iv) the Company has not transferred any amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and interest accrued thereon, which have

remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund as there were no amounts outstanding;

- (v) the Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional Directors, Alternate Directors and Directors to fill casual vacancy during the year under review.
 15. The Company's Paid-up Share Capital being less than the prescribed limit of Rs. 5 Crores, it is not required to appoint any Managing Director / Whole – time Director / Manager and accordingly provisions of Section 269 of the Act, are not applicable.
 16. The Company has not appointed any sole-selling agents during the year under review.
 17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Act, during the year under review.
 18. The Directors have disclosed their interest in other firms / Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
 19. The Company has not issued any shares, debentures or other securities during the year under review.
 20. The Company has not bought back any shares during the year under review.
 21. As there were no preference shares or debentures issued, there was no redemption of preference shares or debentures during the year under review.
 22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
 23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act during the year under review.
 24. The amounts borrowed by the Company from financial institutions / banks, during the period under review are within the borrowing limits of the Company and that necessary resolution as per section 293(1)(d) of the Act has been passed on 30-12-2009 in duly convened Annual General meeting.
 25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate during the year under review and consequently no entries have been made in the register kept for the purpose.
 26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under review.
 27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under review.
 28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under review.
 29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under review.
 30. The Company has not altered its Articles of Association during the year under review.
 31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the year under review, for offences under the Act.
 32. The Company has not received any money as security from its employees during the year under review.
 33. The Company has not constituted any separate provident fund of employees or any class of employees as envisaged under section 418 of the said Act.

**FOR UMESH PARIKH & ASSOCIATES
COMPANY SECRETARIES**

Date : 31st July, 2010
Place : Ahmedabad

(**UMESH PARIKH**)
Proprietor
C. P. No.: 2413

ANNEXURE "A"**List of Registers as maintained by the Company:**

1. Register of Transfer under Section 108
2. Register of Charges under Section 143
3. Register of Members under Section 150
4. Index of Members under Section 151
5. Minutes book of General Meeting under Section 193
6. Minutes book of Board Meeting under Section 193
7. Minutes book of remuneration committee under section 193
8. Minutes book of Audit committee under section 193
9. Minutes book of Shareholders/Investors Grievances cum Share Transfer committee under section 193.
10. Books of accounts under Section 209
11. Register of Contracts under Section 301
12. Register of General notice of directors under Section 301(3)
13. Register of Directors etc. under Section 303
14. Register of Directors' Shareholding under Section 307
15. Register of renewed and duplicate Share Certificate

ANNEXURE "B"

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities for and during the financial year ended on 30-09-2010.

SR. NO.	FORM NO.	FILED UNDER SECTION No.	DESCRIPTION	DATE OF FILING	WHETHER FILED WITHIN PRESCRIBED TIME YES/ NO	IF DELAY IN FILING WHETHER REQUISITE ADDITIONAL FEE PAID YES/
1.	23	298, 269, 309,310, Sch.XIII & 293(1)(d)	Resolution passed at AGM-09 for approval of re-appointment of Shri Kandarp Amin & Smt. Archana Amin as Whole-time Directors of the Company and for resolution u/s. 293(1)(d).	12-01-2010	Yes	N.A.
2.	32	303(2)	Appointment of Shri Dipesh Shah as a Director of the Company at AGM.	12-01-2010	Yes	N.A.
3.	66	383A	Secretarial Compliance Certificate for the year 2008-2009.	24-03-2010	No	Yes
4.	20B	159(1)	Annual Return made up to 30-12-2009.	24-03-2010	No	Yes
5.	23AC & 23ACA	220	Annual Report for the financial year ended 30-09-2009.	30-03-2010	No	Yes

CORPORATE GOVERNANCE REPORT

(As required by Clause 49 of the Listing Agreement of the Stock Exchanges)

The Securities and Exchange Board of India (SEBI) has introduced a code of corporate governance for listed companies which is implemented through the listing Agreements with the Exchanges with which the Company is listed. The Company has complied with the corporate governance requirements set out in Clause 49 of the listing Agreement.

1) Company's Philosophy on Code of Corporate Governance.

The Company believes that good corporate governance leads to corporate growth and long term gain in shareholders value. The Company is committed to maintain the highest standard of corporate governance in its conducts towards shareholders, employees, customers, suppliers and other stakeholders.

Our focus on sustainable growth, productivity improvement, commitment to quality and safety in operations is unrelenting.

2) Board of Directors

Composition : The Board of directors consists of Five Directors, of whom Shri Kandarp K. Amin and Smt. Archana K. Amin are whole time Directors of the Company. The composition of Board of Directors is in compliant with the requirement of Clause 49 (IA) i.e. more than 50% of Directors are non-executive Directors.

The detailed composition of the Board and other related information is given in the table below.

Board meetings : During the year, Five Board Meetings were held on 15-10-2009, 21-11-2009, 24-11-2009, 30-12-2009 and 30-01-2010.

The composition of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting and also number of other directorship and committee Memberships are given below:

Sr. No.	Name of Director	Category of Directorship	No. of Board Meetings Attended	Attendance at last AGM	No. of other directorships	No. of other Committee Members
1.	Shri Kandarp K. Amin	Whole-time Director	5	Yes	—	—
2.	Smt. Archana Amin	Whole-time Director	5	Yes	—	—
3.	Shri Bhupendra Mehta	Director	4	Yes	—	—
4.	Shri Haresh Shah	Director	4	Yes	—	—
5.	Shri Dipesh Kotak	Director	5	No	—	—

Directorship in Private Companies, Foreign Companies and Associates are excluded.

The Company did not have any pecuniary relationship or transactions with the non-executive directors during the period under review. None of directors on the Board are members in more than ten committees and they do not act as Chairman of more than five committees across all companies in which they are directors.

The Board meets at least once a quarter and interval between two meetings was not more than four months.

The Board is presented with the extensive information on vital matters affecting the working of the Company and risk assessment and mitigation procedure. Among others, this includes:

1. operating plans, capital budget and updates and reviews thereof,
2. quarterly results of the company and business segments,
3. opportunities of expansion, new projects, acquisition ,
4. Proposal for diversification, investments, disinvestments, restructuring,
5. Compliance of listing requirements,
6. Minutes of committee meetings.

3) Audit Committee

The Audit Committee consists of 3 (Three) Independent Directors – Shri Bhupendra V. Mehta, Shri Dipesh K. Kotak and Shri Haresh K. Shah.

The composition of Committee and the qualifications are in compliance with the requirements of Clause 49 of Listing Agreement. During the year, 2 (two) Committee Meetings were held on 24-11-2009 and 30-01-2010 which were attended by all committee members.

The functions of Audit Committee are as per the listing Agreement with the Stock Exchanges. Broadly the same are (i) oversee the financial reporting process (ii) recommend the appointment of auditors, (iii) decide the audit fees, discuss the nature and scope of audit and ascertain area of concern, (iv) review the annual and quarterly financial statements, (v) review the changes in accounting policies etc (vi) review the adequacy of internal audit functions and discuss with them significant findings, (vii) review the disclosure of related party transactions.

The interval between two meeting convened was not more than four months. The audit committee adheres to the SEBI guidelines in terms of quorum of its meetings, functioning, role and powers as also those set out in Companies Act, 1956.

4) Remuneration Committee.

The Company's Remuneration Committee consists of three non-executive Directors. The members of the committee are Shri Haresh Shah, Shri Bhupendra Mehta and Shri Dipesh Kotak.

The scope / role of Remuneration Committee is to recommend to the board of Directors remuneration payable to working Directors of the Company, as and when they come for review. During the year, no Committee Meeting was held.

Details of remuneration paid for the year ended 30-09-2010.

Name	Position held During the period	Salary and Allowances Rs. in lacs	Perquisites Rs. in Lacs	Total Remuneration Rs. in Lacs
Shri Kandarp K. Amin	Chairman & Whole-time Director	2.10	NIL	2.10
Smt. Archana K. Amin	Whole-time Director	4.50	NIL	4.50

The Company has not paid sitting fees to any Directors.

5) Shareholders/ Investors Grievances cum Share Transfer Committee

The Board of Directors of the Company has constituted Shareholders/ Investors Grievances cum Share Transfer Committee which looks in to investor / shareholders grievances.

The members of the committee are Shri Kandarp K. Amin, Shri Bhupendra Mehta and Shri Haresh Shah.

As a measure of good corporate governance and to focus on the Shareholders' grievances and towards strengthening investor relations and to expedite the transfer process in the physical segment, the committee deals with issue of duplicate share certificates, redressing of shareholders and investors complaints and Grievances like transfer of shares, non-receipts of Balance-sheet. All the meetings of the committee were attended by all members.

6) Code of Conduct

The Company's code of conduct has been complied with by all the members of the Board and select employees of the Company. The Company has in place a prevention of Insider Trading Code based on SEBI (Insider Trading) Regulation, 1992. This code is applicable to all Directors and designated employees. The code ensures prevention of dealing in shares by persons having access to the unpublished price sensitive information.

7) General Body Meetings

The last three Annual General Meetings and Extra Ordinary General Meeting were held as under :-

Financial Year ended	Date	Time	Venue
30-09-2009	30-12-2009	11.00 a.m.	25/9/A, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad – 382 330.
31-03-2008	30-09-2008	11.00 a.m.	25/9/A, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad – 382 330.
31-03-2007	28-09-2007	11.00 a.m.	25/9/A, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad – 382 330.

No Special Resolution was put through postal ballot. At the forthcoming AGM, there is no item on the agenda that needs approval by postal ballot.

8) Disclosures

In preparation of financial statements, the Company has followed the applicable Accounting Standards. The significant accounting policies that are consistently applied have been set out in the Notes to the Accounts.

Related party transactions during the year have been disclosed as required under applicable Accounting Standard. Details of related party transactions were periodically placed before the Audit Committee. These transactions are not likely to have any conflict with the Company's interest.

Business risk evaluation and managing such risk is an ongoing process within the organization. The Board is regularly briefed of risks assessed and the measures adopted by the company to mitigate the risks.

No strictures / penalties have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matters related to the capital market during last 3 years.

The Company's code of conduct has clearly laid down procedures for reporting unethical behavior, actual or suspected fraud or violation of the ethics policies. No employee of the company was denied access to the Audit Committee.

Of the non-mandatory requirements relevant to the Company, training of the Board members and mechanism for evaluation non-executive Board members have not been put in place.

9) Means of Communication

1. The Company has published its quarterly results in Western Times, Gujarati and English Edition.
2. The Management Discussion & Analysis forms part of the Annual Report, which is posted to all the members of the Company.

10) General Shareholder Information

Date, time and venue of AGM	Thursday, the 30 th December 2010 at 10.30 a.m. at 25/9/A, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad-382 330.
Dates of Book Closure	Monday, 27 th September, 2010 to Thursday, 30 th September, 2010 (both days inclusive)
Listing on Stock Exchanges	The Stock Exchanges at Mumbai & Ahmedabad.
Listing Fees	Company has paid fees to both Stock Exchanges as per listing agreement.
ISIN NO.	INE078101011
Stock Exchange's Script Code	Mumbai Stock Exchange : No. 524640 Ahmedabad Stock Exchange : No. 53641
Registered Office	25/9/A, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad -382 330.
Dividend Payment Date	N.A.
Compliance Officer	Mr. Mahesh J .Shah
Registrar and Share Transfer Agent	LINK INTIME INDIA PVT. LTD. 211, Sudarshan Complex, Navrangpura, Ahmedabad-380 009.

Share price on stock exchanges

11) Share price on The Stock Exchange, Mumbai

The equity shares of the company were have been thinly traded and details of high low are given as under :

Sr. No.	Month	High (Rs.)	Low (Rs.)
1.	October '09	40.80	40.80
2.	November '09	*NT	NT
3.	December '09	NT	NT
4.	January '10	NT	NT
5.	February '10	NT	NT
6.	March '10	NT	NT

*NT : Not Traded

Financial Calendar 2010-2011 (tentative)

Annual General Meeting

Last week of September 2010

Results for quarter ending September 30, 2010

On or before 14th November, 2010

Results for quarter ending December 31, 2010

On or before 14th February, 2011

Results for year ending March 31, 2011 (un-Audited)

On or before 14th May, 2011

Distribution of Shareholding as on 30-09-2010

No. of Shares	No. of Shareholders	% of holders	No. of Shares	% of Shares
Upto 500	3019	82.58	1007000	33.02
501 – 1000	483	13.21	378700	12.42
1001 – 2000	123	3.36	180000	5.90
2001 – 3000	9	0.25	23300	0.75
3001 – 4000	1	0.03	3400	0.11
4001 – 5000	11	0.30	54300	1.78
5001 – 10000	5	0.13	33700	1.11
10001 and above	5	0.14	369600	44.91
Total	3,635	100.00	30,50,000	100.00

Pattern of Shareholding as on 31-03-2010

Sr.No.	Category	No. of Shares	(%)
1.	NRI	69,200	2.27
2.	Financial Institutions/Banks	Nil	N.A.
3.	Mutual Funds	Nil	N.A.
4.	Promoters group	12,78,800	41.93
5.	Body Corporate	1,00,000	3.28
6.	Others	16,02,000	52.52
	Total	30,50,000	100.00

Dematerialisation of Shares, Registrar & Transfer Agent & Share Transfer System.

(i) Share Transfer System

The process of transfer / transmission / transposition etc. of equity shares in physical form including dispatch of the share certificates is completed within a period of 30 days if the documents are in order in all respects.

(ii) Dematerialisation of shares, Registrar & Transfer system:

The equity shares of the Company are available for dematerialization through National securities depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

LINK INTIME INDIA PVT. LTD., having its office at 211, Sudarshan Complex, Navrangpura, Ahmedabad-380009 as Registrar and Share Transfer Agents being a Common Agency for Physical and Electronic modes.

The dematerialised shares are directly transferred to the beneficiaries through the depositories. 13,54,300 equity shares comprising of 44.40 %of the total equity shares of the Company are in dematerialised form as on 31-03-2010.

The dematerialised equity shares are directly transferred to the beneficiaries by the depositories. The process of transfer / transmission / transposition etc. of equity shares in physical form including dispatch of the share certificates is completed within a period of 30 days if the documents are in order in all respects.

The Shareholders Grievance Committee specifically looks into the redressal of shareholders complaints like transfer of equity share and related matters.

(iii) Registrar for Demat and Share Transfer :

LINK INTIME INDIA PVT. LTD.

211, Sudarshan Complex, Navrangpura, Ahmedabad – 380 009.

(iv) Investors Correspondence:

All shareholders queries be sent to the Company at its Registered office at Plot No. 25/9/A, Phase III, G.I.D.C. Naroda, Ahmedabad - 382 330 or to the Registrar & Transfer Agent as aforementioned address.

(v) Secretarial Audit for Reconciliation of Capital:

As stipulated by SEBI, Practising Company Secretaries carry out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services(India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and report thereon is submitted to the Stock Exchange(s) where shares of the Company are listed. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

Location

The Company's plant is located at

25/9/A, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad – 382 330.

Declaration for Compliance of Code of conduct

Code of conduct for Board members and Senior Management personnel was approved at the Board meeting in the month of January 2006.

Company has obtained confirmation for the compliance of code of conduct from all the Board members and senior Management Personnel of the Company on an annual basis. The senior Management Personnel covers all the employees in the cadre of General Manager.

This is a declaration as required by Circular No. SEBI / CFD/DIL/CG/1/2004/12/10 dated 29th October 2004 – annexure – I –Clause I (D) (II).

For and on behalf of the Board
For Shri Chlochem Limited

(Kandarp K. Amin)
Chairman & Whole-time Director

Place : Ahmedabad
Date : 31st May, 2010.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Developments

The Company is primarily engaged in the business of manufacturing and sale of various chemical products.

The Company has capacity to withstand in the market and face the stiff competition prevailing in the chemical business market. The financial year 2004-2005 has been good for our Company and has achieved growth of 20 % in sales turnover as compared to previous financial year.

Opportunities and Outlook

The Company is optimistic about its growth prospectus in the future. The Company has been concentrating on building brand image in the market.

The Company is facing stiff competition from various chemicals companies in domestic market. However, Company is well positioned to leverage the opportunities to manage the challenges that have arisen in domestic market.

Outlook

The Company expects to increase its market share in the existing market by increasing its product range through new product launches, expanding its geographical coverage in more regions and undertaking large job contracts. We are cautiously optimistic of our prospects in 2005-06 and believe that the year will go a long way in stabilizing our growth path. The Company also concentrates on adding new products to its existing product range. The Company also puts more efforts in R & D activities, reduction in process cycles, improvement in existing process etc. This would also help the Company to perform better in coming years.

Risk and Concerns

Company is facing competition from various small-scale manufacturers in certain products. Manufacturing cost and administrative costs are also increasing day by day. But Company is equipped to meet the challenges by better marketing tactics, and effective management of cost and expenses.

The Company is also required to follow and maintain the norms laid down by Gujarat Pollution Control Board (GPCB) for discharge of its effluents. The Company is adhering to the norms laid down by GPCB.

Internal Control Systems and their adequacy

The Company has an adequate system of Internal Control relating to purchase of stores, raw materials, plant & machineries, equipments & various components and for the sale of goods commensurate with the size and nature of business of the Company.

The system of Internal Control of the Company is adequate keeping in mind the size and complexity of your Company's business. Systems are regularly reviewed to ensure effectiveness.

Financial Performance

Financial Performance with respect to Operational Performance is discussed in the main part of the Report. In spite of increase in sales, the profit of the Company is lower due to steep hike in the cost of raw materials. Operational expenditures have also increased because of the increased financial commitments.

Material Developments in Human Resources / Industrial Relations

The Chemical industry is knowledge driven, considering this aspect we continue to build our team with high quality talent. The Company is putting thrust on providing training both in-house and outside. The key personnel are technically qualified and fully trained to run chemical plants.

The Company maintains cordial & harmonious relation with its employees.

AUDITORS' CERTIFICATE

To,
The Members of
Shri Chlochem Limited

We have examined the compliance of conditions of Corporate Governance by **Shri Chlochem Limited** for the period ended 31st March 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us, the Company has partly complied with the corporate Governance and it is in process of complying the corporate governance and gradually will implement the same.

We state that no investor grievance(s) is/are pending for a period exceeding for one month against the Company as per the records maintained by the Shareholders/Investors Grievance cum Share Transfer Committee.

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

FOR G. K. CHOKSI & CO.
Chartered Accountants

Place : Ahmedabad.
Date : 31st May, 2010.

SANDIP A. PARIKH
Partner
Membership No. 40727

CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by **SHRI CHLOCHEM LIMITED** for the year ended 31st 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

In our opinion and to the best of our information and according to the explanations given to us:

We certify that the except to the expressly mentioned in report on Corporate Governance, Company has complied in all material respect with the conditions of Corporate Governance as stipulated in the above mentioned listing Agreement.

For **UMESH PARIKH & ASSOCIATES**
COMPANY SECRETARIES

Place : Ahmedabad.
Date : 31st May, 2010

(**UMESH G. PARIKH**)
Proprietor
Membership No. FCS 4152
CP No. 2413

AUDITORS' REPORT

To
The Members,
Shri Chlochem Limited
Ahmedabad.

1. We have audited the attached Balance Sheet of Shri Chlochem Limited as at 31st March, 2010 and the related Profit and Loss Account and Cash Flow Statement of the company for the period 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 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 misstatements. 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 (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
4. Particular attention is drawn to the following.
 - (i) *Note no. 2 of Schedule '14' regarding non provision of option loss, though considered as contingent liability by management, amounting to Rs. 142.45 lacs and interest amounting to Rs. 28.12 lacs in respect of concluded derivative contracts resulting into understatement of loss by Rs. 170.57 lacs and understatement of current liabilities by like amount.*
 - (ii) *The company has not yet compiled the requisite information, related to suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006. In the absence of relevant information the requisite disclosures are not made in the financial statements.*

Had the observations made by us in Para 4 (i) above been considered, the loss for the year would have been Rs. 146.38 lacs as against reported profit of Rs. 24.19 lacs, current liabilities would have been Rs. 597.10 lacs as against reported current liabilities of Rs. 426.53 lacs.
5. Further to our comments in the Annexure referred at para 3 above, we report that:
 - a. We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purposes of our audit.
 - b. In our opinion, *subject to matters stated 1(a) and 1(b) of annexure to the auditors' report below*, proper books of account have been kept by the Company as required by law so far as appears from our examination of those books.
 - c. The Balance Sheet, Profit and 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 and Loss Account and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - e. On the basis of written representation received from the directors of the company as at 31st March, 2010 and taken on record by the board of directors, we report that none of the directors is disqualified from being appointed as director of company under 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, subject to para 4 and 5(b) above, 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 loss for the period ended on that date
and
 - c. in the case of Cash Flow Statement, of the Cash Flow for the period ended on that date.

FOR G. K. CHOKSI & CO.
Chartered Accountants

SANDIP A. PARIKH
Partner

Membership No. 40727

Place : Ahmedabad.
Date : 31st May, 2010

ANNEXURE TO THE AUDITORS' REPORT

Re : Shri Chlochem Limited

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

- 1 (a) *The Company has not compiled fixed assets records to show full particulars, including quantitative details and situation of fixed assets.*
- (b) *We were informed that the fixed assets were not physically verified by the Management at the end of the period however the company has a regular programme of verification which in our opinion is reasonable having regard to the size of the company and nature of its business. Since the fixed assets records are still under compilation no comparison with the book records have yet been made. In the absence of such comparison opinion as to discrepancies if any can not be given.*
- (c) *The Company has not disposed of any substantial part of its fixed assets during the period as would affect its going concern status.*
- 2 (a) *In our opinion, physical verification of inventory (excluding inventory lying with third parties) has been conducted by the management at reasonable intervals.*
- (b) *In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management needs to be strengthened in relation to the size of the Company and the nature of its business.*
- (c) *On the basis of our examination of records of inventory, in our opinion, the Company is maintaining proper records of inventory. No material discrepancy was noticed on physical verification of the inventory.*
- 3 (a) (i) *As per the information and explanations given to us, the Company has granted interest free unsecured loan to two parties covered in the register maintained under section 301 of the Companies Act, 1956. The balance outstanding on account of this loan as at the end of the period was Rs. NIL lacs and the maximum balance outstanding during the period was Rs. 59.49 lacs.*
- (ii) *In our opinion, the other terms and conditions of the above loan are prima facie, not prejudicial to the interest of the company.*
- (iii) *As per the information and explanations given to us, there is no overdue amount as on the Balance Sheet date.*
- (b) (i) *The Company has taken interest free unsecured loans from one party covered in the register maintained u/s.301 of the Companies Act, 1956. The balance outstanding on account of these loans as at the end of the period was Rs. 50 lacs and the maximum balance outstanding during the period were Rs. 50 lacs.*
- (ii) *The terms and conditions of the above loans are prima facie not prejudicial to the interest of the Company.*
- (iii) *As per the information and explanations given to us, principal amount and interest thereon has been repaid whenever they fall due for payment.*
- 4 *In our opinion and according to information and explanation given to us; the internal control system needs to be strengthened so as to commensurate with the size of the Company and the nature of its business, with regard to purchase of inventory and fixed assets, and with regard to the sale of goods and services. During the course of our audit, we have not observed any major weakness in the internal controls.*
- 5 (a) *According to information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the act have been entered in the register required to be maintained under that section.*
- (b) *In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.*
- 6 *In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Section 58A, 58AA or other relevant provisions of the act.*
- 7 *In our opinion, the company has an adequate internal audit system commensurate with the size and the nature of its business;*
- 8 *According to information and explanation given to us, the central government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of activities carried out by the company*
- 9 (a) *In our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues and the company had no arrears of such outstanding dues as at 31st March, 2010 for a period more than six months from the date they became payable.*
- (b) *According to the information and explanations given to us, the Company does not have any disputed outstanding statutory dues as at 31st March, 2010.*
- 10 *The company does not have accumulated losses exceeding fifty percent of its net worth. The company has incurred cash losses to the tune of Rs. 129.28 lacs during the period under review after considering the effect of qualifications referred to at para 4 of the Auditor's Report. It has incurred cash losses to the tune of Rs. 192.81 in the immediate preceding period.*
- 11 *According to the records of the company examined by us and on the basis of information and explanations given to us, the company has not defaulted in repayment of dues to financial institution or bank.*
- 12 *As per the information and explanations given to us, the Company has not granted any loan or advance on the basis of security by way of pledge of shares, debentures and other securities.*
- 13 *The provisions of any special statute applicable to Chit fund, Nidhi or Mutual Benefit Funds/Societies are not applicable to the company.*
- 14 *According to the information and explanation given to us, the company does not deal or trade in shares, securities, debentures and other investments.*
- 15 *In our opinion and according to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions during the period.*
- 16 *In our opinion and according to the information and explanations given to us, the term loan has been applied for the purpose for which it was obtained.*
- 17 *On the basis of an overall examination of the balance sheet of the company in our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been used for long term investment.*
- 18 *The company has not made any preferential allotment to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.*
- 19 *The Company has not issued any debentures during the period under review.*
20. *The company has not raised any money by public issues during the period under review.*
21. *According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the period under review.*

FOR G. K. CHOKSI & CO.

Chartered Accountants

SANDIP A. PARIKH

Partner

Membership No. 40727

Place : Ahmedabad.
Date : 31st May, 2010

BALANCE SHEET AS AT 31ST MARCH, 2010

Particulars	Schedule	As at 31st March, 2010		AS AT
		Amount (Rs.)	Amount (Rs.)	30-09-2009 Amount (Rs.)
Sources of Funds :				
<u>Shareholders' Funds :</u>				
Share Capital	1		3 03 46 350	3 03 46 350
<u>Loan Funds :</u>				
Secured Loans	2	6 01 26 383		13 72 34 767
Unsecured Loans		50 00 000		0
			6 51 26 383	13 72 34 767
Deferred Tax Liability			52 96 516	39 74 146
	Total :		10 07 69 749	17 15 55 263
Application of Funds :				
<u>Fixed Assets :</u>				
Gross Block	3	7 45 48 697		7 07 89 729
Less : Depreciation		2 23 53 883		2 06 76 484
		5 21 94 814		5 01 13 245
Add : Capital Work in Progress (inclusive of Capital Advance)		0		2 90 562
Net Block			5 21 94 814	5 04 03 807
<u>Current Assets, Loans & Advances :</u>				
Inventories	4	97 55 884		96 06 212
Sundry Debtors		5 04 35 756		5 80 21 280
Cash and Bank Balances		57 33 177		6 51 97 338
Loans and Advances		2 40 59 019		1 54 75 618
		8 99 83 836		14 83 00 448
Less : <u>Current Liabilities and Provisions</u>	5			
Current Liabilities		4 26 53 482		3 28 12 176
Provisions		27 15 000		7 15 000
		4 53 68 482		3 35 27 176
Net Current Assets :			4 46 15 354	11 47 73 272
Profit and Loss Account	6		39 59 581	63 78 184
	Total :		10 07 69 749	17 15 55 263
Significant Accounting Policies	13			
Notes forming part of accounts	14			

As per our attached report of even date.

FOR G. K. CHOKSI & CO.

Chartered Accountants

SANDIP A. PARIKH

Partner

Place : Ahmedabad

Date : 31st May, 2010

FOR AND ON BEHALF OF THE BOARD

Kandarp K. Amin

Chairman

Archana K. Amin

Director

Place : Ahmedabad

Date : 30th May, 2010

SHRI CHLOCHEM LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2010**

Particulars	Schedule	For the period ended 31.03.2010		For the
		Amount (Rs.)	Amount (Rs.)	year ended 30.09.2009 Amount (Rs.)
Income :				
Sales and Services		8 66 69 829		37 54 05 486
Less : Excise Duty & Cess		29 55 750		1 08 16 330
		<u>8 37 14 079</u>		<u>36 45 89 156</u>
Other Income	7	72 52 473		1 59 77 937
Increase/(Decrease) in Stock	8	<u>(11 35 840)</u>		<u>4 33 671</u>
			8 98 30 712	<u>38 10 00 764</u>
Expenditure :				
Cost of Materials / Products	9	5 75 82 254		28 04 48 749
Employees' Remuneration and Benefits	10	32 99 332		89 07 992
Operating and Other Expenses	11	1 49 35 209		8 04 56 879
Interest and Financial Charges	12	57 88 870		1 53 23 985
Depreciation		<u>17 10 135</u>		<u>38 63 369</u>
			8 33 15 800	<u>38 90 00 974</u>
Profit/(Loss) before tax			65 14 912	(80 00 210)
Provision for taxation :				
Current Tax		20 00 000		0
Deferred Tax		13 22 370		11 25 330
Fringe Benefit Tax		0		1 66 683
			<u>33 22 370</u>	<u>12 92 013</u>
Profit / (Loss) after Tax			31 92 542	(92 92 223)
Add / (Less) : Prior period adjustments			<u>(7 73 939)</u>	<u>17 41 311</u>
Profit after tax and prior period adjustment			24 18 603	(75 50 912)
Balance Brought Forward from previous year			(65 28 184)	10 22 728
Profit/(Loss) Carried to Balance Sheet			<u>(41 09 581)</u>	<u>(65 28 184)</u>
Basic, as well as, diluted Earnings Per Equity Share (Refer Note No.6 of Sechedule - 14)			0.79	(2.48)
Significant Accounting Policies	13			
Notes forming part of accounts	14			

As per our attached report of even date.

FOR AND ON BEHALF OF THE BOARD

FOR G. K. CHOKSI & CO.
Chartered Accountants

Kandarp K. Amin **Archana K. Amin**
Chairman Director

SANDIP A. PARIKH
Partner

Place : Ahmedabad
Date : 31st May, 2010

Place : Ahmedabad
Date : 30th May, 2010

Cash Flow Statement for the Period ended 31st March, 2010

Particulars	For the period ended 31.03.2010 Amount (Rs.)	For the period ended 30.09.2009 Amount (Rs.)
A. Cash flow from operating activities:		
Profit/(Loss) for the year before taxation and exceptional items	57 40 973	(62 58 899)
Adjustments for :		
Depreciation and Amortization	17 10 135	38 63 369
Excess depreciation Written back	(32 736)	(90 990)
Investment Discarded	0	12 61 425
Interest Income	(7 59 418)	(57 52 216)
Interest Expenses	41 34 141	1 02 70 982
Operating profit before working capital changes	1 07 93 095	32 93 671
Adjustments for :		
Trade and other receivables	(8 78 088)	82 59 524
Inventories	(1 49 672)	79 96 720
Trade payables	98 41 306	(17 45 609)
Cash generated from operations	1 96 06 641	1 78 04 306
Direct taxes Refund/(paid)	(1 19 788)	(23 10 061)
Net cash from operating activities (a)	1 94 86 853	1 54 94 246
B. Cash flow from investing activities:		
Purchase of fixed assets	(34 68 406)	(2 39 18 934)
Interest received	52 81 487	11 74 923
Net cash used in investing activities (b)	18 13 081	(2 27 44 011)
C. Cash flow from financing activities:		
Procurement/(Repayment) of long/ short term borrowings	(7 21 08 385)	7 26 63 653
Calls in arrears realised	500	0
Interest paid	(41 34 141)	(1 02 70 982)
Net cash flow from financial activities (c)	(7 62 42 026)	6 23 92 671
Net Increase/(Decrease) in cash and cash equivalents (a)+(b)+(c)	(5 49 42 092)	5 51 42 905
Cash and cash equivalents opening	6 06 20 045	54 77 140
Cash and cash equivalents closing	56 77 953	6 06 20 045

Explanatory Notes to Cash Flow Statement

- The Cash Flow Statement is prepared in accordance with the format prescribed by Securities and Exchange Board of India & as Accounting Standard 3 as Prescribed by the Institute of Chartered Accountants of India.
- In Part A of the Cash Flow Statements, figures in brackets indicates deductions made from the net profit for deriving the cash flow from operating activities. In part B & part C, figures in brackets indicates cash outflows.
- Figures of the previous year have been regrouped wherever necessary, to confirm to current years presentation.

As per our attached report of even date.

FOR AND ON BEHALF OF THE BOARD

FOR G. K. CHOKSI & CO.

Chartered Accountants

SANDIP A. PARIKH

Partner

Place : Ahmedabad
Date : 31st May, 2010Kandarp K. Amin Archana K. Amin
Chairman DirectorPlace : Ahmedabad
Date : 30th May, 2010

SCHEDULES FORMING PART OF THE BALANCE SHEET

Particulars	As at	
	As at 31st March, 2010 Amount (Rs.)	30.09.2009 Amount (Rs.)
Schedule - '1' : Share Capital		
Authorised Capital :		
33,00,000 (P.Y. 33,00,000) Equity Shares of Rs.10/- each	3 30 00 000	3 30 00 000
	<u>3 30 00 000</u>	<u>3 30 00 000</u>
Issued, Subscribed and Paid up :		
30,50,000 (P.Y. 30,50,000) Equity Shares of Rs.10/- each fully paid up	3 05 00 000	3 05 00 000
Less : Call in Arrears	1 53 150	1 53 650
Total :	<u>3 03 46 850</u>	<u>3 03 46 350</u>

Schedule - '2' : Loan FundsSecured Loans :

Various Working Capital, Term Loans and Buyer's credit from Union Bank of India

(Secured against hypothecation of Raw

Material, Semi-Finished, Finished Goods, Book

Debts, Export Bills, Bills under Inland LC and

Further secured against All Tengible

Movable Machinerics

5 98 56 778

13 67 45 675

HDFC Bank (Secured against vehicle)

2 69 605

4 89 092

6 01 26 383

13 72 34 767

Unsecured Loans

From Intercorporate Deposit

50 00 000

0

Total :

6 51 26 383

13 72 34 767

Schedule - '3' : Fixed Assets

Name of Assets	GROSS BLOCK (At cost)				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01/10/2009 Rs.	Additions/ Adjustments Rs.	Deductions/ Adjustments Rs.	As at 31/03/2010 Rs.	Up to 30/09/2009 Rs.	For the period Rs.	Deductions/ Adjustments Rs.	Up to 31/03/2010 Rs.	As at 31/03/2010 Rs.	As at 30/09/2009 Rs.
Tangible Assets										
Leasehold Land	51 61 221	0	0	51 61 221	5 95 958	25 995	0	6 21 953	45 39 268	45 65 263
Buildings	1 31 57 403	22 07 988	0	1 53 65 391	21 75 617	2 28 168	0	24 03 785	1 29 61 606	1 09 81 786
Plant and Machinery	4 49 44 140	14 34 965	1 50 335	4 62 28 770	1 43 59 379	11 97 431	2 001	1 55 54 809	3 06 73 961	3 05 84 761
Office Equipments	4 86 382	1 68 225	0	6 54 607	1 88 528	17 130	0	2 05 658	4 48 949	2 97 654
Computers	8 41 566	49 394	0	8 90 960	6 85 157	17 887	0	7 03 044	1 87 916	1 56 409
Furniture & Fixtures	13 31 699	48 731	0	13 80 430	4 42 872	36 392	0	4 79 264	9 01 166	8 88 827
Vehicles	47 50 922	0	0	47 50 922	21 26 852	1 83 243	30 735	22 79 360	24 71 562	26 24 070
	7 06 73 333	39 09 303	1 50 335	7 44 32 301	2 05 74 363	17 06 246	32 736	2 22 47 873	5 21 84 428	5 00 98 970
Intangible Assets										
Accounting Software	1 16 396	0	0	1 16 396	1 02 12,	3 889	0	1 06 010	10 386	14 275
Total :	7 07 89 729	39 09 303	1 50 335	7 45 48 697	2 06 76 484	17 10 135	32 736	2 23 53 883	5 21 94 814	5 01 13 245
Previous Year :	4 69 12 819	2 38 76 910	0	7 07 89 729	1 69 04 105	38 63 369	90 990	2 06 76 484	5 01 13 245	

SHRI CHLOCHEM LIMITED

Particulars	As at	
	As at 31st March, 2010 Amount (Rs.)	30.09.2009 Amount (Rs.)
Schedule - '4' : Current Assets, Loans and Advances		
<u>Inventories :</u>		
(As taken, valued and certified by Management)		
Raw Material (Inclusive of Stock with Job Worker)	37 93 281	25 38 462
Packing Material	99 615	68 760
Work In Progress	37 15 200	36 39 923
Finished Goods	19 26 606	31 37 723
Traded Goods	1 19 700	1 19 700
Consumable Stores	1 01 482	1 01 644
		<u>97 55 884</u>
		96 06 212
<u>Sundry Debtors</u>		
<i>Unsecured, Considered Good</i>		
<i>Outstanding for the period exceeding six months</i>	22 53 913	1 02 87 861
Others	4 81 81 843	4 77 33 419
		<u>5 04 35 756</u>
		5 80 21 280
<u>Cash and Bank Balances :</u>		
Cash on hand	1 39 527	1 47 075
Balances with Schedule Banks :		
- Current Accounts	26 82 100	1 30 92 970
- Fixed Deposits	29 11 550	5 19 57 293
	<u>55 93 650</u>	<u>6 50 50 263</u>
		6 51 97 338
		57 33 177
<u>Loans and Advances :</u>		
(Un secured, Considered Good)		
Advance recoverable in cash or in kind or for value to be received	2 37 13 373	1 51 29 972
Deposits	3 45 646	3 45 646
		<u>1 51 29 972</u>
		3 45 646
		2 40 59 019
Total :	<u>8 99 83 836</u>	<u>14 83 00 448</u>

Schedule - '5' : Current Liabilities and Provisions

<u>Current Liabilities :</u>		
Sundry Creditors	4 14 05 674	3 24 28 843
Other Liabilities	12 47 808	3 83 333
		<u>4 26 53 482</u>
		3 28 12 176
<u>Provisions :</u>		
For Income Tax	27 15 000	7 15 000
		<u>7 15 000</u>
Total :	<u>4 53 68 482</u>	<u>3 35 27 176</u>

Schedule - '6' : Profit and Loss Account

Balance in Profit and Loss Account as at 31st March, 2010	41 09 581	65 28 184
Less : Adjusted to the extent of Balance in General Reserve	1 50 000	1 50 000
Total :	<u>39 59 581</u>	<u>63 78 184</u>

SHRI CHLOCHEM LIMITED

Particulars	As at	
	As at 31st March, 2010 Amount (Rs.)	30.09.2009 Amount (Rs.)
Schedule - '7' : Other Income		
Export Benefits	44 28 000	35 23 756
Interest Income [TDS Rs. 55,855/- (P.Y. 10,59,441)]	14 57 041	97 29 325
Profit/Premium on Forward Contract	7 61 669	0
Commission	0	10 05 285
Miscellaneous Income	1 72 609	7 51 490
Excess Depreciation Written Back	32 736	90 990
Sundry Balances Written Back	4 00 418	8 77 091
Total :	72 52 473	1 59 77 937
Schedule - '8' : Increase/Decrease in Stock		
Closing Stocks		
Finished Goods	19 26 606	31 37 723
Work in Process	37 15 200	36 39 923
Traded Goods	1 19 700	1 19 700
	57 61 506	68 97 346
Opening Stock		
Finished Goods	31 37 723	25 48 255
Work in Process	36 39 923	39 15 420
Traded Goods	1 19 700	0
	68 97 346	64 63 675
Increase/(Decrease) in stock	(11 35 840)	4 33 671
Schedule - '9' : Cost of Materials / Products		
Raw Materials Consumed	5 19 97 211	18 51 00 535
Stores and Consumables	20 69 000	69 24 282
Purchase of Trading Goods	71 101	7 56 57 693
Freight and Octroi	34 44 942	1 27 66 239
Total :	5 75 82 254	28 04 48 749
Schedule - '10' : Employees' Remuneration and Benefits		
Salary, Wages and Bonus	31 77 042	86 64 002
Contribution to Provident Fund & Other Funds	51 359	1 07 237
Staff Welfare & Training	70 931	1 36 753
Total :	32 99 332	89 07 992

Particulars	As at 31st March, 2010		As at
	Amount (Rs.)	Amount (Rs.)	30.09.2009 Amount (Rs.)
Schedule - '11' : Manufacturing and Other Expenses			
Power, Fuel & Water Charges		25 43 990	79 07 013
Laboratory Expenses		60 386	1 14 527
Job work Charges		1 58 545	15 738
Pollution Control Expenses		7 800	36 895
Excise Duty on Finished Goods		(58 956)	(82 283)
<u>Repairs to</u>			
Plant and Machinery	4 84 856		9 81 623
Factory Building	2 00 294		6 34 727
Other	27 098		1 22 479
		7 12 248	17 38 829
Rates and Taxes		30 453	82 494
Insurance		2 12 509	5 97 669
Fees and Legal Expense		3 56 884	13 11 639
Auditors' Remuneration		47 500	1 42 500
Travelling Expense		4 02 821	17 46 826
Selling and Distribution Expenses		91 56 312	2 74 23 489
Donation		3 001	19 501
Foreign Exchange Fluctuation		0	2 90 35 168
Loss on Derivative Contract		0	55 06 598
Investment Discarded		0	12 61 425
Other Expenses		13 01 716	35 98 851
Total :		1 49 35 209	8 04 56 879

Schedule - '12' : Interest and Financial Charges

Interest :			
To Bank	41 34 141		1 02 66 267
On others	0		4 715
		41 34 141	1 02 70 982
Bank Charges & Commission		16 54 729	50 53 003
Total :		57 88 870	1 53 23 985

SCHEDULE: '13' SIGNIFICANT ACCOUNTING POLICIES**(a) Basis of preparation of financial statements**

These financial statements have been prepared on the accrual basis of accounting, under the historical cost convention, in accordance with the Companies Act, 1956 and the applicable accounting standards issued by The Institute of Chartered Accountants of India.

(b) Use of estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Differences between the actual result and estimates are recognised in the period in which the results are known/ determined.

(c) Fixed Assets

Fixed Assets are stated at their original cost net of cenvat including incidental expenses related to acquisition and installation, less accumulated depreciation. Cost comprises of the purchase price and any other attributable cost of bringing the assets to its working condition for its intended use.

At the balance sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of Company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

After recognition of impairment loss, the depreciation charge for the assets is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on straight line basis over its remaining useful life.

(d) Borrowing Costs

Borrowing Costs that are directly attributable to acquisition of qualifying assets are capitalized for the period until the asset is ready for intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

(e) Depreciation

(i) Depreciation on Fixed Assets is provided on Straight Line Method at rates and in the manner specified in Schedule XIV of the Companies Act, 1956

(ii) Depreciation on additions/deletion is provided on pro rata basis.

(iii) Lease hold land is amortised over the period of lease.

(iv) Intangible assets being Computer and Laboratory Software are amortized over a period of its useful life i.e. three years estimated by the Management.

(f) Inventories

(i) Stock in trade comprising of raw materials (including goods in transit) and finished goods are valued at the lower of cost or net realizable value after making such provisions as required on account of damage, unserviceable and obsolete stocks. Value of raw material does not include excise duty, countervailing duty paid to the extent of which CENVAT credit is available. Excise duty on goods manufactured by the company and remaining in inventory is included as a part of valuation of finished goods.

(ii) Work-in-process is valued at cost to the extent of stage of completion.

(iii) Stores, spares, consumable and packing materials are charged to profit and loss account as and when they are procured and stock of such items as at the end of the year is accounted at cost.

(g) Revenue Recognition

(i) Revenue in respect of domestic sale of products is recognised when the risks and rewards of ownership are passed on to the customers, which is upon dispatch of products. Sales are stated at contractual realizable values, net of excise duty, sales tax and trade discount.

(ii) Export Sales are recognised on the date of dispatch of products from the factory and shown on C.I.F. basis.

(iii) Revenue from services is recognised upon rendition of the services.

(iv) Export Incentives are accounted for on accrual basis.

(h) Foreign Currency Transactions

- (i) Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transactions.
- (ii) In respect of monetary items denominated in foreign currencies, exchange differences arising out of settlement or on conversion at the closing rate are recognized in the Profit and Loss Account. The difference in translation and realised gains and losses on foreign exchange transactions, other than those relating to imported fixed assets are recognised in the Profit and Loss Account. Further in respect of transaction covered by forward exchange contract, the difference between the contract rate and the spot rate on the date of the transaction is charged to the Profit and Loss account over the period of the contract

(i) Retirement Benefits

- (i) Contributions to provident fund are made at predetermined rates to Government Authority and charged to profit and loss account.
- (ii) Gratuity liabilities is accounted for on the basis of actuarial valuation.

(j) Excise/Custom Duty

Excise duty has been accounted based on both payments made in respect of goods cleared from factory premises and provision made for manufactured goods lying unsold at year-end in factory premises.

(k) Taxation

- (i) Current year tax is provided based on taxable income computed in accordance with the provisions of the Income-tax Act, 1961.
- (ii) Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets are recognized on unabsorbed depreciation and carry forward of losses based on virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(l) 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.

SCHEDULE: '14' NOTES FORMING PART OF ACCOUNTS1. Capital commitment

[Rs. In lacs]

Particulars	As at 31/03/2019	As at 30/09/2009
Estimated Liabilities on Capital commitments	NIL	3.00

2. The company had entered in to derivatives contracts (for sale of foreign currency) which have been concluded during the period under review. The company has incurred the loss on such contracts to the tune of Rs. 225.64 lacs and against the same the sum of Rs. 55.07 lacs have already been paid. The company has also received summons /show cause notice from Mumbai Debt Recovery Tribunal in the month of May, 2009. In respect to the same, based on legal advise, the company has filed its reply with appropriate authority. Pending final outcome and as in the opinion of the management the aforesaid liability is of contingent nature. the company has not provided for the balance loss of Rs.142.45 lacs and interest amounting to Rs. 28.12 lacs aggregating to Rs. 170.57 lacs.

3. Employee Benefits

- (a)
- Defined contribution to Provident fund and Employee state insurance

The company makes contribution towards employees' provident fund and employees' state insurance plan scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognized Rs.51,359/- (P.Y. Rs. 1,07,237/-) as expense towards contributions to these plans.

(b) Defined Contribution Benefit Plans(Gratuity)

The following table sets out the status of the gratuity scheme non funded plan as at 31st March, 2010.

[Amount in Rs.]

Particulars	For the period on 31/03/2010	For the period on 30/09/2009
Changes in the present value of obligation		
Present value of obligation (Opening)	4,35,812	85,412
Interest cost	11,775	16,038
Past service cost	NIL	NIL
Current service cost	64,016	79,424
Curtailement Cost / (Gain)	NIL	NIL
Settlement Cost / (Gain)	NIL	NIL
Benefits paid	NIL	NIL
Actuarial (Gain) / Loss	(54,238)	2,54,938
Present value of obligation (Closing)	4,57,365	4,35,812
Changes in the fair value of plan assets	NIL	NIL
Percentage of each category of plan assets to total fair value of plan assets at the year end	NIL	NIL
Reconciliation of the present value of defined benefit obligation and the fair value of assets	NIL	NIL
Amount recognised in the balance sheet		
Present value of obligation as at the year end	4,57,365	4,35,812
Fair value of plan assets as at the year end	NIL	NIL
(Asset) / Liability recognised in the balance sheet	4,57,365	4,35,812
Expenses recognised in the profit & loss account		
Current service cost	64,016	79,424
Past service cost	NIL	NIL
Interest cost	11,775	16,038
Expected return on plan assets	NIL	NIL
Curtailement Cost / (Credit)	NIL	NIL
Settlement Cost / (Credit)	NIL	NIL
Net Actuarial (Gain) / Loss	(54,238)	2,54,938
Employee's Contribution	NIL	NIL
Total expenses recognised in the profit and loss A/c.	21,553	3,50,400
Principal actuarial assumption (Rate of Discounting)		
Rate of discounting	8.14%	7.30%
Expected return on plan assets	NIL	NIL
Rate of increase in salaries	6.00%	6.00%
Attrition Rate (Employees opting for early retirement)	—	—

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and mortality assumption and other relevant factors such as demand and supply in the employment market.

5. The Company operates within a solitary business segment i.e. dealing & manufacturing of chemicals, the disclosure requirements of Accounting Standard – 17 “Segment Reporting” issued by the Institute of Chartered Accountants of India is not applicable.

6. Related Party Disclosures:

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

(a) List of related parties with whom transactions have taken place during the year and relationship:

Sr.No.	Name of related party	Relationship
1	Krishna Orgochem	Enterprise over which key management
2	Archit Polymers Pvt. Ltd.	personnel exercise significant influence
3	Kandarp K. Amin	Key Management Personnel
4	Archana K. Amin	Key Management Personnel
5	Archit K. Amin	Relative of Key Management Personnel

(b) Transactions with related parties

[Amount in Rs.]			
Sr. No.	Nature of transaction	For the period ended on 31/03/2010	For the period ended on 30/09/2009
(i)	Managerial Remuneration		
	- Key Management personnel	6,60,000	13,40,000
	- Relative of Key management Personnel	1,17,000	3,51,000
(ii)	Purchase / Sales of materials		
	Purchase		
	- Enterprise over which key management personnel exercise significant influence	3,67,342	3,48,27,841
	Sales		
	- Enterprise over which key management personnel exercise significant influence	---	15,00,043
(iii)	Unsecured Loans (Taken During the year)		
	- Enterprise over which key management personnel exercise significant influence	54,68,932	5,00,000
(iv)	Unsecured Loans (Repayment during the year)		
	- Enterprise over which key management personnel exercise significant influence	4,68,932	1,35,39,117
(v)	Loans and Advances (Given during the year)		
	- Enterprise over which key management personnel exercise significant influence	59,48,925	1,24,73,791
(vi)	Loans & Advances (Received back during the year)		
	- Enterprise over which key management personnel exercise significant influence	59,48,925	1,24,73,791
(vii)	Outstanding Balances as at March, 31, 2010		
	Key Management Personnel and Relatives		
	- Due to company	1,10,668	1,10,668
	Enterprise over which key management personnel exercise significant influence		
	- Due by company		
	As Unsecured loans	50,00,000	—

7. Particulars of Earning per Share:

Particulars	For the period ended on 31/03/2010	For the period ended on 30/09/2009
Profit/(Loss) after tax and prior period items (Rs.)	24,18,603	(75,50,912)
Weighted average Number of equity shares	30,50,000	30,50,000
Nominal value of the share (Rs.)	10	10
Basic & diluted earning per share (Rs.)	0.79	(2.48)

There is no change in the number of equity shares during the year.

7. The Company estimates deferred tax/(charge) using the applicable rate of taxation based on the impact of timing difference between financial statements and estimated taxable income for the current year.

The components of the deferred tax balances are as follows:

[Amount in Rs.]

Particulars	As at 31/03/2010		As at 30/09/2009	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Timing difference on account of:				
Difference between book depreciation and depreciation under Income Tax Act, 1961		53,03,176		39,74,145
Expenditure u/s.43B of Income Tax Act, 1961	6,660	—		—
Total	6,660	53,03,176	—	39,74,145
Net Deferred Tax Liability		52,96,516		39,74,145

8. Pursuant to Accounting Standard-29, Provisions, Contingent Liabilities and Contingent Assets, the disclosure relating to provisions made in the accounts for the year ended 31st March, 2010 is as follows:

Contingent Liabilities

[Amount in Rs.]

Particulars	As at 31/03/2010	As at 30/09/2009
Claims not acknowledge by the company (See Note No. 2 above)	170.57	157.87

Provisions

[Amount in Rs.]

Particulars	
Provision for Excise duty and other Expenses	
Opening Balance	4,53,910
Additions	7,35,220
Payment	4,53,910
Reversals	NIL
Closing Balance	7,35,220

9. Balances of unsecured loans, sundry creditors, sundry debtors, loans and advances and amounts due to sundry debtors are subject to confirmations and reconciliation if any, by the respective parties.
10. In the opinion of the Board of Directors, Current Assets, Loans and Advances have a value on realisation in the ordinary course of business equal to the amount at which they are stated in the Balance Sheet. Provision for all known liabilities has been made and is not in excess of amount reasonably necessary.

11. Auditor's Remuneration is made up of:

[Amount in Rs.]

Particulars	For the period ended on 31/03/10	For the period ended on 30/9/09
Audit Fees	40,833	1,22,500
Tax Audit Fees	6,667	20,000
Total:	47,500	1,42,500

12. Directors' Remuneration is made up of:

Particulars	For the period ended on 31/03/2010	For the period ended on 30/09/2009
Salary	6,60,000	13,40,000
Total:	6,60,000	13,40,000

13. The company is yet to initiate the process of obtaining the confirmation from suppliers who have registered them selves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). In the absence of relevant information relating to the suppliers registered under the Micro, Small and Medium Enterprises (Development) Act, 2006, the balance due to Micro, Small and Medium Enterprises at year end and interest paid or payable under MSMED Act, 2006 during the year could not be compiled and disclosed.

14. Additional information pursuant to provision of para 3, 4C and 4D of Part-II of Schedule-VI of the Companies Act, 1956:

(A) Raw Material Consumption

Sr.No. Particulars	For the period ended on 31/03/2010		For the period ended on 31/03/2010	
	Qty. (M.T.)	Value	Qty. (M.T.)	Value
(a) Acetic Acid	1183401	37373524	4271570	127378811
(b) Chlorine	1569950	2791942	5619422	24906975
(e) Others		13212494		38880794
		53377960		191166580
(f) Less:Discount and Rate Difference		1380749		6066045
Total:		51997211		185100535

(B) Composition of Raw Materials Consumption

Raw Material consumption	For the period ended on 31/03/2010		For the period ended on 31/03/2010	
	Value (Rs.)	Percentage (%)	Value (Rs.)	Percentage (%)
Imported	NIL	NIL	26047651	13.82
Indigenous	51997211	100.00	159052884	86.18
Total :	51997211	100.00	185100535	100.00

(C) Turnover:

Particulars	For the period ended on 31/03/2010		For the period ended on 31/03/2010	
	Qty.(Kgs.)	Value	Qty.(Kgs.)	Value
(a) Sale of Chemicals :				
Finished Goods	4646190	83972192	15382893	295818826
Traded Goods	1428	71114	1890995	73644555
	4647618	84043306	17273888	369463381
Less : Rate difference and returns		329228		4874225
	4647618	83714078	17273888	364589156
(c) Purchase of Traded Goods				
- Local	1428	71101	391850	28416093
- Import	NIL	NIL	1500000	47241600
Total :	1428	71101	1891850	75657693

(D) Stock of Finished Goods:

Particulars	For the period ended on 31/03/2010		For the period ended on 31/03/2010	
	Qty.(Kgs.)	Value	Qty.(Kgs.)	Value
Opening Stock				
- Finished Goods	107419	3137723	76683	2548255
- Traded Goods	855	119700	—	—
Closing Stock				
- Finished Goods	76050	1926606	107419	3137723
- Traded Goods	855	119700	855	119700

(E) Licensed and Installed Capacity and Production as certified by the management.

(Qty. in Kgs.)

Sr. No.	Particulars	For the period ended on 31/03/2010	For the period ended on 30/09/2009
(a)	Licensed Capacity – Chemicals	Not Applicable	Not Applicable
(b)	Installed Capacity - Chemicals	3900000	11700000
(c)	Production - Chemicals (Inclusive of production on job work & By products)	4971035	15413629
(d)	Captive Consumption	356214	1387690

Note :

Installed capacity is based on a three shift working as certified by management and has not been verified by the auditors, this being a technical matter.

(F) Value of Imports on CIF Basis:

Particulars	For the period ended on 31/03/2010	For the period ended on 30/09/2009
Raw Materials	NIL	17639463
Traded Goods	NIL	47241600

(G) Earning in Foreign Currency:

[Rs. in lacs]

Particulars	For the period ended on 31/03/2010	For the period ended on 30/09/2009
F.O.B. Value of Export	450.36	1843.30

(H) Expenditure in Foreign Currency (on payment basis):

Travelling	1.27	7.18
Commission	3.39	17.20
Total :	4.54	24.38

17. The previous year's figures have been reworked, regrouped and reclassified wherever necessary so as to make them comparable with those of the current year.

As per our attached report of even date.

FOR G. K. CHOKSI & CO.

Chartered Accountants

SANDIP A. PARIKH

Partner

Place : Ahmedabad

Date : 31st May, 2010

FOR AND ON BEHALF OF THE BOARD

Kandarp K. Amin **Archana K. Amin**

Chairman

Director

Place : Ahmedabad

Date : 30th May, 2010

15. Balance Sheet Abstracts and Company's General Business Profile :

I. Registration Details			
Registration No.	19941	State Code	04
Balance Sheet Date :	31.03.2010		
II. Capital Raised during the year (Amount in Rs. Thousand)			
Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL
III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousand)			
Total Liabilities	100770	Total Assets	100770
Source of Funds		Application of Funds	
Paid-up Capital	30347	Net Fixed Asset	52195
Reserves and Surplus	—	Investments	5750
Secured Loans	60126	Net Current Assets	38865
Unsecured Loans	5000	Misc. Expenditure	—
Deferred Tax Liability	5297	Accumulated Losses	3960
IV. Performance of the Company (Amount in Rs. Thousand)			
Turnover and Other Income	90071	Total Expenditure	84330
(+)Profit/(Loss) Before Tax	5741	(+)Profit/(Loss) After Tax	2419
Earnings per share Rs.	0.79	Dividend Rate (%)	---
V. Generic Names of Three Principal Products Services of Company (as per monetary terms)			
Product / Service Description	Item Code No.		
Trading and Manufacturing of Chemicals	N.A.		

FOR AND ON BEHALF OF THE BOARD

Kandarp K. Amin Archana K. Amin
Chairman Director

Place : Ahmedabad
Date : 30th May, 2010

FORM OF PROXY
SHRI CHLOCHEM LIMITED

Registered Office : Plot No. 25/9/A, Phase III, G.I.D.C. Naroda, Ahmedabad - 382 330

DF ID*	
Client ID*	

Registered Folio No.	
----------------------	--

I/We _____
of _____ in the district of _____
being member/s of the above named Company hereby appoint
Mr./Mrs. _____ of _____ in the
district of _____ or failing him /her Mr./Mrs. _____ of
_____ in the district of _____
as my/our Proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be
held on Thursday, the 30th September, 2010.

Signed the _____ day of _____ 2010.

Signature _____



* Applicable for members holding shares in dematerialised form.

1. This proxy form must be deposited at the Registered Office of the Company, not less than 48 hours before the time for holding the Meeting. Unless otherwise instructed, the proxy will vote as he/she thinks fit.
2. Members who hold shares in the dematerialised form are requested to quote their DP ID and Client ID for Identification.

----- Tear here -----

SHRI CHLOCHEM LIMITED

Registered Office : Plot No. 25/9/A, Phase III, G.I.D.C. Naroda, Ahmedabad - 382 330

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Full name of the
Member attending : _____

Name of Proxy : _____

I hereby record my presence at the Annual General Meeting being held at the Registered Office of the Company on Thursday, the 30th September, 2010.

Registered Folio No.	
DP ID*	
Client ID*	
No. of Shares held	

Member's/Proxy's Signature
(To be signed at the time of handing over this slip)

* Applicable for members holding shares in dematerialised form.

Note : Persons attending the Annual General Meeting are requested to bring their copies of Annual Report.

Book - Post

City	
State	

To

Registered Office: Plot No. 25/9/A, Phase III, G.I.D.C. Naroda, Ahmedabad - 382 330

SHRI CHLOCHEM LIMITED

ATTENDANCE SLIP

Plot No. 25/9/A, Phase III, G.I.D.C. Naroda, Ahmedabad - 382 330

SHRI CHLOCHEM LIMITED

ATTENDANCE SLIP

Plot No. 25/9/A, Phase III, G.I.D.C. Naroda, Ahmedabad - 382 330

SHRI CHLOCHEM LIMITED

ATTENDANCE SLIP

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SHRI CHLOCHEM LIMITED

ATTENDANCE SLIP

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