

Progressive Extractions & Exports Limited

Progressive Extractions & Exports Limited

30th Annual Report

2010-2011

30th Annual Report

Progressive Extractions & Exports Limited

BOARD OF DIRECTORS

ShriSundeepMaheshwari	Director
ShriAvneeshSabherwal	Director
ShriNitinBhondwe	Director

Auditors

M/S K.C. Koshal & Co.
Chartered Accountant

Bankers

H.D.F.C. Bank Ltd

Registered Office

Shri Mohan Parisar, 232 Zone-II, Maharana Pratap Nagar, Bhopal 462 011

Head office

Shri Mohan Parisar, 232 Zone-II, Maharana Pratap Nagar, Bhopal 462 011

REGISTRAR AND TRANSFER AGENT

M/s Intime Spectrum Registry Limited

A-31, 3rd Floor, Naraina Industrial Area,
Phase-I, New Delhi 110 028

Members are requested to avail the facility of keeping their shares in Demat form as the Company's shares have been admitted in NSDL and CDSL. The ISIN allotted to Co. is
INE421E01012

Progressive Extractions & Exports Limited

NOTICE

NOTICE is hereby given that the 30th **ANNUAL GENERAL MEETING** of the members of PROGRESSIVE EXTRactions & EXPORTS LIMITED., will be held on, Thursday 29th September, 2011 at 3.30 p.m. at the Registered Office of the Company at Shri Mohan Parisar, Zone-I, Maharar Nagar, Bhopal- 462 011 (M.P.) to transact the following business-

ORIDINARY BUSINESS:

1. To receive and adopt the Directors' Report and Profit and Loss Account for the year ended 31st March 2011 and the Balance Sheet as at that date with the notes and schedules along with the Auditors Report and the Directors' Report thereon.
2. To appoint a Director in place of Mr.AvneeshSabherwal, who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in place of Mr.NitinBhondwe, who retires by rotation and is eligible for re-appointment.
4. To appoint M/S K.C. Koshal& Company, Chartered Accountant as Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting to the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors of the Company.

By the order of the Board,
For Progressive Extractions & Exports Limited

s/d
Director

Regd. Office
Shri Mohan Parisar, Zone-I, Maharar Nagar,
Bhopal- 462 011 (M.P.)

Date : 1st September, 2011

NOTES:

1. **A MEMBER entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. The instrument of proxy should, however, be deposited at the Registered Office of the Company not less than Forty-Eight hours before the commencement of the meeting.**
2. The register of members and Share Transfer Register of the Company shall remain closed from 25th September, 2011 to 29th September, 2011 (both days inclusive).

30th Annual Report

Progressive Extractions & Exports Limited

DIRECTORS' REPORT

The Members of Progressive Extractions & Exports Limited

Your directors present herewith the 30th Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2011.

FINANCIAL RESULTS	(Rs. In Lakhs)	
	2010-11 (inRs.)	2009-10 (inRs.)
Total Income	3.90	5.15
Total Expenditure	0.19	0.64
Profit / (Loss) before Depreciation	3.71	4.51
Less: Depreciation	2.80	2.81
Net profit before Tax	0.91	1.70
Less: Provision for Tax	0.00	0.00
Net Profit	0.91	1.70
Profit / (Loss) brought forward from previous year	(63.14)	(64.85)
Balance carried to Balance Sheet	(62.23)	(63.14)

OPERATIONS :

During the year under review the operations of the company have remained suspended. The Company has parted with plant and machineries and other fixed assets. The Company is committed to continue its activities with the help of its marketing department and is working hard to create a marketing to resumes its trading activities.

OPPORTUNITIES AND RISKS:

Company is in the business of job work operations of solvent extraction and oil refining and trading of refined oil. Though during the year under review operations of company are suspended, the Company is hopeful to revive its operations and efforts are being made in this regard.

FINANCE:

The Company has not obtained any financial assistance from Banks and other financial institutions during year under review.

DIVIDEND:

Since the company has suspended its operations your directors do no recommend any dividend for the year under review.

FIXED DEPOSITS

During the year under review, your Company has neither invited nor accepted any fixed deposits from the public within the meaning of Section 58A of the Companies Act, 1956.

DEMATERIALIASATION:

30th Annual Report

Progressive Extractions & Exports Limited

The equity shares of your Company are being compulsorily traded in dematerialization form. The ISIN No. is INE421E01012. Nearly 8.29 % of the equity shares have been dematerialised and 175 shareholders are holding shares in the dematerialised form.

DIRECTORS:

During the year under review, Mr AvaneeshSabharwal and Mr.NitinBhondwe, directors retire by rotation who offer themselves for reappointment.

DIRCTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, it is hereby confirmed:

- (1) That in the preparation of the accounts for the financial year ended 31st March 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (2) That the Directors have adopted such accounting policies and applied them consistently and made judgments estimates that were reasonable and prudent so as to give a true and fair view of the state affair of the Company at the end of the financial year and of the profit or loss of the company for the year under review.
- (3) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (4) That the Directors have prepared the accounts for the financial year ended 31st March 2011 on a "going concern" basis.

PARTICULARS OF EMPLOYEES:

During the year under review, there were no employees, covered under section 217 (2A) of the Companies Act, 1956. Provisions of Section 217 (1) (e) of the Companies act, 1956 is not applicable to the Company.

CORPORATE GOVERNANCE:

As per revised clause 49 of the Listing Agreement with Stock Exchange, a separate section on Corporate Governance together with a certificate from Company's Auditors confirming Compliance is set out in the Annexure forming part of this report.

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

The details required, to the extent applicable, under the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are as under and form part of this report. The Company regularly takes necessary steps to conserve power consumption at its plant in order to reduce its cost of production.

At present the Company has no specific Research and Development Department.

Progressive Extractions & Exports Limited

During the year under review, the Company neither earned nor spent any foreign exchange.

AUDITORS:

The company has received a letter of resignation from M/S BATRA DEEPAK & ASSOCIATES Chartered Accountants, BHOPAL , the present auditor of the company stating their inability to continue as auditor of the company due to their preoccupation. Hence to fill the casual vacancy, it has been decided to appoint M/S K. C. KOSHAL& Company, Chartered Accountants, BHOPAL as Auditors of the Company for the current year .M/S K. C. KOSHAL& Company being eligible offers themselves for re-appointment. Members will be required to appoint Auditors for the current year till the conclusion of next Annual General Meeting of the company at remuneration to be fixed by the Board of Directors of the company.

ACKNOWLEDGEMENT:

Your directors wish to place on record their appreciation for the support and cooperation, which the Company continues to receive from its customers, various Govt. Agencies, the Company's Bankers and employees. The Directors also wish to place on record their appreciation for the sense of responsibility and team work displayed by employee at all levels.

For and on behalf of the Board of Directors

Place : Bhopal
Date : 1st September 2011

s/d
Director

Progressive Extractions & Exports Limited

ANNEXURE TO THE DIRECTOR'S REPORT

REPORTS ON CORPORATE GOVERNANCE

Pursuant to the revised Clause 49 of the Listing Agreement the detailed report on Corporate Governance is set below:

The Company strongly believes in enhancing and balancing stakeholder values through good corporate governance. To pursue this objective the company has adopted its own code formulated by its experience in the field. The company has been consistently improving transparency and accountability to all its stakeholders.

To further reinforce its commitment to good corporate governance and to bring objectivity in governance process, the company has an Audit Committee, which comprise of non-executive directors and independent directors.

[I] BOARD OF DIRECTORS

The Board of Directors of the Company comprises of Non Executive Directors. The Board of Directors consists of the following;

- i) Mr.NitinBhondwe is a non-executive independent director. He is a director in other seven companies. He is also a member of audit committee of the Board of Directors of Public Limited Company at Salamatapur.
- ii) Mr.AvneeshSabherwal is a Non executive independent director. He is a director in one other company. He is not a member of any committee of any other company.
- iii) Mr.SundeepMaheshwari is a promoter and non executive non independent director. He is director in twelve other companies. He is not a member of any committee of the Board of Directors of any company.

Number of Board Meetings

The Boards meets at least once in a quarter to consider amongst other business matters, the quarterly performance of the Company and financial results. Directors attending the meeting actively participate in the deliberations at these meetings. During the year under review Board met 8 times on 29.04.10, 29.07.10, 12.08.10, 30.08.10, 28.10.10, 03.01.11, 29.01.11.and 31.03.11.

Composition and Category of Directors

As per Clause 49 of the Listing Agreement in case of non-executive Chairman, one third of the Board should comprise of the non-executive Directors. The Company had already complied with the criteria as shown below

Name of director	Category	Designation	No Of meetings Held	No. Of meetings Attended	* No. Of member ship in Boards of other companies	No. Of member ship in Committees of other companies	Last AGM attended
------------------	----------	-------------	---------------------	--------------------------	---	---	-------------------

Progressive Extractions & Exports Limited

Mr.SundeepMaheshwari	Non Executive and Non Independent	Director	8	8	12	-	Yes
Mr.AvneeshSabherwal	Non Executive and Independent	Director	8	8	1	-	Yes
Mr.NitinBhondwe	Non Executive and Independent	Director	8	8	7	1	Yes

* Does not include directorship / committee positions in companies incorporated outside India

Code of Conduct:

The Board have laid down a code of conduct for all Board members and senior management of the Company and all Board members and senior management personnel are affirming its compliance on an annual basis.

[II] AUDIT COMMITTEE:

Your Board of Directors has constituted an Audit Committee in line with requirements, under section 292A of the Companies Act, 1956 (the Act). The Audit Committee consists of Mr.SundeepMaheshwari, Mr.NitinBhondwe and Mr.AvneeshSabherwal and is chaired by Mr.AvneeshSabherwal, Independent Director.

During the year under review, the Audit Committee met four times. All the members of the committee attended the meetings. The charter of role and responsibilities of the audit committee includes the following major areas.

- To review reports of the Internal Audit Department and recommend to the Board to decide about the scope of its work including the examination of major items of expenditure.
- To meet statutory and internal auditors periodically and discuss their findings, suggestions and other related matters.
- To review the auditors' report and limited review on the financial statements and to seek clarifications thereon if required, from the auditors and to implement any suggestion.
- To review the weaknesses in internal controls, if any, reported by the internal and statutory auditors and report to the Board the recommendations relating thereto.
- To act as a link between the statutory and internal auditors and the Board of Directors.
- To recommend a change in the auditors if in the opinion of the Committee the auditors have failed to discharge their duties adequately.

The committee acts in accordance with the terms of reference specified by the Boards. During the year under review the Audit Committee has met every quarter for review of quarterly / half yearly and annual accounts and financial statements. Audit Committee also ensures compliance of internal control system.

[III] SUBSIDIARY COMPANY

The Company does not have any subsidiary Company.

Progressive Extractions & Exports Limited

[IV] DISCLOSURES

1. Related party transactions:

Related party transactions under clause 49 of the Listing Agreement are defined as the transactions of the Company of a material nature with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large. All these contracts or arrangements are entered in the Register of Contracts under section 301 of the Companies Act, 1956 and the register is placed before the Board of Directors from time to time. The relevant disclosures are part of notes to the accounts.

2. The Company has complied with all the procedural requirements of regulatory authority on matters related to capital market.
3. The Company has already laid broad guidelines for Board disclosures.
4. Following are the details of shareholding of Directors of the Company:

a. Mr.SundeepMaheshwari	Director	5.02%
b. Mr.AvneeshSabherwal	Director	0.00%
c. Mr.NitinBondwe	Director	0.00 %

REMUNERATION COMMITTEE

Since none of your directors are receiving any remuneration or sitting fees from the company, the Company has not constituted Remuneration Committee.

SHARE TRANSFER & SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

A shareholders / investors grievance Committee headed by a Non-Executive Directors was formed to specifically look into redressed of complaints like transfer of shares, issuance of duplicate shares, non-receipt of Annual Report and Dematerialization etc, received from shareholders / investors and improve the efficiency in investors service and all other day-to-day matters governing the relationship between the company and its shareholders, wherever possible.

Constitution and Composition

The Committee was constituted of Mr.SundeepMaheshwari, Mr.NitinBondwe and Mr.AvneeshSabherwal

Others

Name and designation of the compliance officer: Mr. Mahesh Jadon

Appointment of Directors

During the year, the Company had not inducted any new directors on the Board

Progressive Extractions & Exports Limited

Appointment of Auditors

The company has received a letter of resignation from M/S BATRA DEEPAK & ASSOCIATES Chartered Accountants, BHOPAL , the present auditor of the company stating their inability to continue as auditor of the company due to their preoccupation. Hence to fill the casual vacancy, it has been decided to appoint M/S K. C. KOSHAL& Company, Chartered Accountants, BHOPAL as Auditors of the Company for the current year . M/S K. C. KOSHAL& Company being eligible offers them for re-appointment. Members will be required to appoint Auditors for the current year till the conclusion of next Annual General Meeting of the company at remuneration to be fixed by the Board of Directors of the company.

ANNUAL GENERAL MEETING

Details of the last three Annual General Meeting held...

Particulars	F.Y 2007-2008	F.Y 2008-2009	F.Y 2009-2010
DAY	Saturday	Wednesday	Wednesday
DATE	28.09.2008	29.09.2009	29.09.2010
TIME	3 P.M.	3 P.M.	3 P.M.
VENUE	Shri Mohan Parisar, 232,Zone-II, M.P.Nagar, Bhopal-462011	Shri Mohan Parisar, 232,Zone-II, M.P.Nagar, Bhopal-462011	Shri Mohan Parisar, 232,Zone-II, M.P.Nagar, Bhopal-462011

[V] CERTIFICATION

CEO/ CFO certificate to the Board under this clause is annexed.

MEANS OF COMMUNICATION

The Company has a email ID viz., extreactions@yahoo.in

[VI] REPORT ON CORPORATE GOVERNANCE

Particulars	Clause of Listing Agreement	Compliance Status (Yes/No)	Remarks
I. Board of Directors	49 (I)		-
(A) Composition of Board	49 (IA)	Yes	-
(B) Non-executive Directors' Compensation & disclosures	49 (IB)	Yes	-
(C) Other provisions as to Board and Committees	49 (IC)	Yes	-

Progressive Extractions & Exports Limited

(D) Code of Conduct	49 (ID)	Yes	-
II. <u>Audit Committee</u>	49 (II)		
(A) Qualified and Independent Audit Committee	49 (IIA)	Yes	-
(B) Meeting of Audit Committee	49 (IIB)	Yes	-
(C) Power of Audit Committee	49 (IIC)	Yes	-
(D) Role of Audit Committee	49 (IID)	Yes	-
(E) Review of Information by Audit Committee	49 (IIE)	Yes	-
III. <u>Subsidiary Companies</u>	49 (III)	N.A.	The Company does not have a subsidiary company
IV. <u>Disclosures</u>	49 (IV)		
(A) Basis of Related Party Transactions	49 (IVA)	Yes	-
(B) Disclosure of Accounting Treatment		Yes	-
(C) Board Disclosure	49 (IVB)	Yes	-
(D) Proceeds from public issue, right issue, preferential issue, etc.	49 (IVD)	N.A.	-
(E) Remuneration of Directors	49 (IVE)	Yes	-
(F) Management	49 (IVF)	Yes	-
(G) Shareholders	49 (IVG)	Yes	-
V. <u>CEO/ CFO Certification</u>	49 (V)	Yes	-
VI. <u>Report on Corporate Governance</u>	49 (VI)	Yes	-
VII. <u>Compliance</u>	49 (VII)	Yes	-

Progressive Extractions & Exports Limited

[VII] COMPLIANCE

CERTIFICATE FROM CHARTERED ACCOUNTANT

**To the Members of
Progressive Extractions and Exports Limited**

We have examined the compliance of conditions of Corporate Governance by Progressive Extractions and Exports Limited for the year ended 31st March, 2011, as stipulated in revised clause 49 of the Listing Agreement of the said Company with Stock Exchange(s). The company has complied the relevant clause 49.

The Compliance of conditions of Corporate Governance is responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit for an expression of opinion on the financial statement of the Company.

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

Based on the certificate received from Share Transfer Agent and as per the records maintained by the Company, we state that in respect of investor grievances received during the year ended 31st March, 2011, no investor grievances are pending against the Company for period exceeding one month.

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 affair of the company.

For K.C. Koshal & Co
Chartered Accountants

s/d
(CA. Shashank Jain)
Proprietor/Partner
Membership No. 128861
PLACE : Bhopal
DATED : 27th May, 2011

Progressive Extractions & Exports Limited

PROGRESSIVE EXTRactions & EXPORTS LIMITED

Regd. Office: 232, Zone I,
M.P. Nagar, B HOPAL -011 (M.P.)

CEO/CFO CERTIFICATION TO THE BOARD

(Under Clause 49(V) of Listing Agreement)

We certify that –

- a) We have reviewed the financial statement and the cash flow statement for the year 2010-11 and to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) 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;
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2010-2011 which are fraudulent, illegal or violative of the Company's code of conduct;
- c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any of, which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and Audit Committee-
 - i) Significant changes in internal control over the financial reporting during the year 2010-2011;
 - ii) Significant changes in accounting policies during the year 2010-11 and that the same have been disclosed in the notes to the financial statements: and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over the financial reporting.

For Progressive Extractions and Exports Limited

Bhopal

Date: 16th May' 2011

s/d
(Nitin Bhondwe)
Director

Progressive Extractions & Exports Limited

PROGRESSIVE EXTRACTIONS & EXPORTS LIMITED

Regd. Office: 232 Zone I,
M.P.Nagar, BHOPAL-011 (M.P.)

DECLARATION – COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with clause 49 of the Listing Agreement with the Stock Exchanges, Mr. Nitin Bhondwe, Director of the Company, hereby declare that the Board Members and senior Management Personnel have affirmed compliance with the said Code of Conduct, as mentioned in this report, for the year ended 31.03.2011.

Exports Limited

For Progressive Extractions and

Place: Bhopal
Date: 16th May'2011

s/d
(Nitin Bhondwe)
Director

Progressive Extractions & Exports Limited

GENERAL SHAREHOLDER INFORMATION

- Annual General Meeting of the Company will be held on Thursday the 29th September, 2011 at 3.30P.M. at Shri Mohan Parisar, 232 Zone-II, MaharanaPratap Nagar, Bhopal 462 011
- Tentative calendar of events for the financial year 2011-2012 (April –March) is given below:
First Quarter - on or before 31-07-2011, Second Quarter - on or before 31-10-2011 Third Quarter - on or before 31-01-2012, Forthquarter - on or before 30-04-2012
- Book closure : Register of member and share transfer register will remain close from 25.09.2011 to 29.09.2011 (both days inclusive)
- The shares of the Company are listed on: Bombay Stock Exchange Limited Mumbai,
- The script code of the Company at BSE is: 531265
- Market price data (During 2010-2011):
Since the scrip of the Company is suspended from trading from Bombay Stock Exchange the information under this head could not be given.
- The Company has appointed M/s Intime Spectrum Registry Limited A-31, 3rd Floor, Naraina Industrial Area, Phase-I, New Delhi 110 028
- As share transfer agent. All the transfer received process and approved by the Share Transfer Committee at its meeting. For redressal of related grievances, shareholders may contact Mr. Bharat Bhushan at transfer agent office or Mr. Mahesh Jadon (Legal) at the registered office address of the Company.
- The Company's share covered under the compulsory dematerialization list and are transferable through the depository system. Company's ISIN no.: **INE421E01012** shares received for physical transfer are registered within a maximum period of two weeks from the date of receipt, the documents are clear in any respect.
- DISTRIBUTION OF SHAREHOLDING AS ON 31-03-2011

NO.OF SHARES	NO.OF SHAREHOLDERS	% OF SHAREHOLDERS	NO OF SHARES HELD	% OF SHARE CAPITAL
UPTO 1000	791	90.61%	206150	5.72%
1001 – 2000	25	2.86%	37900	1.05%
2001 -3000	16	1.83%	37300	1.03%
3001 - 4000	8	0.92%	29500	0.82%
4001 - 5000	9	1.03%	40900	1.13%
5001 - 10000	9	1.03%	65250	1.81%
10001 - 50000	6	0.69%	150400	4.17%
50001-100000	3	0.34%	211200	5.86%
100001 & Above	6	0.69%	2825800	78.40%
TOTAL	873	100.00%	3604400	100.00%

Dematerialisation of shares : The Company has appointed M/s. M/s Intime Spectrum Registry Limited A-31, 3rd Floor, Naraina Industrial Area, Phase-I, New Delhi 110 028 as depository registrar and signed tripartite agreement with NSDL and CDSL to facilitate dematerialization are generally confirmed with in a maximum period of two weeks from the date of receipt, if the documents are clear in all respect. There are 206 no. of shares holding in dematerialised form, Nearly 8.29 % of the equity shares have been dematerialised .

Progressive Extractions & Exports Limited

AUDITORS' REPORT

To the Members

PROGRESSIVE EXTRactions & EXPORTS LIMITED

1. We have audited the attached Balance Sheet of Progressive Extractions & Exports Limited as at March 31, 2011, the Profit and Loss Account for the Year ended on that date annexed hereto and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
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 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 the 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, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable.
4. Further to our comments, we report that:
 - (i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of 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;

Progressive Extractions & Exports Limited

- (iii) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section 211 of the Companies Act, 1956:
- (v) on the basis of written representations received from the directors, as on March 31, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956; and
- (vi) in our opinion and to the best of our information and according to the explanations given to us, and read with other notes appearing in Schedule 'M' 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 March 31, 2011;
 - 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 ended on that date.

For **K.C.Koshal & CO.**
Chartered Accountants

Place : Bhopal
Dated : 27th May, 2011

Sd/-
(CA. Shashank Jain)
Partner-128861

Progressive Extractions & Exports Limited

ANNEXURE TO THE AUDITORS' REPORT

- (i)
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - (b) The management has physically verified the assets in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - (c) In our opinion, due to disposal of substantial assets during FY 2004-05, the going concern status of the company has been affected.

- (ii)
 - (a) As explained to us, no inventories are acquired or held during the year. At the end of the year there was no stock in trade.
 - (b) No stocks acquired or held during the year.
 - (c) No stocks acquired or held during the year.

- (iii)
 - (a) The company had taken unsecured loans from three companies covered in the register maintained under section 301 of the companies Act, 1956. The maximum amount involved during the year was Rs.98.20 Lacs and the year-end balance of loans taken from such companies was Rs.92.20 Lacs. The company has granted an inter-corporate deposit, unsecured to a company listed in the register maintained under section 301 of the Companies Act, 1956. The year end balance of the same is Rs.541 Lacs.
 - (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which loans have been taken from/granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies

Progressive Extractions & Exports Limited

Act, 1956 are not, prima facie, prejudicial to the interest of the company.

- (c) There is no overdue amount of loans taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. However, in respect of inter-corporate deposit granted, the Borrower Company is a promoter-group Company and as such there is no evidence substantiating any specific action taken by the Company for recovery of this deposit except that the promoters are putting in efforts to raise funds for all the group companies.
- (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 fixed assets. During the course of our audit, we have not observed any major weaknesses in internal controls.
- (v)
 - (a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, 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 fifty thousand in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the period covered by our audit report.

Progressive Extractions & Exports Limited

- (vii) In our opinion, the Company has not maintain internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government has not prescribed maintenance of Cost Records under Section 209(1)(d) of the Companies Act, 1956 in respect of the company as no manufacturing activities are being carried by the Company.
- (ix) According to the information and explanations given to us, Company is generally regular in depositing with appropriate authorities undisputed statutory dues relating to provident fund, investor education and protection fund, employees state insurance, wealth tax, customs duty, excise duty, cess and other statutory dues applicable to it except for certain minor delays.
- (x) In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of dues to a financial institution as under :

<u>Principal</u>	<u>Due Date</u>	<u>Overdue</u>	<u>Total</u>
<u>Overdue</u>		<u>Interest</u>	<u>Oveerdue</u>
Rs.675.00 lacs	31.3.2001	435.00 lacs	1110.00 lacs

The company has taken up the matter for settlement with financial institution. Interest accrued but not paid has been separately shown as provided up to previous years. However due to pending settlement no interest has been provided for the year..

- (xi) The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society, Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not dealing in or

Progressive Extractions & Exports Limited

trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

- (xiv) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- (xv) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment and vice versa.
- (xvi) According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xvii) In our opinion and according to the information and explanations given to us, the Company has not issued any secured debentures during the period covered by our report. Accordingly, the provisions of clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xviii) During the period covered by our audit report, the Company has not raised any money by public issues.
- (xix) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **K.C.Koshal & CO.**
Chartered Accountants

Place : Bhopal
Dated : 27th May, 2011

Sd/-
(CA. Shashank Jain)
Partner-128861

Progressive Extractions & Exports Limited

PROGRESSIVE EXTRACTIONS & EXPORTS LTD BALANCE SHEET AS AT 31st MARCH 2011

Particulars		As at 31.03.2011	As at 31.03.2010
<u>SHAREHOLDERS' FUNDS</u>			
Share Capital	A	36,044,000	36,044,000
Reserves & Surplus	B	5,623,999	5,532,508
Loan Funds :			
Unsecured Loans	C	67,500,000	67,500,000
Interest Payable (under settlement)		43,500,261	43,500,261
Total		152,668,260	152,576,769
<u>APPLICATION OF FUNDS</u>			
Fixed Assets			
Gross Block	D	3,350,402	3,350,402
Less : Depreciation		2,955,169	2,675,049
Net Block		395,233	675,353
Current Assets, Loans & Advances			
Sundry Debtors	E	76,767,595	76,767,595
Cash & Bank Balances		690,610	740,870
Loans & Advances		76,029,546	75,607,674
		153,487,751	153,116,139
Less : Current Liabilities & Provisions			
Current Liabilities	F	689,962	689,962
Provisions		692,795	692,795
		1,382,757	1,382,757
Net Current Assets		152,104,994	151,733,382
Miscellaneous Expenditure	G	168,031	168,031
Total		152,668,260	152,576,769
Statement on Significant Accounting			
Policies & Practices	L		
Notes to the Accounts	M		
For Progressive Extractions & Exports Ltd.		As per our report of even date attached	
S/d		For K.C. Koshal & co.	
(A. Sabharwal) (Nitin Bhondwe)		Chartered Accountants	
Director Director		S/d	
Dated : 27th May, 2011		(CA. Shashank Jain)	
		M.No.128861	

Progressive Extractions & Exports Limited

PROGRESSIVE EXTRACTIONS & EXPORTS LTD PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

Particulars	Schedule	For the year ended 31.03.2011 Rupees	For the year ended 31.03.2010 Rupees
<u>INCOME</u>			
Operating & Other Income	H	390,660	514,680
Total		390,660	514,680
<u>EXPENDITURE</u>			
Cost of Material	I	-	-
Manufacturing, Sales & Administrative Expenses	J	19,048	64,108
Interest & Financial Charges	K		
Total		19,048	64,108
Loss before depreciation & prior period items		371,612	450,572
Depreciation	D	280,120	280,120
Profit before prior period items		91,492	170,452
Prior Period Expenses		-	-
Net Profit before tax		91,492	170,452
Current Tax		-	-
Deferred Tax		-	-
Tax Adjustments relating to earlier year		-	-
Net Profit after Tax		91,492	170,452
Balance as per last account		(6,314,622)	(6,485,074)
Transfer from General Reserves			
Balance available for appropriation		(6,223,131)	(6,314,622)
Balance carried to Balance Sheet		(6,223,131)	(6,314,622)
Balance carried to Balance Sheet		(6,223,131)	(6,314,622)
Statement on Significant Accounting			
Policies & Practices	L		
Notes to the Accounts	M		
For Progressive Extractions & Exports Ltd.		As per our report of even date attached For K.C. Koshal & co. Chartered Accountants	
S/d	S/d	S/d	
(A. Sabharwal)	(Nitin Bhondwe)	(CA. Shashank Jain)	
Director	Director	M.No.128861	
Place : Bhopal			
Dated : 27th May, 2011			

Progressive Extractions & Exports Limited

PROGRESSIVE EXTRACTIONS & EXPORTS LIMITED				
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011				
(Prepared Pursuant to listing agreement)				
		For the Year ended 31st March, 2011		For the Year ended 31st March, 2010
A CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before tax		91492		170452
Add :				
Depreciation	280120		280120	
Interest & Financial Charges				
Prior Period Adjustment	0		0	
Loss on sale of Assets	0		0	
Miscellaneous & Deferred Revenue Expenditure w/off	0	280120	0	280120
Operating Profit before working capital changes		371612		450572
Less :				
Interest received	0		0	
Profit on sale of assets	0		0	
Gratuity/Leave Encashment paid	0	0	0	0
		371612		450572
Adjustment for -				
Trade and other receivables	0		0	
Inventories	0		0	
Trade payable	0	0	0	0
Cash generated from operations		371612		450572
Income tax paid	0	0	0	0
Cash Flow before prior period items	0	371612	0	450572
Prior year adjustment	0		0	
Net cash from/(used) in operating activities (A)		371612		450572
B CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets	0		0	
Capital Advance received back	0		0	
Consideration received on sale of assets	0		0	
Share Application Money Given	0		0	
Advances / Inter-corporate Deposit Given	-421872		-286009	
Interest on inter-corporate deposits and capital advances	0		0	
		-421872		-286009
Net cash from/(used) in investing activities (B)		-421872		-286009
C CASH FLOW FROM FINANCING ACTIVITIES :				
Increase/(Decrease) in long term borrowings	0		0	
Dividend paid	0		0	
Interest paid	0		0	
Increase/(decrease) in unsecured loan	0	0	0	0
Net Cash from/(used) in Financing Activities (C)		0		0
Net increase in cash equivalents (A+B+C)		-50260		164563
Cash & Cash Equivalents (Opening Balance)		740870		576307
Cash & Cash equivalents as at (Closing Balance)		690610		740870
FOR PROGRESSIVE EXTRACTIONS & EXPORTS LTD.		As per our report of even date attached FOR K. C. KOSHAL & Co. CHARTERED ACCOUNTANTS		
s/d	s/d	s/d		
(A.SABHARWAL)	(NITIN BHONDWE)	CA. SHASHANK JAIN		
Director	Director	PARTNER		
Place : Bhopal		M.NO. : 128861		
Dated : 27th May, 2011				

Progressive Extractions & Exports Limited

PROGRESSIVE EXTRACTIONS & EXPORTS LTD

<u>SCHEDULES - ANNEXED TO THE ACCOUNTS</u>	As at 31.3.2011 Rupees	As at 31.3.2010 Rupees
<u>SCHEDULE 'A'</u>		
<u>SHARE CAPITAL</u>		
<u>AUTHORISED</u>		
40,00,000 equity shares of Rs.10/- each	40,000,000	40,000,000
3,00,000 Redeemable Preference shares of Rs.100/- each	30,000,000	30,000,000
<u>ISSUED, SUBSCRIBED & PAID UP</u>		
36,04,400 Equity Shares of Rs.10/- each	36,044,000	36,044,000
<u>SCHEDULE 'B'</u>		
<u>RESERVES & SURPLUS</u>		
Capital Reserve		
State Subsidy	1,500,000	1,500,000
General Reserve		
As per last Account	-	-
	-	-
Profit and loss account	(6,223,131)	(6,314,622)
Add: Deferred tax liabilities	10,347,130	10,347,130
Less : Transfer to Profit & Loss Account	-	-
	-	-
	5,623,999	5,532,508
<u>SCHEDULE 'C'</u>		
<u>UNSECURED LOANS</u>		
Inter Corporate Deposits (including interest accrued and due)	127,367,193	127,367,193
Less: interest on loan	59,867,193	59,867,193
	67,500,000	67,500,000
<u>SCHEDULE 'E'</u>		
<u>CURRENT ASSETS, LOANS & ADVANCES</u>		
<u>SUNDRY DEBTORS</u>		
(Unsecured, considered good)		
Due for over six months	-	-
Others	76,767,595	76,767,595
Total	76,767,595	76,767,595
<u>CASH AND BANK BALANCES</u>		
Cash in hand	690,560	740,820
Balances with scheduled banks :		
- In current accounts	50	50
- In Dividend account	-	-
- On term deposit account	-	-
(Pledged with Sales Tax Deptt.)		
Total	690,610	740,870

Progressive Extractions & Exports Limited

<u>LOANS & ADVANCES</u>		
Advances recoverable in cash or in kind or for value to be received/adjusted -- Unsecured considered good	21,055,374	20,633,502
-- Unsecured considered doubtful	4,300,350	4,300,350
Less: Provision for doubtful advances	(4,300,350)	(4,300,350)
Staff Loans	-	-
Inter Corporate Deposit	54,100,000	54,100,000
Security Deposit Outward	10,545	10,545
Taxes and duties paid under dispute	863,627	863,627
Total	76,029,546	75,607,674

PROGRESSIVE EXTRACTIONS & EXPORTS LTD.

	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
<u>SCHEDULE 'F'</u>		
<u>CURRENT LIABILITIES & PROVISIONS</u>		
<u>Current Liabilities</u>		
Sundry Creditors	452,050	452,050
Advances received from customers	237,912	237,912
Other Liabilities	-	-
	689,962	689,962
<u>Provisions</u>		
Provision for leave encashment	692,795	692,795
	692,795	692,795
	1,382,757	1,382,757
<u>SCHEDULE 'G'</u>		
<u>MISCELLANEOUS EXPENDITURE</u>		
(to the extent not written off or adjusted)		
Share Issue Expenses	168,031	168,031
	168,031	168,031
<u>SCHEDULE 'H'</u>		
<u>OPERATING & OTHER INCOME</u>		
Sales	-	-
Jobwork Receipt	-	-
(Gross. TDS Rs-nil Last Year Gross. TDS Rs.nil)		
Interest Received	-	-
(Gross. TDS Rs.Nil Last Year Gross. TDS Rs. Nil)		
Miscellaneous Income		
Liabilities written back	390,660	514,680
Total	390,660	514,680
<u>SCHEDULE 'I'</u>		
<u>COST OF MATERIALS</u>		
<u>Opening Stock -</u>		
Finished Goods	-	-
Stock in trade	-	-
Total	-	-
Purchases	-	-
<u>Closing Stock -</u>		
Finished Goods	-	-
Stock in trade	-	-
Total	-	-
	-	-

Progressive Extractions & Exports Limited

Cost of Material		
<u>SCHEDULE 'K'</u>		
<u>MANUFACTURING, SALES &</u>		
<u>ADMINISTRATIVE EXPENSES</u>		
Salaries & Wages	-	-
Contribution to P.F. & E.S.I.	-	-
Employees' welfare & other benefits		
Power and Fuel	-	-
Consumables	-	-
Stores & Spares Consumed	-	-
Material Handling	-	-
Packing Material Consumed	-	-
Rent, Rates & Taxes	-	-
Insurance	604	604
Repairs & Maintenance -		
Building	1,260	1,260
Plant & Machinery	-	-
Others	-	-
Travelling & Conveyance	816	816
Loss on sale of Fixed Assets	-	-
Preliminary & Share Issue Expenses w/off	-	-
Deferred Revenue Expenditure w/off	-	-
Other General Expenses	16,368	61,428
	19,048	64,108

Progressive Extractions & Exports Limited

SCHEDULE 'L'

STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES & PRACTICES

1. Basic of Preparation of Accounts

These accounts are prepared under the historical cost convention. The accounts conform to applicable Accounting standards in India. Financial statements are prepared in accordance with relevant presentational requirements of the Companies Act, 1956.

2. Revenue Recognition

- a. Mercantile system of accounting followed. Except that no interest on bank loan has been provided in view of settlement to be reached with banks. Interest provided upto financial year 2003-04 amounting to Rs.4,35,00,261/- has not been reversed, in view of the pending settlement with bank.

3. Fixed Assets

- a. Fixed assets are shown at cost. Cost in case of depreciable assets is taken net of subsidy received in relation to specific fixed assets from Government or other authorities. Preoperative expenses including interest upto the date of installation of individual assets are capitalized and added to the cost of the fixed assets when installed.
- b. Depreciation on fixed assets is provided on straight line basis and at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

4. Inventories

The company has abandoned all its manufacturing activities. There were no trading activities carried out during the year.

5. Sundry Debtors, Loans & Advances

Provision for doubtful debts and loans and advances are made as and when they are considered doubtful.

6. Miscellaneous Expenditure

Progressive Extractions & Exports Limited

- a. Preliminary and share issue expenses are amortised over a period of 10 years.
- b. Expenditure on a major plant break-down which occurred immediately on commencement of production was deferred to be written off in ten equal instalments as 'Deferred Revenue Expenditure'.

7. Foreign Currency Transactions.

There are no foreign Currency transaction for the year.

8. Retirement benefits.

The company has closed its business.

9. Provision for income tax.

Due to carry forward losses, no provision for income tax has been made.

No provision has been made for Deferred Tax resulting from 'timing difference' between book and taxable profit for the year. The reserve held therefore has been written back during the year and has been shown as General Reserve.

10. Borrowing Cost

Borrowing costs attributable to acquisition and construction of assets are capitalized as per the cost of such assets upto the date such assets is ready for its intended use. Other borrowing costs are charged to Profit & Loss Account.

SCHEDULE 'M'

NOTES TO THE ACCOUNTS

Progressive Extractions & Exports Limited

1. Estimated amount of contracts remaining to be executed on capital account and not provided for – Rs. NIL (Previous year Rs.NIL)
2. Contingent liabilities not provided for in respect of –
 - i) Equitable mortgage of office flat as collateral security for loans availed by others. Gross Block – Rs.4,57,359 (Previous Year Rs.4,57,359).
3. Madhya Pradesh State Industrial Development Corporation Limited (MPSIDC) has been approached with an objective of One Time Settlement for the principal amount. The final agreement is due and expected to be executed shortly, has been reported to us.
4. Madhya Pradesh Financial Corporation (MPFC) in exercise powers conferred on it under Section 29 of the State Financial Corporation Act,1951 taken over all the immovable and movable assets charged to it by the Company on 17th August, 2004. Such assets have been finally auctioned out by MPFC during the previous year. The difference amount of Rs.2,26,90,993.00 being the shortfall between the book value and auction value of assets has been debited to MPFC as amount recoverable from them.
5. The Company had placed inter-corporate deposit of Rs.54,100,000 with M/s.Betwa Realtors Private Limited bearing interest @ 18.5% p.a. In view of the default being committed by the said company in repayment, interest on the said deposit amounting to Rs.10,008,500 for the current year has not been recognized. The Company has taken necessary steps for recovery of the deposit alongwith interest. The Company has considered no provision necessary at this stage.
6. Sundry Creditors include due to small scale industries is Rs Nil (Previous year Nil) .
7. Payment to Directors (Subject to approval of shareholders) :

Particulars	For the period ended on 31.03.2011	For the period ended on 31.03.2010
(i) Payment to Managing Director		
Salary & perquisites	Nil	Nil
Contribution to Provident & Other funds Other Funds	Nil	Nil
(ii) Payment to Executive Director :	Nil	Nil
Salary & perquisites	Nil	Nil
Contribution to Provident & Other funds Other Funds	Nil	Nil

Progressive Extractions & Exports Limited

8. Payment to Auditors :

Particulars	For the period ended on 31.03.2011	For the period ended on 31.03.2010
Audit Fee		
Other Services	Nil	Nil
Reimbursement of expenses	Nil	Nil

9 Segment Reporting :

a. Business Segment

The company do not have any activities.

10. Disclosure of Related Parties & Related Party Transactions :

a. Related Parties where control exists –

1.Key Management Personnel-ShriAvaneeshSabharwal Director)
ShriNitinBhondwe(Director)

ii. Enterprise holding substantial Interest in voting power

Amarkantak Farms Pvt. Ltd.
Betwa Realtors Pvt.Ltd
BetwaFinlease Pvt Ltd

b. Related Party transactions (including transactions where related party relationship exists without control):

Particulars	For the year ended 31.03.2011	For the year ended 31.03.2010
Purchases	Nil	Nil
Expenses Reimbursible	Nil	Nil
Expenses Recoverable	Nil	Nil
Inter Corporate Deposit Given	Nil	Nil
Refund of Inter Corporate Deposit	Nil	Nil
Interest Payment	Nil	Nil
Short Term Advances Given	Nil	Nil
Capital Advances given recd. Back	Nil	Nil
Interest Charged on ICD given	Nil	Nil

Progressive Extractions & Exports Limited

Rent Paid	Nil	Nil
Consultancy Charges	Nil	Nil
Dividend Payment	Nil	Nil
Sales	Nil	Nil
Year end balance		
Account Receivable	9869453	9869453
Inter-corporate Deposit given	54100000	54100000
Accounts Payable	Nil	Nil
Payment to Key Management Personnel		
Remuneration	Nil	Nil
Reimbursement of Travel Expenses	Nil	Nil

11. Earnings per share :

	For the year ended 31.03.2011	For the year ended 31.03.2010
Net Profit for the period Attributable to Shareholders	11044	28009
Weighted Average number of Equity Shares outstanding	36,04,400	36,04,400
Basic and diluted earning per share (face value of Rs.10 each)	0.01	0.01

13. Previous year figures have been regrouped and re-classified to conform to this year's classification.

14. Schedules 'A' to 'M' form an integral part of these accounts.

For and on behalf of the Board,

For **K.C.Koshal & CO.**
Chartered Accountants

Sd/
(CA. Shashank Jain)
Partner-128861

Sd/- Sd/-
(Avaneesh Sabharwal) (Nitin Bhondwe)
Director Director

Place : Bhopal
Dated : 27th May, 2011

Progressive Extractions & Exports Limited

DIRECTORS' REPORT

To The Members,

Your Directors have pleasure in presenting the 30th Annual Report of the Company with the Audited Statement of Accounts for the year ended on 31st March, 2011

	(Rs. In Lakhs)	
Financial Highlights	2010-11	2009-10
Sales & Other Income	3.90	5.14
Profit Before Tax	0.91	1.70
Net Profit After Tax	0.91	1.70

STATEMENT OF AFFAIRS

During the year under review the operations of the company have remained suspended. The company is committed to continue its activities with the help of its marketing department and is working hard to create a marketing network to resume its trading activities.

Future Outlook

The company is consolidating its position to improve its marketing performance during the coming years and to encash its long-standing goodwill.

Directors

During the year ShriAvneeshSabharwal and **ShriNitinBhondwe**, directors retire by rotation who offer themselves for reappointment.

Particulars of Employees

Particulars of employees pursuant to section217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended are not being furnished herewith since there is no employee who is getting remuneration as per the provisions therein.

Conservation of Energy, Technology absorption Etc.

Since the company do remained with any manufacturing activities, the required disclosure containing particulars pursuant to To Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1998 and forming part of Directors' Report has not been furnished.

Progressive Extractions & Exports Limited

ANNEXURE-II

REPORT ON CORPORATE GOVERNANCE

a) **Board of Directors**

The Board of Directors consists of the Following

- i) **ShriNitinBondwe** Executive Director. He is a Director in Seven other companies. He is a member of audit committee of the Board of Directors of Public Limited Company at Salamatpur (M.P)
- ii) **ShriAvneeshSabherwal**, Non Executive and independent Director. He is Director in One other companies. He is not a member of any committee of the Board of Directors of any Company.
- iii) **Shri Rajeev Sharma** Non Executive and independent Director. He is a Director in Fourteen other companies. He is not a member of any committee of the Board of Directors of any Company.

A total Eight Board Meetin were held during the year 2010.2011 These meetins were held on on29.04.10, 29.07.10, 12.08.10, 30.08.10, 28.10.10, 03.01.11, 29.01.11. and 31.03.11. and gap between any two Board Meetings was not more than that permitted by law. The attendance by Directors at the Board Meeting was follows:

Dates of meeting	Category of Membership	Attendance Particulars	
ShriAvneeshSabherwal	NE & ID	8	Yes
ShriSundeepMaheshwari	NE & NI	8	Yes
ShriNitinBhondwe	NE & ID	8	Yes-

C: Chairman; MD: Managing Director; ED: Executive Director NE&ID: Non Executive and Independent Director: NE & NI:Non Executive and Non Independent Director

Legal requirement about Board Meeting were complied with. No Director is member/Chairman of Committees of Board of Directors of more than the number as permitted in clause 49 of the listing Agreement.

b. **Audit Committee**

- i) An audit committee was constituted in accordance with Section 292A of the Companies Act, 1956 and clause 49 of the Listing Agreement with effect from 31.03.2004. The Committee consist of the Chairman – ShriAvaneeshSabharwal who is independent and non-executive Director and is having financial and accounting knowledge. Other two members of the Committee – ShriSundeepMaheshwari and ShriNitinBhondwe are also non-executive Director.

Progressive Extractions & Exports Limited

- ii) The terms of reference of the Audit Committee specified by the Board are as contained under Clause 49 of the Listing Agreement.
- iii) The Audit Committee met on 29.04.2010, 29.07.2010 28.10.2010 and 31.03.2011

c. **Remuneration of Directors.**

- i) No Director was paid any remuneration/ stock option.
- ii) No Director was paid any sitting fees for attending Board Meetings.
- iii) The Board has not yet constituted a Remuneration Committee since there was no occasion when such committee was need as per law/listing agreement.

d. **Management Discussion and Analysis.**

- i) **Industry Structure & Development:** Edible Oil industry being based on agriculture depends heavily on vagaries of nature. This is more specific to Madhya Pradesh where majority of soya cultivation is non-irrigated. Farmers have small holdings of land where mechanised and scientific methods of cultivation are difficult to be adopted. Soyabean Processors Association of India (SOPA) has undertaken various schemes to educate farmers for better yield of soyabean.
- ii) **Internal Control Systems & Adequacy:** The day to day operations of the company are looked after by the Director who have a team of professionals to man key areas of operations. In addition, the company has the following committees to over view the management.
 - 1. Audit Committee of Board of Directors.
 - 2. Share Transfer and Investors' Grievance Committee of Board of Directors.

The Company has an adequate internal control system, procedures, checks designed to provide reasonable assurance on achievement of the objectives relating to efficiency and effectiveness of operations, reliability of financial reporting and compliance with applicable laws and regulations.

- iii) **Opportunities and the outlook:** The industry foresees a potential growth in view of a wide gap between demand and supply of edible oil in the country. Efforts have been made by the Central and State Governments to enhance edible oil production by way of various incentives and schemes.
- iv) **Threats:** Owing to cheaper imports of oil, there is severe pressure on the industry to be competitive. In the era of globalisation and liberalisation of economy many foreign players have entered the market with their large infrastructure and economics of scale which pose a threat to the local industry.

Progressive Extractions & Exports Limited

- v) **Risks & Concerns:** Nature plays very important role in functioning of the industry. Monsoons and climatic conditions can influence production of soyabean to a great extent. Similarly Government policies can also adversely affect the industry.
- vi) **Human Resources :**The company has its own system to monitor all its functions to ensure proper and adequate control, facility, transparency and accuracy. The employer-employee relations has been cordial. The company considers the quality of its human resources as its important assets and tries to attract, employ, train and retain the best talent available in the industry.

d) Shareholders:

- i) The Committee comprises of ShriAvneeshSabherwal, as Chairman and ShriSundeepMaheshwari and ShriNitinBhondwe are members of the Committee. The Committee interalia, approves issue of duplicate share certificate and oversees and reviews all matters connected with securities transfer. The Committee also looks into redressing of shareholders'/ investors' complaints like transfer of shares, non-receipt of balance sheet, non-receipt of dividends etc. and also transfer/transmission and dematerialization of securities issued by the Company.
- ii) The Shares of the Company have been dematerialised and ISIN No. is INE421E01012.
- iii) Promoters along-with persons acting in concert hold 83.22% of the paid up capital, Private Bodies Corporate hold 0.52% and while other public hold 16.26%.
- iv) The Last three Annual General Meetings of the Company were held as Under:-

Year	Location	Date	Time	No. of Special Resolution Passed
2007-08	Shri Mohan Parisar 232, Zone-I M.P.Nagar, Bhopal 462 011	30.09.08	3 P.M.	2
2008-09	Shri Mohan Parisar 232, Zone-I M.P.Nagar, Bhopal 462 011	30.09.09	3 P.M.	2
2009-10	Shri Mohan Parisar 232, Zone-I M.P.Nagar, Bhopal 462 011	30.09.10	3 P.M.	2

Date : 27th May, 2011

By the Order of the Board of Directors

Registered Office:

Shri Mohan Parisar,

232, Zone I,

M.P.Nagar,Bhopal 462 011

Madhya Pradesh