

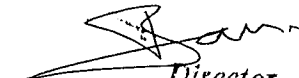
16TH ANNUAL REPORT

2010 – 2011

M/S NATURA HUE CHEM LTD.

Address :-
C-97, SECTOR-2,
DEVENDRA NAGAR,
RAIPUR (C.G.)

For, Natura Hue Chem Ltd.


Director

NATURA HUE CHEM LIMITED

DIRECTORS' REPORT

TO THE MEMBERS

The Directors present their 16th Annual Report together with the Audited Accounts for the year ended 31st March, 2011.

1. FINANCIAL RESULTS

Rs. In lacs.

| YEAR ENDED | 31-03-2011 | 31-03-2010 |
|-------------------------------------|------------|------------|
| SALES / INCOME | 725.40 | 1474.93 |
| PROFIT / (LOSS) BEFORE INTT. & DEP. | 55.06 | 84.90 |
| INTEREST | 0 | 1.11 |
| PROVISION FOR DEPRECIATION | 0.52 | 0.70 |
| TAXES | 16.82 | 26.27 |
| NET PROFIT C/O TO BALANCE SHEET | 37.72 | 57.82 |

2. DIVIDEND

No dividend has been proposed by your Directors for the year ended 31st March, 2011 since the Company needs funds for increased operations working capital requirements:

3. OPERATIONS

The Company has earned an income of Rs. 725.40 lacs as against Rs.1,474.93 lacs during the previous year. There is a decline in Income on account of general recession in the economy. The economy is still dull but the Company hopes to maintain its present level of operations without any further set back. The present reserves are Rs. 305.27 lacs as compared to the share capital of Rs.414.53 lacs due to a track profit record in previous years

4. DIRECTORS

- a. In accordance with the provision of the Companies Act, 1956, and the Articles of Association of the Company, Shri Rishi Dave & Smt. Satyawati Parashar, directors of the Company retire by rotation and are eligible for re-appointment.
- b. Directors declare that none of the directors is disqualified from being appointed as Director of the Company under clause-g of sub-section-1 of Section 274 of the Companies Act, 1956.

5. DIRECTORS' RESPONSIBILITY STATEMENT

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

- i. That in the preparation of the account for the financial year ended on 31st Mar'11, the applicable accounting standards have been followed and there were no material departures.
- ii. That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year under review;
- iii. That the Directors have taken proper and sufficient care 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;
- iv. That the Directors have prepared the accounts for the financial year ended 31st March' 2011 on a going concern basis.

The following accounting standards were not applicable to the company during the year under review due to non occurrence of events and transactions covered under the scope of these accounting standards:-

- AS-7 Accounting for construction contract.
- AS-11 Accounting for the effects of changes in Foreign Exchange Rates.
- AS-12 Accounting for Government Grants.
- AS-13 Accounting for investments.
- AS-14 Accounting for amalgamation.
- AS-17 Segment Reporting.
- AS-19 Leases Agreement.
- AS-21 Consolidated Financial Statements.
- AS-23 Accounting for investments in associates in consolidated financial statements:

6. CORPORATE GOVERNANCE

As a listed company on Mumbai, Indore Ahmadabad & Jaipur Stock Exchanges, the company has complied in all material respects with the features of corporate governance as specified in the Listing Agreement

7. AUDITORS

Directors recommended the appointment of M/s Madhuresh Gupta & Co., Chartered Accountants, Raipur who holds office as auditors of the company upto the conclusion of at the ensuing Annual General Meeting and are eligible for re-appointment.

8. PERSONNEL

There was no employee who was drawing more than the amount of ceiling prescribed under sub-section (2A) of section 217 of the companies Act, 1956 read with companies (Particulars of the Employees) rules 1975 as amended is NIL.

9. CONSERVATION OF ENERGY & TECHNICAL ABSORPTION

Since the company is engaged only in cultivation activity the requirements of section 217 (i) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in report of Board of Directors) Rules 1988, regarding conservation of energy technology absorption and foreign exchange earnings and outgo, are not applicable.

10. ACKNOWLEDGEMENT

Your directors wish to place on record their sincere appreciation to the employees of the company and your directors also acknowledge the trust and confidence reposed by you in the company.

For and on behalf of the Board

(MANSOOR AHMED)
DIRECTOR

(RAVI KAMRA)
DIRECTOR

PLACE: RAIPUR
DATED: 10-08-2011

NATURA HUE CHEM LIMITED

Corporate Governance Report for the year ended on 31st March 2011

1 Company Philosophy:

We continue to believe that good corporate Governance is essential to achieve long-term corporate goals and to enhance stockholders value. Company is a listed company on the Mumbai, Indore, Jaipur & Ahmedabad. The Company has complied with in all material respect with the features of corporate governance as specified in the Listing Agreement. The securities are being regularly traded at Stock Exchange, Bombay.

2 Board of Directors:

a. Policy

All statutory & other significant and material informations are placed before the Board to enable it to discharge its responsibilities of strategic supervision of the company and as trustees of stakeholders. As per policy the Board meets at least once every quarter. During the year the Board met seven (7) times on 16th Apr'10, 28th May'10, 17th Jul'10, 14th Aug'10, 15th Oct'10, 7th Jan'11 & 17th Mar'11.

b. Composition and Category of directors:

The Executive Director is Shri Ravindra Pokhrana and Shri Ravi Kamra is non-executive director. Shri Mansoor Ahmed, Shri L.N. Kachawat, Shri Rishi Dave and Smt. Satyawati Parashar are non-executive and independent directors. There was neither a nominee director nor any institutional or shareholder director during the year. Meetings attendance of each director at the BOD meetings and last AGM is as under:

| <u>Name of the Director</u> | <u>No. of Board Meetings</u> | | <u>Attendance at last AGM</u> |
|-----------------------------|------------------------------|--|-------------------------------|
| | <u>Attended</u> | | |
| Shri Ravi Kamra | 7 | | Yes |
| Shri V. K. Agrawal | 0 | | No |
| Shri Ravindra Pokhrana | 5 | | Yes |
| Shri Mansoor Ahmed | 6 | | Yes |
| Shri L. N. Kachawat | 4 | | No |
| Shri Rishi Dave | 5 | | Yes |
| Satyawati Parashar | 5 | | Yes |

3 COMMITTEES OF THE BOARD.

(a) Audit Committee

The Audit Committee continued working under Chairmanship of Shri Mansoor Ahmed with Shri Ravi Kamra and Shri Rishi Dave as co-members. During the year, the sub-committee met on four occasions with full attendance of all the members.

(b) Executive Committee

The Executive Committee continued working under Chairmanship of Shri Mansoor Ahmed with Shri L. N. Kachawat and Satyawati Parashar as co-members. During the year, the sub-committee met on six occasions with full attendance of all the members.

(c) Remuneration Committee

The Remuneration Committee formed during the last year continued working under Chairmanship Shri L. N. Kachawat with Shri Mansoor Ahmed as co-members. During the year, the sub-committee met on two occasions with full attendance of all the members. Remuneration Policy is to pay on reasonable and economical basis. Recommendations of the Committee that in view of the present losses, directors should not draw any remuneration, has been accepted.

(d) Shareholders Committee

The Shareholder Committee continued working under the Chairmanship of Shri Mansoor Ahmed with Shri Ravi Kamra and Satyawati Parashar as co-members. During the year, the sub-committee met on two occasions with full attendance of all the members. Shri Ravi Kamra is the Compliance Officer notified to the stock exchanges.

There were four complaints received from shareholders during the year. No unsolved complaints were pending. No share transfers were pending for more than a fortnight.

4 General Body Meetings

Particulars of last three Annual general meetings

| AGM | Year ended 31 st March, | Venue | Date | Time |
|------------------|------------------------------------|--------------------------|------------|------------|
| 13 th | 2008 | At the Registered Office | 30.09.2008 | 11.00 a.m. |
| 14 th | 2009 | | 30.09.2009 | 11.00 a.m. |
| 15 th | 2010 | | 30.09.2010 | 11.00 a.m. |

5 Disclosures:

(a) Materially Significant related party transactions

There was no transaction of material nature with any of the related party, which is in conflict with the interest of the company.

(b) Details of non compliance by the company, penalties, strictures imposed on the company by the Stock Exchange or SEBI or any authority on any matter related to capital markets during last 3 years

There was no instance of levy of any penalties during the last three years. However, due to some non-compliance in the earlier years, the trading of the listed securities has remained suspended.

6 Means of Communication

| | |
|--|----------------------|
| i. Half yearly report sent to each shareholders registered address | No |
| ii. In which newspapers quarterly results were normally published | BSE Official Website |
| iii. Any Website where results or official news are displayed | No |

No presentation made to institutional investors or to the analysts. Management Discussion & Analysis are not a part of Annual Report.

7 General Shareholder Information

| | |
|--|---|
| AGM – Date, time and venue | 30.09.2010 11.00 a.m. at Registered office. |
| Financial Year | 31 st March, 2010 |
| Book Closure Date | 25 th September, 2010 to 30 th September, 2010 (both days inclusive) |
| Dividend Payment Date | No dividend declared. |
| Listing of Eq. shares on stock exchanges. | BSE, Indore, Jaipur & Ahmedabad |
| Stock Code | BSE – 531834 Others - awaited |
| Market Price Data and other related informations | Equity shares, Rs.10/- each: High: Rs.16.45 & Low Rs.5.83. |
| Registrar & Transfer Agents | Beetal Financial & Computer Services (P) Ltd. 99, Madangir, Behind Local shopping Centre, Opp. Dada Harsukhas Mandir, Mandangir, NEW DELHI-110062 |

MANAGEMENT DISCUSSION AND ANALYSIS

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements based on certain assumptions and expectations of future events. The Company, therefore, cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements can thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

INDUSTRY

Since the Company could not establish itself in the herbal plantation business, it diversified into the field of Cargo Handling at Vizag. The Cargo Handling is a lucrative business as the domestic import and export are fast increasing. The Company is building up its network to play a significant role from time to time.

BUSINESS OVERVIEW

The Sales during the year 2010-11 are lower at 708.16 lacs as compared to 1423.72 lacs in the previous year on account of economic recession resulting in award of lesser number of contracts..

MARKETING

The Company is setting up a good marketing team to enter to increased turnover.

SWOT

Our strength is our determination and team work, weakness is the low equity base, opportunities are multiples and threats are the vibrations in the economy and government policies.

The financial highlights are as under: -

| | (Rs. in lacs) |
|--|---------------|
| Sales for the year 2010-2011 | 708.16 |
| Provision for taxation | 16.85 |
| Profit after tax | 37.72 |
| Paid up equity share capital as on 31 st Mar'2011 | 414.53 |

INTERNAL CONTROL

The Company has adequate internal control system, commensurate with the size of its operations. Adequate records and documents are maintained as required by laws. The Company's audit Committee reviewed the internal control system. All efforts are being made to make the internal control systems more effective.

SEGMENT WISE REPORTING

During the year under review, Company has achieved all sales through Cargo Handling only.

RISKS AND CONCERNS

In any business, risks and prospects are inseparable. As a responsible management, the Company's principal endeavour is to maximize returns. The Company continues to take all steps necessary to minimise its expenses through detailed studies and interaction with experts.

CAUTIONARY STATEMENT

Statement in this Management's Discussion and Analysis detailing the Company's objectives, projections, estimates, estimates, expectations or predictions are "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand-supply conditions, finished goods prices, feedstock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations.

NATURA HUE CHEM LIMITED

Registered Office:
C-97, Sector - II
Devendra Nagar
Raipur (Chhattisgarh) 492001

Code of Conduct for Directors & Senior Management of the Company

Philosophy

NATURA HUE CHEMLIMITED commitment to ethical and lawful business conduct is fundamental shared value of the Board of Directors, the senior management and all employees of the Company. Consistent with its Values and Beliefs, Triveni has formulated the following Code of Conduct as a guide. The Code does not attempt to be comprehensive or cover all possible situations. It encourages the Triveni team to take positive actions, which are not only commensurate with the Values and Beliefs, but are also perceived to be so. Triveni expects all its employees to implement the Code in its true spirit.

Applicability

The Code of Conduct shall come into force with immediate effect and it shall apply to-

1. All Directors of the Company, whether executive or non-executive including Nominee Directors.
2. All Executives of the Company of the rank of General Manager and above including all functional heads.

Quality of products and services

The Company shall be committed to supply goods and services of the highest quality standards backed by efficient after-sales service consistent with the requirements of the customers to ensure their total satisfaction. The quality standards of the company's goods and services should at least meet the required national standards and the company should endeavour to achieve international standards.

Protecting company assets

The assets of the Company should not be misused but employed for the purpose of conducting the business for which they are duly authorized. These include tangible assets such as equipment and machinery, systems, facilities, materials, resources as well as intangible assets such as proprietary information, relationships with the customers and suppliers, etc.

Financial records

The Company shall prepare and maintain its accounts fairly and accurately in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations.

Internal accounting and audit procedures shall fairly and accurately reflect all of the company's business transactions and disposition of assets. All required information shall be accessible to company auditors and government agencies.

Equal Opportunities Employer

The Company shall provide equal opportunities to all its employees and all applicants for employment, without regard to their race, caste, religion, marital status, sex nationality, disability and veteran status. Employees of the company shall be treated with dignity and in accordance with the Company's policy to maintain a work environment free of sexual harassment, whether physical, verbal or psychological. Employee policies and practices shall be administered in a manner that would ensure that in all matters, equal opportunity is provided to those eligible and that decisions are merit-based.

Gifts and donations

The Company, its Directors and Executives shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits that are intended to, or perceived to obtain business or uncompetitive favors for the conduct of its business. However, the Company and its Directors and Executives may accept and offer nominal gifts which are customarily given and are of commemorative nature for special events.

Ethical conduct

The Directors and Executives shall deal on behalf of the company with professionalism, honesty, integrity as well as high moral and ethical standards. Such conduct shall be fair and transparent and be perceived to be such by third parties. Every Director and Executive of the Company shall, in his business conduct, comply with all applicable laws and regulations, both in letter and in spirit.

Concurrent employment

The Executives of the Company shall not, without the prior approval of the managing director of the company, accept employment or a position of responsibility (such as consultant or a director)

with a competitor company, nor provide "freelance" services to anyone. In the case of a Director or the Managing Director, such prior approval must be obtained from the Board of Directors of the company.

Confidentiality

The Directors and Executives shall maintain the confidentiality of confidential information of the Company or that of any customer, supplier or business associate of the Company to which Company has a duty to maintain confidentiality, except when disclosure is authorised or legally mandated. The use of confidential information for his/her own advantage or profit is also prohibited.

Shareholders

The Company shall be committed to enhance shareholder value and comply with all regulations and laws that govern shareholders' rights. The board of directors of the Company shall duly and fairly inform its shareholders about all relevant aspects of the company's business and disclose such information in accordance with the respective regulations and agreements.

Third-party representation

Parties that have business dealings with the Company such as consultants, agents, sales representatives, producers, contractors, suppliers, etc. shall not be authorised to represent this company.

Conflict of Interest

The Directors and Executives should be scrupulous in avoiding 'conflicts of interest' with the Company. In case there is likely to be a conflict of interest, he/she should make full disclosure of all facts and circumstances thereof to the Chairman & Managing Director of the Company and a prior written approval be obtained. A conflict situation can arise in the under-mentioned circumstances:-

- a. when a Director or Executive takes action or has interests that may make it difficult to perform his or her work objectively and effectively;
- b. The receipt of improper personal benefits by a member of his or her family as a result of one's position in the Company;
- c. Any outside business activity that detracts an individual's ability to devote appropriate time and attention to his or her responsibilities with the Company;
- d. Any significant ownership interest in any supplier, customer or competitor of the Company;

- e. Any consulting or employment relationship with any supplier, customer, business associate or competitor of the Company;

Interpretation of the Code

Any question or interpretation under this Code of Conduct will be handled by the Executive Sub-Committee of the Board of Directors of the Company. The Executive Sub-Committee has the authority to waive compliance with this Code of Conduct for any Director or Executive of the Company. The person seeking waiver of this Code shall make full disclosure of the particular circumstances to the Executive Sub-Committee.

Adopted by the Board of Directors in their meeting held on 11TH August, 2011.

CHAIRMAN

NATURA HUE CHEM LIMITED

CEO's Declaration of the Company
in terms of Clause 49-I (D) of Listing Agreement

To
The Members of
NATURA HUE CHEM LIMITED,

In terms of Clause 49-I (D) of the Listing Agreement, I hereby declare that all the Director and Senior Management personnel including functional heads have affirmed the Code of Conduct approved by the Board of Directors in their meeting held on 10th August, 2011.

For and on behalf of Board of Directors of
NATURA HUE CHEM LIMITED,

Sd/-

(RAVI KAMRA)
Director

Place: Raipur
Date: 10th Aug'11

NATURA HUE CHEM LIMITED

DECLARATION UNDER CLAUSE 49(1D)

“I hereby confirm that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct framed for Directors and Senior Management, as approved by the Board, for the year ended 31st March 2011.”

For and on behalf of Board of Directors of
NATURA HUE CHEM LIMITED,

Sd/-

(RAVI KAMRA)
Director

Place: Raipur
Date: 10th Aug'11

MADHURESH GUPTA & CO.

CHARTERED ACCOUNTANTS

**ASHIRWAD BHAWAN,
1ST FLOOR, BYRON BAZAR,
RAIPUR - 492 001**

AUDITORS' REPORT

**TO THE MEMBERS OF
NATURA HUE CHEM LIMITED
RAIPUR.**

We have audited the attached Balance Sheet of M/s Natura Hue Chem Limited as at 31st March, 2011 and also the Profit & Loss A/c and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the companies (Auditor's Report) order, 2003 including Companies (Auditor's Report) (Amendment) Order' 2004 issued by the Central Government of India in terms of Sub-section (4A) of section 227 of the companies Act, 1956, we enclose in the Annexure, a Statement on the matters specified in paragraphs 4 & 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:-

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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.
- iii. The Balance Sheet and Profit & Loss A/c dealt and cash flow statement with by this report are in agreement with the books of account.
- iv. In our opinion, the Balance Sheet and Profit & Loss A/c deal with by this report comply with the accounting standards referred to in Sub-section (3C) of section 211 of the Companies Act, 1956.

MADHURESH GUPTA & CO.

CHARTERED ACCOUNTANTS

**ASHIRWAD BHAWAN,
1ST FLOOR, BYRON BAZAR,
RAIPUR - 492 001**

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- v. On the basis of written representations received from the Directors, as on 31st March, 2011, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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 Balance Sheet, of the state of affairs of the company as at 31st March' 2011; and
- b. In the case of the Profit & Loss A/c, of the Profit for the year ended on that date.
- c. In the case of cash flow statement, of the cash flows for the year ended on that date.

**FOR, MADHURESH GUPTA & CO.
CHARTERED ACCOUNTANTS
(FIRM REG. NO. 005910C)**

**PLACE : RAIPUR
DATE : 10-08-2011**

**(MADHURESH GUPTA)
PROP.
M.NO.074636**

NATURA HUE-CHEM LIMITED

**ANNEXURE TO THE AUDITORS'S REPORT REFERED TO IN PARAGRAPH (1)
OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF
NATURA HUE-CHEM LTD. - 2010 - 2011**

- I. a. The Fixed Assets register is being maintained by the Company showing full particulars including quantitative details and situation of Fixed Assets.
- b. We are informed that the Fixed Assets were physically verified at reasonable intervals during the year. No serious discrepancies were noticed on such verification.
- c. None of the fixed assets of the company have been disposed off during the year so the question of affecting the going concern does not arises at all.
- II. a. We are informed that the stock of finished goods, stores, spare parts and raw material have been physically verified by the management on quarterly basis during the period.
- b. The procedure of the physical verification of the stock followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. Company is maintaining proper records of inventory. No material discrepancy was found during the physical verification. However the normal wastage of raw material into the process of finished goods have been reported during the year also but that is not material having regard to the nature of industry as it is normal loss.
- III. The Company has granted unsecured loans to companies, firms or other parties listed in the Registers maintained U/S 301 of the Companies Act 1956 The total no. of Party are 1 and maximum amount outstanding during the year aggregates to Rs.166 Lacs and year end balances was Rs.0.93 Lacs.
- b. In our opinion & according to the information given to us the rate of interest & terms & condition of the loan given by the company are not prejudicial to the interest of the company.
- c. As explained to us there is no Stipulation regarding repayment of principal amount & interest thereon.
- d. As stated above, since there is no stipulation regarding repayment of principal amount. Hence the question of over due amount is more than 1 lacs does not arises.
- e. The Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the Registers maintained U/S 301 of the Companies Act 1956 (1 of 1956). Hence the other information is not given here.

- 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 nature of its business for the purchase of stores, raw materials including components, plant and machinery, equipment and other assets and for the sale of goods. There is no such major weakness, which requires any corrective steps.
- V. As explained to us, no transactions have been carried out during the year, which is required to be entered in the register maintained U/s 301 of the Act.
- VI. The company has not accepted any public deposit hence this clause is not applicable.
- VII. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- VIII. Central Government has not prescribed maintenance of cost records U/s 209 (1)(d) in respect of the any of the products and hence Para 4(viii) of CARO' 2003 is not applicable.
- IX. a. According to the information and explanations given to us and according to the books and records as produced and examined by us. In our opinion, undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, wealth tax, customs duty, excise duty, cess and other material statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31st March 2011 for a period of more than six months from the date they became payable.
- b. As informed by the management, there is no disputed amount pending under the sales tax, income tax, customs, and wealth tax, excise duty cess hence the question relating to the forum where the dispute is pending does not arise at all.
- X. The company does not have accumulated losses of more than 50% of its net worth as at 31st March' 2011 and have not incurred cash losses during the financial year ended on the date and cash losses in the immediately preceding financial year.
- XI. The company has not taken any loan from financial institution; hence this clause is not applicable.
- XII. In our opinion and according to the information and explanation given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. The provision of any special status as specified under Clause (xiii) of the Order are not applicable to the Company.

- XIV. In our opinion and according to the information and explanations given to us, the company is not a dealer or trader in securities.
- XV. The company has not given guarantees for loans taken by others from bank or financial institution.
- XVI. Company has taken vehicle loan from ICICI Bank and application of Fund has been utilized for the required purpose.
- XVII. 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 by the Company.
- XVIII. During the year under audit the company has not made any allotment of shares so the question of preferential allotment and pricing of the share whether it is prejudiced are does not arise.
- XIX. The company has not issued debentures; hence question of creation of securities does not arise.
- XX. The company has not raised any money through the public issue during the year so the question of end use of money & the issue is not comes.
- XXI. According to the information and explanations given to us, during the year no fraud on or by the Company has been noticed or reported.

**FOR, MADHURESH GUPTA & CO.
CHARTERED ACCOUNTANTS
(FIRM REG. NO. 005910C)**

**PLACE : RAIPUR
DATE : 10-08-2011**

**(MADHURESH GUPTA)
PROP.
M.NO.074636**

THE COMPANIES ACT (1 OF 1956) SCHEDULE VI – PART III
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
M/S NATURA HUE CHEM LIMITED

REGISTRATION DETAILS

| | | |
|---|--------------------|------------|
| A | Registration No. | 09845 |
| B | State Code No. | 10 |
| C | Balance Sheet Date | 31.03.2011 |

CAPITAL RAISED DURING THE YEAR (Amount in Thousands)

| | | |
|---|---|-----|
| A | Public Issue | NIL |
| B | Right Issue | NIL |
| C | Bonus Issue | NIL |
| D | Private Placement including share premium | NIL |

POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDA (Amount in Thousands)

| | | |
|---|-------------------|-------|
| A | Total Liabilities | 89780 |
| B | Total Assets | 89780 |

SOURCE OF FUNDS

| | | |
|---|---|-------|
| A | Paid-up capital (Including Share Premium & Application Money) | 41453 |
| B | Reserve & Surplus | 30537 |
| C | Secured Loans | NIL |
| D | Unsecured Loans | 17790 |
| E | Deferred tax liability | NIL |

APPLICATION OF FUNDS

| | | |
|---|------------------------|-------|
| A | Net Fixed Assets | 1047 |
| B | Investment | 22446 |
| C | Net Current Assets | 65861 |
| D | Deferred Tax Assets | 17 |
| E | Miscellaneous Expenses | 409 |
| F | Accumulated Loss | NIL |

PERFORMANCE OF COMPANY

| | | |
|---|---|-------|
| A | Turnover / Receipt | 72540 |
| B | Total Expenditure | 67086 |
| C | Profit / (Loss) Before Tax | 5454 |
| D | Profit / (Loss) After Tax | 3782 |
| E | Earning Per Share (Weighted average as per AS-20) | 0.91 |
| F | Dividend Rate | NIL |

GENERIC NAME OF PRINCIPAL PRODUCT/SERVICES OF THE COMPANY

| | | |
|---|---------------------|--|
| A | Item Code | |
| B | Product Description | |

MADHURESH GUPTA & CO.
CHARTERED ACCOUNTANTS

ASHIRWAD BHAWAN,
1ST FLOOR, BYRON BAZAR,
RAIPUR - 492 001

AUDIT CERTIFICATE

To the Members of
Natura Hue Chem Ltd.
Raipur

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance of Corporate Governance by **Natura Hue Chem Limited** for the year ended on 31st March' 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was conducted in the manner described in the guidance note on certificate of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the condition of the corporate governance as stipulated in the said clause. 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 explanation given to us, subject to :-

1. Our reliance upon the certificate received from the company for the number of Complaints received from the shareholders and the number of complaints resolved during the financial year and that there are no share transfers pending as at the year end as stated under Serial No.5 of the company's report on the Corporate Governance.
2. Our having relied on the representation of the management that there were no transactions of material nature with the management on their relatives that may have potential conflict with the interest of the company at large, as stated under Serial No.6 of the company's report on Corporate Governance.

We certify that the company has complied in all material respects with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

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, MADHURESH GUPTA & CO.
CHARTERED ACCOUNTANTS
(FIRM REG. NO. 005910C)

PLACE : RAIPUR
DATE : 10-08-2011

(MADHURESH GUPTA)
PROP.
M.NO.074636

MADHURESH GUPTA & CO.
CHARTERED ACCOUNTANTS

**ASHIRWAD BHAWAN,
1ST FLOOR, BYRON BAZAR,
RAIPUR - 492 001**

AUDITORS' REPORT

We have examined the above Cash Flow of Natura Hue Chem Limited for the year ended 31st March' 2011 and certify that this is based on and is in agreement for the corresponding Balance Sheet and Profit & Loss A/c of the company covered by our report dt.10-08-2011 to the members of the company.

**FOR, MADHURESH GUPTA & CO.
CHARTERED ACCOUNTANTS
(FIRM REG. NO. 005910C)**

**PLACE : RAIPUR
DATE : 10-08-2011**

**(MADHURESH GUPTA)
PROP.
M.NO.074636**

M/s. NATURA HUE - CHEM LIMITED
C-97, SECTOR 2, DEVENDRA NAGAR, RAIPUR

BALANCE SHEET AS ON MARCH, 31st 2011

| PARTICULARS | SCHEDULE | AS ON 31-3-2011 Rs. | AS ON 31-3-2010 Rs. |
|---|----------|---------------------------|---------------------------|
| I. SOURCES OF FUNDS | | | |
| 1 SHAREHOLDERS FUNDS : | | | |
| A. SHARE CAPITAL | A | 41453000.00 | 41453000.00 |
| B. RESERVES AND SURPLUS | B | 30527262.16 | 26755547.21 |
| | | 71980262.16 | 68208547.21 |
| 2 LOANS FUNDS : | | | |
| A. SECURED LOANS | C | 0.00 | 85882.00 |
| B. UNSECURED LOANS | D | 17790000.00 | 0.00 |
| | | 17790000.00 | 85882.00 |
| TOTAL CAPITAL FUND EMPLOUED | | 89770262.16 | 68294429.21 |
| II. APPLICATION OF FUNDS | | | |
| 1 FIXED ASSETS | | | |
| A. GROSS BLOCK | E | 1471752.00 | 1471752.00 |
| B. LESS : PROV. FOR DEPRECIATION | | 424405.46 | 372050.52 |
| C. NET BLOCK | | 1047346.54 | 1099701.48 |
| TOTAL NET FIXED ASSITS | | 1047346.54 | 1099701.48 |
| 2 INVESTMENTS | F | 22445550.00 | 28795550.00 |
| 3 CURRENT ASSETS, LOANS & ADVANCES | | | |
| A. INVENTORIES | | 0.00 | 846051.00 |
| B. SUNDRY DEBTORS | G | 44668603.77 | 109377712.56 |
| C. CASH AND BANK BALANCES | H | 30934182.89 | 1091538.90 |
| D. OTHER CURRENT ASSETS | I | 3479847.39 | 18477332.00 |
| E. LOANS & ADVANCES | J | 90599071.00 | 86050237.00 |
| | | 169681705.05 | 215842871.46 |
| LESS : | | | |
| <u>CURRENT LIABILITIES AND PROVISIONS</u> | | | |
| CURRENT LIABILITIES | K | 102147511.12 | 156718525.91 |
| PROVISIONS | L | 1689705.64 | 21564191.64 |
| | | 103837216.76 | 178282717.55 |
| NET CURRENT ASSETS | | 65844488.29 | 37560153.91 |
| 4 DEFERED TAX ASSETS | | 23476.51 | 20222.00 |
| 5 MISC. EXPENDITURES (ASSETS) | M | 409400.82 | 818801.82 |
| TOTAL ASSETS (NET) | | 89770262.16 | 68294429.21 |

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS "R"

IN TERMS OF OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

FOR, MADHURESH GUPTA & COMPANY
CHATERED ACCOUNTANTS
(FIRM REG. NO.005910C)

DIRECTORS DIRECTORS

PLACE : RAIPUR
DATED : 10.08.2011

MADHURESH GUPTA
PARTNER
(M. No.074636)

M/s. NATURA HUE - CHEM LIMITED
C-97, SECTOR 2, DEVENDRA NAGAR, RAIPUR

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH, 31ST 2011

| PARTICULARS | SCHEDULE | AS ON 31-3-2011 Rs. | AS ON 31-3-2010 Rs. |
|--|----------|---------------------------|---------------------------|
| <u>INCOME</u> | | | |
| A) CARGO HANDALING & RENT INCOME | N | 70816277.00 | 142372345.00 |
| B) OTHER INCOMES | O | 1723640.00 | 5120161.00 |
| TOTAL | | 72539917.00 | 147492506.00 |
| <u>EXPENDITURE</u> | | | |
| A) HDPE BAG CONSUMED | | 19785365.00 | 21827253.00 |
| B) PORT CHARGES & HANDALING CHARGES | P | 39660806.00 | 112705305.41 |
| C) ADMINISTRATIVE EXPENSES | Q | 6368308.01 | 1600809.18 |
| D) SALARY AND WAGES | | 1219450.00 | 2880140.00 |
| D) DEPRECIATION | E | 52354.94 | 69838.00 |
| TOTAL | | 67086283.95 | 139083345.59 |
| PROFIT BEFOR TAX | | 5453633.05 | 8409160.41 |
| PROVISION FOR INCOME TAX | | 1685172.61 | 2633877.00 |
| DEFERRED TAX PROVISION | | 3254.51 | 6461.00 |
| PROFIT AFTER TAX | | 3771714.95 | 5781744.41 |
| BALANCE CARRIED OVER TO BALANCE SHEET | | 3771714.95 | 5781744.41 |
| NOMINAL VALUE OF EQUITY SHARES | | 10.00 | 10.00 |
| NO. OF EQUITY SHARES (WEIGHTED) | | 4145300.00 | 4145300.00 |
| EPS IN RS. (BASIC & DILUTED) | | 0.91 | 1.39 |

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS "R"

IN TERMS OF OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

FOR, MADHURESH GUPTA & COMPANY
CHATERED ACCOUNTANTS
(FIRM REG. NO.005910C)

DIRECTORS DIRECTORS

MADHURESH GUPTA
PARTNER
(M. No.074636)

PLACE : RAIPUR
DATED : 10.08.2011

M/s. NATURA HUE - CHEM LIMITED
SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2011

| | AS ON 31-3-2011 Rs. | AS ON 31-3-2010 Rs. |
|--|---------------------------|---------------------------|
| <u>SCHEDULE - A</u> | | |
| <u>SHARE CAPITAL</u> | | |
| <u>AUTHORISED SHARE CAPITAL</u> | | |
| 7000000 EQUITY SHARES OF Rs.10 EACH | 70000000.00 | 70000000.00 |
| <u>ISSUED, SUBSCRIBED & PAID-UP SHARE CAPITAL</u> | | |
| <u>ISSUED CAPITAL</u> | | |
| 6097300 EQUITY SHARES OF Rs.10 EACH | 60973000.00 | 60973000.00 |
| <u>SUSSCRIBED CAPITAL</u> | | |
| 6097700 EQUITY SHARES OF Rs.10 EACH | 60977000.00 | 60977000.00 |
| <u>PAID UP CAPITAL</u> | | |
| PAID UP SHARE CAPITAL (4145300 SHARES OF RS 10/- EACH) | 41453000.00 | 41453000.00 |
| | 41453000.00 | 41453000.00 |
| <u>SCHEDULE - B</u> | | |
| <u>RESERVE & SURPLUS</u> | | |
| <u>PROFIT & LOSS ACCOUNT :-</u> | | |
| OPENING BALANCE | 13608872.21 | |
| PROFIT DURING THE YEAR | 3771714.95 | |
| ADD: TRANSFER TO P/L A/C | 17380587.16 | 13608872.21 |
| SHARE FORFETURE ACCOUNT | 13146675.00 | 13146675.00 |
| | 30527262.16 | 26755547.21 |
| <u>SCHEDULE - C</u> | | |
| <u>SECURED LOANS</u> | | |
| ICICI BANK CAR LOAN | 0.00 | 85882.00 |
| | 0.00 | 85882.00 |
| <u>SCHEDULE - D</u> | | |
| <u>UNSECURED LOANS</u> | | |
| VARDHAMAN ENTERPRISES | 17790000.00 | 0.00 |
| | 17790000.00 | 0.00 |
| <u>SCHEDULE - F</u> | | |
| <u>INVESTMENT</u> | | |
| BHAWANI METAL PVT. LTD | 0.00 | 1350000.00 |
| BHAWANI MOULDERS PVT. LTD | 0.00 | 2500000.00 |
| GANGA IRON & STEEL TRADING CO. LTD. | 4775050.00 | 4775050.00 |
| GARUDA ISPAT PVT. LTD. | 1075000.00 | 1075000.00 |
| RAGHUVEER FERRO ALLOYS PVT. LTD. | 500000.00 | 500000.00 |
| SHAKTI CHEMICALS | 0.00 | 3000000.00 |
| SPECIAL BLASTES LTD. | 8845500.00 | 7345500.00 |
| SHINSON INDIA LTD. | 250000.00 | 250000.00 |
| SHUBHAM ENTERPRISES (RAIPUR) PVT. LTD. | 1000000.00 | 1000000.00 |
| RAIPUR FORGINGS & CASTING PVT. LTD | 500000.00 | 1500000.00 |
| SRI BALMUKUND POLYPACK PRIVATE LIMITED (90000 SHARES) | 4500000.00 | 4500000.00 |
| CHHAMBELA VYAPAR PVT. LTD. | 1000000.00 | 1000000.00 |
| | 22445550.00 | 28795550.00 |

| | AS ON 31-3-2011 Rs. | AS ON 31-3-2010 Rs. |
|---|---------------------------|---------------------------|
| SCHEDULE - G | | |
| <u>SUNDRY DEBTORS</u> | | |
| AMIN ENTERPRISES | 87566.00 | 87566.00 |
| ANJANA EXPLOSIVES LTD. | 3471637.00 | 3471637.00 |
| BALAJI CHEMICALS | 0.00 | 123057.00 |
| BLACK DIAMOND EXPLOSIVE PVT. LTD. | 0.00 | 8308931.00 |
| BLASTEC (INDIA) PVT. LTD. | 1233464.08 | 1323923.08 |
| C.K. MOHANTI | 0.00 | 6172.00 |
| GULF OIL CORPORATION LTD | 4917406.00 | 4917406.00 |
| IDEAL INDUSTRIAL EXPLOSIVES LTD. | 277249.00 | 277249.00 |
| INDIAN EXPLOSIVE LTD. | 577699.00 | 577699.00 |
| INDIAN OIL CORPORATION LTD | 670000.00 | 19157802.00 |
| KELTECH ENERGIES LTD | 1626638.00 | 1632829.00 |
| MAHANADI METALS & CHEMICALS PVT. LTD. | 13689546.00 | 17030891.00 |
| NAVBHARAT FUSE CO LTD | 0.00 | 10253335.00 |
| RAHUL IMPORT & EXPORT | 1932984.00 | 1932984.00 |
| RAJA EXPLOSIVE (P) LTD. | 850298.00 | 550298.00 |
| RAJASTHAN EXPLOSIVE & CHEMICALS LTD. | 199154.00 | 199154.00 |
| SALVO EXPLOSIVES & CHEMICALS PVT. LTD. | 0.00 | 1130.00 |
| SHANKAR EXPLOSIVE | 0.00 | 675863.00 |
| SHILPACHEM | 875331.00 | 875331.00 |
| SHRI KRISHNA ENTERPRISES | 0.00 | 2231977.29 |
| SOLAR CAPITALS LIMITED | 158154.69 | 158154.69 |
| SRI KRISHNA EXPLOSIVE & ACCESSORIES CO. | 12376845.00 | 7606575.00 |
| SRI LAKSHMI VENKATA SAI CHEMICAL INDUSTRIES | 136204.00 | 136204.00 |
| SUA EXPLOSIVES | 0.00 | 1083.00 |
| TAMILNADU INDUSTRIAL EXPLOSIVE LTD | 653402.00 | 653402.00 |
| VIJAYA ASSOCIATES | 0.00 | 1078946.00 |
| VIJAYA EXPLOSIVES PVT. LTD. | 0.00 | 23722.00 |
| AISHWARY ENTERPRISES | 0.00 | 11798.00 |
| PARAS MARKETING | 0.00 | 67663.00 |
| RAJA ENTERPRISES | 0.00 | 2090233.00 |
| RAJENDRA KUNKIOL | 0.00 | 1074179.00 |
| SHAKTI CHEMICALS | 0.00 | 397133.50 |
| VETRIVAL EXPLOSIVES PVT. LTD. | 0.00 | 7684570.00 |
| SRINIVASA ENTERPRISES | 935026.00 | 1178077.00 |
| SHREE GANESH OLEOCHEM PVT. LTD. | 0.00 | 5176476.00 |
| VARDHAMAN ENTERPRISES | | 8404262.00 |
| GRAND TOTAL OF SUNDRY DEBTORS | 44668603.77 | 109377712.56 |
| SCHEDULE - H | | |
| <u>CASH & BANK BALANCES</u> | | |
| CASH IN HAND | 121895.60 | 330714.60 |
| BANK BALANCES | 30812287.29 | 760824.30 |
| | 30934182.89 | 1091538.90 |
| SCHEDULE - I | | |
| <u>OTHER CURRENT ASSETS</u> | | |
| <u>D) OTHERS</u> | | |
| IMPREST ACCOUNT | 145459.00 | 14516.00 |
| TDS RECEIVABLE | 1245672.39 | 2676935.00 |
| COMPUTECH INTERNATIONAL LTD. | 47000.00 | 47000.00 |
| M.P. STOCK EXCHANGE | 400000.00 | 400000.00 |
| SECURITY DEPOSITS WITH IBP | 0.00 | 1000000.00 |
| DEPB LICENCE ACCOUNT | 788329.00 | 788329.00 |
| | 2626460.39 | 4926780.00 |

| | AS ON 31-3-2011 Rs. | AS ON 31-3-2010 Rs. |
|---|---------------------------|---------------------------|
| <u>II) ADVANCE TO CREDITORS</u> | | |
| OXYGEN EQUIPMENT & ENGG. CO. LTD. | 0.00 | 42011.00 |
| SAMUNDRA CEMENT PVT. LTD. | 0.00 | 232984.00 |
| SHUBHAM ENTERPRISES (RAIPUR) PVT. LTD. | 0.00 | 13238594.00 |
| K. RAMBHARAMHMAN & SONS | 0.00 | 36963.00 |
| MOUNICA ENTERPRISES | 853387.00 | 0.00 |
| | 853387.00 | 13550552.00 |
| GRAND TOTAL (I+II) | | |
| | 3479847.39 | 18477332.00 |
| <u>SCHEDULE - J</u> | | |
| <u>LOANS & ADVANCES</u> | | |
| ASHIRWAD ISPAT RAIPUR LTD. | 11950.00 | 11950.00 |
| ASHOK BHATNAGAR | 224000.00 | 224000.00 |
| KWALITY FOUNDRY | 800000.00 | 800000.00 |
| PRAMOD VASWANI | 3000000.00 | 3000000.00 |
| SUNIL NAMDEV | 1000000.00 | 1000000.00 |
| SURENDRA PATWA | 11095121.00 | 10526681.00 |
| MAHADEV LOGISTICS | 2000000.00 | 2000000.00 |
| PYRO CHEM INDIA PVT. LTD | 1000000.00 | 1000000.00 |
| RANI AGRAWAL | 0.00 | 500000.00 |
| SANGEETA AGRAWAL | 0.00 | 600000.00 |
| AKRAM SIDDDHAQUI | 200000.00 | 200000.00 |
| SRI BALMUKUND POLYOACK PVT LTD | 0.00 | 20287606.00 |
| SHRI BABA BAIDYANATH INDUSTRIES | 1568000.00 | 1400000.00 |
| SRI KRISHNA EXPLOSIVES & ACC CO. | 39200000.00 | 44500000.00 |
| NAVJOT SINGH SALUJA | 6200000.00 | 0.00 |
| PRASHANT MISHRA | 800000.00 | 0.00 |
| RAJENDRA SINGH SALUJA | 7000000.00 | 0.00 |
| TAJENDRA SING SALUJA | 7200000.00 | 0.00 |
| NEW ERA ALKALOIDS & EXPORT LIMITED | 9300000.00 | 0.00 |
| | 90599071.00 | 86050237.00 |
| <u>SCHEDULE - K</u> | | |
| <u>CURRENT LIABILITIES</u> | | |
| <u>D) SUNDRY CREDITORS</u> | | |
| DR. AMIN CONTROLLERS PVT. LTD. | 0.00 | 214213.00 |
| G4S SECURITY SERVICES (INDIA) PVT. LTD. | 0.00 | 55264.00 |
| GANGOTRI CEMENT PVT. LTD. | 0.00 | 1101996.00 |
| KERLA SPONGE & POWER LTD. | 19772248.00 | 19772248.00 |
| MAHESWARI PTINTERS | 0.00 | 650.00 |
| OM SAI PROESSIONAL DET. & SEC. SER. PVT. LTD. | 0.00 | 19278.00 |
| SHRAVAN SHEEPING SERVICES PVT. LTD. | 0.00 | 5467423.00 |
| SOUTHEN ISPAT LTD. | 28358511.00 | 28358511.00 |
| SALIGRAM RAMKRISHNA NATHANI | 0.00 | 82440.00 |
| STEEL ABRASIVE INDUSTRIES LTD, | 0.00 | 6737532.00 |
| TAMRAKAR TRANSPORT | 0.00 | 159234.00 |
| ANAND KUMAR HIMATSINGKA | 0.00 | 244236.00 |
| AYUSH AGRAWAL | 0.00 | 493038.00 |
| HARSH AGRAWALA | 0.00 | 489873.00 |
| KJSL COAL & POWER PVT. LTD. | 0.00 | 34220521.00 |
| VARDHAMAN ENTERPRISES, | 300000.00 | 11234035.00 |
| SUDARSHAN POLITUBES PVT. LTD. | 0.00 | 827244.00 |
| SHARDA HIMATSINGKA | 0.00 | 491294.00 |
| PAVAN SECURITY SERVICES | 20563.00 | 31993.00 |
| PARIMAL HIMATSINGKA | 0.00 | 250253.00 |
| CHEQUE ISSUED | 0.00 | 9000000.00 |
| SUNDRY TRANSPORTERS | 14894010.00 | 21076010.00 |
| COSMOS COSTING (I) LTD. | 13317073.00 | 0.00 |
| SHUBHAM ENTERPRISES (RAIPUR) PVT. LTD. | 15446131.00 | 0.00 |
| SHREE GANESH OLEOCHEM PVT LTD-SHARE A/C | 3000000.00 | 0.00 |
| NEW ERA ALKALOIDS & EXPORT LIMITED | 1336483.00 | 0.00 |
| | 96445019.00 | 140327286.00 |

| | AS ON 31-3-2011 Rs. | AS ON 31-3-2010 Rs. |
|---|---------------------------|---------------------------|
| II). ADVANCE FROM CUSTOMER & OTHERS | | |
| MOUNICA ENTERPRISES | 0.00 | 472397.00 |
| SRI SAI ENTERPRISES | 0.00 | 59988.00 |
| VARDHAMAN ENTERPRISES | 0.00 | 242782.00 |
| NAVBHARAT EXPLOSIVE PVT. LTD. | 0.00 | 435650.00 |
| SATYA ENTERPRISES | 0.00 | 702650.00 |
| SPECIAL BLASTS LTD | 1123696.12 | 9977772.91 |
| GALAXY IMPRO EXPRO PVT. LTD | 4500000.00 | 4500000.00 |
| VETRIVAL EXPLOSIVE PVT. LTD. | 78796.00 | 0.00 |
| | 5702492.12 | 16391239.91 |
| GRAND TOTAL (I to II) | 102147511.12 | 156718525.91 |
| <u>SCHEDULE - L</u> | | |
| ii). PROVISIONS | | |
| SERVICE TAX PAYABLE | 1533070.64 | 21155031.64 |
| TDS PAYBLE | 0.00 | 85920.00 |
| AUDIT FEES PAYABLE | 41672.00 | 25127.00 |
| SALARY PAYABLE | 45000.00 | 228150.00 |
| LISTING FEES PAYABLE | 69963.00 | 69963.00 |
| | 1689705.64 | 21564191.64 |
| <u>SCHEDULE - M</u> | | |
| MISC. EXPENDITURES (ASSETS) | | |
| PRE OPERATIVE & PUBLIC ISSUE EXPENSES (TO THE EXTENT OF WRITTEN OFF) | 409400.82 | 818801.82 |
| | 409400.82 | 818801.82 |
| <u>SCHEDULE - N</u> | | |
| DIRECT INCOMES | | |
| CARGO HANDALING CHARGES | 68420547.00 | 135837445.00 |
| GODOWN RENT RECOVERD | 2395730.00 | 6534900.00 |
| | 70816277.00 | 142372345.00 |
| <u>SCHEDULE - O</u> | | |
| OTHER INCOMES | | |
| INTEREST RECOVER FROM OTHERS | 1124440.00 | 4264930.00 |
| DEBT LICENSE INCOME | 0.00 | 855231.00 |
| SHORT TERM CAPITAL GAIN. | 599200.00 | 0.00 |
| | 1723640.00 | 5120161.00 |
| <u>SCHEDULE - P</u> | | |
| DIRECT EXPENSES | | |
| STOCK MANAGEMENT & SUPERVISION CHARGES | 12771154.00 | 63304302.00 |
| FIRE WATCH CHARGES | 247514.00 | 223028.00 |
| GODOWN RENT | 274995.00 | 82440.00 |
| IMPORT EXPANSES | 0.00 | 73472.00 |
| LOADING & UNLOADING CHARGES | 0.00 | 1919400.00 |
| SECURITY SERVICES CHARGES | 866939.00 | 597081.00 |
| STEVEDORING & HANDALING CHARGES | 22605205.00 | 34216658.00 |
| SUPERVISION CHARGES | 2819811.00 | 6846470.00 |
| WAREHOUSE CHARGES | 0.00 | 3471358.00 |
| HANDALING LOSS | 54497.00 | 1971096.41 |
| INSURANCE EXPENSES | 20691.00 | 0.00 |
| | 39660806.00 | 112705305.41 |

| | AS ON 31-3-2011 Rs. | AS ON 31-3-2010 Rs. |
|----------------------------------|---------------------------|---------------------------|
| SCHEDULE -Q | | |
| ADMINISTRATIVE EXPENES | | |
| PRINTING & STATIONARY | 18347.00 | 53620.00 |
| LEGAL EXPANSES | 90000.00 | 31055.00 |
| INTEREST ON TDS | 117222.00 | 89750.00 |
| AUDIT FEES EXP | 16545.00 | 7500.00 |
| BANK CHARGES | 301914.01 | 7691.67 |
| OFFICE AND GENERAL EXPENSES | 123840.00 | 124113.00 |
| TELEPHONE EXPENSES | 46578.00 | 132410.00 |
| LISTING FEES | 124540.00 | 119337.00 |
| SMALL BAL. WRITTEN OFF | 180204.00 | 298818.51 |
| TRAVELLING EXPENSES | 195182.00 | 310341.00 |
| INTEREST ON CAR LOAN | 0.00 | 16772.00 |
| INTEREST ON SERVICE TAX | 4725535.00 | 0.00 |
| PRELIMINARY EXPENSES WRITTEN OFF | 409401.00 | 409401.00 |
| PENALTY FOR SERVICE TAX | 14000.00 | 0.00 |
| ROC EXPENSES | 5000.00 | |
| | 6368308.01 | 1600809.18 |

M/S NATURA HUE CHEM LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH' 2011

| | 31-03-2011 | 31-03-2010 |
|--|---------------|---------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| NET PROFIT/LOSS BEFORE TAXES & EXTRAORDINARY ITEMS | 3771714.95 | 5781744.41 |
| ADJUSTMENT FOR :- | | |
| MISCELLANEOUS EXPENSES WRITTEN OFF DURING THE YEAR | 409401.00 | 409401.00 |
| DEFERRED TAX ASSETS | (3254.51) | (6461.00) |
| INTEREST RECEIVED | (799600.00) | |
| CAPITAL GAIN ON SALE OF SHARES | (599200.00) | |
| DEPRECIATION | 52354.94 | 69838.00 |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | 2831416.38 | 6254522.41 |
| ADJUSTMENT FOR :- | | |
| SUNDRY DEBTORS | 64709108.79 | (28888482.99) |
| SUNDRY CREDITORS | (74445500.79) | 88535172.91 |
| CASH FROM OPERATING ACTIVITIES | (6904975.62) | 65901212.33 |
| TAX PAID | | |
| NET CASH FROM OPERATING ACTIVITIES A | (6904975.62) | 65901212.33 |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| PURCHASE OF FIXED ASSETS / INVENTORY INVESTMENT | 846051.00 | 380049.00 |
| CAPITAL GAIN ON SALE OF SHARES | 6350000.00 | 2550000.00 |
| DEPOSIT & OTHER CURRENT ASSETS | 599200.00 | |
| NET CASH USED IN INVESTING ACTIVITIES B | 10448650.61 | (68526600.00) |
| | 18243901.61 | (65596551.00) |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| MONIES RECEIVED TOWARDS SHARE CAPITAL & RESERVES | | |
| SECURED LOAN | (85882.00) | (113944.00) |
| UNSECURED LOAN | 17790000.00 | |
| INTEREST RECEIVED | 799600.00 | |
| NET CASH FROM FINANCING ACTIVITIES C | 18503718.00 | (113944.00) |
| NET INCREASE / DECREASE IN CASH AND | | |
| CASH EQUIVALENT (A + B + C) | 29842643.99 | 190717.33 |
| CASH AND CASH EQUIVALENT AS AT BEGINNING | 1091538.90 | 900821.57 |
| CASH AND CASH EQUIVALENT AS AT END OF YEAR | 30934182.89 | 1091538.90 |

FOR AND ON BEHALF OF THE BOARD

PLACE :- RAIPUR
DATED : 10-08-2011

MANSOOR AHMED
DIRECTOR

M/s. NATURA HUE - CHEM LIMITED

SCHEDULE- E -FIXED ASSESTS

| PARTICULARS | GROSS BLOCK AS ON 01/04/10 | ADDITIONS | DEDUCTION | GROSS BLOCK AS ON 01/04/11 | DEPRECIATION | | | NET BLOCK ON 31/03/2011 | NET BLOCK ON 31/03/2010 |
|-----------------------|----------------------------------|-------------|-------------|-------------------------------------|--------------|------------------|----------------------------|----------------------------------|-------------------------------|
| | | | | | RATE % | UPTO 31/03/10 | FOR THE YEAR 2010-11 | | |
| LAND & SITE DEVELOPME | 872000.00 | 0.00 | 0.00 | 872000.00 | 0.00 | 0.00 | 0.00 | 872000.00 | 872000.00 |
| CIVIL CONSTRUCTION | 81000.00 | 0.00 | 0.00 | 81000.00 | 0.10 | 37952.90 | 4304.71 | 38742.39 | 43047.10 |
| COMPUTER | 144540.00 | 0.00 | 0.00 | 144540.00 | 0.40 | 142816.32 | 689.47 | 1034.21 | 1723.68 |
| MARUTI ZEN | 374212.00 | 0.00 | 0.00 | 374212.00 | 0.26 | 191281.30 | 47360.76 | 135569.94 | 182930.70 |
| TOTAL | 1471752.00 | 0.00 | 0.00 | 1471752.00 | 0.76 | 372050.52 | 52354.94 | 1047346.54 | 1099701.48 |

NATURA HUE-CHEM LIMITED

SCHEDULE - R NOTES ON ACCOUNTS:

I. SIGNIFICANT ACCOUNT POLICIES:

i. CONVENTION:

The Financial Statement are prepared under the historical cost convention in accordance with the applicable Accounting standards and relevant requirements of the Companies Act, 1956.

ii. FIXED ASSETS:

- a. Fixed assets are stated at cost less depreciation. Cost comprises the purchase price and any other applicable costs.
- b. Borrowing costs in respect of loans required for acquisition and construction of fixed assets are capitalized upto the date the assets are ready for use.

iii. DEPRECIATION:

Depreciation on the fixed assets have been charged on WDV Method as per rate prescribed in Schedule – XIV of Companies Act.

iv. EMPLOYEE BENEFITS:

- a. Provident Fund is a defined contribution scheme and the contributions are charged to the Profit & Loss A/c of the year when the contributions to the Government Funds is due.
- b. Gratuity Liability and pension liability are defined benefit obligations and are provided for on the basis of an actuarial valuation made at the end of each financial year.
- c. Short Term Compensated absences are provided for based on estimates. Long Term compensated absences are provided for based on actuarial valuation.
- d. Actuarial gains / losses are immediate taken to the profit & loss account and are not deferred.
- e. Payments made under the Voluntary Retirement Scheme are charged to the profit & loss account over a five year period.

v. INVESTMENT:

Long term Investment are valued at cost less provision, if any for permanent diminution in value of such investments. Current Investments are carried at lower of cost and fair value.

vi. CONTINGENT LIABILITIES:

Contingent Liabilities are generally not accounted for in the accounts.

vii. BORROWING COSTS:

Borrowing cost that is attributable to the acquisition or construction of qualifying assets is capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a standard period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue.

viii. TAXES ON INCOME:

Current Tax is determined as the amount of tax payable in respect of taxable income for the period. Differed tax is recognized, on timing differences, being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent period. Where there are unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets, other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future.

II. NOTES ON BALANCE SHEET AND PROFIT & LOSS A/C

1. Earning Per Share: -

| | |
|------------------------------|------------|
| Net Profit/Loss for the year | Rs.3781566 |
| No. of Equity Share | No.4145300 |
| Earning Per Share | Rs.0.91 |

2. Deferred Tax: In accordance with the Accounting Standard - 22 "Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India, which has become mandatory from 1st April' 2002 for non listed companies, the company has accounted for deferred tax during the year. Consequently, the cumulative net deferred tax assets / (liabilities) of Rs.16967.49.00 as on 31st March' 2011 has been recognized and adjusted from Profit & Loss A/c.

| Particulars | 31-03-2011 | 31-03-2010 |
|---|------------|------------|
| Deferred Tax Liabilities: - | | |
| Difference in Accumulated Book Depreciation & Accumulated Depreciation under Income Tax Act Exp. of last year allowable this year | (75975.76) | (65422.76) |
| Deferred Tax Assets: - | | |
| Unabsorbed Depreciation and disallowance | | |
| Net Timing Difference | (75975.76) | (65422.76) |
| Total Deferred Tax (Liabilities) / Assets to be recognized | 23476.51 | 20222.00 |
| Deferred Tax Liability previously recognized | | 13761.00 |
| Net Deferred Tax liability/assets, created during the year | | 6461.00 |

3. Related Party Disclosure: -

a. Names of Related Parties

i. Subsidiaries - NIL

ii. Key Management Personal -

A. Shri Ravi Kamra

B. Shri Ravindra Pokharna

iii. Transaction with related parties: - No transaction has been conducted during the year.

4. Figures have been rounded of nearest Rupees & regrouped and rearranged as compare to previous year, wherever felt necessary.

5. In the opinion of the board of directors the Current Assets, Loans and Advances have not a value on realization in the ordinary course of business, at least equal to the amounts at which these are stated and that the provisions for the known liability is adequate and not in excess of the amount reasonable necessary. There are no contingent liabilities.

6. There were no employee at any time during the year drawing Rs.2,00,000.00 or more per month.

7. Debit Balances in the accounts of Supplier, Banks & Others are subject to confirmation and reconciliation.

8. Schedule "A" to "R" Form an integral part of the Balance Sheet and Statement of Pre-operative Expenditure and have been duly authenticated.

9. Details required to be given as per the clause 4, 4A, 4B, 4C and 4D of the Schedule VI of the Companies Act, 1956:

| | | |
|-----|--|-------------|
| 4. | Managerial remuneration/benefit | Rs.NIL |
| 4A. | Commission paid or payable to directors | Rs.NIL |
| 4B. | Auditors remuneration Statutory Audit Fees | Rs.16545.00 |
| 4C. | The License Capacity | |
| | Antimaleria Drugs | 1200 Kg. |
| | Processed Shallec | 270000 Kg. |
| | Natural Colours | 600000 Kg. |
| | The Installed Capacity | N.A. |
| | The Actual Production | N.A. |

4D. a) Value of imports calculated on C.I.F. basis by the company during the financial year in respect of:

| | | |
|----|--------------------------|-----|
| 1. | Raw Materials | NIL |
| 2. | Components & Spare Parts | NIL |

3. Related Party Disclosure: -

a. Names of Related Parties

i. Subsidiaries - NIL

ii. Key Management Personal -

A. Shri Ravi Kamra

B. Shri Ravindra Pokharna

iii. Transaction with related parties: - No transaction has been conducted during the year.

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| | The Installed Capacity | N.A. |
| | The Actual Production | N.A. |

4D. a) Value of imports calculated on C.I.F. basis by the company during the financial year in respect of :

| | | |
|----|--------------------------|-----|
| 1. | Raw Materials | NIL |
| 2. | Components & Spare Parts | NIL |

| | | | |
|----|--|--------------|---------------------|
| 3. | Capital Goods | | NIL |
| b) | Expenditure in foreign currency during the financial year on account of :- | | |
| 1. | Royalty | | NIL |
| 2. | Technical Fees | | NIL |
| c) | Value of all imported raw materials, spare parts and components :- | | |
| | | Raw Material | Spare Parts & Comp. |
| | Indigenous | NIL | NIL |
| | Imported | NIL | NIL |
| d) | Amount remitted during the pre. yr. | | NIL |
| e) | Earnings in foreign exchange | | NIL |

10. QUANTITATIVE DETAILS

| | | | |
|----|-----------------------|-----|-----|
| a) | Raw Material consumed | NIL | NIL |
| b) | Goods produced | NIL | NIL |

As per our report attached

For and on behalf of Board of Director

**For, M/s MADHURESH GUPTA & CO.
CHARTERED ACCOUNTANTS
(FIRM REG. NO. 005910C)**

**(MADHURESH GUPTA)
PROP.
M.NO.074636**

DIRECTOR

DIRECTOR

PLACE : RAIPUR
DATED : 10-08-2011

**THE COMPANIES ACT (1 OF 1956) SCHEDULE VI – PART III
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
M/S NATURA HUE CHEM LIMITED**

REGISTRATION DETAILS

| | | |
|---|--------------------|------------|
| A | Registration No. | 09845 |
| B | State Code No. | 10 |
| C | Balance Sheet Date | 31.03.2011 |

CAPITAL RAISED DURING THE YEAR (Amount in Thousands)

| | | |
|---|---|-----|
| A | Public Issue | NIL |
| B | Right Issue | NIL |
| C | Bonus Issue | NIL |
| D | Private Placement including share premium | NIL |

POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDA (Amount in Thousands)

| | | |
|---|-------------------|-------|
| A | Total Liabilities | 89780 |
| B | Total Assets | 89780 |

SOURCE OF FUNDS

| | | |
|---|---|-------|
| A | Paid-up capital (Including Share Premium & Application Money) | 41453 |
| B | Reserve & Surplus | 30537 |
| C | Secured Loans | NIL |
| D | Unsecured Loans | 17790 |
| E | Deferred tax liability | NIL |

APPLICATION OF FUNDS

| | | |
|---|------------------------|-------|
| A | Net Fixed Assets | 1047 |
| B | Investment | 22446 |
| C | Net Current Assets | 65861 |
| D | Deferred Tax Assets | 17 |
| E | Miscellaneous Expenses | 409 |
| F | Accumulated Loss | NIL |

PERFORMANCE OF COMPANY

| | | |
|---|---|-------|
| A | Turnover / Receipt | 72540 |
| B | Total Expenditure | 67086 |
| C | Profit / (Loss) Before Tax | 5454 |
| D | Profit / (Loss) After Tax | 3782 |
| E | Earning Per Share (Weighted average as per AS-20) | 0.91 |
| F | Dividend Rate | NIL |

GENERIC NAME OF PRINCIPAL PRODUCT/SERVICES OF THE COMPANY

| | | |
|---|---------------------|--|
| A | Item Code | |
| B | Product Description | |

Director

For Natura Hue Chem Ltd.