
BIO GREEN INDUSTRIES LIMITED

25TH ANNUAL REPORT

2009-10

BIO-GREEN INDUSTRIES LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

V Jagdish	Director
Amrut P Shah	Director
K Ramakrishna Reddy	Director
G K Misra	Director
Arvind P Shah	Director

Auditors

Durgesh Kabra & Co.
Chartered Accountants
Mumbai

Company Secretary

Bijoy Pulipra & Co

Bankers

Axis Bank
Bank of Baroda

Registered Address	Registrars
Kalina Motor Compound,	Sharex Dynamic (India) Pvt. Ltd. Unit-1, Luthra Industrial Premises
Kurla Kalina Road,	1st Floor, Safed Pool
Mumbai -400029	Andheri Kurla Road
Maharashtra	Andheri (E)
Tel : 022-22871360 022-22871361	Tel : 28515606,28515644
Fax : 022-26664464	Fax : 28512885
Email :	Email : sharexindia@vsnl.com
Website :www.biogreen.co.in	Website : www.sharexindia.com

NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of **BIO GREEN INDUSTRIES LIMITED** will be held on Friday, the 31st December 2010 at 11.00 am at the registered office of the Company at Kalina Motor Compound, Kurla Kalina Road, Kalina, Mumbai 400029 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2010 and Profit and Loss Account for the year ended on that date and the schedules together with the Reports of the Directors and Auditors thereon.
2. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and to fix the remuneration and pass the following resolution.
3. To consider and thought fit to pass with or without modifications, the following resolution as an ordinary resolution :

“Resolved that M/s. DMKH & Co., Chartered Accountants, be and are hereby appointed as Auditors of the Company in place of the retiring Auditors, to hold office until the conclusion of the next Annual General Meeting at remuneration to be mutually decided between the Auditors and the Company.”

SPECIAL BUSINESS

4. To consider and thought fit to pass with or without modifications, the following resolution as a Special resolution :

“RESOLVED THAT in accordance with the provisions of Section 81 (1A) and all other applicable provisions, if any of the Companies Act, 1956 [including any statutory modification(s) or re-enactment thereof for the time being in force] and relevant provisions of the Memorandum and Articles of Association of the Company, the Foreign Exchange Management Act, 1999 and the Issue of Foreign Currency Convertible Bonds, Global Depository Receipts and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, Guidelines prescribed by the Securities and Exchange Board of India (SEBI) and subject to such approval(s), consent(s), permission(s) and/or sanction of the Government of India, Reserve Bank of India and any other appropriate authorities, institutions or bodies, as may be necessary and subject to such terms, conditions, modifications and alterations as may be prescribed and specified by any of them in granting such approval, consent, permission or sanction, the consent, authority and approval of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof) to offer, issue and allot,

in the course of offerings, in domestic and/or one or more foreign markets, any Securities including Equity Shares, Global Depository Receipts and/or American Depository Receipts, Foreign Currency Convertible Bonds, Convertible Bonds, Euro-convertible Bonds/Shares/Debentures, Preference Shares whether Cumulative/ Redeemable/ Partly convertible/ convertible at the option of the company and / or at the option of the holders of the Security(s), Securities partly or fully convertible into Equity shares and/or securities linked to Equity Shares and/or any instruments or securities with or without detachable warrants, secured or unsecured or such other types of securities representing either Equity Shares or Convertible Securities (hereinafter referred to as "Securities") to Companies in the process of acquiring companies, either by way of swap of equity shares or by way of cash payments, or a mix of both swap and cash, to Foreign/Domestic Investors, Non-residents, Foreign Institutional Investors/ Foreign Companies/ NRI(s) / Foreign National(s)/Banks/Mutual Funds/Financial Institutions or such other entities or persons as may be decided by the Board, whether or not such persons/entities/investors are Members of the Company, through Prospectus, Offering Letter, Circular to the general public and/or through any other mode or on private placement basis as the case may be from time to time in one or more tranches as may be deemed appropriate by the Board on such terms and conditions as the Board may in its absolute discretion deem fit for an amount not exceeding US\$ 15 Million (US Dollar Fifteen Million only) or equivalent thereof, including green shoe option on such terms and conditions, as the Board may in its sole discretion decide including pricing, the form and the persons to whom such securities may be issued and all other terms and conditions and matters connected therewith.

RESOLVED FURTHER THAT without prejudice to the generality of the above the aforesaid issue of the Securities may have all or any term or combination of terms in accordance with normal practice including but not limited to conditions in relation to payment of interest, dividend, premium or redemption or early redemption at the option of the company and/or of the holder(s) of the securities and other debt service payment whatsoever and all such terms as are provided in offerings of this nature including terms for Issue of additional Equity Shares, Variation of interest payment, Variation of the price or the period of conversion of securities into Equity Shares, Issue of Equity Shares on swap basis for the acquisition of company / companies whether wholly or partly in whatever manner what so ever equation the said acquisition may be worked out whether partly / fully transacted by way of swap of shares and / or cash payable or , Issue of Equity Shares during the duration of the securities or terms pertaining to voting rights or option for early redemption of securities.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of underlying Equity Shares as may be required to be issued and allotted upon conversion of any such securities referred to above or as may be in accordance with the terms of the offering(s) and that the said Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank in all respects pari passu with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT such of these securities to be issued as are not subscribed may be disposed of by the Board to such person(s)/entity (ies) in such manner and on such terms as the Board in its absolute discretion thinks fit, in the best interest of the Company and as is permissible in law.

RESOLVED FURTHER THAT the Company may enter into any arrangement with any agency or body for issue of Depository Receipts representing underlying equity Shares/ Preference Shares/ GDR's and other securities issued by the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the international practices and regulations and under the forms and practices prevalent.

RESOLVED FURTHER THAT the securities issued in foreign markets shall be deemed to have been made abroad and/or in the market and/or at the place of issue of the securities in the international market and may be governed by applicable foreign laws.

RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of Securities or instruments representing the same, the Board be and is hereby authorised to determine the form, terms and timing of the offering(s), including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted in such tranche, issue price, face value, premium amount on issue/conversion of Securities, Exercise of Warrants/redemption of Securities, rate of interest, redemption period, listings on one or more stock exchanges as the Board in its absolute discretion deems fit and to make and accept any modification in the proposal as may be required by the authorities involved in such issues and on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose, including without limitation, the Appointment of Registrar, Book-Runner, Lead-Managers, Trustees/Agents, Bankers, Global co-coordinators, Custodians, Depositories, Consultants, Solicitors, Accountants, entering into arrangements for underwriting, marketing, listing, trading, depository and such other arrangements and agreements, as may be necessary and to issue any offer document(s) and sign all deeds, documents and to pay and remunerate all agencies/intermediaries by way of commission, brokerage, fees, charges, out of pocket expenses and the like as may be involved or connected in such offerings of securities, and also to seek listing of the securities or securities representing the same in any Indian and/or in one or more international stock exchanges with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue, offer or allotment of securities and in complying with any Regulations, as it may in its absolute discretion deem fit, without being required to seek any further clarification, consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any committee of Directors or Company Secretary/Compliance Officer or any other Officer or Officers of the Company to give effect to the aforesaid resolution.”

5. Appointment of Mr. Amrut P Shah as Director of the Company.

To consider and thought fit to pass with or without modifications, the following resolution as an ordinary resolution:

“Resolved that subject to section 255 and all other applicable provisions, if any of the companies Act, 1956 and subject to relevant clauses of Articles of Association of the company, the Listing Agreement(s) entered into between the Company and the Stock Exchanges (where the shares are listed), the guidelines issued by the Securities and Exchange Board of India (the “SEBI”), the Bombay Stock Exchange Limited (“BSE”) Mr. Rajkumar Amrut Shah in respect of whom the company has received a notice from a member under section 257 of the Companies Act, 1956, proposing his candidature be and is hereby appointed as Director of the company, whose office shall be liable to retire by rotation”

By Order of the Board of Directors

Sd/-

V. Jagdish
Chairman
Date: 06/12/2010

Registered office:

Kalina Motor Compound,
Kurla Kalina Road,
Kalina,
Mumbai- 400029.

NOTES

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY THE PROXY TO BE EFFECTIVE, SHOULD BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The explanatory statement as required under Section 173(2) of the companies Act, 1956. in respect of the Special Business set out above is annexed hereto
3. Members who hold shares in dematerialized form are requested to write their client ID and DP ID Nos. and those who hold shares in Physical form are requested to write their
4. The Register of members and share Transfer Books of the Company will remained closed from the 30th December 2010 to the 31st December 2010 (Both days inclusive.)
5. Members are requested to
 - I. Write to the Company at least 7 days before the date of the meeting, in case they desire any information as regards the Audited Accounts for the Financial year ended 31st March 2010, so as to enable the company to keep the information ready.
 - II. Bring their copy of the Annual report and the Attendance Slip at the Annual General Meeting.

- III. Intimate to the registrar & Transfer Agent (R&TA) of the company immediately, about any change in their addresses, where the shares are held in electronic form such changes is to be informed to the Depository Participant (DP) and not to the Company/R&TA.
 - IV. Quote Registered Folio Number or DP ID/Client ID in all the correspondence
 - V. Approach the R&TA of the company for consolidation of folios
 - VI. Avail of nomination facility by filling in and forwarding the nomination form to the R&TA, if not already done.
 - VII. Send all share transfer lodgments (physical mode)/correspondence to the **R&TA** of the Company up to M/s Sharex Dynamics (India)Pvt. Ltd, Unit No.,1,luthra Ind. Premises, Andheri-Kurla Road, Safed Pool, Andheri (East) Mumbai - 400 072 up to the date of book Closure.
6. Members/Proxies are requested to bring the Attendance Slip duly filled up for attending the meeting.
 7. Corporate Members are requested to forward a certified copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting.
 8. The Company has listed its shares at the Bombay Stock Exchange Limited. The listing fees, till date, have been paid
 9. All the documents referred to in the Notice are open for inspection at the registered office of the company between 10.30 a.m. to 12.30 p.m. on all working days except Saturdays, Sundays and Public Holidays until the date of the Annual General meeting or any adjournment (s) thereof.

ANNEXURE TO NOTICE

Details of the Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting.
(In pursuance of Clause 49 (vi) (A) of the Listing agreement.)

Director Seeking re-appointment

Name of the Director.	Amrut P Shah
Date of Birth.	30.08.1961
Date of Appointment.	12.04.2010
Expertise in any specific functional Area.	Corporate Governance
Qualification	SSC
Directorships held in other companies.(excluding foreign-Companies.)	Sundaram Multipap Limited
Committee position held in other Companies.	Nil

EXPLANATORY STATEMENTS PURSUANT TO SEC 173(2) OF THE COMPANIES ACT 1956.

Item no. 4

To implement the growth plan of the Company, a rational fund raising program is being designed along with the augmenting the present and future working capital facilities of the company, future acquisition that the company has and is envisaging in the near future which might be by way of swap of shares or by way of cash payment or a mix of both the swap and / or cash payment, The fund raising would be through a mix of debt / equity related instruments, as may be appropriate, which would be worked out in consultation with Advisors, Lead Managers and other intermediate agencies. The fund raising program is subject to approval of Government of India, Reserve Bank of India, Securities and Exchange Board of India and other authorities wherever applicable. It is proposed to issue appropriate securities for an amount not exceeding the equivalent of US\$ 15 million in one or more tranches in such form and on such terms and conditions and in such manner, at such price or prices and at such time as may be considered appropriate by the Board of Directors to the various categories of investors in the domestic/ international markets as set out in the Resolution.

Section 81(1A) requires that approval of members of the Company by way of a special resolution is required for further issue of equity shares or any instrument being a potential equity share. Accordingly, item no. 2 deals with the requisite approval under Section 81(1A) of the Companies Act, 1956.

Your Directors recommend the proposed resolution in item no.3 to be passed as Special Resolution. None of the directors is interested or concerned in the said resolution.

Item no. 5

Mr. Amrut P Shah was appointed as a Director on Dt. 12.04.2010. He is a Graduate and has vast experience in Administration and Corporate Governance. The Board of Directors has appointed him as a Director with a view to utilize his Valuable Experience and contacts. Members are requested to treat the same as abstract of the terms of appointment under section 302 of the companies Act. 1956. The Board recommends passing of the proposed resolution.

For and on behalf of Board of Directors

Sd/-

V. Jagdish
Chairman

Place: Mumbai

Date: 06/12/2010

DIRECTOR'S REPORT FOR THE YEAR END AS AT 31ST MARCH 2010

To

The Members,

The Directors' have pleasure in presenting the Twenty Third Annual Report of the Company and the Audited Statements of Accounts for the year ended 31st March 2010.

1. FINANCIAL HIGHLIGHTS:

The main Financial Highlights of the Company are given below. (Consolidated)

Particulars	As on 31/3/2010 (Rs.)	As on 31/3/2009 (Rs.)
Total income	25,20,38,652	36,02,51,812
Increase or decrease in stock	28,98,013	87,26,600
Operating expenses	19,10,65,324	27,84,84,700
Administrative expenses	3,21,61,512	3,86,05,401
Depreciation	66,27,731	66,12,855
Profit for the year	2,50,82,097	4,52,75,456

2. REVIEW OF OPERATIONS:

During the year under review the Company could earn income of Rs.25.20 Crores as compared to Rs. 36.02 Crores in the previous year. The profit of the Company before taxation stood at Rs.2.50 Crores with respect to Rs.4.52 Crores previous year.

3. DIVIDEND:

In view of the inadequate profits, your Directors do not recommend any dividend.

4. COMPLIANCE OFFICER:

Mr. Jagadish Velamala has been appointed as the new Compliance Officer of the Company w.e.f. 12th July 2006.

5. DIRECTORS:

Mr. Amrut P. Shah Director of the company retire by rotation and are eligible to seek reappointment.

6. AUDITOR'S REPORT:

The observations made in the Auditors' Report are self-explanatory and therefore do not call for further comments under Section 217 of the Companies Act, 1956.

7. AUDITORS:

M/s. DMKH & Co, Chartered Accountants, Mumbai, Auditors of the company hold office until the conclusion of ensuing Annual General meeting. The company has received certificate from his Auditors to the effect that their re-appointment, if made, would be within prescribed limit under section 224 (1B) of The Companies Act, 1956.

8. DEPOSITORIES:

The company is registered with the Central Depository Services (India) Limited. The shareholders can take advantage of holding their scripts in dematerialized mode. The company has recently got admitted into the system of the National Securities Depositories Limited also.

9. PERSONNEL:

There was no employee employed during the year or part of the year drawing remuneration, which falls within the purview of the provisions of section 217(2A) of the Companies Act, 1956. Therefore the statement for the same is not attached.

10. FIXED DEPOSITS:

The Company has not accepted fixed deposits from public during the year under review.

11. INSURANCE:

All the assets of the Company wherever necessary and to the extent required have been insured.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

The information as required under section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in Report of the Board of Directors) Rules, 1988, with respect to conservation of energy, technology absorption and foreign exchange earnings is given below:

A. Conservation of Energy:

The Company is not covered under the list of specified industries and hence the disclosures under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, as regards Conservation of Energy is not applicable.

B. Technology Absorption Adaptation and Innovation:

Your Company is a registered Non-Banking Finance Company (NBFC) and hence the disclosures under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, as regards Technology Absorption, Adaptation and Innovation are not applicable.

C. Foreign Exchange Earnings and Outgoings:

Foreign Exchange Earnings: Nil

Foreign Exchange Outgoings: Nil

13. DIRECTORS RESPONSIBILITY STATEMENT:

In Compliance of Section 217 (2AA), as incorporated by the Companies (Amendment) Act, 2000 in the Companies Act, 1956 your Directors confirm that:

- (a) The Company has followed the applicable standards in the preparation of the Annual Accounts and there had been no-material departure.
- (b) The Directors had selected the accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the aforesaid period.
- (c) The Directors have taken proper and sufficient care for 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.
- (d) The Directors have prepared the Annual Accounts on a going concern basis.

14. ACKNOWLEDGMENTS:

The Board of Directors expresses their deep gratitude for the co-operation and support extended to your Company by its customers, Bankers and various Government agencies and looks forward to their continued cooperation.

For and on behalf of the Board

Sd/-

V. Jagdish
Chairman

Date: 06/12/2010
Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS

The management discussion and analysis have been included in adherence with the code of corporate governance as approved by The Securities and Exchange Board of India (SEBI).

Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinions or forward looking statements expressed in this report consequent to new information or developments events or otherwise.

The management of the company is presenting herein the overview, opportunities and threats, initiatives by the company and overall strategy of the company and its outlook for the future. This outlook is based on management's own assessment and it may vary due to future economic and other future developments in the country.

UPDATES ON SCHEME OF ARRANGEMENT

The company is going to demerge the investments of Bio Green Industries Limited (BGIL) in Bio Green Papers Limited, a 100% wholly owned subsidiary of BGIL. In consideration thereof Bio Green Papers Limited will issue 1 (One) new Equity share to shareholders of Bio Green Industries Limited for every 1 (One) share they hold in Bio Green Industries Limited.

On completion of the Demerger, the shareholders of Bio Green Industries Limited will directly hold 100% of Bio Green Papers Limited exactly in the same proportion as they hold as on record date fixed for this specific purpose.

Bio Green Papers Limited, post demerger is proposed to be listed on Bombay Stock Exchange. Bio Green Papers Limited would focus on Manufacturing of Kraft Paper & Duplex Board business along with its other related operations.

CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance

BIO GREEN INDUSTRIES LIMITED (BGIL) philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and in all its interactions with its Shareholders, Employees, and the Government. BGIL believes that all its operations and actions must serve the underlying goal of enhancing overall Shareholder value, over a sustained period of time.

2. Board of Directors

The Board of Directors consists of 5 Directors.

Composition and category of Directors is as follows:

<u>Category</u>	<u>Name of the Directors</u>
Promoter/Executive Director	V. Jagdish
Non-Independent / Executive Director*	Amrut P Shah
Non-Executive Independent Director	Arvind P Shah
Non-Executive and Independent Director	G.K. Mishra
Non-Executive and Independent Director	K. Ramakrishna Reddy

*Mr Amrut P Shah has been appointed as Director w.e.f 12th April 2010.

During the year under review, the Board of Directors of the company met 10 times on 1/10/2009, 2/11/2009, 30/1/2010, 9/4/2010, 12/4/2010, 30/4/2010, 28/6/2010, 20/7/2010, 24/7/2010 and 27/9/2010 as against the minimum requirement of 4 meetings. The maximum time gap between any two meetings was not more than four calendar months

The attendance of each director at the Board Meeting, last Annual General Meeting and Number of other directorship and Chairmanship/membership of Committee held by each of the director in other companies are as under

Name of the Director	Attendance Particulars		No. of other directorships and committee member/Chairmanship		
	Board Mtgs.	Last AGM	Other Directorship	Committee Membership	Committee Chairmanship

Mr. V. Jagdish	10	Yes	No	Nil	1
Mr. Amrut Shah	8	Yes	No	Nil	Nil
Mr . G.K. Mishra	9	Yes	No	Nil	1
Mr.K.Ramakrishna Reddy	9	Yes	No	Nil	Nil
Mr. Arvind Shah	9	Yes	No	Nil	1

3. Audit Committee

The Audit Committee of the company has been reconstituted with Mr. V.Jagdish, Mr. G.K. Mishra, Mr. Arvind Shah and & Mr. K Ramakrishna Reddy as members of the committee

The committee met 5 times. The constitution of Committee also meets with the requirements under Section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee are as contained in the Clause 49 of the Listing Agreement. Mr. G. K. Mishra is the Chairman of this Committee.

4. Remuneration Committee

The Remuneration Committee of the company had been reconstituted in the last year with Mr. Arvind Shah, Mr. K. Ramakrishna Reddy and Mr. G K Mishra as members of the committee.

The Remuneration Committee has been constituted to recommend/ review the remuneration package of the Directors based on performance and defined criteria. The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing Industry practice. Mr. G K Mishra, to act as chairman of the committee.

Details of remuneration paid to the Directors for the year.

The aggregate value of salary, perquisites, and commission paid for the year ended 31st March 2010, to Directors is as follows:

NIL

The Company pays no sitting fees to any Director.

5. Shareholders' / Investors' Grievance Committee

The Shareholder's / Investors Grievance Committee of the company have been reconstituted with Mr. V. Jagdish, Mr. Arvind Shah, Mr. Amrut Shah and Mr. K Ramakrishna Reddy as members of the committee.

Mr. K Ramakrishna Reddy is Chairman of the committee.

Mr. V. Jagdish is designated as Compliance Officer of the Company.

9.7 Stock Market Data

Month	High	Low	Close	No. of Shares
30 st April,09	10.87	8.77	9.58	649000
31 st May ,09	13.19	8.38	13.19	657620
30 th June,09	18.10	12.37	13.40	1561630
31 st July,09	13.73	10.08	11.57	413770
31 st August,09	13.80	10.26	13.80	720620
30 th September,09	15.51	12.05	12.58	881700
31 st October,09	15.59	11.33	11.90	692680
30 th November,09	12.98	10.31	11.38	340660
31 st December,09	15.13	11.13	12.85	515670
31 st January,2010	14.75	11.20	12.39	645000
28 th February, 2010	15.87	10.66	14.02	925040
31 st March, 2010	16.19	13.03	14.57	1049800

Registrar and Transfer Agents:
(Share transfer and communication regarding
share certificates, dividends and change of
address)

Sharex Dynamics (India) Pvt. Ltd
Unit.no.1, Luthra Industrial Premises,
Andheri-Kurla Road, Safed Pool,
Andheri (E), Mumbai - 400 072

Share Transfer System as per listing agreement and Companies Act, 1956

9.10 Category of Shareholders as on 31st March, 2010

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares	
					As a percentage of(A+B) ¹	As a percentage of (A+B+C)
(A)	Shareholding of Promoter and Promoter Group²					
1	Indian					
(a)	Individuals/ Hindu Undivided Family	5	2890223	2890223	36.11	36.11
(b)	Central Government/ State Government(s)	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0.00
(d)	Financial Institutions/ Banks	0	0	0	0.00	0.00
(e)	Any Others(Specify)				0.00	0.00
(e-i)						
(e-ii)						
	Sub Total(A)(1)	5	2890223	2890223	36.11	36.11
2	Foreign					
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.00	0.00
b	Bodies Corporate	0	0	0	0.00	0.00
c	Institutions	0	0	0	0.00	0.00
d	Any Others(Specify)				0.00	0.00
d-i						
d-ii						
	Sub Total(A)(2)	0	0	0	0.00	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	5	2890223	2890223	36.11	36.11
(B)	Public shareholding					
1	Institutions					
(a)	Mutual Funds/ UTI	0	0	0	0.00	0.00
(b)	Financial Institutions / Banks	0	0	0	0.00	0.00
(c)	Central Government/ State Government(s)	1	5000	5000	0.06	0.06

(d)	Venture Capital Funds	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00
(h)	Any Other (specify)				0.00	0.00
(h-i)						
(h-ii)						
	Sub-Total (B)(1)	1	5000	5000	0.06	0.06
B 2	Non-institutions					
(a)	Bodies Corporate	137	1485744	1485694	18.56	18.56
(b)	Individuals					
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	1900	1382364	1256814	17.27	17.27
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	61	2174330	2094330	27.17	27.17
(c)	Any Other (specify)					
(c-i)	Clearing Member	11	28201	28201	0.35	0.35
(c-ii)	NRI	14	37638	37638	0.47	0.47
	Sub-Total (B)(2)	2123	5108277	4902677	63.83	63.83
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	2124	5113277	4907677	63.89	63.89
	TOTAL (A)+(B)	2129	8003500	7797900	100.00	100
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	2129	8003500	7797900	100.00	100

9.11 Distribution of Share Holding as on 31.03. 2010

SHARE OR DEBENTURE HOLDING OF NOMINAL VALUE OF	SHARE/DEBENTURE HOLDERS		SHARE/DBENTURE AMOUNT	
	Rs.	Number	% of Total	In Rs.
Upto - 5000	1452	68.04	3014350	3.77
5,001 - 10,000	274	12.84	2459750	3.07
10,001 - 20,000	133	6.23	2175950	2.72
20,001 - 30,000	56	2.62	1505880	1.88
30,001 - 40,000	36	1.69	1311470	1.64
40,001 - 50,000	40	1.87	1919750	2.40
50,001 - 1,00,000	59	2.76	4401050	5.50
1,00,001 and above	84	3.94	63246800	79.02
TOTAL	2134	100%	8,00,35,000	100%

9.12 Dematerialization of Shares Trading in Equity Shares of the Company is permitted only in dematerialized form. As of 31st March, 2010, 97.43% are in dematerialized form.

9.13 (i) **Investor Correspondence**

For transfer/ dematerialization of shares : **Sharex Dynamics (India) Pvt. Ltd**
 payment of dividend on shares, interest Unit.No.1 Luthra Industrial Premises,
 and redemption of debentures, and Andheri-Kurla Road, Safed Pool,
 any other query relating to the shares Andheri (E), Mumbai -400 072.
 and debentures of the Company.

Any other query (ii)

Bio Green Industries Limited
 Kalina Motor Compound,
 Kurla Kalina Road,
 Kalina,
 Mumbai- 400029

CERTIFICATE FROM AUDITORS' REGARDING COMPLIANCE OF CORPORATE GOVERNANCE

To,

The Members of BIO GREEN INDUSTRIES LIMITED,

We have examined the compliance of Corporate governance of BIO GREEN INDUSTRIES LIMITED, for the year ended 31st March, 2010, as stipulated in clause 49 of the listing Agreement of the Company with the Stock Exchange.

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

In our Opinion and to the and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate governance as stipulated in the above mentioned Listing Agreement except for the appointment of a Whole Time Company Secretary as required under section 383A of the Companies Act, 1956.

We state that no investor grievances are pending for a period exceeding on one month against the company as per records maintained by the Shares and Investors Grievance Committee.

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

**For DMKH & Co.
Chartered Accountants**

Sd/

**CA. Durgesh Kabra
Proprietor**

M. No. : 44075

Place : Mumbai

Date: 06/12/2010

AUDITORS REPORT

To, The Members of Bio Green Industries Limited

1. We have audited the attached Balance Sheet of Bio Green Industries Limited as at March 31, 2010 and also the Profit & Loss Account 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.
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 mis-statement. An Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the companies (Auditor's Report) (Amendment) Order 2004, (together the 'Order') 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.
4. Further to our comments in the Annexure referred to above, we report that :
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (ii) In our Opinion, the Company has kept proper books of accounts as required by law so far as appears from our examination of those books.
 - (iii) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - (v) On the basis of the written representation received from the directors, as on March 31, 2010, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2010 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanation 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 and are 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, 2010.
 - (b) In the case of the Profit & Loss account, of the Profit for the year ended on that date; and

(c) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For DMKH & Co.
Chartered Accountants

Sd/-
CA. Durgesh Kabra
Proprietor
M. No. : 44075
Place : Mumbai
Date: 06/12/2010

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

- I.
 - (a) The Company has maintained proper records showing full Particulars, including quantitative details and situation, of fixed Assets on the basis of information available.
 - (b) We are informed that fixed assets have been physically verified by the management during the year. There is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) In our opinion and according to information and explanation given to us no fixed assets have been disposed of by the company during the year.
- II.
 - (a) In our opinion and according to the information and explanation given to us, the Management has conducted physical verification of inventory at reasonable intervals during the year.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanation given to us, the company is maintaining proper records of inventory and no material discrepancies were noticed on physical verifications
- III.
 - (a) The Company has not granted loans to any parties covered in register maintained under section 301 of the Companies Act, 1956, hence point (b), (c) & (d) is not applicable to the Company.
 - (e) The Company has not taken loans from any parties covered in register maintained under section 301 of the Companies Act, 1956, hence point (f) & (g) is not applicable to the Company.
- IV. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- V.
 - (a) 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, the company has not entered into any transaction exceeding five lakhs in respect of any party referred to under section 301 of the Companies Act, 1956.
- VI. The Company has not accepted any deposits from the Public during the year & consequently the provision of section 58A and 58AA of the Companies Act 1956 and the rules framed there under are not applicable.

- VII. The Company does not have a formal internal audit system commensurate with its size and nature of business but its financial and other internal checks ensure proper recording of financial transactions.
- VIII. The Central Government has not prescribed maintenance of cost records by the Company under section 209 (1) (d) of the Act.
- IX. (a) According to the information and explanation given to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Investor Education Protection Fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, Excise duty, Cess and other material statutory dues applicable to it except following-

Status	Nature	Amount Involved	Period (F.Y)	Forum where is dispute is pending
Income tax Act	Penalty proceeding	Rs. 5,31,000	2000-01	Honorable CIT (appeal)
Income tax Act	Deemed for tax	Rs. 2,73,331	2002-03	

- (b) According to the information and explanation given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess, which have not been deposited on account of any dispute.
- X. The Company has no accumulated losses at the end of the financial year and has not incurred any cash loss in the current and immediately preceding financial year.
- XI. Based on our audit procedures and on the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institution, bank or debenture holders.
- XII. According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. The provision of any special statute applicable to chit fund / Niddhi / mutual benefit fund / society are not applicable to the Company.
- XIV. The Company has maintained records of the transactions and contracts of dealing or trading in shares and timely entries have been made therein. The shares, securities debentures, and other investments are in the name of the Company.
- XV. According to the information and explanation given to us, the Company has not given any guarantee of loans taken by others from bank or financial institutions.
- XVI. According to the information and explanation given and based on the documents and records produced, the term loan was applied for the purpose for which the loans were obtained.

- XVII. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion that no funds raised on a short-term basis.
- XVIII. During the year the company has allotted equity shares on preferential basis to parties and company covered in the register maintained u/s 301 of the Companies Act. 1956. The issue of shares is at the price which has been prescribed under preferential issue guideline issued by SEBI. In our opinion the same is not prejudicial to the interest of company (Reference is also invited to Note no 2 of accounting policies & notes to account in Schedule no 15)
- XIX. The Company has not issued any debentures during the year.
- XX. The Company has not raised any funds by way of Public Issue during the year.
- XXI. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For DMKH & Co.
Chartered Accountants

Sd/-
CA. Durgesh Kabra
Proprietor
M. No. : 44075
Place : Mumbai
Date: 06/12/2010

BIO GREEN INDUSTRIES LTD			
BALANCE SHEET AS AT 31-03-2010			
PARTICULARS	SCHEDULES	AS AT 31.03.2010 AMOUNTS (RS)	AS AT 31.03.2009 AMOUNTS (RS)
<u>SOURCES OF FUNDS</u>			
Share Holder Funds	1	80,035,000	80,035,000
Reserve & Surplus	2	451,518,380	444,330,075
Loan Funds	3	1,728,000	1,728,000
TOTAL		533,281,380	526,093,075
<u>APPLICATION OF FUNDS</u>			
FIXED ASSETS			
Gross Block	4	2,327,143	2,327,143
Less Depreciation		1,846,559	1,747,929
Net Block		480,584	579,214
Work In Progress		17,734,735	-
INVESTMENTS	5	319,000,000	319,000,000
<u>CURRENT ASSETS, LOANS & ADVANCES</u>			
I. Inventory	6	16,065,173	15,525,910
II. Sundry Debtors	7	17,589,936	21,580,879
III. Cash & Bank Balance	8	293,205	424,865
IV. Loans & Advance	9	164,042,747	171,732,207
		197,991,061	209,263,861
Less:- Current Liabilities & Provisions	10	1,925,000	2,750,000
NET CURRENT ASSETS		196,066,061	206,513,861
TOTAL		533,281,380	526,093,075
Notes On Accounts	15		

As per our Report of even date attached

**For DMKH & Co.
Chartered Accountants**

**Sd/-
Durgesh Kabra
Proprietor
M. No. : 44075
Place : Mumbai
Date: 06/12/2010**

For and on behalf of the Board

**Sd/-
V. Jagdish
Director**

**Sd/-
K. Ramakrishna Reddy
Director**

BIO GREEN INDUSTRIES LTD			
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2010			
PARTICULARS	SCHEDULE S	AS AT 31.03.2010 AMOUNTS (RS)	AS AT 31.03.2009 AMOUNTS (RS)
<u>I. INCOME</u>			
Sales	12	146,773,638	222,520,200
Increase And Decrease in Stocks	13	539,263	796,310
Other Income		-	-
TOTAL	[I]	147,312,901	223,316,510
<u>II. EXPENDITURE</u>			
Operating Expenditure	14	139,140,242	204,268,818
Administrative & Other Expenses	15	835,724	1,149,931
Depreciation		98,630	83,752
TOTAL	[II]	140,074,596	205,502,501
PROFIT BEFORE TAX & EXTRAORDINARY ITEMS	[I-II]	7,238,305	17,814,009
<u>Add/LESS:-</u>			
Prior Period Extraordinary Items			
PROFIT BEFORE TAX		7,238,305	17,814,009
Less: - Provision For Tax			
- Current Tax		-	-
- Deferred Tax		-	-
- FBT		50,000	50,000
PROFIT AFTER TAX		7,188,305	17,764,009
Balance B/F Previous		21,156,325	3,392,316
Balance Carried To Balance Sheet		28,344,630	21,156,325
Basic & Diluted EPS (In Rs.)		1	2
Notes On Accounts	15		

As per our Report of even date attached

**For DMKH & Co.
Chartered Accountants**

Sd/-
Durgesh Kabra
Proprietor
M. No. : 44075
Place : Mumbai
Date: 06/12/2010

For and on behalf of the Board

Sd/-
V. Jagdish
Director

Sd/-
K. Ramakrishna Reddy
Director

Schedule forming part of the Balance Sheet 2009-2010

Particulars	As at 31-Mar-2010	As at 31-Mar-2009
<u>Schedule 1 :Share capital</u>		
Authorized Capital 110 00 000 Equity Shares of Rs.10/- each	110,000,000	110,000,000
Issued Subscribed And paid Up 8003500 Equity Shares of Rs.10/- each fully paid up	80,035,000	80,035,000
	80,035,000	80,035,000
<u>Schedule 2 :</u>		
Statutory Reserves		
Opening Balance	1,437,000	1,437,000
Add: During the year		
Less: Deletions during the Year		
Balance carried forward	1,437,000	1,437,000
(2) General Reserves		
Opening Balance		
Add: During the year		
Less: Deletions during the Year		
Balance carried forward		
(3) Profit And Loss Account		
Opening Balance	21,156,325	
Add: During the year	7,188,305	21,156,325
Less: Deletions during the Year		
Balance carried forward	28,344,630	21,156,325
(4)Securities Premium	421,736,750	421,736,750
	451,518,380	444,330,075
<u>Schedule 3 : Secured loans</u>		
<u>Schedule 3</u>		
<u>Unsecured Loans</u>		
<u>From Directors</u>	-	-
<u>From Corporates</u>	1,728,000	1,728,000
	1,728,000	1,728,000

DEPRECIATION SCHEDULE (Schedule-4)

	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	01.04.09	additions	31.03.10	01.04.09	for the year	31.03.10	31.03.10	31.03.09
Leased Machinery	1,356,212	-	1,356,212	1,356,212	-	1,356,212	-	-
Computers	66,750	-	66,750	63,662	3,088	66,750	-	2,058
Office equipments	143,132	-	143,132	117,735	4,103	121,838	21,294	25,397
Refrigerator	56,799	-	56,799	33,110	3,828	36,938	19,861	23,689
Motor Cycle	180,000	-	180,000	123,267	14,688	137,955	42,045	56,733
Generator	524,250	-	524,250	53,943	72,923	126,866	397,384	416,364
Total	2,327,143	-	2,327,143	1,747,929	98,630	1,846,559	480,584	524,241

Schedule 5: Investment (Un Listed) Shares in Bio Green Papers Ltd (54 00 000 Shares P.Y=Nil) of Rs.10/- each Application Money pending allotment with <u>Bio Green Papers Ltd</u> (i) Investment in Bio Green Papers Limited (ii) Investment in Mukhalinga Aqua Pvt. Limited	104,000,000	104,000,000
	180,000,000	180,000,000
	35,000,000	35,000,000
	319,000,000	319,000,000
Schedule 6: Inventories (As Certified by the Management) Securities Closing Balance Securities Jatropha Plants Closing stock of Plants	829,600	829,600
	15,235,573	14,696,310
	16,065,173	15,525,910
Schedule 7: Sundry Debtors (Un Secured considered Good) Debts due over 6 months Other Debts	17,589,936	21,580,879
	17,589,936	21,580,879
Schedule 8 : Cash & Bank Balance Cash balance on hand Bank Balance with Scheduled Banks	38,200	376,283
	255,005	48,582
	293,205	424,865

Schedule 9:		
<u>Loans & Advances</u>		
(Un Secured considered Good)		
Advance Recoverable in Cash or in Kind For Value to be Received or Adjusted	19,227,840	26,917,300
Advance for Land Acquisition	81,700,000	81,700,000
Advance for Plantation	20,035,000	20,035,000
Advances for Land Leveling & Civil Works	42,536,752	42,536,752
<u>Income Tax</u>		
TDS Receivable	543,155	543,155
	164,042,747	171,732,207

Schedule 10:		
<u>Current Liabilities & Provisions</u>		
Current Liabilities	1,875,000	2,700,000
Provision for Taxation		
Provision for FBT	50,000	50,000
	1,925,000	2,750,000
<u>Schedule 11:</u>		
(A) Sale of Shares	-	-
(B) Sale of Jatropha Plants	146,773,638	222,520,200
TOTAL SALES (A+B)	146,773,638	222,520,200
<u>Schedule 11A:</u>		
<u>Increase and Decrease in Stocks of Shares</u>		
Opening Stock	829,600	829,600
Less: Closing Stock	829,600	829,600
<u>Increase and Decrease in Stocks of Jatropha Plants</u>		
Opening Stock	14,696,310	13,900,000
Less: Closing Stock	15,235,573	14,696,310
Increase and Decrease in Stocks	539,263	796,310

<u>Schedule 12</u>		
OPERATING EXPENSES		
Purchase of Shares	424,890	424,890
purchase of Seeds	64,270,480	79,476,240
Freight Charges for Seeds	9,825,680	10,596,832
Handling Charges of Seeds	3,281,218	7,947,624
Non Organic Fertilizers	20,823,403	40,911,700
Land leveling & Formation of Beds	2,103,760	4,106,880
Wages	24,624,230	37,154,250
Staff Salaries	1,429,600	2,368,000
Fuel Charges (Generator Hire)	1,832,660	3,116,530
Packing Transportation	10,524,321	18,165,872
Staff Welfare		
	139,140,242	204,268,818

<u>Schedule 13</u>		
Administrative & Other Expenses		
Advertisement Exp	63,690	62,940
Audit Fee	75,000	75,000
Bank Charges	22,850	28,540
Demat Charges	43,824	40,664
Electricity Expenses	10,250	7,850
Rebates & Discounts A/C	89,000	147,245
Listing & Registration Fee	95,850	95,850
Office Expenditure	52,655	58,786
Professional Fee	114,350	286,400
Repairs & Maintenance	63,895	73,265
Service Charges	9,300	8,800
Telephone Exp	45,330	82,550
Travelling Expenditure	149,730	182,041
	835,724	1,149,931

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH, 31 2010

Schedules 15

a) SIGNIFICANT ACCOUNTING POLICIES:-

A) Accounting Convention and concepts:-

The financial statements are prepared under the historical cost convention, in accordance with the Indian Generally Accepted Accounting Principles (IGAAP) comprising the mandatory accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, on accrual basis, as adopted consistently by the Company.

B) Fixed Assets:-

All Fixed assets are stated at cost of acquisition less accumulated depreciation.

C) Depreciation:-

Depreciation on fixed assets are provided on written down value method under section 205 (2) (a) of companies Act 1956, at the rate and in the manner specified in Schedule - XIV of the said Act.

D) Investment:-

Investments are valued at Cost of acquisition or book value.

E) Stock In Trade:-

Current investment in shares etc., Acquired in the ordinary course of business are stated as stock in trade. Stock in trade is valued at cost or market value whichever is lower.

F) Revenue Recognition:-

Revenue is recognized when there is a reasonable certainty of its ultimate realization/collection,

- i) Dividend Income:-Dividend Income is accounted for when declared,
- ii) Sales are accounted on the sale getting concluded which is on accrual basis.
- iii) Other Income: - Other income is accounted on accrual basis.

G) Contingent Liability:-

Contingent liabilities, if any, are disclosed by way of note on the Balance Sheet.

H) Taxes on Income:-

Tax expense comprise both current tax and deferred tax at the applicable enacted or substantively enacted rates, Current tax represents the amount of income tax payable/recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of timing difference between taxable income and accounting income for the reporting periods that originate in one period and are capable of reversal in one or more subsequent periods.

b) NOTES TO ACCOUNTS

- 1) The Balance of Sundry Debtors, Advances and Current Liabilities are subject to confirmation from parties.
- 2) The Company has not provided for Gratuity and Leave Encashment to Employees on accrual basis, which is not in conformity with AS – 15 issued by ICAI. However, in the opinion of management the amount involved is negligible and has no impact on Profit & Loss Account.

3) In the opinion of the management, loans & advances are recoverable at the value stated in the financial statements and adequate provisions have been made in the accounts for all known liabilities.

4) Additional information pursuant to the provisions of Clause 4a of Part II of Schedule VI of the Companies Act, 1956:
Commission (u/s 349) "Nil".

5) Additional information pursuant to the provisions of Clause 4b of Part II of Schedule VI of the Companies Act, 1956:

	2009-10	2008-09
(a) Auditor Remuneration		
As Statutory Auditor	75,000	75,000
(b) Directors Remuneration:	NIL	NIL

6) Additional information pursuant to the provisions of Paragraphs 4c of Part II of Schedule VI of the Companies Act, 1956:
"Not Applicable"

7) Additional information pursuant to the provisions of Paragraphs 4d of Part II of Schedule VI of the Companies Act, 1956:

- a. Expenditure in Foreign currency "Nil"
b. Earning in Foreign currency "Nil"

8) Accounts payable to Small Scale Industrial Undertaking the head of Sundry Creditors – Nil
(Previous Year – Nil)

9) Related party disclosures

As per the accounting standard 18 on "Related Party Disclosures" issued by ICAI the related parties of the company and nature of relationship are as follows:

Related Party	Nature of Relationship
Bio Green Papers Limited	Subsidiary Company
Sri Mukhalinga Aqua Private Limited	Subsidiary Company
V. Jagdish	Key Management Personnel
V. Pushpalata	Key Management Personnel
V. Venkateswarulu	Relative of Key Management Personnel

NOTE: Related Party Relationship is identified by the Management & relied upon by the Auditor. Nature and volume of transaction carried out with the above related parties in the ordinary course of business for the year ended March 31, 2009. **NIL**

10) Earning per share (AS-20)

The company has issued potential equity shares, accordingly, basic and diluted earnings per share are as under:-

Particulars	2009-10	2008-09
Net Profit after Tax (Rs.)	71,88,305	1,77,64,009
Weighted Average No. of Equity Shares	80,03,500	80,03,500
Nominal Value of Share (Rs.)	10	10
Basic & Diluted Earning per share (Rs.)	1	2

11) Accounting for taxes on income (AS-22)

In the opinion of the management the company will not have the taxable income from the business carried out by it hence the deferred tax assets is created.

12) Segment Information (AS-17)

The Company was engaged primarily in the business of Trading in Shares and Financial Activities presently the company has diversified into the sale of Jatropha podogrica plants, Paper Manufacturing and Mineral water accordingly there are no separate reportable segments as per Accounting Standard 17 dealing with segment reporting.

13) As required by accounting standard (AS 28) "Impairment of Assets" issued by the Institute of Chartered Accountants of India, the company has carried out the assessment of impairment of assets. There has been no impairment of loss during the year.

14) Schedule 1 to 15 forms the integral part of the Balance Sheet as at 31st March 2010 and the P&L A/c for the year ended on that date.

15) Prior year amounts have been regroup & reclassified, where necessary to confirm to current year's presentation.

16) Balance Sheet abstract and company's general business profile as per the annexure.

17) Contingent liability in respect of income tax demand

Status	Nature	Amount Involved	Period (F.Y)	Forum where is dispute is pending
Income tax Act	Penalty proceeding	Rs. 531,000	2000-01	Honorable CIT (Appeal)
Income tax Act	Deemed for tax	Rs. 273,331	2002-03	

18) Particulars in respect of Opening Stock, purchases, sales and closing stock of Jatropha Seeds:

Particulars	2009-10 (QTY)	2008-09 (QTY)	2009-10 (Amount)	2008-09 (Amount)
i. Opening stock	50,34,971	55,60,000	1,46,96,310	1,39,00,000
ii. Purchases:				
Jatropha Seeds	4,14,64,826	7,29,13,981	6,42,70,480	7,94,76,240
iii. Sales:	3,08,99,713	7,34,39,010	14,67,73,638	22,25,20,200
iv. Closing stock:	1,37,41,078	50,34,971	1,52,35,573	1,46,96,310

As per our Report of even date attached

**For DMKH & Co.
Chartered Accountants**

**Sd/-
Durgesh Kabra
Proprietor
M. No. : 44075
Place : Mumbai
Date: 06/12/2010**

For and on behalf of the Board

**Sd/-
V. Jagdish
Director**

**Sd/-
K. Ramakrishna Reddy
Director**

Bio Green Industries Limited
Cash Flow Statement For the Period Ended 31.03.2010

Particulars	31.03.2010	31.03.2009
Net Profit Before FPT before Tax & Extra ordinary Items	7,238,305	17,814,009
Add: Depreciation	98,630	83,751
Tax Paid	(50,000)	(50,000)
Operating Profit Before Working Capital Changes	7,286,935	17,847,760
Increase in Current Assets		
(Increase)/Decrease in Receivables	3,990,943	(10,460,079)
(Increase)/Decrease in Inventory	(539,263)	(796,310)
(Increase)/Decrease in Loans and Advances	7,689,460	(168,907,370)
Increase/(Decrease) in Current Liabilities	(825,000)	(3,700,000)
Cash From Operations (A)	17,603,075	(166,015,999)
Cash Flows from Investing Activates		
Investment in Subsidiary	-	(180,000,000)
Trade Investments	-	(35,000,000)
Purchase of Fixed Assets	(17,734,735)	(524,250)
Cash Flow from Investing Activities (B)	(17,734,735)	(215,524,250)
Cash flow from financing activities		
Proceeds from Preferential Allotment	-	441,771,750
Unsecured Loans	-	(60,000,000)
Cash Flow From Financing Activities (C)	-	381,771,750
Net Increase in Cash and Cash Equivalent (A+B+C)	(131,660)	231,501
Cash and Cash Equivalent at the beginning of the Year	424,865	193,364
Cash and Cash Equivalent at the end of the year	293,205	424,865

As per our Report of even date attached

For DMKH & Co.
Chartered Accountants

Sd/-
Durgesh Kabra
Proprietor
M. No. : 44075
Place : Mumbai
Date: 06/12/2010

For and on behalf of the Board

Sd/-
V. Jagdish
Director

Sd/-
K. Ramakrishna Reddy
Director

BALANCE SHEET ABSTRACT

i.	Registration no. 35514 Balance sheet date: 31.03.2010	State code – 11
ii.	Capital raised during the year (Amount in Rs. Thousand) Public Issue NIL Bonus Issue NIL	Right Issue NIL Private Placement NIL
iii.	Position of Mobilization and deployment of funds (Amount in Rs. Thousand) Total liabilities 533281 Sources of Funds Paid up Capital 80035 Secured loans NIL Application of Funds Net Fixed Assets 480 Net current Assets 197991 Accumulated Losses NIL	Total Assets 533281 Reserves and surplus 451518 Unsecured loans 1728 Investments 319000 Deferred Tax Assets/ Liabilities NIL Misc. Expenditure NIL
iv.	Performance of Company (Amount in Rs. Thousand) Turnover 146773 Profit before tax 7238	(Amount in Rs. Thousand) Total expenditure 140074 Profit After tax 7188 Dividend % : NIL EPS(Rs.) : 0.90

Assets side	Amount Outstanding	Amount Outstanding
	31st March 2010	31st March 2009
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below		
(a) Secured	-	-
(b) Unsecured	-	-
(4) Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities Lease assets including lease rentals under Sundry Debtors		
(a) Financial lease	-	-
(b) Operating lease	-	-
(II) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(III) Hypothecation loans counting towards EL/HP activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
(5). Break-up of Investments :		
Current Investments :		
1. Quoted :		
(1) Shares : (a) Equity	-	-
(b) Preference	-	-
(2) Debentures and Bonds	-	-
(3) Units of mutual funds	-	-
(4) Government Securities	-	-
(5) Others	-	-

2. Unquoted :		
(1) Shares : (a) Equity	-	-
(b) Preference	-	-
(2) Debentures and Bonds	-	-
(3) Units of mutual funds	-	-
(4) Government Securities	-	-
(5) Others	-	-
Long Term investments :		
1. Quoted :		
(1) Shares : (a) Equity	-	-
(b) Preference	-	-
(2) Debentures and Bonds	-	-
(3) Units of mutual funds	-	-
(4) Government Securities	-	-
(5) Others	-	-
2. Unquoted :		
(1) Shares : (a) Equity	1040	1040
(b) Preference	-	-
(2) Debentures and Bonds	2150	2150
(3) Units of mutual funds	-	-
(4) Government Securities	-	-
(5) Others immovable property	-	-

(6) Borrower group-wise classification of all leased assets, stock-on hire and loans and advances:

Category	Amount net of provision 31st March 2010			Amount net of provision 31st March 2009		
	Secured	Unsec	Total	Secured	Unsec	Total
Total						
1. Related Parties		-			-	
(a) Subsidiaries		-			-	
(b) Companies in the same group		-			-	
(c) Other related parties		-			-	

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

	Market Value / Break up or fair value or NAV#	Book Value (Net of Prov)	Market Value / Break up or fair value or NAV#	Book Value (Net of Prov)
Category	31st March 2010		31st March 2009	
2. Related Parties				
(a) Subsidiaries	2840	-	1040	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than Related Parties	350	-	-	-

in the absence of quotations book value has been considered as market value

(8) Other Information

	Amount	Amount
	31st march 2010	31st march 2009
1) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	-
2) Net - Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	-
3) Assets acquired in satisfaction of debt	-	-

As per our Report of even date attached

**For DMKH & Co.
Chartered Accountants**

**Sd/-
Durgesh Kabra
Proprietor**
M. No. : 44075
Place : Mumbai
Date: 06/12/2010

For and on behalf of the Board

**Sd/-
V. Jagdish
Director**

**Sd/-
K. Ramakrishna Reddy
Director**

BIO GREEN INDUSTRIES LIMITED

**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 31ST
MARCH 2010**

AUDITORS REPORT

To, The Board of Directors of Bio Green Industries Limited on the Consolidated Financial Statements of Bio Green Industries Limited and it's Subsidiaries.

1. We have audited the attached Consolidated Balance Sheet of Bio Green Industries Limited and its subsidiaries (the group), as at March 31,2010, and also the Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These Consolidated 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 mis-statement. An Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the Financial Statement of Subsidiaries, whose financial statement reflect the group's share of net assets of Rs. 6833 lacs as at March 31, 2010 and group share of net profit after tax of Rs. 250 Lacs for the year ended on that date, which are considered in the Consolidated Financial Statements. This Financial Statement and other financial information have been audited by other auditor whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the subsidiaries is based solely on the report of the other auditors.
4. We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Statement-21, "Consolidated Financial Statement" issued by the Instituted of Chartered Accountants of India.
5. Based on our audit, and on consideration of the report of the other auditors on the separated financial statement of the Subsidiaries and other financial information of its components, in our opinion and to the best of our information and according to the explanations given to us, the attached Consolidated Financial Statement give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2010.
 - (b) In the case of the Consolidated Profit & Loss account, of the Profit of the Group for the year ended on that date; and
 - (c) In the case of Consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date

For DMKH & Co.

Chartered Accountants

Sd/

CA. Durgesh Kabra

Propr

BIO GREEN INDUSTRIES LTD
CONSOLIDATED BALANCE SHEET AS AT 31-03-2010

PARTICULARS	SCHEDULES	AS AT 31.03.2010 AMOUNTS (RS)	AS AT 31.03.2009 AMOUNTS (RS)
<u>SOURCES OF FUNDS</u>			
Share Holder Funds	1	80,035,000	80,035,000
Reserve & Surplus	2	564,580,324	539,548,226
Convertible Debentures		19,929,400	19,929,400
Loan Funds	3	18,854,130	17,485,167
Total		683,398,854	656,997,793
<u>APPLICATION OF FUNDS</u>			
<u>FIXED ASSETS</u>			
Gross Block	4	156,623,973	156,623,973
Less Depreciation		55,542,811	48,915,080
Net Block		101,081,162	107,708,893
Work In Progress		176,400,364	113,741,565
INVESTMENTS	5	45,100,000	45,100,000
<u>CURRENT ASSETS, LOANS & ADVANCES</u>			
I. Inventories	6	79,053,239	83,465,957
II. Sundry Debtors	7	79,492,887	84,998,730
III. Cash & Bank Balance	8	1,728,938	2,139,355
IV. Loans & Advance	9	203,505,998	223,826,858
		363,781,062	394,430,900
Less:- Current liabilities & Provisions	10	2,963,734	3,983,565
NET CURRENT ASSETS		360,817,328	390,447,335
Total		683,398,854	656,997,793
Notes On Accounts	15		

As per our Report of even date attached

For DMKH & Co.
Chartered Accountants

Sd/-
Durgesh Kabra
Proprietor
M. No. : 44075
Place : Mumbai
Date: 06/12/2010

For and on behalf of the Board

Sd/-
V. Jagdish
Director

Sd/-
K. Ramakrishna Reddy
Director

BIO GREEN INDUSTRIES LTD			
CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2010			
PARTICULARS	SCHEDULES	AS AT 31.03.2010 AMOUNTS (RS)	AS AT 31.03.2009 AMOUNTS (RS)
<u>I. INCOME</u>			
SALES	11	252,038,652	360,251,812
Increase And Decrease in Stocks	11A	2,898,013	8,726,600
TOTAL	[I]	254,936,665	368,978,412
<u>II. EXPENDITURE</u>			
Operating Expenditure	12	191,065,324	278,484,700
Administrative & Other Expenses	13	32,161,512	38,605,401
Depreciation		6,627,731	6,612,855
TOTAL	[II]	229,854,567	323,702,956
PROFIT BEFORE TAX & EXTRAORDINARY ITEMS	[I-II]	25,082,098	45,275,456
<u>Add/LESS:-</u>			
Prior Period Extraordinary Items		-	-
PROFIT BEFORE TAX		25,082,098	45,275,456
Less: - Provision For Tax			
- Current Tax			
- Deferred Tax			
- FBT		50,000	60,000
PROFIT AFTER TAX		25,032,098	45,215,456
Basic & Diluted EPS (In Rs.)		3.13	5.65
Notes on Accounts	15		

As per our Report of even date attached

For DMKH & Co.
Chartered Accountants

Sd/-
Durgesh Kabra
Proprietor
M. No. : 44075
Place : Mumbai
Date: 06/12/2010

For and on behalf of the Board

Sd/-
V. Jagdish
Director

Sd/-
K. Ramakrishna Reddy
Director

Schedule forming part of the Consolidated Balance Sheet 2009-2010

Particulars	As at 31-Mar-2010	As at 31-Mar-2009
Schedule 1 :Share capital		
Authorized Share Capital 110 00 000 Equity Shares of Rs.10/- each	110,000,000	110,000,000
Issued Subscribed & Paid Up 8003500 Equity Shares of Rs.10/- each fully paid up	80,035,000	80,035,000
Total	80,035,000	80,035,000
Schedule 2 : Reserves & Surplus		
(1) Statutory Reserves (A)	1,437,000	1,437,000
(2) Consolidated Capital Reserve (B)	16,000,000	16,000,000
(3) Profit & Loss Account		
Balance B/F	100,374,476	55,159,020
Current Year Profit	25,032,098	45,215,456
(4)Securities Premium (C)	125,406,574 421,736,750	100,374,476 421,736,750
Total (A+B+C)	564,580,324	564,580,324
Schedule 3 : Loan Funds		
Secured Loans	-	-
Unsecured Loans		
From Directors	-	-
From Corporates	1,728,000	1,728,000
Others	17,126,130	15,757,167
Total	18,854,130	17,485,167

Schedule 4:-**DEPRECIATION SCHEDULE (Schedule - 4) (in Rs)**

S.NO	DESCRIPTION	GROSS BLOCK			DEPRECIATION		
		As on 01-04-2009	Add	As on 31-03-2010	As on 01-04-2009	Add	As on 31 03-2010
1	Land	5,358,897	-	5,358,897	-	-	
2	Bore well	649,172	-	649,172	94,720	10,582	105,302
3	Office Equipment	1,495,769	-	1,495,769	970,006	68,271	1,038,277
4	Furniture	444,579	-	444,579	230,529	28,142	258,671
5	Plant and Machinery	91,168,151	-	91,168,151	35,133,852	4,742,899	39,876,751
6	Vehicles	1,789,616	-	1,789,616	1,088,180	167,602	1,255,782
7	Factoring Building	39,918,191	-	39,918,191	9,932,867	1,333,268	11,266,135
8	Site Development	12,385,946	-	12,385,946	-	-	
9	Misc. Fixed Assets	3,321	-	3,321	3,321	-	3,321
10	Lab Equipments	244,518	-	244,518	169,289	17,287	186,576
11	11 KVA Substation	2,641,563	-	2,641,563	1,238,373	186,759	1,425,132
12	Generator	524,250	-	524,250	53,943	72,923	126,866
	TOTAL	156,623,973	-	156,623,973	48,915,080	6,627,731	55,542,811

<u>Schedule 5: Investments</u>		
Investments in Mukhalinga Aqua Pvt. Limited	35,000,000	35,000,000
25,000(Previous year 25,000) Shares of Sri Mukhalinga Aqua Pvt Ltd of Face value of Rs. 10 each/-	250,000	250,000
98,500 convertible 0 % debentures of Face value of Rs. 100 each/-	9,850,000	9,850,000
	45,100,000	45,100,000
<u>Schedule 6: Inventories</u>		
(As Certified by the Management)		
<u>Securities</u>		
Closing Balance Securities	829,600	829,600
Jatropha Plants	36,784,302	46,045,880
Finished Goods	383,709	481,847
Dyes & Chemicals	963,732	3,842,839
Raw Materials & Stores	24,856,325	17,569,481
Closing stock of Plants	15,235,573	14,696,310
	79,053,239	83,465,957
<u>Schedule 7: Sundry Debtors</u>		
(Un Secured considered Good)		
Debts due over 6 months	41,764,832	42,648,281
Other Debts	37,728,055	42,350,449
	79,492,887	84,998,730
<u>Schedule 8 : Cash & Bank Balance</u>		
Cash balance on hand	1,073,200	2,090,773
Bank Balance with scheduled banks	655,738	48,582
	1,728,938	2,139,355
<u>Schedule 9: Loans & Advances</u>		
(Un Secured considered Good)		
Advance Recoverable in Cash or in Kind For Value to be Received or Adjusted	47,243,144	79,011,951
Advance for Land Acquisition	93,147,947	81,700,000
Advance for Plantation	20,035,000	20,035,000
Advances for Land Leveling & Civil Works	42,536,752	42,536,752
Advance Tax & TDS	543,155	543,155
	203,505,998	223,826,858

<u>Schedule 10: Current Liabilities & Provisions</u>		
Current Liabilities	2,913,734	3,923,565
Provisions	50,000	60,000
	2,963,734	3,983,565
<u>Schedule 11:</u>		
(A) Sale of Jatropha Plants	146,773,638	222,520,200
(B) Sale from Subsidiary	105,265,014	137,731,612
TOTAL	252,038,652	360,251,812
<u>Schedule 11A:</u>		
Increase and Decrease in Stocks		
<u>Jatropha Plants</u>		
Opening Stock	14,696,310	13,900,000
Less: Closing Stock	15,235,573	14,696,310
Increase and Decrease in Stocks	539,263	796,310
<u>Paper</u>		
Opening Stock	12,384,965	4,454,675
Less: Closing Stock	14,743,715	12,384,965
Increase and Decrease in Stocks	2,358,750	7,930,290
	2,898,013	8,726,600

<u>Schedule 12</u>		
OPERATING EXPENSES		
Purchase of Shares	424,890	424,890
purchase of Seeds	78,082,843	109,201,117
Raw Material Purchases	34,145,133	37,931,250
Freight Charges for Seeds	9,825,680	10,596,832
Handling Charges of Seeds	3,281,218	7,947,624
Non Organic Fertilizers	20,823,403	40,911,700
Land leveling & Formation of Beds	2,103,760	4,106,880
Wages	28,546,126	43,652,450
Staff Salaries	1,429,600	2,368,000
Fuel Charges (Generator Hire)	1,832,660	3,116,530
Packing Transportation	10,524,321	18,165,872
Staff Welfare	45,690	61,555
	191,065,324	278,484,700

Schedule 13		
Administrative & Other Expenses		
Advertisement Exp	63,690	62,940
Audit Fee	95,500	95,000
Bank Charges	22,850	28,540
Business Promotion Exp	9,300	12,000
Demat Charges	43,824	40,664
Electricity Expenses	10,250	7,850
General Exp	758,351	1,012,442
Rebates & Discounts A/c	89,000	147,245
Legal & Professional Fee	45,000	37,500
Listing & Registration Fee	95,850	95,850
Office Expenditure	52,655	58,786
Printing and Stationery	22,766	28,510
Professional Fee	114,350	286,400
Rates and Taxes	84,755	90,440
Repairs & Maintenance	142,844	125,188
Service Charges	9,300	8,800
Telephone Exp.	89,741	132,602
Traveling Expenditure	388,688	288,136
Fright & Con	56,518	-
Rent	12,500	-
P.F	55,000	-
Insurance	104,708	-
AP Pollution Board	30,000	-
	2,397,440	2,558,893
MANUFACTURING EXPENSES		
RAW MATERIAL CONSUMED (Jatropha & Paper)	21,637,836	26,425,577
ELECTRICITY	8,061,051	9,564,461
REPAIRS & MAINTENANCE	65,185	56,470
	29,764,072	36,046,508
Total Administrative & Other Expenses	32,161,512	38,605,401

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON CONSOLIDATED ACCOUNTS

Schedules 15

1. BASIS OF CONSOLIDATION:

i) Basis of Accounting

The financial statements are prepared in accordance with the accounting standards Issued by ICAI and generally accepted accounting principles.

ii) Principles of consolidation

The consolidated financial statements relate to Bio Green Industries Limited and its 100% WOS of the Company i.e., Bio Green Papers Limited. The consolidated financial statements have been prepared on the following basis in line with Accounting Standard AS21 Consolidated Financial Statements issued by ICAI

- a) The financial statements have been combined on a line by line basis by adding together book value of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and transactions.
- b)
- c) Minority Interest's share of net assets of consolidated subsidiary is identified and presented in the consolidated Balance Sheet separate from liabilities and the equity of the Company's Shareholders.

iii) Information on Subsidiary Company : its 100% WOS of the Company i.e., Bio Green Papers Limited which is incorporated in India and 100% shares are held by M/s. Bio Green Industries Limited.

2. SIGNIFICANT ACCOUNTING POLICIES:

- a) **Basis of accounting:** The accounts have been prepared on accrual basis of accounting under the historical cost convention in accordance with Companies Act, 1956 and the applicable Accounting Standards issued by the ICAI.
- b) **Use of Estimates:** The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the reporting period.
- c) **Revenue Recognition:** Revenue from the sale of goods is recognized upon passage of title to the customer which generally coincides with the delivery. Claims if any in respect of sales are accounted for as and when settled.
- d) **Fixed Assets and depreciation:** Fixed assets are stated at cost of acquisition including expenditure incurred during construction/ erection period less accumulated depreciation. Depreciation is provided in the manner and at the rates prescribed in Schedule XIV of the Companies Act on written down value method in case M/s Bio Green Industries Limited and straight line method in case of Bio Green Papers Limited a 100% WOS of Bio Green Industries Limited.
- e) **Investments:** Long term investments are stated at cost of acquisition or book value.
- f) **Inventories:** Inventories are valued at cost or realizable value which ever less is.
- g) **Retirement benefits:** Gratuity and other retirement benefits are not provided in the books of accounts and will be accounted for on cash basis.
- h) **Taxes on income:** Provision for current tax is not made since the company has incurred loss. No deferred tax liability is worked out on account of accumulated losses.

3. NOTES ON ACCOUNTS:

- 1) The Balance of Sundry Debtors, Advances and Current Liabilities are subject to confirmation from parties.
- 2) The Company has not provided for Gratuity and Leave Encashment to Employees on accrual basis, which is not in conformity with AS – 15 issued by ICAI. However, in the opinion of management the amount involved is negligible and has no impact on Profit & Loss Account.
- 3) In the opinion of the management, loans & advances are recoverable at the value stated in the financial statements and adequate provisions have been made in the accounts for all known liabilities.
- 4) Additional information pursuant to the provisions of Clause 4a of Part II of Schedule VI of the Companies Act, 1956:
Commission (u/s 349) "Nil".
- 5) Additional information pursuant to the provisions of Clause 4b of Part II of Schedule VI of the Companies Act, 1956:

	2009-10	2008-09
(a) Auditor Remuneration		
Payments to auditors		
As Statutory Auditor	95,500	95,000
(b) Directors Remuneration:	NIL	NIL

- 6) Additional information pursuant to the provisions of Paragraphs 4c of Part II of Schedule VI of the Companies Act, 1956:

(A) LICENCED AND INSTALLED CAPACITY

	As at 31st March, 2010	As at 31st March, 2009
(a) Licensed Capacity	Not Applicable	Not Applicable
(b) Installed Capacity		
Mineral Water	60 Liter per minute	60 Liter per minute
Kraft Paper	40 ton per day	40 ton per day

- 7) Additional information pursuant to the provisions of Paragraphs 4d of Part II of Schedule VI of the Companies Act, 1956:
 - a. Expenditure in Foreign currency "Nil"
 - b. Earning in Foreign currency "Nil"
- 8) Accounts payable to Small Scale Industrial Undertaking the head of Sundry Creditors – Nil
(Previous Year – Nil)

9) Related party disclosures

As per the accounting standard 18 on “Related Party Disclosures” issued by ICAI the related parties of the company and nature of relationship are as follows:

Related Party	Nature of Relationship
Bio Green Papers Limited	Subsidiary Company
Sri Mukhalinga Aqua Private Limited	Subsidiary Company
V.Jagdish	Key Management Personnel
V.Pushpalata	Key Management Personnel
V.Venkateswarulu	Relative of Key Management Personnel

NOTE: Related Party Relationship is identified by the Management & relied upon by the Auditor. Nature and volume of transaction carried out with the above related parties in the ordinary course of business for the year ended March 31, 2010. **NIL**

10) Earning per share (AS-20)

The company has issued potential equity shares, accordingly, basic and diluted earnings per share are as under:-

Particulars	2009-10	2008-09
Net Profit after Tax (Rs.)	2,50,32,098	4,52,15,456
Weighted Average No. of Equity Shares	80,03,500	80,03,500
Nominal Value of Share (Rs.)	10	10
Basic & Diluted Earning per share (Rs.)	3.13	5.65

11) Accounting for taxes on income (AS-22)

In the opinion of the management the company will not have the taxable income from the business carried out by it hence the deferred tax assets is created.

12) Segment Information (AS-17)

The Company was engaged primarily in the business of Trading in Shares and Financial Activities presently the company has diversified into the sale of Jatropha podogrica plants, manufacturing papers and mineral water accordingly there are no separate reportable segments as per Accounting Standard 17 dealing with segment reporting.

13) As required by accounting standard (AS 28) “Impairment of Assets” issued by the Institute of Chartered Accountants of India, the company has carried out the assessment of impairment of assets. There has been no impairment of loss during the year.

14) Excise duty has not been taken into account for valuation of finished goods.

15) Schedule 1 to 15 forms the integral part of the Balance Sheet as at 31st March 2010 and the P&L A/c for the year ended on that date.

16) Prior year amounts have been regroup & reclassified, where necessary to confirm to current year’s presentation.

17) Balance Sheet abstract and company's general business profile as per the annexure.

18) Contingent liability in respect of income tax demand

Status	Nature	Amount Involved	Period (F.Y)	Forum where is dispute is pending
Income tax Act	Penalty proceeding	Rs. 531,000	2000-01	Honorable CIT (appeal)
Income tax Act	Deemed for tax	Rs. 273,331	2002-03	

19) Particulars in respect of Opening Stock, purchases, sales and closing stock of Jatropha Seeds:

Particulars	2009-10 (QTY)	2008-09 (QTY)	2009-10 (Amount)	2008-09 (Amount)
iii. Opening stock	50,34,971	55,60,000	1,46,96,310	1,39,00,000
ii. Purchases:				
Jatropha Seeds	4,14,64,826	7,29,13,981	6,42,70,480	7,94,76,240
iii. Sales:	3,08,99,713	7,34,39,010	14,67,73,638	22,25,20,200
iv. Closing stock:	1,37,41,078	50,34,971	1,52,35,573	1,46,96,310

As per our Report of even date attached

**For DMKH & Co.
Chartered Accountants**

**Sd/-
Durgesh Kabra
Proprietor
M. No. : 44075
Place : Mumbai
Date: 06/12/2010**

For and on behalf of the Board

**Sd/-
V. Jagdish
Director**

**Sd/-
K. Ramakrishna Reddy
Director**

Bio Green Industries Limited
Cash Flow Statement For the Period Ended 31.03.2010

Particulars	31.03.2010	31.03.2009
Net Profit Before FPT before Tax & Extraordinary Items	25,032,098	45,215,456
Add: Depreciation	6,627,731	6,612,855
Operating Profit Before Working Capital Changes	31,659,829	51,828,311
Increase in Current Assets		
(Increase)/Decrease in Current Assets	30,239,419	(325,786,129)
Increase/(Decrease) in Current Liabilities	(1,019,831)	(4,841,260)
Cash From Operations (A)	60,879,419	(278,799,078)
Cash Flows from Investing Activates		
Investment in Subsidiary	-	(35,000,000)
Purchase of Fixed Assets	-	(524,250)
CWIP	(62,658,799)	(70,000,000)
Cash Flow from Investing Activities (B)	(62,658,799)	(105,524,250)
Cash flow from financing activities		
Unsecured Loans	1,368,963	(57,919,514)
Share Application Money	-	20,035,000
Security Premium	-	421,736,750
Cash Flow From Financing Activities (C)	1,368,963	383,852,236
Net Increase in Cash and Cash Equivalent (A+B+C)	(410,417)	(471,092)
Cash and Cash Equivalent at the beginning of the Year	2,139,355	2,610,447
Cash and Cash Equivalent at the end of the year	1,728,938	2,139,355

As per our Report of even date attached

For DMKH & Co.
Chartered Accountants

Sd/-
Durgesh Kabra
Proprietor
M. No. : 44075
Place : Mumbai
Date: 06/12/2010

For and on behalf of the Board

Sd/-
V. Jagdish
Director

Sd/-
K. Ramakrishna Reddy
Director

BIO GREEN INDUSTRIES LIMITED

**Registered Office at Kalina Motors Compound ,Kurla Kalina Road, Near Air India Colony, Kalina
Mumbai -400029.**

ATTENDANCE SLIP

Members or their proxies are requested to present this for admission, duly signed in accordance with their specimen signatures registered with the Company. The admission will, however, be subject to verification of signatures and such other checks, as may be necessary.

NAME & ADDRESS OF THE SHAREHOLDER	DP ID/CLIENT ID LEDGER FOLIO	NO. OF SHARES HELD

I hereby record my presence at the ANNUAL GENERAL MEETING of the Company held on 31st December, 2010 at 11.00 a.m.

SIGNATURE OF THE SHAREHOLDER OR PROXY

BIO GREEN INDUSTRIES LIMITED

**Registered Office at Kalina Motors Compound, Kurla Kalina Road, Near Air India Colony, Kalina
Mumbai -400029.**

DP ID/ CLIENT ID L.F. No.

I, We _____ of
_____ being a member / members of **BIO GREEN INDUSTRIES
LIMITED** hereby appoint _____ of _____
as my/our proxy to vote for me /us and on my/our behalf at the Annual General Meeting of the Company
to be held at 11.00 a.m. on 31st December 2010.

As witness my/our hand(s) this _____ day of _____ 2010,

Affix a Rs.1
Revenue
Stamp

Signature of the Shareholder(s)

NOTE: The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the aforesaid Meeting.

BIO GREEN INDUSTRIES LIMITED

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Mumbai -400029.**