

28th

Annual Report

2011-12

**Chhattisgarh
Industries
Limited**

Registered Office:

Village: Chaple, Tehsil: Kharsia,

Dist.: Raigarh - 496 661, Chhattisgarh

BOARD OF DIRECTORS

Mr. Keshav Goyal

Executive Director

Mr. Ashish Goyal

Executive Director

Mr. Ram Bharos Jha

Non-Executive Director

BANKERS

Dena Bank

Allahabad Bank

REGISTERED OFFICE

Village Chaple, Teshil Kharsia,
Dist: Raigarh: 496 661
Chhattisgarh

AUDITORS

M/S C.S. Sarda & Co.
Chartered Accountants
412, Shantiniketan Bldg,
8, Camac Street,
Kolkata - 700 071.

CORPORATE OFFICE

7/A, 2Nd Floor, 27/33,
Beaumontchambers,
N.M. Road, Fort,
Mumbai - 400 001.

**REGISTRAR AND
TRANSFER AGENT**

ABS Consultant (P) Ltd
9, Stephen House, 6th Floor,
4, B. B. D. Bag (E),
Kolkata: 700 001

Contents

	<i>Page No.</i>
Notice of Meeting	2-4
Directors' Report	5-8
Corporate Governance Report.....	10-17
Auditors' Report.....	18-21
Balance Sheet.....	22
Profit & Loss Account.....	23
Cash Flow Statement.....	24
Schedule and Notes.....	25-29
Proxy & Attendance Slip	31

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 28TH ANNUAL GENERAL MEETING OF THE MEMBERS OF CHHATTISGARH INDUSTRIES LIMITED WILL BE HELD ON THURSDAY, SEPTEMBER 27, 2012 AT 5:00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT VILLAGE CHAPLE, TESHIL KHARSIA DISTRICT RAIGARH, CHHATTISGARH - 496 661 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on March 31, 2012 and Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Ashish Goyal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, pass the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** since the existing auditors having expressed their unwillingness to continue to be the auditors of the Company, M/s. U K Rathi & Co., Chartered Accountants, pursuant to the provisions of Section 224 (6)(a) of the Companies Act, 1956, be and are hereby appointed as the Statutory Auditors of the Company w.e.f. September 27, 2012, to hold the office for a term until the conclusion of the next Annual General Meeting and that their remuneration be decided by the Board subject to the approval of the shareholders of the Company.
“**FURTHER RESOLVED THAT** any of the Directors of the Company be and is hereby authorized to intimate M/s. U K Rathi & Co. of their appointment as the Auditors of the Company and to decide their remuneration in the best interest of the Company.”

SPECIAL BUSINESS:

4. To consider and if thought fit, pass the following resolution with or without modification as an Ordinary Resolution:
“**RESOLVED THAT** Mr. Ram Bharos Jha, earlier appointed as an Additional Director on the board in terms of Section 260 of the Companies Act, 1956 and liable to vacate his office at the date of ensuing Annual General Meeting, and have offered himself for the appointment of the same, be and is hereby appointed as a non executive director on the Board.”
5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:
“**RESOLVED** that in pursuant to provisions of section 146 of the Companies Act, 1956 and any of the applicable provisions of the Companies Act if any, and pursuant to the specified clauses of Memorandum and Article of Association, the Company be and is hereby authorised to change the registered office of the Company w.e.f. September 29, 2012;

From:

Village Chaple, Teshil Kharsia District Raigarh, Chhattisgarh - 496 661 (Current Address)

To:

Near Balaji Transport Company, Opp. Amarnath Dharmkanta Hirapur, Ring Road No- 2, Raipur, Chhattisgarh – 492 099 (Proposed Address)

“**FURTHER RESOLVED** that Mr. Ashish Goyal, Director of the Company be and is hereby authorised to furnish and / or file such necessary forms, papers and documents with the Registrar of Companies and do all such act and things as may be considered necessary incidental and ancillary for the above mentioned purpose.”

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
“**RESOLVED THAT** pursuant to the provisions of Section 293(1)(a) and other applicable provisions of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof) the Company may proceed to dispose off and sell its fixed assets subject to necessary approvals as may be required in this regard from appropriate authorities and subject to such terms and subject to the approval of shareholders, consent of the Company be and is hereby accorded to Board of Directors.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto.”

7. To consider and if thought fit, to pass with or without modification, the following as an Ordinary resolution:

“RESOLVED THAT the consent of the Company be and is hereby granted, in accordance with Section 293 (1)(d) and all other applicable provisions, if any, of the Companies Act, 1956 and the Article of Association of the Company, to the Board of Directors of the Company, to borrow any sum or sums of money from time to time at their discretion, for the purpose of the business of the Company, which together with monies already borrowed by the Company, (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed at any time, the aggregate of the paid-up capital of the Company and its free reserves (that is to say, reserves, not set apart for any specific purpose) by a sum not exceeding ₹ 50 crores (Rupees Fifty Crores Only), and that the Board of Directors be and is hereby empowered and authorized to arrange or fix the terms and condition or all such monies to be borrowed from time to time as to interest repayment, security or otherwise as it may think fit.”

By Order of the Board

Sd/-

KESHAV GOYAL

Director

Raigarh
August 25, 2012

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AT THE MEETING. A PROXY NEED NOT BE A MEMBER. A PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. The instrument(s) appointing the proxy, if any, shall be deposited at the Registered Office of the company at Village Chaple, Teshil Kharsia, Dist: Raigarh: 496 661, Chhattisgarh.
3. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Annual General Meeting is attached.
4. The Register of, Members and the Share Transfer Books of the company will remain closed Saturday, September 22, 2012 to Thursday, September 27, 2012 (both days inclusive).
5. Members (Those holding shares in the physical form only) are requested to inform the changes, if any, in their registered address to the company's Share Transfer Agent.
6. For the convenience of the Members, an Attendance Slip is annexed to the Proxy Form. Members are requested to affix their signature at the space provided and fill up the particulars and hand over the attendance slip at the place of the Meeting.
7. Members desiring any information on the Accounts are requested to write to the Company at least one week before the meeting so as to enable the Management to keep the information ready and replies will be provided at the meeting.
8. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses. In respect of electronic holdings, with the Depository through their concerned Depository Participants and members who hold shares in physical form are requested to register the same with our RTA, ABS Consultant (P) Limited.

By Order of the Board

Sd/-

KESHAV GOYAL

Director

Raigarh
August 25, 2012

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF COMPANIES ACT, 1956**Item No 3:**

The existing statutory auditor of the company has expressed his inability to continue as the auditor of the company and accordingly a casual vacancy has been caused in the office of the statutory auditor of the company, due to his resignation.

As per provisions of the companies act, 1956, any casual vacancy in the office of auditor of a company due to resignation of the outgoing auditor is required to be filled in by the company in general meeting.

Accordingly the company had approached M/S. U K Rathi & Co., Chartered Accountant, Kolkata for being appointed as the auditor of the company till the conclusion of the forthcoming AGM. Partners of the firm, has given his consent for accepting the office and has also issued a certificate to the effect that, his appointment if made shall be within the statutory limits provided as per the provisions of the act.

The Board of Directors recommends the proposed resolution for your approval.

None of the directors of the Company are in any way concern or interested in the resolution.

Item No. 4:

The company had appointed Mr. Ram Bharos Jha as an additional director on the board w.e.f. February 14, 2012. However as per provisions of the act, an additional director is liable to vacate his office on the date of annual general meeting.

Mr. Ram Bharos Jha has given his consent for being appointed as an non executive director on the board. A brief bio-data of Mr. Ram Jha would be placed before the shareholders and thereby are requested to consider his appointment and pass the said resolution as an ordinary resolution.

The Board of Directors recommends the proposed resolution for your approval.

None of the directors except Mr. Ram Bharos Jha being the proposed appointee have personal interest in the said resolution.

Item No. 5:

The registered office of the company is currently located at village Chaple, Teshil Kharsia District Raigarh, Chhattisgarh-496661 which is at the rural area of the town thereby making it difficult for the management of the company to travel. In order to help the management save their time in getting to work the board of directors propose to shift the registered office of the company to near Balaji Tansport Company, Opp. Amarnath Dharmkanta Hirapur, Ring Road No- 2, Raipur- 492 099, Chhattisgarh.

The Board of Directors recommends the proposed resolution for your approval.

None of the directors are concerned or interested in the proposed resolution.

Item No. 6:

The Company may proceed to sell any of its fixed assets which according to the management has no value on date and is a mere scrap. The necessary disclosures of the fixed assets which would be disposed off to the shareholders in the general meeting.

The Board of Directors recommends the proposed resolution for your approval.

None of the directors are concerned or interested in the proposed resolution.

Item No. 7

The Company is in the process of executing its proposed expansion and therefore would require additional funds for the successful execution of the same. The company may seek finance from Banks and other financial institutions in order to meet its funds requirements. The amount of the expected term loan and/ or working capital loans may exceed its paid-up share capital and free reserves.

The Board of Directors recommends the proposed resolution for your approval.

None of the directors of the Company are in any way concern or interested in the resolution.

Raigarh
August 25, 2012

By Order of the Board

Sd/-
KESHAV GOYAL
Director

DIRECTORS' REPORT

To,

The Members of **Chhattisgarh Industries Limited**

Your Directors have pleasure in presenting the 28th Annual Report with the Audited Accounts of the Company for the year ended March 31, 2012.

Financial Results

The financial Results are briefly indicated below:

PARTICULARS	YEAR ENDED	
	31 st March 2012	31 st March 2011
Sales and Other Income	—	60,751,238
Total Expenditure	2,081,276	81,153,795
Profit before Tax	(2,081,276)	(20,402,557)
Profit/(Loss) for the period	(2,081,276)	(20,402,557)

OPERATIONS

During the year under review, the Company has incurred cash loss of ₹ 20.81 lacs during the year and has accumulated loss of ₹ 676.97 lacs at the end of the financial year.

However, the Company will continue to be responsive to changes in market dynamics and consumer behaviour and other key factors influencing the business, and will formulate its strategies accordingly.

DIVIDEND

With a view to build resources for future needs and in the absence of profits, Directors regret their inability to recommend any dividend for the financial year under review.

DIRECTORS

During the year following changes were made in the Board of the Company

Mr. Ashish Goyal, Director of the Company retires by rotation and being eligible, offers himself for re-appointment.

Mr. Manoj Kumar Ganguly, (Whole-Time Director of the Company) has resigned w.e.f. 27/07/2011.

Mr. Arihant Jain has resigned w.e.f. 14/02/2012 who was appointed as an Independent Director of the Company.

Mr. Ram Bharos Jha has been appointed as an Additional Director w.e.f. February 14, 2012

DE-LISTING & REDUCTION OF CAPITAL

The Company has initiated necessary filings for de-listing its equity shares from the Calcutta Stock Exchange and for Reduction of its Capital based on the approval received from its shareholders during the last Annual General Meeting held for the financial year 2010-11.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956 the Board of Directors hereby confirms:

- i. That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profits of the Company for that period.
- iii. That the Directors have taken proper and sufficient care for the maintenances of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors have prepared the Annual accounts on a going concern basis.

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

The particulars relating to Conservation of Energy, Technology absorption and foreign exchange earnings and outgo are not applicable to the company. However, efforts are being made to conserve and optimize the use of energy wherever possible. During the year under review, your Company has neither earned nor spent any foreign exchange.

DEMATERIALIZATION OF EQUITY SHARES:

The Company's equity shares are available for trading in the Depository systems of both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited. The International Security Identification Number (ISIN) allotted by NSDL and CDSL to Chhattisgarh Industries Limited is INE473C01017 for the equity shares of your Company.

The Status of the Shares of the Company as on March 31, 2012 are as follows:

Particulars	No. of Shares
NSDL Folios	2,562,873 Shares
CDSL Folios	2,674,117 Shares
Physical Folio	2,252,410 Shares
TOTAL	7,489,400 Shares

CORPORATE GOVERNANCE

Your Company is not having adequate Board Composition inspite of which Board of Directors have made their best efforts in compliance of the Listing Agreement and such other provisions of the Acts applicable to the Company in its day to day business affairs and its governing. . Separate Reports on the Corporate Governance and Management Discussion & Analysis are included in the Annual Report and Certificate dated August 25, 2012 of the Auditors of your Company confirming the compliance of conditions of Corporate Governance is also annexed thereto.

PARTICULARS OF EMPLOYEES

There was no employee in respect of whom information is required to be given pursuant to Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of

Employees) Amendment Rules, 1999 as amended up-to-date.

AUDITORS

M/s C. S. Sarda & Co., Chartered Accountants, the Statutory Auditors of the Company, retires at the ensuing Annual General Meeting of the Company. They have expressed their inability for the reappointment as a Statutory Auditors of the Company at the ensuing Annual General Meeting of the Company because of pre-occupation. Board has proposed the name of M/s U. K. Rathi & Co., for the appointment as a Statutory Auditor of the Company, for the approval of the Shareholders of the Company at the Annual General Meeting of the Company, in place of retiring Auditor M/s C. S. Sarda & Co.

AUDITOR REPORT

The Auditors' Report to the shareholders did not contain any adverse or qualification remarks.

INDUSTRIAL RELATIONS

During the year under review, your company has cordial and harmonious industrial relations at all levels of the Organization.

STOCK EXCHANGE

The Company's securities are listed at Calcutta Stock Exchange Limited and Bombay Stock Exchange Limited. Since trading in equity shares of the Company on the Calcutta Stock Exchange Ltd. is negligible, Board considers it fit to delist shares from Calcutta Stock Exchange. Further, considering the expansion of the BSE and its extensive network and terminals across the country, it is not advisable & continues to Calcutta Stock Exchange. Besides, BSE having nationwide terminals provide adequate opportunity to shareholders to trade in Company's shares. The delisting will take effect only after all approvals, sanctions and permission has been received.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any Fixed Deposits from public within the meaning of the provisions of the Section 58A of the Companies Act, 1956 and the Rules made thereunder.

APPRECIATION:

Your Directors place on record their deep appreciation for the continued, support and co-operation extended to the Company by the Banks, various departments and agencies of Central and State Government and other agencies.

Your Directors thank our esteemed shareholders for your continued support.

Your Directors place on record their appreciation of the dedication and commitment of your Company's employees and look forward to their support in the future as well.

Raigarh
August 25, 2012

By Order of the Board

Sd/-
KESHAV GOYAL
Director

ANNEXURE TO DIRECTORS REPORT**INFORMATION REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988**

Particulars with respect to Conservation of Energy, Technology Absorption as per section 217(1) (e) of the Companies Act, 1956 read with Company's (Disclosure of particulars in the Board of Directors) Rule, 1988 for the year ended 31st March 2012-are annexed to this report.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**A. CONSERVATION OF ENERGY**

The operations of the company are not energy intensive. However wherever possible the company strives to curtail the consumption of energy on continued basis. Further company has absorbed latest technology which is helpful in conserving energy.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The Company over the years through its experience has developed modified and adopted unique technique of stamping of LAM Coke which increases the efficiency of Coke.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange earnings and outgo during the year 2011-2012 are as under.

PARTICULARS	2010-11	2011-12
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange Outgo	NIL	NIL

Raigarh
August 25, 2012

By Order of the Board

Sd/-
KESHAV GOYAL
Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

BUSINESS OUTLOOK

The Company is looking for new business avenues in various areas like Manufacturing of coke, hard coke and other coal/coke related product.

RISK AND CONCERNS

The Company is exposed to risks from market fluctuation of interest rate and stock market fluctuation of the share price.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has appropriate internal control systems relating to its areas of operations. The internal control systems lay emphasis in financial reporting and compliance with applicable rules and regulations.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The main source of income is derived from income from sale of sarees and income from investment in shares.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

Since the Company is engaged in trading activity therefore minimum number of staff and workers has been retained in the Company to oversee day to day operations. The Company cares for its personnel and considers them as their assets.

Raigarh
August 25, 2012

By Order of the Board

Sd/-
KESHAV GOYAL
Director

CORPORATE GOVERNANCE REPORT

1. The Company's philosophy on Code of Corporate Governance

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good governance practices stem from the culture and mindset of the organization. The Company believes that good Corporate Governance practices should be enshrined in all activities of the Company. This would ensure efficient conduct of the affairs of the Company and help the Company achieve its goal of maximizing value for all its stakeholders. The Company has a strong legacy of fair, transparent and ethical governance.

The Company recognizes that good Corporate Governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all the stakeholders.

2. Board of Directors

Composition as on March 31, 2012

The Board of Directors as on March 31, 2012 consists of total three Directors. The Chairman of the Company is Executive Director.

Name	Category	No. of outside Directorship(s) held in Public and Private Limited		No. of Board Committee position held in other Public Limited Companies	
		Private	Public	Chairman	Member
Mr. Keshav Goyal	Executive Director	3	–	–	–
Mr. Ashish Goyal	Executive Director	1	1	N.A.	N.A.
Mr. Ram Jha	Non Executive Director	–	–	–	–

- Notes:**
- 1) Mr. Manoj Kumar Ganguly resigned as Whole Time Member w.e.f. July 27, 2011.
 - 2) Mr. Ram Jha was appointed as additional director w.e.f. February 14, 2012.
 - 3) Mr. Arihant Goyal resigned as an Independent director w.e.f. February 14, 2012

3. Board Meetings

The Board held 7 meetings during the year 2011-12 on 31.05.2011, 30.06.2011, 27.07.2011, 12.08.2011, 14.11.2011 and 21.02.2012.

Attendance of Directors at Board Meetings and at the Annual General Meeting

Name of the Director	No of Board Meetings Attended	Whether Attended the Last AGM
Mr. Keshav Goyal	4	Yes
Mr. Ashish Goyal	4	Yes
Mr. Ram Jha	1	No

The Board ensures compliance of all laws applicable to the Company and takes steps to rectify non-compliances, if any.

4. Committees of the Board

(i) Audit Committee

The Audit Committee oversees the Company's financial reporting process and disclosure of its financial information, to recommend the appointment of Statutory Auditors and fixation of their remuneration, to review and discuss with the Auditors, adequacy of the internal audit system, major accounting policies, practices and entries, compliance with accounting standards and Listing Agreements and other legal requirements concerning financial statements and related party transactions, if any, to review the financial statements before they are submitted to the Board of Directors. Due to unavailability of independent directors inspite of best efforts of the Company, the Company has not been able to constitute Audit Committee as per the Listing Agreement.

Composition and Attendance

During the year 2011-12, 4 meetings of the Audit Committee were held on 31.05.2011, 12.08.2011, 14.11.2011 and 14.02.2012.

Name of Member	Category	No of meetings attended
Mr. Keshav Goyal	Executive Director	4
Mr. Ashish Goyal	Executive Director	4
Mr. Ram Jha	Non Executive Director	1

(ii) Remuneration Committee

The Company has not formed a remuneration committee which is a part of non-mandatory code. The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The remuneration policy is in consonance with the existing industry practices and the requirements of law. The Company does not have any stock option plan or performance linked incentives for its directors. The Company has not paid any remuneration to any of its directors.

5. Share Transfers and share holders/investors grievance committee.

A) Terms of reference

The Committee into issues relating to shares, including transfer/transmission of shares, issue of duplicate share certificates, non-receipt of dividend, annual reports etc. The Committee meets to review status of investor grievances, rectify transfers, approve transmission of shares and issue duplicate share certificates from time to time. Besides, officers of the Company have been authorized to approve issue of share certificates, approve transfer/transmission of shares, consolidation, sub-division and split of share certificates.

B) Compliance officer

The Board has designated Mr. Keshav Goyal, the Director of the Company as the Compliance Officer.

Shareholders/Investors Grievance Committee:**Composition and attendance of Shareholders/Investors Grievance Committee:**

Composition	Designation	Date of Meeting	Attendance
Mr. Keshav Goyal	Executive Director	21.02.2012	Yes
Mr. Ashish Goyal	Executive Director	21.02.2012	Yes
Mr. Ram Jha	Non Executive Director	21.02.2012	Yes

2. (a) General Body Meetings :

The Last three Annual General Meetings were held as per the details given below:

Year	Date	Time	Venue	Special Resolution
2010-2011	August 1, 2011	3:30 p.m.	Registered Office	2
2009-2010	September 7, 2010	10:30 a.m.	Registered Office	None
2008-2009	August 17, 2009	10:30 a.m.	Registered Office	2

(c) Postal Ballot

During the year ended March 31, 2012, no resolution was passed by the Company's shareholders required voting by postal ballot. At the ensuing AGM also there are no resolutions in the Notice to be passed through Postal Ballot.

3. Disclosures**(a) Disclosures on materially significant related party transactions, pecuniary or business relationship with the Company**

There have been no materially significant related party transactions that may potentially conflict with the interests of the Company or its subsidiaries, with any of the directors or their relatives during the year 2011-12

(b) Details of non-compliance by the Company, penalties and structures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority or any matters related to Capital Market:

No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority, or any matter related to capital markets during last 3 years.

(c) Whistle Blower Policy:

The Company has formulated a policy known as 'Whistle Blower Policy' to allow and encourage our employees to bring to the Management's notice (Audit Committee) directly, without necessarily informing their superiors about suspected unethical behaviour, malpractice, wrongful conduct, fraud, violation of the Company's policies including code of conduct, violation of law or questionable accounting or auditing matters by any employee/director in the Company without fear of reprisal.

The Company further undertakes that it has not denied any personal access to the Audit Committee of the Company in respect of matters involving alleged misconduct/malpractice/unethical behaviour and that it has provided protection to 'Whistle Blowers' from unfair termination and other unfair or prejudicial employment practices.

(d) Details of compliance with the mandatory requirements and adoption of non-mandatory requirements of Clause 49:

The Company has not been in complete compliance with Clause 49 and is in process of adopting non- mandatory requirements of Clause 49, wherever feasible.

(e) Risk Management:

The Executive Management controls risk through means of properly defined framework.

(f) Code of Conduct:

The Board of Directors of your Company has laid down the Code of Conduct for all Board of Members and Senior Management of the Company, which delineates the principles governing the conduct of employees including Directors, with all the stakeholders of the Company. The code covers transparency, legal compliances, concern of occupational health, safety and environment, a gender friendly work place and philosophy of leading by personal examples.

All Board Members and Senior Management of your Company ensure the compliances with these principles. The Board is responsible for ensuring that these principles are communicated to, understood and observed by all employees. Compliance of the code is subject to the review by the Board supported by the Audit Committee of the Board.

(g) CEO/CFO Certification

A certificate from the Chief Financial Officer on the financial statements of the Company was placed before the Board.

(h) Means of Communication

- (1) Quarterly results are published in leading newspapers like Business Standard and Central Chronicle
- (2) Management Discussion and Analysis Report forms part of the Director's Report.

4. General Shareholders Information**(a) Date, Time and Venue of Annual General Meeting**

The Company will hold its Twenty Eight Annual General Meeting on Thursday, September 27, 2012, at 5 p.m. at the Registered Office of the Company at Village Chale, Tehsil, Dist. Raigrah Chhattisgarh.

(b) Financial Calendar(tentative and subject to change)

The Company expects to announce the unaudited quarterly results for the year 2012-13 as per the following schedule:

Financial Reporting for the quarter ending June 30, 2012	Within 45 days from the end of quarter ending June 30, 2012
Financial Reporting for the quarter ending September 30, 2012	Within 45 days from the end of quarter ending September 30, 2012
Financial Reporting for the quarter ending December 31, 2012	Within 45 days from the end of quarter ending December 31, 2012
Financial Reporting for the quarter ending March 31, 2013	Within 45 days from the end of quarter ending March 31, 2013

(c) Date of Book Closure

The Company's Register of Members and Share Transfer Book will remain closed from September 22, 2012 to September 27, 2012 (both days inclusive)

(d) Dividend Payment Date

The Board of Directors has not recommended any dividend for the financial year 2011-12.

(e) Listing on Stock Exchange**(i) Bombay Stock Exchange**

Phiroze Jeejeebhoy Towers, Dalai Street,
25th Floor, Mumbai - 400 001

(ii) Calcutta Stock Exchange Association Limited

7, Lyons Range, Kolkatta - 700 001.

(f) Stock Code

Bombay Stock Exchange	530495
Calcutta Stock Exchange Association Limited	28050
ISIN	INE 473C01017

(g) Stock Market Date

Market Price Date-Monthly high/low of Company's Equity shares during the financial year 2011-12 on the BSE along with performance in comparison to BSE Sensex is given as under:

Month	Chhattisgarh Industries Limited on BSE		BSE Sensex	
	High (₹)	Low (₹)	High	Low
April 2011	11.00	6.36	19811.14	18976.19
May 2011	8.50	6.75	19253.87	17786.13
June 2011	7.98	6.50	18873.39	17314.38
July 2011	7.71	6.01	19131.70	18131.86
August 2011	6.67	5.60	18440.07	15765.53
September 2011	5.93	4.15	17211.80	15801.01
October 2011	5.13	3.71	17908.13	15745.43
November 2011	4.18	3.81	17702.26	15478.69
December 2011	4.93	3.13	17003.71	15135.86
January 2012	4.65	3.06	17258.97	15358.02
February 2012	4.96	3.49	18523.78	17061.55
March 2012	3.92	3.17	18040.69	16920.61

(h) Registrar and Transfer Agents for shares held in Physical as well as Depository mode:**ABS Consultant Pvt. Ltd.**

Stephen House
R. No. -99, 5th Floor,
4 B B D Bag (East), Kolkata - 700 001
Ph- 91-33-22430153/22201043
Fax- 91-33-22430153

(i) Share Transfer System

The Board has delegated the power of share transfer to Shareholders/Investors Grievance Committee. The Committee holds meeting at regular interval to consider all matters concerning transfer and transmission of shares.

(j) Distribution and Shareholding Pattern

Distribution of shareholding of Company as on March 31, 2012:

Range of Equity Shares	No. of Shareholders	% of total holders	No. of Shares	% to total
Up to 500	822	48.41	253503	3.38
501-1000	362	21.32	312314	4.17
1001-2000	210	12.37	330996	4.42
2001-3000	82	4.83	214491	2.86
3001-4000	43	2.53	157361	2.10
4001-5000	36	2.12	173926	2.32
5001-10000	60	3.53	463238	6.19
10001-50000	60	3.53	1362859	18.20
50001-100000	14	0.82	1192807	15.93
100001-Above	9	0.53	3027905	40.43

Shareholding Pattern of the Company as on March 31, 2012:

Category	No. of shares held	Percentage of Holding
A. Promoter and Promoter Group		
1. Indian Promoters	900,000	12.02
2. Foreign Promoters	—	—
Sub Total (A)	900,000	12.02
B. Public Shareholding		
1. Institutional Investors	43,700	0.58
– Mutual Funds & UTI		
– Banks, Financial Institutions Insurance Companies		
– Central Government / State Government		
– Foreign Institutional Investors		

Category	No. of shares held	Percentage of Holding
2. Non-Institutional Investors		
– Individuals/HUFs		
– NRIs		
– Bodies Corporate		
Individuals	2,131,634	28.46
Individuals shareholders holding nominal share capital up to ₹ 1 lakh	1,744,026	23.29
Individuals shareholders holding nominal share capital excess of ₹ 1 lakh	2,670,040	35.65
Sub Total	6,545,700	87.40
Total Public Shareholding(B)	6,589,400	87.98
Total (A)+(B)+(C)	7,489,400	100.00

(k) Dematerialization of Securities

The Company's shares are available for trading in the Depository System both at National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Internet Security Identification Number (ISIN) allotted by NSDL and CDSL to Chhattisgarh Industries Limited is INE473C01017.

(l) Outstanding GDRs/ADRs/Warrants or any other Convertible Instrument.

Company has not issued any GDRs/ADRs/Warrants or any other convertible instruments or any issue (public issue, right issue, preferential issue etc.) to have impact on Equity Share Capital of the Company.

(m) Address for Correspondence

Chhattisgarh Industries Limited
7/A, 2nd Floor, 27/33, Beaumoon Chambers
N. M. Road, Fort Mumbai - 400 001

By Order of the Board

Raigarh
August 25, 2012

Sd/-
KESHAV GOYAL
Director

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY

The Board Members and the senior management Personnel have confirmed compliance with the Code of Conduct and Ethics for the period ended March 31, 2012, as provided under clause 49 of the Listing Agreements with the Stock Exchange to the best of their efforts.

By Order of the Board

Raigarh
August 25, 2012

Sd/-
KESHAV GOYAL
Director

COMPLIANCE CERTIFICATE OF THE AUDITORS

A certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this report.

Auditors Certificate on Corporate Governance

To,

The Members,

CHHATTISGARH INDUSTRIES LIMITED

We have examined the compliance of conditions of corporate governance by Chhattisgarh Industries Limited for the year ended 31st March, 2012, as stipulated in clause 49 of the Listing Agreement of the said company with stock exchanges.

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

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

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the 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 and on behalf of

C.S. Sarda & Co.

Chartered Accountants

Sd/-

C.S. Sarda

(Proprietor)

Membership No: 056406

Firm No:322397E

Place : Kolkata

Date : 18.08.2012

AUDITORS' REPORT

To,

The Members of

Chhattisgarh Industries Limited

Mumbai

- 1) We have audited the attached Balance Sheet of **M/s Chhattisgarh Industries Limited** as at 31st March, 2012 and also the Profit and 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 from any material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government 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:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account of the Company;
 - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - e) On the basis of representations made by the Directors of the Company and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with Significant Accounting Policies and Notes on Accounts forming part thereof, give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India;
 - I. In the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2012

- II. In the case of Profit and Loss Account, of the Profit or Loss for the year ended on that date; and
- III. In the case of Cash Flow Statement of the cash flows for the year ended on that date.

For and on behalf of

C.S. Sarda & Co.

Chartered Accountants

Sd/-

C.S. Sarda

(Proprietor)

Membership No: 056406

Firm No:322397E

Place : Kolkata

Date : 18.08.2012

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 3 our report of even date

On the basis of such checks as we considered appropriate and on the basis of examination of records and in terms of the information and explanations given to us, we state that:

- I. (a) the company is maintaining proper records to show full particulars, including quantitative details and situation of fixed assets and Capital WIP.
(b) All fixed assets have not been physically verified by the management during the year but 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.
- II. (a) As explained to us company is not engaged in manufacturing activities but is planning to manufacture LAM Coke in near future.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were 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 has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- III. (a) The Company has not granted any loans, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under section 301 of the companies Act 1956, Clause 4(iii)

- (b) Of the order relating to the rate of interest and other terms and conditions, whether prima facie prejudicial to the interest of the company and clause 4(iii)
 - (c) Relating to regularity of receipt of the Principal amount and interest, are not applicable.
- IV. In our opinion, there are generally adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to the purchase of coal, consumables, stores, spares and fixed assets. We have not come across any instance of major weakness in the said internal controls.
- V. (a) On the basis of audit procedures performed by us, we are of the opinion that the transactions in which directors were interested and which were required to be entered in the register maintained under section 301 of the Companies Act, 1956, have been so entered.
- (b) Based on the information and explanation given to us, in our opinion, these transactions have been made at reasonable prices having regard to the prevailing market prices at the relevant time.
- VI. The Company has not accepted any deposits from public; hence clause (VI) of the Order does not apply.
- VII. In our opinion, the internal audit system is commensurate with the size of the Company and the nature of its business.
- VIII. The Company is not required to maintain cost records under section 209(1) (d) of the Companies Act, 1956.
- IX. The Company is regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Customs Duty and other material statutory dues with appropriate authorities. As per information and explanations given to us, no such undisputed statutory dues were in arrears as on 31st March 2012 for a period of more than six months from the date they became payable.
- X. The Company has incurred cash loss of ₹ 20.81 Lacs during the year and their accumulated loss at the end of the financial year is 676.97 Lacs.
- XI. The Company does not have any dues to Financial Institution or bank so clause (xi) is not applicable.
- XII. The Company has not granted any loans or advances on the pledge of any securities; hence clause (xii) of the order does not apply.
- XIII. In our opinion and according to the information and explanation given to us, the company is not a Chit fund or nidhi /mutual benefit fund/ society. Therefore, the provisions of clause (xiii) of paragraph 4 of the companies (Auditor's Report) order, 2003 are not applicable to the Company.
- XIV. According to the information and explanations given to us, the company is not dealing or trading in shares, securities, debentures and other investments, the requirements of clause 4(xiv) of the order relating to the maintenance of the proper records of the transactions are not applicable.

- XV. In our opinion and according to the information and explanation given to us, the terms & conditions of the guarantees given by the company for loans taken by others from banks and financial institutions, are not prima facie prejudicial to the interest of the company.
- XVI. In our opinion and according to the information and explanation given to us, the term loans obtained during the year have been prima facie applied for the purpose for which they were taken.
- XVII. According to the information and explanation given to us and an overall examination of the Balance Sheet of the company, funds raised on short-term basis, have not been used for long-term investments.
- XVIII. During the year under review, the Company did not make any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- XIX. The Company has not issued any secured debentures during the year, hence the question of creation of security or charge in respect of debenture issued does not apply.
- XX. The company has not raised any money by public issues during the year under review.
- XXI. According to the information and explanations given to us and to the best of our knowledge and belief, no fraud on or by the Company has been noticed or reported by the Company during the year.

For and on behalf of

C.S. Sarda & Co.

Chartered Accountants

Sd/-

C.S. Sarda

(Proprietor)

Membership No: 056406

Firm No:322397E

Place : Kolkata

Date : 18.08.2012

BALANCE SHEET AS AT 31st MARCH, 2012

Particulars	Note No.	Figures as at the end of 31 st March 2012 ₹	Figures as at the end of 31 st March 2011 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	74,894,000	74,894,000
(b) Reserves and Surplus	2	(67,697,040)	(65,615,763)
(c) Money received against share warrants		-	-
(2) Share Application money pending allotment			
		-	-
(3) Non-Current Liabilities			
(a) Long-Term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)		737,334	737,334
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
(4) Current Liabilities			
(a) Short-Term Borrowings		-	-
(b) Trade Payables	3	20,329,549	17,500,000
(c) Other Current Liabilities	4	12,452	12,100
(d) Short-Term Provisions	5	66,279	66,279
Total Equity & Liabilities		28,342,574	27,593,950
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Gross Block	6	24,261,047	22,366,900
(ii) Depreciation		-	-
(iii) Net Block		24,261,047	22,366,900
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances		-	-
(e) Other non-current assets		-	-
(2) Current Assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables	7	46,170	214,013
(d) Cash and cash equivalents	8	202,016	236,299
(e) Short-term loans and advances	9	3,833,341	4,776,738
(f) Other current assets		-	-
Total Assets		28,342,574	27,593,950
Notes to Accounts		14	

Schedules referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

For **C.S. SARDA & CO.**
Chartered Accountants

For **CHHATTISGARH INDUSTRIES LIMITED**

(C.S. SARDA)
Proprietor
Membership No. : 056406
Firm Reg. No.: 322397E

Keshav Goyal
(Director)
Ashish Goyal
(Director)
Place : Kolkata
Dated : 18/08/2012

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31st MARCH, 2012

Sr. No.	Particulars	Note No.	Figures as at the end of 31 st March 2012 ₹	Figures as at the end of 31 st March 2011 ₹
I	Revenue from operations	10	-	60,751,238
	Total Revenue		-	60,751,238
II	Expenses:			
	Cost of materials consumed	11	-	77,328,054
	Employee Benefit Expense	12	318,360	317,000
	Other Administrative Expenses	13	1,762,916	558,741
	Loss on Sale of Investment		-	2,950,000
	Total Expenses		2,081,276	81,153,795
III	Profit before Tax	(I - II)	(2,081,276)	(20,402,557)
IV	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
V	Profit/(Loss) for the period (XI + XIV)		(2,081,276)	(20,402,557)
VI	Earning per equity share:			
	(1) Basic		(0.28)	(2.72)
	(2) Diluted		(0.28)	(2.72)

Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement

This is the Profit and Loss Statement referred to in our Report of even date.

For **C.S. SARDA & CO.**
Chartered AccountantsFor **CHHATTISGARH INDUSTRIES LIMITED****(C.S. SARDA)**
Proprietor
Membership No. : 056406
Firm Reg. No.: 322397E**KESHAV GOYAL**
(Director)**ASHISH GOYAL**
(Director)Place : Kolkata
Dated : 18/08/2012

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2012

PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT

PARTICULARS	31 st March 2012 (₹)	31 st March 2011 (₹)
A. CASH FROM OPERATING ACTIVITIES		
Net Profit before extra ordinary items and Tax	(2,081,277)	(20,402,557)
Adjustment for:		
Depreciation	-	-
Preliminary Expenses written off	-	-
Interest debited to Profit and loss account	-	-
Non Operating Items	-	-
Loss on sale of Assets(Net)	-	-
Interest Credit to Profit and Loss Account	-	-
Operating Profit Before Working Capital Changes	(2,081,277)	(20,402,557)
Adjustment for:		
(Increase)/Decrease in Trade and other Receivables	1,036,352	20,756,957
(Increase)/Decrease in Inventories	-	613,935
(Increase)/Decrease in other Current Assets	-	-
Increase/(Decrease) Current Liabilities and Provisions	2,829,901	15,666,173
Cash Generated From Other Operations (A)	1,784,976	16,634,508
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed asset	(1,894,167)	(22,366,900)
Interest / Dividend received	-	-
Investment Sold	-	5,500,200
Net Cash Used in Investing activities (B)	(1,894,167)	(16,866,700)
C. CASH FROM FINANCING ACTIVITY		
Proceeds from Borrowings	-	-
Interest paid	-	-
Net Cash Used in Financing Activities (C)	-	-
Net Increase in Cash and Cash Equivalents (A)+(B)+(C)	(109,191)	(232,192)
Cash & Cash Equivalents (Opening Balance)	311,188	543,380
Cash & Cash Equivalents (Closing Balance)	201,997	311,188

For and on Behalf of the Board

As Per our Report of even date attached

For C.S. Sarda & Co.
Chartered Accountants

(C.S. Sarda)
Proprietor
Membership No. : 056406
Firm Reg. No.: 322397E

CHHATTISGARH INDUSTRIES LIMITED

KESHAV GOYAL
(Director)

ASHISH GOYAL
(Director)

Place : Kolkata
Dated : 18/08/2012

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012

Sr. No.	Particulars	31 st March 2012 (₹)	31 st March 2011 (₹)
---------	-------------	------------------------------------	------------------------------------

Notes 1: Share Capital

1	AUTHORIZED SHARE CAPITAL		
a	79,00,000 Equity Shares of ₹ 10/- each.	79,00,000	79,00,000
b	10,000 Cumulative Preference Shares of ₹ 100/- each.	1,00,000	1,00,000
		<u>80,00,000</u>	<u>80,00,000</u>
2	ISSUED, SUBSCRIBED & PAID UP SHARE CAPITAL		
	74,89,400 Equity Shares of ₹ 10/- each, Fully Paid up Share capital by allotment	74,89,400	74,89,400
	TOTAL	<u>74,89,400</u>	<u>74,89,400</u>

Notes 2: Reserve & Surplus

1	Central Government Subsidy	1,00,000	1,00,000
2	State Government Subsidy	200,000	200,000
3	Surplus (Profit & Loss Account A/c)		
a	Opening Balance	-66,815,763	-46,413,206
b	During the Year	-2,081,277	-20,402,557
c	Closing Balance	-68,897,040	-66,815,763
	TOTAL	<u>(67,697,040)</u>	<u>(65,615,763)</u>

Notes 3: Trades Payable

1	Sundry Creditors	20,329,549	17,500,000
	TOTAL	<u>20,329,549</u>	<u>17,500,000</u>

Notes 4: Other Current Liabilities

1	Audit Fees Payable	12,100	12,100
2	TDS Payable	352	-
	TOTAL	<u>12,452</u>	<u>12,100</u>

Notes 5: Short Term Provisions

	Provision		
1	Provision for FBT for Previous Years	3,182	3,182
2	Provision for Taxation for Previous Years	63,097	63,097
	TOTAL	<u>66,279</u>	<u>66,279</u>

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012

Notes 6: Fixed Asset

Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Value as at 1 st April 2012	Addition during the year	Deduction during the year	Value as at 31 st March 2012	Value as at 1 st April 2012	Addition during the year	Deduction during the year	Value as at 31 st March 2012	WDV as on 31.03.2012	WDV as on 31.03.2011
I	Tangible Assets										
1	Land (Ghandidham Factory)	22,366,900	-	-	22,366,900	-	-	-	-	22,366,900	22,366,900
2	Plant and Equipment (Conveyor)	-	103,224	-	103,224	-	-	-	-	103,224	-
3	Plant and Equipment (Mono Pump)	-	19,866	-	19,866	-	-	-	-	19,866	-
	SUB TOTAL (A)	22,366,900	123,090	-	22,489,990	-	-	-	-	22,489,990	22,366,900
	Capital Work-in-progress	-	1,771,057	-	1,771,057	-	-	-	-	1,771,057	-
	SUB TOTAL (B)	-	1,771,057	-	1,771,057	-	-	-	-	1,771,057	-
	Total [A + B] (Current Year)	22,366,900	1,894,147	-	24,261,047	-	-	-	-	24,261,047	22,366,900
	(Previous Year)	22,366,900	-	-	-	-	-	-	-	-	-
II											

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012

Sr. No.	Particulars	31 st March 2012 (₹)	31 st March 2011 (₹)
Notes 7: Trade Receivables			
1	Outstanding for more than six months		
	a) Secured, Considered Good :	46,170	214,013
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
2	Others		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
	TOTAL	46,170	214,013

Notes 8: Cash & Cash Equivalent

1	Cash-in-Hand		
	Cash Balance	25,489	294,561
	Petty Cash Balance	-	-
	Sub Total (A)	25,489	294,561
2	Bank Balance		
	Allahabad Bank	90,927	-58,342
	Central Bank of India	-	7,359
	Dena Bank	85,581	6,123
	IDBI Bank	-	500
	The Vysya Bank	-	2,646
	State Bank of India	-	-16,548
	Sub Total (B)	176,508	-58,262
	Total [A + B]	201,997	236,299

Notes 9: Short Terms Loans and Advances

1	Loans & Advances from related parties		
	a) Secured, Considered Good :		
	Advance to Associate Concerns	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
2	Others		
	Advance Recoverable in cash or in kind or for value to be considered good		
	Advance to Suppliers	3,080,083	4,023,480
	Advance Income Tax/Refund Due	753,258	753,258
	Balance With Revenue Authorities (Indirect Taxes)	-	-
	Prepaid Expenses	-	-
	TOTAL	3,833,341	4,776,738

Notes Forming Part of the Profit & Loss Accounts as at 31st March, 2012

Sr. No.	Particulars	31 st March 2012 (₹)	31 st March 2011 (₹)
---------	-------------	------------------------------------	------------------------------------

Notes 10: Revenue from Operations

1	Sales during the year	-	60,751,238
	TOTAL	-	60,751,238

Notes 11: Cost of Material Consumed

1	Purchases during the year	-	77,328,054
	TOTAL	-	77,328,054

Notes 12: Employment Benefit Expenses

1	Salaries, Bonus, PF & ESIC	318,360	317,000
2	Directors Remuneration	-	-
	TOTAL	318,360	317,000

Notes 13: Other Administrative Expenses

1	Bank Charges	13,533	10,883
2	Postage & Telegram	1,988	6,232
3	Professional Fees	719,880	25,773
4	Printing & Stationery Expenses	61,817	12,300
5	Auditors Remuneration	12,100	12,100
6	Listing & Filing Fees	114,800	51,635
7	Advertisement & Publicity	-	49,949
8	Consumption of Raw Materials	125,207	-
9	Office Expenses	38,919	-
10	Repair & Maintenance	77,874	-
11	Registrar Service Charges	65,090	60,271
12	Loss on Assignment of Debtors	3,013	326,547
13	Electricity Expenses	400,509	-
14	Hire Charges	66,667	-
15	Professional Tax	-	2,500
16	Service Tax	61,519	552
	TOTAL	1,762,916	558,741

Note 14: NOTES ON ACCOUNTS**1. Significant Accounting Policies:**

- a) The Company prepares its accounts on the basis of historical cost convention and incomes and expenditure are recognized on accrual basis.
 - b) No provision for gratuity and other retirement benefits have been made in the accounts on accrual basis.
 - c) Inventories are taken, valued and certified by the management. However as informed valuation are done on the basis of cost or market price whichever is lower.
 - d) Quoted Securities has been valued at cost or market price whichever is lower and unquoted at cost.
2. No manufacturing and trading activity was carried out during the year.
 3. Sundry debtors and sundry creditors balance outstanding as on 31.03.2012 are subject to the confirmation by the parties.
 4. Directors' by the parties:-

	Current Year	Previous Year
Salary	NIL	NIL
Sitting Fees	NIL	NIL
Card Member Fees	NIL	NIL

5. There was no Foreign Currency Transaction during the Year.
6. Contingent Liabilities – Nil (Previous Year – Nil)
7. No provision for taxation has been made during the year.
8. Previous Year figures have been regrouped and rearranged, wherever found necessary.
9. No separate reportable segment in the company.
10. Financial statements are reported as per New Schedule VI issued by MCA.

As per our attached report of even date

For and on behalf of the Board

For **C.S.SARDA & Co.**
Chartered Accountants

Sd/-
Keshav Goyal
Director

Sd/-
Ashish Goyal
Director

Sd/-

C.S. Sarda
(Proprietor)
Membership no: 056406
Firm No: 322397E

Place : Kolkata
Date : 18.08.2012

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registraction Details :

Registraction No.	2416	State Code	10
-------------------	------	------------	----

II. Capital Raised during the year (₹ In Lacs)

Public Issue	0.00	Right Issue	0.00
Bonus Issue	0.00	Private Placement	0.00
Others	0.00		

III. Position of Mobilisation and Development of Founds (₹ In Lacs)

Total Liabilities	283.43	Total Assets	283.43
-------------------	--------	--------------	--------

Sources of Funds

Paid up capital	748.94
Reserve & Surplus	(676.97)
Secured Loan	-
Unsecured Loan	203.30
Deferred Tax Liability	7.37

Application of Funds

Net Fixed Assets	242.61
Investment	-
Net Current Asses	40.82
Misc. Expenditure	-

IV. Performance of Company (₹ In Lacs)

Turnover	0.00	Total Expenditure	20.81
Profit before Tax	-20.81	Profit After Tax	-20.81
Earning per Share	-0.28	Dividend Rate %	0%

V. Generic Names of Three Principal Products/ Services of the company (as per monetary terms)

Item Code (ITC code)	:	Not applicable, since the company is in service industry
Service Description	:	The company is engaged in the business of Rental/Hiring of heavy construction Equipments, Trading and Contract/Sub-Contract work.

As Per our Report of even date attached.

For **C.S. SARDA & CO.**
Chartered Accountants

(C.S. SARDA)
Proprietor
Membership No. : 056406

For and on behalf of the Board

For **CHHATTISGARH INDUSTRIES LIMITED**

KESHAV GOYAL
(Director)

ASHISH GOYAL
(Director)

Place : Kolkata
Dated : 18/08/2012

CHHATTISGARH INDUSTRIES LIMITED

Registered Office: Village Chaple, Teshil Kharsia, Dist: Raigarh: 496 661, Chhattisgarh

28th Annual General Meeting

PROXY FORM

DP ID.....

Folio No.....

Client ID.....

No. of Shares.....

(Applicable for investor holding shares in electronic form)

I/We _____ of _____
in the district of _____ being a Member / Members hereby appoint
_____ of _____ in the district of _____ of failing
him _____ of _____ in the district of _____ as my/
our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the
company to be held on **Thursday, the 27th September, 2012** at 5:00 P.M. at Village Chaple,
Teshil Kharsia, Dist.: Raigarh - 496 661, Chhattisgarh.

Signed this..... day of, 2012

Affix
Rupee One
Revenue
Stamp

For Office use:

Proxy No Date of Receipt: No. of Shares:

N.B.: The instrument appointing proxy shall be deposited at the Secretarial Department of the
Company not later than 48 hours before the commencement of the meeting..



CHHATTISGARH INDUSTRIES LIMITED

Registered Office: Village Chaple, Teshil Kharsia, Dist: Raigarh: 496 661, Chhattisgarh

28th Annual General Meeting

ATTENDANCE SLIP

DP ID.....

Folio No.....

Client ID.....

No. of Shares.....

(Applicable for investors holding shares in electronic form)

Name of the _____ Member _____

No. of Shares held _____ Name of the Proxy _____

_____ (To be filled only where a proxy attends the meeting).

I hereby record my presence at the 28th Annual General Meeting of the Company on **Thrusday, 27th September, 2012** at 5:00 P.M. at Village Chaple, Teshil Kharsia, Dist.: Raigarh - 496 661, Chhattisgarh.

Signature of Member/Proxy

* This slip may please be handed over at the entrance of the meeting hail.

If undelivered, please return to:

CHHATTIGARH INDUSTRIES LIMITED
7/A, 2nd Floor, 27/33, Beaumont Chambers,
N.M. Road, Fort, Mumbai - 400 001.