

SYSCHEM (INDIA) LIMITED
BALANCE SHEET AS AT 31 MARCH, 2011

PARTICULARS	SCHEDULE	AS AT 31.03.2011		AS AT 31.03.2010	
		AMOUNT (Rupees)	AMOUNT (Rupees)	AMOUNT (Rupees)	AMOUNT (Rupees)
SOURCES OF INCOME					
SHAREHOLDERS FUNDS					
Share Capital	A	123104000.00		113902000.00	
Share Application Money		9000000.00		11050000.00	
Reserves and Surplus		8228500.00	140332500.00	7627500.00	132579500.00
LOANS FUNDS					
Secured Loans	B	0.00		17052039.00	
Unsecured Loans		41360818.00	41360818.00	2500000.00	19552039.00
TOTAL			181693318.00		152131539.00
APPLICATIONS OF FUNDS					
FIXED ASSETS					
Gross Block	C	128797548.00		136239146.00	
Less : Depreciation		57366687.00		56802761.00	
Net Block		71430861.00		79436385.00	
Capital Work in Progress		27854370.00	99285231.00	11558489.00	90994874.00
CURRENT ASSETS, LOANS AND ADVANCES					
Inventories	D	13841600.00		7575000.00	
Sundry Debtors	E	18307772.00		5113453.00	
Cash and Bank	F	1406866.00		4597891.00	
Loans and Advances	G	22172145.00		24376958.00	
		55728383.00		41663302.00	
Less : Current Liability	H	24454979.00		26521964.00	
NET CURRENT ASSETS			31273404.00		15141338.00
Deferred Tax Assets			3493155.00		1810076.00
MISCELLANEOUS EXPENDITURE	I		0.00		427500.00
PROFIT AND LOSS ACCOUNT			47641528.00		43757751.00
TOTAL			181693318.00		152131539.00

NOTES TO ACCOUNTS

R

Schedules A to R form an
Integral part of the Accounts

For and on behalf of the Board

As per our report of even date
for **BANSAL VIJAY & ASSOCIATES**
Chartered Accountants

(VIJAY KUMAR)
PARTNER
M.NO. 093412
FRN : 014930N

(SHANTI LAL JAIN)
DIRECTOR

(ANIL NIBBER)
MG. DIRECTOR

PLACE: PANCHKULA
DATE : 03.09.2011

SYSCHEM (INDIA) LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH, 2011

PARTICULARS	SCHEDULE	AS AT 31.03.2011		AS AT 31.03.2010	
		AMOUNT (Rupees)	AMOUNT (Rupees)	AMOUNT (Rupees)	AMOUNT (Rupees)
INCOME					
Sales & Other Income	J		59130061.00		70399177.00
Increase/(Decrease in stock) Finished and semi finished Goods	K		969900.00		772500.00
TOTAL			60099961.00		71171677.00
EXPENDITURE					
Material Cost	L		36311008.00		5437609.00
Manufacturing Expenses	M		13335930.00		16546419.00
Salary Wages & Other Benefits	N		5941302.00		3920728.00
Financing Expenses	O		1928490.00		2059102.00
Administration & Other Expenses	P		2012878.00		3302128.00
Selling & Distribution Expenses	Q		288635.00		1201939.00
Depreciation	C		5848574.00		6384231.00
TOTAL			65666817.00		38852156.00
Profit / (Loss) Before Tax			-5566856.00		32319521.00
Less : Provisions for taxation			0.00		0.00
Less : Provisions for FBT Earlier Years			0.00		22036.00
Add/Deduct:Deferred Tax			1683079.00		-12788249.00
Profit / (Loss) After Tax			-3883777.00		19509236.00
Loss brought forward			43757751.00		63266987.00
Net Balance transferred to Balance Sheet			47641528.00		43757751.00

NOTES TO ACCOUNTS

R

Schedules A to R form an
Integral part of the Accounts

For and on behalf of the Board

As per our report of even date
for **BANSAL VIJAY & ASSOCIATES**
Chartered Accountants

(VIJAY KUMAR)
PARTNER
M.NO. 093412
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(SHANTI LAL JAIN)
DIRECTOR

(ANIL NIBBER)
MG. DIRECTOR

PLACE: PANCHKULA
DATE : 03.09.2011

SYSCHEM (INDIA) LIMITED
SCHEDULES TO THE ACCOUNTS

(Rupees)

PARTICULARS	As at 31-03-2011	As at 31-03-2010
<u>SCHEDULE - A</u>		
SHARE CAPITAL		
Authorised Capital 200000000 Equity shares of Re.1/- each (Previous Year 160000000 Equity Shares of Re. 1/- each)	200000000.00	160000000.00
Issued & Subscribed Capital 123104000 Equity shares of Re.1/- each (Previous Year 113902000 Equity Shares of Re. 1/- each)	123104000.00	113902000.00
Paid Up Capital	123104000.00	113902000.00
Total	123104000.00	113902000.00
<u>SCHEDULE - B</u>		
<u>SECURED LOANS</u>		
FROM BANKS		
Term Loan (from The Panchkula Central Co-operative Bank by way of mortgage of immovable Properties & Specified Movable Properties)	0.00	17052039.00
<u>UNSECURED LOANS</u>		
From Others	41360818.00	2500000.00
TOTAL	41360818.00	19552039.00

SYSCHEM (INDIA) LIMITED
SCHEDULES TO THE ACCOUNTS- (Contd.)

PARTICULARS	As at 31-03-2011	(Rupees) As at 31-03-2010
<u>SCHEDULE - D</u>		
INVENTORY		
Raw - Material - At Cost	10407500.00	5584500.00
Stock in Progress-At Estimated Cost	1770600.00	850500.00
Finished Goods-At cost or realisable value whichever is less	111800.00	62000.00
Consumables Stores- At cost	1551700.00	1078000.00
Total	13841600.00	7575000.00
<u>SCHEDULE - E</u>		
SUNDRY DEBTORS		
(Unsecured considered good)		
Debts exceeding Six months	4840699.00	493874.00
Less than Six Months	13467073.00	4619579.00
Total	18307772.00	5113453.00
<u>SCHEDULE - F</u>		
CASH AND BANK BALANCES		
Cash in hand	714974.00	1780617.00
Balances with Scheduled Banks	691892.00	142274.00
Cheque Pending Realisation	0.00	2675000.00
Total	1406866.00	4597891.00
<u>SCHEDULE - G</u>		
LOANS AND ADVANCES		
(unsecured -considered good)		
Advances recoverable in Cash or in kind of for value to be received	17045810.00	4659645.00
Security Deposits	1405194.00	1266801.00
Advances to Suppliers	3103550.00	18445340.00
Excise Duty Advance	282976.00	3672.00
Service Tax Advance	334615.00	1500.00
Total	22172145.00	24376958.00
<u>SCHEDULE - H</u>		
CURRENT LIABILITIES AND PROVISION		
A. CURRENT LIABILITIES		
Advances from Customers	200000.00	6461684.00
Sundry Creditors	15782249.00	16468206.00
Cheques Pending Encashment	5908371.00	1770891.00
Other Liabilities	1768143.00	1144967.00
Total	23658763.00	25845748.00
B. PROVISION		
Provision for Gratuity	796216.00	676216.00
TOTAL	24454979.00	26521964.00

SYSCHEM (INDIA) LIMITED
SCHEDULES TO THE ACCOUNTS- (Contd.)

(Rupees)

PARTICULARS		As at 31-03-2011		As at 31-03-2010
<u>SCHEDULE - I</u>				
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)				
Deferred revenue Expenditure		427500.00		1505000.00
Less: Written off (1/5)		427500.00		1077500.00
Total		0.00		427500.00
<u>SCHEDULE - J</u>				
SALES & OTHER INCOME				
Sales of Intermediate & Chemicals		49221162.00		4941368.00
Processing Charges		9438582.00		24224330.00
Waiver from One Time Settlement		0.00		40813621.00
Other Incomes		470317.00		419858.00
Total		59130061.00		70399177.00
<u>SCHEDULE - K</u>				
INCREASE/DECREASE IN STOCKS				
OPENING STOCKS				
Finished goods	62000.00		12000.00	
Work-in-process	850500.00	912500.00	128000.00	140000.00
CLOSING STOCKS				
Finished Goods	111800.00		62000.00	
Work-in-process	1770600.00	1882400.00	850500.00	912500.00
Total		969900.00		772500.00
<u>SCHEDULE - L</u>				
MATERIAL COST				
Opening Stock		5584500.00		524000.00
Add: Purchases		41134008.00		10498109.00
		46718508.00		11022109.00
Less : Closing Stock		10407500.00		5584500.00
Total		36311008.00		5437609.00
<u>SCHEDULE - M</u>				
DIRECT MANUFACTURING EXPENSES				
Power & Fuel		6845906.00		12117992.00
Carriage Inward		1622757.00		102310.00
Excise Duty		2311352.00		471664.00
Oils & Lubricants		121918.00		132550.00
Repairs & Maintenance - Machinery		42907.00		177730.00
Material Handling Expenses		0.00		2150750.00
Other Consumables Store & Spares		2391090.00		1393423.00
Total		13335930.00		16546419.00

SYSCHEM (INDIA) LIMITED
SCHEDULES TO THE ACCOUNTS - (Contd.)

(Rupees)

PARTICULARS		As at 31-03-2011		As at 31-03-2010
<u>SCHEDULE - N</u>				
SALARY, WAGES AND OTHER BENEFITS				
Salary, Wages, Bonus and other Benefits		4346125.00		2432643.00
Staff Welfare		26408.00		61779.00
Contribution to Provident Fund & Other Funds		248769.00		136306.00
Provision for Gratuity		120000.00		90000.00
Remuneration to Directors		1200000.00		1200000.00
Total		5941302.00		3920728.00
<u>SCHEDULE - O</u>				
FINANCING EXPENSES				
Interest On				
-Fixed Loans (WC & TL)	1056597.00		1790295.00	
-Others	820113.00	1876710.00	209896.00	2000191.00
Bank charges	51780.00	51780.00	58911.00	58911.00
Total		1928490.00		2059102.00
<u>SCHEDULE - P</u>				
ADMINISTRATION AND OTHER EXPENSES				
Advertisement		30905.00		24570.00
Auditors Remuneration		50000.00		50000.00
Books & Periodicals		4267.00		4405.00
Business Promotion		0.00		22213.00
Conveyance		25108.00		297363.00
Fees and Taxes		241658.00		501070.00
Insurance		154093.00		83193.00
Legal & Professional Charges		86250.00		392662.00
Misc. Expenditure written off		427500.00		1077500.00
Misc. Office Expenses		4730.00		15303.00
Postage and Telephone		15847.00		20176.00
Printing & Stationary		45532.00		70402.00
Rent (Office)		609450.00		60000.00
Rent (D.G)		0.00		75000.00
Security Charges (Works)		0.00		183000.00
Service Tax		44269.00		5960.00
Telephone Expenses		26716.00		177205.00
Travelling Expenses		37345.00		25378.00
Vehicle Running & Maintenance		209208.00		26797.00
Water/Electricity Charges		0.00		189931.00
Total		2012878.00		3302128.00
<u>SCHEDULE - Q</u>				
SELLING AND DISTRIBUTION EXPENSES				
Carriage Outward		288635.00		137745.00
Discount & Commission		0.00		1064194.00
Total		288635.00		1201939.00

SCHEDULE C

FIXED ASSETS

PARTICULARS	GROSS BLOCK		DEPRECIATION			NET BLOCK				
	AS ON 01.04.2010	SALES / ADJ.	ADDITIONS	COST AS AT 31.03.2011	UP TO 01.04.2010	SALES / ADJ.	DURING THE YEAR	UP TO 31.03.2011	AS AT 31.03.2010	AS AT 31.03.2011
Land	1906613	0	0	1906613	0	0	0	0	1906613	1906613
Building	18202090	0	0	18202090	6482827	0	607950	7090777	11719263	11111313
Plant & Machinery	112400123	6782419	0	105617704	48308291	4717187	5016840	48607944	64091832	57009760
Tools & Equipment	804983	0	0	804983	286746	0	38237	324983	518237	480000
Electrical Fittings & Installation	889732	0	73605	963337	416968	0	45759	462727	472764	500610
Vehicle	1128284	778284	45500	395500	836355	567461	44731	313625	291929	81875
Furniture & Fixture	165432	0	0	165432	128180	0	10472	138652	37252	26780
Office Equipments	741889	0	0	741889	343394	0	84585	427979	398495	313910
TOTAL	136239146	7560703	119105	128797548	56802761	5284648	584574	57366687	79436385	71430861
PREVIOUS YEAR	140101013	4100565	238698	136239146	53217125	2798595	6384231	56802761	86883388	79436385

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

PARTICULARS	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	-5566856	32319521
Add :		
Depreciation	5848574	6384231
Deferred Revenue Expenses w/off	427500	1077500
Interest Charged	1876710	2000191
 Operating Profit before working capital changes	 2585928	 41781443
Adjustment for :-		
Inventories	-6266600	-6330000
Receivables	-13194319	984368
Trade Payables	-2066985	11512948
Other Receivable / Advances	2204813	22669851
 Cash Generated from operations	 -16737163	 70618610
Deduct :		
Income Tax / FBT Paid	0	22036
Interest Paid	1876710	2000191
 Net Cash from Operating Activities	 -18613873	 68596383
B. CASH FROM INVESTING ACTIVITIES		
Purchase / Sale of Fixed Assets (Net)	-14138931	-10444914
Deferred Revenue Expense	0	0
 Net Cash used in investing activities	 -14138931	 -10444914
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Proceeding from Share Capital / Application Money	7753000	11280500
Repayment / Receipt of loans (Net)	21808779	-65332752
 Net Cash used from Financing Activities	 29561779	 -54052252
Net Increase in Cash and Cash Equivalent	-3191025	4099217
Cash and Cash Equivalent as at 31.03.2010 (Opening Balance)	4597891	498674
Cash and Cash Equivalent as at 31.03.2011 (Closing Balance)	1406866	4597891