

# PAGARIA ENERGY LIMITED

20th Annual Report  
2010 - 2011

## NOTICE

NOTICE is hereby given that the 20<sup>th</sup> Annual General Meeting of Pagaria Energy Limited (Formerly Women Networks Limited) will be held on Wednesday, 28th September, 2011 at 10:00 A. M. at Kamal Banquette, C-18 First Floor, Lajpat Nagar-II, New Delhi-110024 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet as on 31<sup>st</sup> March, 2011 and the Profit & Loss Account of the Company for the year ended on that date and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Ashok Kumar Singhal who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s S.R.Ghedia & Associates, Chartered Accountants, Mumbai, the retiring Auditors of the Company, as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be decided by the Board of Directors.

By Order of the Board  
For Pagaria Energy Limited

*Rajesh Pagaria*

(Rajesh Kumar Pagaria)  
Managing Director



Place: Delhi  
Date: 23/08/2010



## 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 / herself and such proxy need not be a member of the company.
2. Proxies in order to be effective must be received at the Company's Registered Office at 304A, Jaina Tower-1, District Centre, Janakpuri, New Delhi-110058 not less than 48 hours before the time fixed for the meeting.
3. Members who are holding Company's shares a Dematerialized form are required to bring details of their depository account number for identification.
4. Pursuant to Section 154 of the Companies Act, 1956, the Register of Members and the Share Transfer Books of the Company shall remain closed from 22/09/2011 to 28/09/2011 (both days inclusive).
5. Members are requested to kindly notify immediately change if any in their address to the Company.
6. All documents referred to in the above Notice and accompany explanatory statements are open for inspection at the Registered Office of the Company on all working days (except Saturday, Sunday and holidays) between 11.00 A.M. to 1.00 P.M. up to the date of the Annual General Meeting.
7. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Secretary/ Director of the Company so as to reach at least seven days before the date of the meeting, so that the information required may be made available at the meeting to the best extent possible.
8. Corporate members are requested to send a duly certified copy of Board Resolution authorising their representatives to attend and vote at the meeting.
9. In terms of circular No 17/ 2011 dated April 21, 2011 and circular No 18/2011 dated April 29, 2011 issued by Ministry of Corporate Affairs (MCA), the Company proposes to send you from next financial year 2011-2012 onwards, all communication including Notices of Meetings, Annual Reports and financial Statements etc. or to receive any other document prescribed under any law through Electronic mode to the e-mail addresses, which would be made available to us by the Depositories and also which are registered and /or otherwise available with the Company's Registrars and Shares Transfer Agent, M/s. Link Intime India (P) Limited., New Delhi from time to time. The full text of all such documents and communication will also be displayed at the website of the Company [www.pagariaenergy.com](http://www.pagariaenergy.com).

We seek your kind co-operation and support in our Green initiative and request you to register your e-mail ID with your Depository Participants. The members still holding the equity shares of the company in physical form are requested to provide / update their e-mails Id with the Company's Registrar and Share Transfer Agent at [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in) or with the Company at [wnl\\_delhi@hotmail.com](mailto:wnl_delhi@hotmail.com)

If at any time a shareholder desire, they may receive all communication in physical form on written request.

A Copy of Memorandum and Articles of Association of the Company and other related documents will be available for inspection by the members at the Registered Office of the Company between 11:00A.M. and 1 P.M. on working days up to the date of this Annual General Meeting.

*Rajesh Pagaria*  


**Brief Particulars of Directors being appointed/ re-appointed are as under :**

Name	Mr.Ashok Kumar Singhal
Date of Birth	20/5/1965
Date of Appointment	2/08/1995
Directorships held in other companies	1. Mewar Developers (P) Ltd. 2. Mewar Consultants (P) Ltd. 3. Indianastrology.com (P) Ltd. 4. AAA Consultants (P) Ltd. 5. AAA Valuestocks (P) Ltd. 6. Women Infoline.Com (P) Ltd
Memberships/ Chairmanships of Committees across Public Companies	Nil
Brief Profile covering experience, achievements, etc	Mr. Ashok Kumar Singhal is Practicing Chartered Accountant having 20 years of experience and groomed himself in various professional fields especially in Audit, Project Finance, Taxation, corporate laws, etc. He is actively associated with various tax departments and appellate proceedings. Government of Delhi has nominated him as member of Sales Tax Advisory Committee of NCT of Delhi. Apart from this, he is also running Mewar Institute at Gaziabad.
Shares Held in the Company	Nil

*Rajesh Rajani*





## DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 20<sup>th</sup> Annual Report together with the Audited Statements of Accounts and the Auditors Report of your Company for the financial year ending 31st March 2011.

The Financial Highlights for the year under review are given below:

(Rs. In lacs)

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
<b>Total Income</b>	<b>953.57</b>	<b>1699.24</b>
Total profit after interest but before depreciation	7.08	2.13
Depreciation	1.38	1.06
<b>Profit/(Loss) before tax</b>	<b>5.70</b>	<b>1.07</b>
Less : Provision for taxation	1.76	0.56
Less: Income tax for earlier years	0.55	0.10
<b>Profit/(Loss) after tax</b>	<b>3.39</b>	<b>0.41</b>
Add: Balance in P&L Account B/F	3.37	2.89
Add : Deferred tax liability of previous years reversed back	0	0.07
<b>Balance carried to Balance Sheet</b>	<b>6.76</b>	<b>3.37</b>

### Performance

The total income for the financial year under review is Rs. 953.57 lacs against Rs. 1699.24 lacs in previous year. During the year, the Company has earned Profit After Tax of Rs. 3.39 lacs in comparison to the previous year Profit After Tax of Rs. 0.41 lacs. The directors are hopeful for better performance in the ensuing years.

### Dividend

The Company has not declared any dividend during the year in order to maintain the liquidity of funds for the expansion of the business.

### Directors

In accordance with the articles of the Company and the provisions of the Companies Act, 1956, Mr. Ashok Kumar Singhal will retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for reappointment on the Board of your Company.

None of the Director of the Company are disqualified for being appointed as Director as specified in Section 274 (1) (g) of the Companies Act, 1956,

Necessary resolutions for the re-appointment of the aforesaid Director have been included in the notice convening the Annual General Meeting.

### Listing of Shares

Equity Shares of the Company are listed at Delhi Stock Exchange and Bombay Stock Exchange. Listing fees has already been paid in pursuant to Clause 38 of Listing Agreements.

## **Corporate Governance and Management Discussion & Analysis**

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis Report, Corporate Governance Report and Auditor's Certificate regarding compliance of conditions of Corporate Governance are made part of the Annual Report.

### **Directors' Responsibility Statement**

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that

- I. In preparation of annual accounts, the applicable Accounting Standards have been followed alongwith proper explanation relating to material departures.
- II. The accounting policies have been selected and applied consistently and the judgements and estimates made, 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 financial year 31st March, 2011 and of the Profit & Loss account of the Company for that period.
- III. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. The annual accounts have been prepared on a going concern basis.

### **Auditors & Auditors Observation**

M/s S.R.Ghedia & Associates, Chartered Accountants, Mumbai the auditors of the company who hold office until the conclusion of the forthcoming Annual General Meeting, being eligible, offer themselves for re-appointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956.

The observations of the Auditors as referred to in the Auditor's Report are suitably explained in the notes to the account.

### **Public Deposits**

During the year, your Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956 and the rule made there under.

### **Compliance with the Accounting Standards**

The Company prepares its accounts and other financial statements in accordance with the relevant accounting principles and also complies with the accounting standards issued by the Institute of Chartered Accountants of India.

### **Particulars of Employees**

During the previous year, there was no employee receiving remuneration more than the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

### **Technology, R&D and Foreign Exchange**

The provisions of Section 217(1) (e) of The Companies Act, 1956, with regard to conservation of energy and technology absorption are not applicable to the company. The company has not incurred any expenditure or earned any income in foreign exchange during the period under review.

### **Acknowledgement**

Your Directors would like to place on record their appreciation for the assistance, co-operation and whole-hearted support received from Company's bankers, advisors, customers and investors and all, whose



continued support has been a source of strength to the Company. Your Directors place on record their appreciation for the valuable contribution made by employees at all levels.

Place: Delhi  
Date: 23/08/2010

By Order of the Board  
For Pagaria Energy Limited

*Rajesh Kumar Pagaria*

(Rajesh Kumar Pagaria)  
Managing Director



## Management Discussion & Analysis

### **World Economic Review**

Two years after the financial crisis, the world economy has come to a stage of adjustment and reform, with emerging markets on the path of rapid development. This will be the external environment facing China in 2011 and even in the long term. Globally, the world economy is regaining lost ground and downside risks have moderately eased, but doubts are growing over the prospects for developed countries.

The pace of recovery for financial markets and the real economy also differs. Financial markets can be invigorated via massive money issuance, but if the money issued cannot flow into the real economy, instead remaining in the financial system, it will take longer for the real economy to recover. That's the current problem with the U.S. economy.

In addition, the current growth of the world economy is also different from the pre-crisis growth trend. The potential growth rate of the world economy will be at a lower level and is unlikely to return to pre-crisis growth levels in the short run.

### **Overview of Indian Economy**

The overall growth of Gross Domestic Product (GDP) at factor cost at constant prices, as per Advance Estimates, was 8.6 per cent in 2010-11 representing an increase from the revised growth of 8.0 per cent during 2009-10, according to the Advance Estimate (AE) of Central Statistics Office (CSO). Overall growth in the Index of Industrial Production (IIP) was 3.6 per cent during February 2011. During April-February 2010-11, IIP growth was 7.8 per cent.

The six core industries (comprising crude oil, petroleum refinery products, coal, electricity, cement and finished carbon steel) grew by 6.8 per cent in February 2011 as compared to the growth of 4.2 per cent in February 2010. During April-February 2010-11, these sectors grew by 5.7 per cent as compared to 5.4 per cent during April-February 2009-10. In addition, exports, in US dollar terms increased by 49.7 per cent and imports increased by 21.2 per cent, during February 2011.

The domestic environment is conducive for growth and private final consumption expenditure is projected to grow by a healthy 7.5 per cent and gross fixed capital formation by 14.6 per cent, the Centre for Monitoring Indian Economy (CMIE) said in its latest monthly review of the country's economy. On the back of such facts, India's GDP is projected to continue to grow at a brisk pace of 8.8 per cent in 2011-12.

In FY-12, the agricultural and allied sector is projected to grow by 3.1 per cent, on top of the 5.1 per cent growth estimated in 2010-11. The industrial sector, including construction, is projected to grow by 9.4 per cent during 2011-12, as compared to 8.5 per cent estimated in 2010-11. Growth in industrial production will be driven by a rise in consumption demand and investment demand, said the review.

### **Mining**

India's mining industry comprises a large number of small operational mines, which are primarily involved in the mining of iron ore, coal and bauxite. India is rich in mineral resources and has large reserves of primary metal ores such as iron ore, bauxite, chromium, manganese and titanium. India has untapped metal reserves worth 82 billion tonnes. India is strategically located, with its proximity to developed European markets and fast-developing Asian markets, to export steel and aluminum.

The value of the total ores and minerals exported from India was estimated to increase by 14.5 per cent y-o-y in 2009, led (in order of highest value) by cut diamonds, alumina and chromite. India has abundant iron ore reserves - the fifth-largest reserve base in the world. India's iron ore production represents about 10 per cent of total world production, making it the fourth-largest iron ore producer in world. India is also the world's fifth-largest producer of steel and is expected to become the second largest by 2015, on back of the ongoing capacity additions in the sector.

Metallurgical industries and mining sector has attracted US\$ 4 billion and US\$ 767.7 million, respectively, in cumulative inflows from April 2000 to September 2010. The metals and mining sector accounted for 4 per



cent of the total foreign direct investment (FDI) inflow in the country between April 2000 and September 2010. Under the automatic route for mining of metal ores, including precious metals and minerals, the Government permits 100 per cent FDI.

The metals and mining sector accounted for 4 per cent of the total FDI inflow in the country between April 2000 and September 2010.

### Market segments

#### *Iron and Steel*

- Since 2005, sponge iron production increased at a CAGR of 14 per cent to reach 21 million tonnes in 2009. Sponge iron production stood at 15.5 million tonnes during April 2009–December 2009.
- Pig iron production increased at a CAGR of 18 per cent during 2005–2009, to reach 6.2 million tonnes in 2009. Pig iron production stood at 4.3 million tonnes during April 2009–December 2009.
- Crude steel production increased at a CAGR of 8 per cent during 2005–2009, to 58.4 million tonnes in 2009. Crude steel production stood at 45.8 million tonnes during April 2009–December 2009.
- Finished steel production increased at a CAGR of 7 per cent during 2005–2009 to 57.2 million tonnes in 2009, and stood at 43.8 million tonnes during April 2009–December 2009.

#### *Coal*

- Coal production increased at a CAGR of 7 per cent during 2005–2009, to reach 497 million tonnes. Coal production stood at 416.5 million tonnes during April 2009–January 2010\*.
- Major players in India's coal industry include state-owned companies, and private sector participation is limited to captive mining
- Coal India Ltd (CIL) is the largest domestic player, with eight wholly owned subsidiary companies that have mining operations in eight states, accounting for 82 per cent of the country's total coal production.

#### *Others — base metals, precious metals and minerals*

- The production of bauxite, copper, lead and zinc was estimated at 13.5 million tonnes, 124,000 tonnes, 127,000 tonnes and 1.3 million tonnes, respectively, in 2009–2010.
- Gold production was estimated at 1,788 kg in 2009–2010.

### **Overview of operational mines across states**

- India has abundant iron ore reserves of 24 billion tonnes- the fifth-largest reserve base in the world.
- India's iron ore production represents about 10 per cent of total world production, making it the fourth-largest iron ore producer in world. Therefore, the country has more than sufficient supplies of the key steel making input.
- India's mining industry comprises a large number of small operational mines, which are primarily involved in the mining of iron ore, coal and bauxite.
- The number of mines that reported mineral production (excluding minor minerals, petroleum, natural gas and atomic minerals) in India was 2,729 in 2009–2010, as compared to 2,964 mines in the previous year.

State	Number of reporting mines* (2009-2010)
Andhra Pradesh	404
Gujarat	398
Jharkhand	284
Madhya Pradesh	250
Rajasthan	236
Orissa	220
Karnataka	209
Maharashtra	145
Tamil Nadu	138
Chhattisgarh	126
West Bengal	111

Source: Ministry of Mines, Gov. Annual Report, 2009-2010

### Performance

Pagaria Energy Ltd. is a Company with business objects of power, infrastructure, mining, etc. The financial performance of the company is as under:

Particulars	(Rs. In lacs)	
	Year ended 31.03.2011	Year ended 31.03.2010
<b>Total Income</b>	<b>953.57</b>	<b>1699.24</b>
Total profit after interest but before depreciation	7.08	2.13
Depreciation	1.38	1.06
<b>Profit/(Loss) before tax</b>	<b>5.70</b>	<b>1.07</b>
Less : Provision for taxation	1.76	0.56
Less: Income tax for earlier years	0.00	0.10
<b>Profit/(Loss) after tax</b>	<b>3.94</b>	<b>0.41</b>

The total income for the financial year under review is Rs. 953.57 lacs against Rs. 1699.24 lacs in previous year. During the year, the Company has earned Profit After Tax of Rs. 3.94 lacs in comparison to the previous year Profit After Tax of Rs. 0.41 lacs. The directors are hopeful for better performance in the ensuing years.

### Internal Control

The company has a proper, strong independent and adequate system of internal controls of ensure that all the assets are safeguarded/ protected against loss from unauthorized use and that transactions are authorized recorded and reported correctly.

The efficiency and effectiveness of the company's internal control system is guaranteed by the fact that the company has in place a system that provides of checks and balance and improvements in controls are regularly made. The internal control systems are also designed to ensure that the financial and other records are reliable, and available instantly for preparing financial statements.

The company has appointed external firm of chartered accountants which conducts an audit plan and report significant observations to the audit committee from time to time the views of statutory auditors are also considers to ascertain the adequacy of the internal control system.

### Opportunities & Threats

- India's per capita steel consumption is 49 kg as compared to the global average of 198 kg in 2008. Similarly, India's per capita aluminium consumption of aluminium is 0.8 kg compared with 25 kg in



the US, 19 kg in Japan and 10 kg in Europe. This presents an attractive opportunity for brownfield and Greenfield capacity expansions in both sectors.

- Furthermore, India's National Steel Policy aspires to double the rural per capita steel consumption to 4 kg per person in the next few years (nearly 70 per cent of India's population is rural).
- Moreover, the working group on the steel industry (set up by the Planning Commission for the Eleventh Plan) projected a total demand of 70.3 million tones for finished steel and a total production of 80.2 million tones of crude steel by 2011–12. According to the estimates of the Ministry of Steel, these targets are likely to be surpassed, translating to opportunities to expand production capacity.
- India has the world's fifth-largest reserve base of bauxite and accounts for about 7 per cent of total world production.
- India has the world's fourth-largest reserve base of iron ore, and accounts for about 10 per cent of total world production.
- India also has the fourth-largest global reserve base of coal, and accounts for 7.5 per cent of the total world production.
- India has 14,000 tonnes of gold reserves, and mines three tonnes, per annum of the precious metal. This highlights the lucrative opportunity of investing in the world's largest market for gold.
- Strong long-term demand from the steel industry is expected to further boost the iron ore industry, while positive trends in the power sector are likely to catapult demand for coal.
- The key drivers for both short-and long-term growth, include the booming construction, automobiles, power and packaging industries, which are expected to lend substantial support to the sector.
- The fast-growing power sector is opening up the market for aluminium wire rods and cables, as it is the primary consumer of this product group.
- Driven by India's burgeoning middle class, car sales are forecasted to grow by nearly five-fold over the next ten years (by 2019-20), from 1.95 million units at present. The automotive sector is a major consumer of steel, aluminium and zinc. The growth in India's automotive sales reflects the growing consumerism and urbanization in the country.
- The rise in India's consumerism and urbanization is also reflected by changing customer preferences, as the use of products such as personal care products, pharmaceuticals and processed foods rises. These products are packaged in the form of tubes, containers, cans, bottle caps and foils, which extensively use aluminium. As such, the Indian packaging industry is expected to register a growth rate of 10–11 per cent in the next few years.
- The rapid growth of India's construction sector is resulting in higher demand for structural steel and the increasing use of aluminium in doorframes, roofing, partitions, ceilings and building hardware.

With robust industrial growth backed by improvement in consumption, demand, increase in infrastructure spending, substantial growth in investment activity, recuperating external demand conditions, stability and improvement in financial markets, India's growth prospects are expected to improve significantly in 2011–12. These developments and growth in India's foreign trade as observed during the last few quarters point to greater trade opportunities ahead. The comfortable stock position of food grains in the country is also likely to give rise to additional opportunities for exports than available in the past two years.

However, slow recovery in the world exports and imports continues to be a matter of concern. High price volatility in commodity prices especially of bullion, steel and pulses is also affecting volumes in foreign trade.

#### **Risk and Concerns**

The company is in competitive sector and its performance depends on the country's economic growth and government policies towards the industry. With globalization of economy, the company perceives the risk of competitions from major national and international players. However, the company is quite prepared for such healthy competition. With rising costs of inputs and energy costs, the margins of the company may be under pressure.

#### **Research and Development**

The company has state-of-art research system manned by widely experienced professionals to develop new and value-added services to cater various industrial, academic and research needs of the country.

#### **Human Resource Development & Industrial Relation**

The company adopts the best of human resources practices so as to enhance the skill, efficiency and development of employees of the company. The company believes and follows sound ethical and moral

values and constantly ensures to make the working enjoyable for the employees and at the same time the productivity per employees is also enhanced. The company encourages its employees to undertake such work which provides them opportunity to learn, develop themselves and thereby contribute such ideas for the ultimate benefit of the organization. The atmosphere at the company persuades employees to have free and frank communication with senior. The company is always in search of opportunities and the best of methods for improvement in employee participation at all levels whereby views and suggestions of the company are heard and acted upon.

The company is committed to maintaining harmonious industrial relations through spirit of partnership and collaborations. As a result industrial relations at all locations of the company have remained cordial.

**Cautionary Statement**

Statements made in the management discussion and analysis describing the Companies' objectives, expectations or predications may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement important factors that influence the Company's operations, include global and domestic supply and demand conditions.

Statements in this report on Management's Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predications may be "forward looking statement" within the meaning of applicable securities laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual result could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability, changes in Government regulation, tax regimes economic developments within India and other factors such as litigations and industrial relations. The company assumes no responsibility to publicly amend modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.



## REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

### Company's Philosophy on Corporate Governance

The Company's philosophy of Corporate Governance is aimed at assisting the top management of the Company in the efficient conduct of its business and in meeting its obligations to stakeholders and adequate & transparent reporting of the financial information. A system to effectively manage risks has been implemented. The Company has been disclosing information on different issues concerning the Company's performance from time to time. The employees at all levels are bound by the Code of conduct that sets forth the Company's policies on all important issues.

### Board of Directors

The Board of Directors of the Company has appropriate composition of Executive and Non Executive Directors including Independent Directors. The Company has Non Executive Chairman. The number of Non- Executive Directors is more than one third of the total number of Directors. The Company meets the requirements relating to the composition of Board of Directors.

### Composition:

The detailed composition of the Board and other related information is given in the table below:

Name of Director	Category of Directorship	No. of Directorship in other Companies	Number of Committee positions held in other Companies	
			Members	Chairman
Mr. Rajesh Kumar Pagaria (Managing Director)	Promoter Director, Executive	Nil	Nil	Nil
Mr. Ranjit Singh Pagaria	Promoter Director, Non-executive	Nil	Nil	Nil
Mr. Ashok Kumar Gadiya	Non-executive, Independent	Nil	Nil	Nil
Mr. Ashok Kumar Singhal	Non executive, Independent	Nil	Nil	Nil
Mr Jaydeb Mondal	Non-executive, Independent	Nil	Nil	Nil
Mr. Manash Bose	Non-executive, Independent	Nil	Nil	Nil

### Board Meetings and Attendance:

During the previous year, 10 board meetings were held on 28/04/2010, 26/05/2010, 30/05/2010, 1/06/2010, 7/06/2010, 7/07/2010, 30/07/2010, 21/08/2010, 12/11/2010 and 10/02/2011.

The attendance at the Board Meetings and Annual General Meeting were as under:

Name of Director	No. of Board Meeting Attended	Attendance at Last AGM
Mr. Rajesh Kumar Pagaria	6	Yes
Mr. Ranjit Singh Pagaria	6	Yes
Mr. Ashok Kumar Gadiya	5	No
Mr. Ashok Kumar Singhal	5	No
Mr Jaydeb Mondal	6	No
Mr. Manash Bose	6	Yes

## Cost of Business Conduct

The Company has adopted a Code of Business Conduct which applies to all employees and Directors of the Company. It is the responsibility of all employees and Directors to familiarize themselves with this code and comply with its standards.

## Committees of the Board

The Board of Directors has constituted the following committees with adequate delegation of powers to discharge day-to-day affairs of the Company as well as to meet the exigencies of the business of the Company.

### Audit Committee:

The Audit committee comprises of three Directors all of whom are financially literate. The Committee has two independent and Non-Executive Director and one Non – Executive Director During the year, four Audit committee meetings were held on 28/5/2010, 27/7/2010, 10/11/2010 and 08/02/2011.

The Company complies with the provision of Section 292A of the Companies Act, 1956, as well as requirements under the listing agreement pertaining to the Audit Committee. Its functioning is as under:

- To Review with the management and statutory auditors and the adequacy of internal control systems including the plan, scope and performance of the internal audit function;
- To Review the quarterly, half yearly and annual accounts before submission to the Board
- To Review with the management and statutory auditors, the annual financial statements before submission to the Boards
- To consider such other matters as may be required by the Board
- To discuss with management the Company's major policies with respect to risk assessment
- To hold discussions with statutory auditors on the nature and scope of audits, and any views that they have about the financial control and reporting processes;

The present composition of the Audit committee and changes since last annual report and attendance of the Meeting are as follows.

Members	Meeting Attended
Mr. Manash Bose (Chairman, Non-Executive Independent)	3
Mr Jaydeb Mondal (Non-Executive, Independent)	3
Mr. Ranjit Singh Pagaria (Non-Executive)	3
Mr. Manoj Kumar Parasar (Non-Executive, Independent)	1
Mr. Ashok Kumar Gadiya (Non-Executive)	1
Mr. Pankaj Gautam ( Non-Executive, Independent)	1

Mr. Manoj Kumar Parasar and Mr. Pankaj Gautam resigned from the Board w.e.f. 07/07/2010 and consequently ceased to be a member of the committee from the said date. Mr. Ashok Kumar Gadiya resigned from the membership of the committee w.e.f. 07/07/2010

Mr. Manash Bose, Mr Jaydeb Mondal and Mr. Ranjit Singh Pagaria were appointed as members of the committee w.e.f. 07/07/2010 with Mr. Manash Bose as a chairman of Audit committee.

### Shareholders' Grievance Committee:

The Shareholders' Grievance Committee composed of 2 Independent Directors and 1 Non-executive Director namely Mr. Manash Bose, Mr. Jaydeb Mondal, and Mr. Ranjit Singh Pagaria. The committee has appointed Mr. Manash Bose as the Chairman of shareholders / investors grievance committee. The committee approves and monitors transfers, transmission, subdivision, consolidation of shares issued by the Company etc. The committee oversees performance of the Registrar and Transfer Agent of the Company and recommends measures for overall improvement in the quality of investor services. The committee also redresses/ replies to investors, complaints, queries and requests relating to transfers of shares, non-receipt of Annual Reports, etc.

The Shareholders/Investors Grievance Committee is empowered to perform all the functions of the Board in relation to handling of Shareholders / Investors Grievances. It primarily focuses on:



- a) Review of investor complaints and their redressal;
- b) Review of the queries received from investors;
- c) Review of the work done by Share Transfer Agent; and
- d) Review of corporate actions related work.

Below-mentioned table gives the composition and attendance record of the Shareholders/ Investors Grievance Committee.

Members	Meeting Attended
Mr. Manash Bose (Chairman, Non-Executive Independent)	3
Mr Jaydeb Mondal (Non-Executive, Independent)	3
Mr. Ranjit Singh Pagaria (Non-Executive)	3
Mr. Manoj Kumar Parasar (Non-Executive, Independent)	1
Mr. Ashok Kumar Gadiya (Non-Executive)	1
Mr. Pankaj Gautam ( Non-Executive, Independent)	1

Mr. Manoj Kumar Parasar and Mr. Pankaj Gautam resigned from the Board w.e.f. 07/07/2010 and consequently ceased to be a member of the committee from the said date. Mr. Ashok Kumar Gadiya resigned from the membership of the committee w.e.f. 07/07/2010

Mr. Manash Bose, Mr Jaydeb Mondal and Mr. Ranjit Singh Pagaria appointed member of the committee w.e.f. 07/07/2010 with Mr. Manash Bose as a chairman of Shareholders' Grievance Committee.

As on 31/3/2011, no share transfer request was pending. Share transfers and other related records duly signed by compliance officer have been furnished to Stock Exchanges.

#### **Remuneration Committee:**

The Remuneration Committee, entirely composed of 2 Independent Directors and 1 Non-executive Director, reviews the performance of the Managing Director and senior executives one level below the Board, and also reviews the remuneration package offered by the Company to different grades / levels of its employees. While reviewing the remuneration of senior management personnel, the Committee takes into account the following:

- Financial position of the Company;
- Trends in the industry;
- Appointee's qualifications and experience;
- Past performance;
- Past remuneration; etc.

The committee keeps the Directors updated on various Human Resources matters. The committee met 2 times during the year.

#### **Remuneration of Director:**

The remuneration committee is constituted to formulate and recommend to the Board from time to time which decides the remuneration of all the directors and senior management members of the Company. The Remuneration committee comprises of three non executive members of the Board viz., Mr. Manash Bose, Mr. Jaydeb Mondal, and Mr. Ranjit Singh Pagaria. All the members of committee met two times during the year 2010-2011. Mr. Rajesh Kumar Pagaria has been appointed as a Managing Director of the Company and his remuneration fixed @ Rs.55000/- per month (including perks) w.e.f. 7<sup>th</sup> June 2010 for a tenure of 3 years.

The sitting fees for attending of each meeting of the Board of Directors of the non-executive/ independent directors of the Company are decided by the Board of Directors. During the year, Company has paid no remuneration to its Non-executive/ Independent Directors. This is no pecuniary relationship or transactions of the Company with its (Non-Executive) Independent Director other than payment of sitting fees @ Rs.500/- per meeting to them for attending Board/ Committee meeting.

The detail of remuneration of Mr. Rajesh Kumar Pagaria (Managing Director) is as under:

(Amount in Rs.)

Name of Director	Salary cum Allowances	Stock Benefits	Service Contract Tenure
Mr. Rajesh Kumar Pagaria	Rs.550000/-	Nil	3 Year

#### General Body Meetings:

The location and time of the Annual General Meetings held during the last three years were as follows:

Financial Year	AGM	Date	Location of Meeting	Time
2009-10	AGM	30.09.2010	Kamal Banquette, C-18 First Floor, Lajpat Nagar-II, New Delhi-110024	10.00 A.M.
2008-09	AGM	30.09.2009	4117, 1 <sup>st</sup> Floor, Naya Bazaar, Delhi-110006	10.00 A.M.
2007-08	AGM	29.09.2008	4117, 1 <sup>st</sup> Floor, Naya Bazaar, Delhi-110006	10.00 A.M.

No postal ballots were used for voting at these meetings. At the forthcoming AGM, there is no item on agenda that needs approval by postal ballot.

During the FY 2010-11, Company has done postal ballot on 28<sup>th</sup> April 2010 for the following purpose.

- Preferential Issue of Equity Shares
- Change in Name of the Company
- Alteration of Memorandum of Association in order to alter Clause III (C) of the Memorandum of Association containing the "Other Objects"
- Under Section 149(2A) for commencement of new business.

#### Disclosures

The Company has not entered into any transaction of material nature that may have potential conflict with interests of the Company with any of the Directors or their relatives during the financial year ending 31<sup>st</sup> March, 2011.

The Company has complied with the provisions of law and no penalties or strictures have been imposed by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital markets, during the last 3 years.

#### Non – Mandatory Requirements

The company has adopted the non mandatory provisions relating to the various clauses of listing agreement of Stock Exchange. The quarterly/ half yearly and audited financial results are published in financial newspapers, posted on the company's website and sent to the shareholders on request. The company is also moving towards a regime of unqualified financial statements. The Company shall endeavour to adopt the other non mandatory requirements as and when necessary.

#### Means of Communication

During the year, the quarterly/ half-yearly/ annual unaudited/audited financial results of the Company were sent to the Stock Exchange immediately after they are approved by the Board of Directors and were also published in Business Standard in English and Hindi Edition. Management Discussion and Analysis forms part of the Annual Report.

#### General Shareholder information

##### A. 20<sup>th</sup> Annual General Meeting

Date : 28<sup>th</sup> September, 2011

Time : 10:00 A.M.



Venue : Kamal Banquette, C-18 First Floor,  
Lajpat Nagar-II, New Delhi-110024

**B. Financial Calendar**

Unaudited results for the quarter ending June 30, 2011 : Last week of July, 2011  
Unaudited results for the quarter ended September 30, 2011 : Last week of October, 2011  
Unaudited results for the quarter ended December 31, 2011 : Last week of January, 2012  
Audited results for the year ending March 31, 2012 : Last week of May, 2012

**C. Date of Book Closure:** Date of Book Closure: 22<sup>nd</sup> September, 2011 to 28<sup>th</sup> September, 2011 (both days inclusive)

**D. Listing on Stock Exchanges and Stock Codes**

1. Bombay Stock Exchange Limited -531396
2. The Delhi Stock Exchange Association Limited -8377

**E. Compliance Officer:** Mr Rajesh Kumar Pagaria  
304A, Jaina Tower-1, District Centre,  
Janakpuri, New Delhi-110058.

**Market Price Data**

Month-wise High / Low market price of the Company's equity shares traded on BSE during the last financial year were as follows:

Month	BSE	
	High	Low
April 2010	34.60	25.80
May 2010	34.50	25.30
June 2010	41.25	29.40
July 2010	36.80	30.00
August 2010	35.45	28.60
September 2010	31.20	25.10
October 2010	34.00	25.70
November 2010	31.45	23.00
December 2010	29.00	15.90
January 2011	18.00	11.50
February 2011	15.69	12.01
March 2011	14.37	11.35

There was no trading for shares at Delhi Stock Exchange because the scrip was suspended and trading of its shares will be resumed shortly at Delhi Stock Exchange.

**Registrar and Transfer Agent & Share Transfer System**

The Company's Share Transfer Agents is M/s. Link Intime India (P) Limited. Their address is under:

M/s. Link Intime India (P) Limited  
A-40, Naraina Industrial Area,  
2nd Floor, Phase – II  
New Delhi – 110028  
Tel : (011) 41410592  
Fax : (011) 41410591  
Email : delhi@linkintime@co.in

The Company's shares are traded in the Stock Exchanges in demat mode. These transfers are affected through NSDL and CDSL. Transfer of shares in physical form is processed and approved in the board Meetings from time to time and the certificates are returned to the shareholders within 15 days from the date of receipt, subject to documents being valid and complete in all respects.

## Distribution of Shareholding

The distribution of shareholding as on 31<sup>st</sup> March, 2011 was as follow:-

No. of equity shares held	No. of shareholders	Percentage of shareholders (%)	Total No. of shares held	Percentage of share held (%)
1-2500	1534	62.332	1811410	4.164
2501-5000	379	15.400	1550320	3.564
5001-10000	223	9.061	1891730	4.349
10001-20000	121	4.917	1857220	4.270
20001-30000	58	2.357	1490310	3.426
30001-40000	38	1.544	1341600	3.084
40001-50000	25	1.016	1169900	2.690
500001-100000	43	1.747	3053650	7.020
100001& above	40	1.625	29330560	67.432
<b>Total</b>	<b>2461</b>	<b>100</b>	<b>43496700</b>	<b>100</b>

## Shareholding Pattern

The pattern of shareholders as on 31<sup>st</sup> March, 2011 was as follows:

Category	No. of Shares	Percentage
Promoters	1729770	39.77
Indian Public	2009412	46.20
Indian Body Corporate	610488	14.03
<b>TOTAL</b>	<b>4349670</b>	<b>100.00</b>

## Dematerialization of shares and liquidity

The equity shares of your Company are compulsory traded in dematerialized form and the Company has agreements with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31<sup>st</sup> March, 2011 over 26,28,389 shares, consisting of 60.43% of the total paid-up capital of the Company are dematerialized. The reconciliation of both physical and demat shares are upto date and tallies with the total paid up capital of the Company.

## Address for Correspondence

304A, Jaina Tower-1, District Centre,  
Janakpuri, New Delhi-110058  
Email: wnl\_delhi@hotmail.com

## DECLARATION

As approved under clause No.49 of the listing agreement with Stock Exchange, the Board members and senior management personal have confirmed compliance with the code of conduct for the year ended March 31, 2011.

Place: Delhi  
Date : 30/5/2011



*Rajesh Pagaria*  
(Rajesh Kumar Pagaria)  
Managing Director



To  
The Members of  
**Pagaria Energy Limited**

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We have examined the compliance of conditions of Corporate Governance by Pagaria Energy Limited for the year ended 31<sup>st</sup> March,2011, as stipulated in Clause No.49 of the listing agreement of the said company with stock exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management of the company. Our examination has been in the manner described in the Guidance Note of Certification of Corporate Governance issued by the ICSI and has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of 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, and the representation made by the Directors and Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned listing agreements.

According to the information and explanations given to us, we state that in respect of investors grievance received during the year ended 31st March,2011, no investors grievance are received / pending against the Company.

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

**For S.R.Ghedia & Associates**  
**(Chartered Accountants)**

FRN :: 118560W



Place : Mumbai  
Date : 30<sup>th</sup> May, 2011

  
**(Sunil Jain)**  
**Partner**  
**M. No. 059181**

**Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Clause 41 of the Listing Agreement**

To,  
The Board of Directors  
**Pagaria Energy Limited**

We have audited the quarterly financial results of Pagaria Energy Limited for the quarter ended 31/03/2011 and the year to date results for the period 1/04/2010 to 31/03/2011, attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement **except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us.** These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, Issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- (ii) give a true and fair view of the net profit/ loss and other financial information for the quarter ended 31/03/2011 as well as the year to date results for the period from 1/04/2010 to 31/03/2011.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For S.R.Ghedia & Associates  
(Chartered Accountants)  
FRN :: 118560W



  
(Sunil Jain)  
Partner  
M. No. 059181

Place : Mumbai  
Date : 30<sup>th</sup> May, 2011



**AUDITORS' REPORT**

To  
The Members  
M/s. Pagaria Energy Limited.  
-----

1. We have audited the attached Balance Sheet of M/s. Pagaria Energy Limited, New Delhi as at 31<sup>st</sup> March, 2011, the Profit & Loss Account and also the Cash Flow Statement of the Company 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 the 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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report)(Amendment) Order 2004, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such test checks of the books and records of the Company, as we considered appropriate and according to the information and explanations given to us, we give 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 in paragraph 3 above, we report that:
  - i) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our Audit.
  - ii) In our opinion, proper books of account as required by Law have been kept by the Company so far as appears from our examination of those books.
  - iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
  - iv) In our opinion, Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report generally comply with all the mandatory Accounting Standards referred to in section 211 (3C) of the Companies Act, 1956 to the extent applicable.



**AUDITORS' REPORT (Contd.....)**

- v) On the basis of written representations received from the Directors of the Company as on 31<sup>st</sup> March 2011 and taken on record by the Board of Directors, none of the director is disqualified as on 31<sup>st</sup> March 2011 from being appointed as Director of the Company under 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 financial statements, read together with Significant Accounting Policies and Notes to the Accounts there on, give in the prescribed manner the information required by the Companies Act, 1956 and also give respectively a true and fair view in conformity with the Accounting Principle generally accepted in India:
- (a) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31<sup>st</sup> March, 2011;
- (b) In the case of the Profit & Loss Account, of the Profit of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the Cash flows of the Company for the year ended on that date;

**For S.R.Ghedia & Associates  
(Chartered Accountants)**

**FRN :: 118560W**



*Sunil Jain*  
**(Sunil Jain)  
Partner  
M. No. 059181**

**Place : Mumbai  
Date : 30th May, 2011**



**Annexure to Auditors' Report**  
**Referred to in Paragraph 1 of our report of even date**

- =====
1. In respect of its fixed assets:
    - a) *The Company is in the process of updating its records relating to Fixed Assets, showing full particulars including quantitative details and situation of fixed assets.*
    - b) *As explained to us, the fixed assets have not been physically verified by the management during the year under review, as such discrepancies between book record and physical verification, if any, will be determined only after the verification is carried out.*
    - c) As explained to us, the Company has not disposed of substantial part of fixed assets during the year, hence the going concern status of the Company is not affected.
  2. Since there are no Inventories in the Company, the Information's required under this clause is not furnished.
  3.
    - a) In our opinion and according to the information and explanations given to us, there is no loans, secured or unsecured, taken by the Company from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
    - b) *The company has granted Unsecured loans/Advances to companies, firms, its sister concerns or other parties covered in the register maintained under Section 301 of the Act. In respect of such loans/Advances there is not any stipulation as regard to repayment of Principal amount and servicing of Interest.*
  4. In our opinion and according to the information and explanation given to us, there is adequate internal control procedure commensurate with the size of the company and nature of its business for purchase of inventory, fixed assets and also for sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
  5. In respect of transaction covered under section 301 of the Companies Act, 1956:
    - a. In our opinion and according to the information and explanation given to us, the transaction that needs to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
    - b. In absence of competitive quotations and comparable prices and having regards to the specialised nature of items purchased or sold, we are unable to comment upon the reasonableness of prices at which such transactions have been entered, having value exceeding Rs.500,000/- or more in the financial year under audit.



**Annexure to Auditors' Report**  
**Referred to in Paragraph 1 of our report of even date**

6. The Company has not accepted any deposit from the public to which the provision of Sec 58A and 58AA of the Companies Act, 1956, and the Companies (Acceptance of Deposit) Rules, 1975 apply.
7. *In our opinion, the company does not have an Internal Audit System commensurate with the size of the Company and nature of its business.*
8. We are informed that the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for any of the services rendered by the Company.
9. In respect of statutory dues:
- a. According to the records of the Company, undisputed statutory dues including provident fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities.
- b. *According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as on 31<sup>st</sup> March, 2011 for a period of more than six months from the date of becoming payable except Income Tax relating to FY 2009-10 amounting to Rs.56087/-, is still to be paid.*
- c. In our opinion and according to the information and explanations given to us, there is no disputed statutory dues' pending before appropriate authorities.
10. The Company has not having any accumulated losses and has not incurred any cash losses during the financial year and the immediate preceding financial year covered by our audit.
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulter in repayment of dues to financial institutions, bank or debenture holder.
12. In our opinion and according to the information and explanations given to us no loans and advances have been granted by the Company on the basis of security by way or pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.





**Annexure to Auditors' Report**  
**Referred to in Paragraph 1 of our report of even date:**

14. According to the information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. As informed by the management the company has long term strategic investment in certain Companies which are held by the company in its own name. However, necessary Physical Share Certificates or Demat statement from the Depository participants are not produced before us, for verifying the quantity of the same.
15. As informed by the management, the Company has not given any guarantees for loans taken by other from banks or financial institutions.
16. The Company has not raised any term loans during the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilized the funds raised on short term basis towards long-term borrowings and investment and vice versa.
18. According to the information and explanations given to us , during the year the Company has made preferential allotment of shares to parties and Companies covered in the Register maintained under Section 301 of the Companies Act, 1956. In our opinion , the prices at which shares have been issued is not prejudicial to the interest of the company.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by way of Public issue/ ADRs/ GDRs/ FCCB or Convertible Warrants during the year.
21. As per the check carried out by us, no fraud on or by the Company has been noticed or reported during the year under report.

For S.R.Ghedia & Associates  
(Chartered Accountants)  
FRN :: 118560W



  
(Sunil Jain)  
Partner  
M. No. 059181

Place : Mumbai  
Date : 30th May, 2011

**PAGARIA ENERGY LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2011**

PARTICULARS	Schedule	31st March, 2011		31st March, 2010	
		Rupees	Rupees	Rupees	Rupees
<b>SOURCES OF FUNDS:</b>					
<b>SHAREHOLDER'S FUND</b>					
Share Capital	1		43,496,700.00		30,148,000.00
Reserve & Surplus	2		17,574,464.65		1,884,971.41
Deferred Tax Liability			95,612.87		-
<b>Total</b>			<b>61,166,777.52</b>		<b>32,032,971.41</b>
<b>APPLICATION OF FUNDS</b>					
<b>FIXED ASSETS</b>					
Gross Block	3		3,417,829.86		2,303,337.86
Less: Depreciation			2,312,504.52		2,174,529.86
<b>Net Block</b>			<b>1,105,325.34</b>		<b>128,808.00</b>
<b>INVESTMENTS</b>	4		3,648,400.00		4,148,400.00
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>					
Sundry Debtors	5	30,722,350.00		3,479,350.00	
Other Current Assets	6	13,228,016.00		13,183,861.00	
Cash & Bank Balances	7	1,279,236.89		3,356,856.87	
Loans & Advances	8	49,848,567.00		19,866,397.00	
		95,078,169.89		39,886,464.87	
Less: Current Liabilities & Provisions					
Current Liabilities	9	38,528,622.13		12,882,799.26	
Provision for Income Tax	10	136,495.58		82,333.00	
<b>Net Current Assets</b>			<b>56,413,052.18</b>		<b>26,921,332.61</b>
<b>Miscellaneous Expenditure</b> (To the extent not w/off or adjusted)					
Deferred Revenue Expenditure	11				834,430.80
<b>Total</b>			<b>61,166,777.52</b>		<b>32,032,971.41</b>

**Significant Accounting Policies &** 15

Schedules referred to above form an integral part of the Balance Sheet  
As per our report of even date attached


For S.R.Ghedia & Associates  
Chartered Accountants

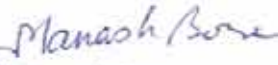
  
Sunil Jain  
(Partner)  
M.No : 059181



Place : Mumbai  
Date : 30/05/2011

For and on behalf of Board  
For Pagaria Energy Ltd

  
Rajesh Kumar Pagaria  
(Managing Director)

  
Manash Bore  
(Director)





**PAGARIA ENERGY LIMITED**

**Profit & Loss Account for the period Ended as on 31st March,2011**

<b>PARTICULARS</b>	<b>Schedule No</b>	<b>31.03.2011 Rupees</b>	<b>31.03.2010 Rupees</b>
<b>REVENUE</b>			
Income from operation	12	95,219,407.00	168,858,900.00
Other Revenue	13	137,640.00	1,065,008.00
		<u>95,357,047.00</u>	<u>169,923,908.00</u>
<b>EXPENDITURE:</b>			
Opening Stock		-	191,521.15
Purchases		89,717,624.00	167,133,800.00
Administration & Other Expenses	14	4,097,368.85	1,119,261.39
Professional Fees			-
Misc Expenses W/off		834,430.80	1,265,955.00
Depreciation		137,974.66	106,432.00
		<u>94,787,398.31</u>	<u>169,816,969.54</u>
<b>Profit / (Loss) Before Taxation</b>		<b>569,648.69</b>	<b>106,938.46</b>
Less :Provision for Income Tax		80,408.58	56,087.00
Less :Provision for Deferred Tax		95,612.87	-
Less: Income Tax Adjustment for Earlier Years		55,139.00	10,230.00
<b>Profit / (Loss) After Tax</b>		<b>338,488.24</b>	<b>40,621.46</b>
Balance Brought Forward		337,299.26	289,401.80
Add: Deffered Tax Liability Reversed Back		-	7,276.00
<b>Balance Carried to Balance Sheet</b>		<b>675,787.50</b>	<b>337,299.26</b>
<b>EARNING PER SHARE</b>			
- Face Value (Rs.)		10.00	10.00
- Basic and Diluted (Rs.)		0.08	0.01

Significant Accounting Policies & Notes to the 15

Schedules referred to above form an integral part of the Balance Sheet

As per our report of even date attached

For S.R.Ghedia & Associates  
Chartered Accountants

  
Sunil Jain  
(Partner)  
M.No : 059181

Place : Mumbai  
Date : 30/05/2011



For and on behalf of Board  
For Pagaria Energy Ltd

  
Rajesh Kumar Pagaria Manash Bose  
(Managing Director) (Director)



**PAGARIA ENERGY LIMITED**

**SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT**

PARTICULARS	31.03.2011		31.03.2010	
	Rs.	P.	Rs.	P.
<b>SCHEDULE -1:</b>				
<b>SHARE CAPITAL</b>				
<b>AUTHORISED</b>				
25000000 (Previous Year 25000000)	250,000,000.00		250,000,000.00	
Equity shares of Rs. 10/- Each				
	<b>250,000,000.00</b>		<b>250,000,000.00</b>	
<b>ISSUED SUBSCRIBED AND PAID-UP</b>				
4349670 (Previous year 3014800)	43,496,700.00		30,148,000.00	
Equity Share of Rs. 10/- Each				
	<b>43,496,700.00</b>		<b>30,148,000.00</b>	
<b>SCHEDULE -2:</b>				
<b>RESERVE &amp; SURPLUS</b>				
General Reserves	1,547,672.15		1,547,672.15	
Profit & Loss A/c	675,787.50		337,299.26	
Share Premium	15,351,005.00		-	
	<b>17,574,464.65</b>		<b>1,884,971.41</b>	
<b>SCHEDULE -5:</b>				
<b>SUNDRY DEBTORS</b>				
<b>(Unsecured, Considered Good)</b>				
Debts O/s for a period exceeding Six Months	3,479,350.00		3,479,350.00	
Others	27,243,000.00		-	
	<b>30,722,350.00</b>		<b>3,479,350.00</b>	
<b>SCHEDULE -6:</b>				
<b>OTHER CURRENT ASSETS</b>				
<b>(Unsecured, Considered Good)</b>				
Share Application Money	13,015,000.00		13,015,000.00	
Securities & Advances	-		3,200.00	
Interest Accrued on FDR	213,016.00		165,661.00	
	<b>13,228,016.00</b>		<b>13,183,861.00</b>	
<b>SCHEDULE -7:</b>				
<b>CASH &amp; BANK BALANCES</b>				
<b>(As Certified by the management)</b>				
Cash in Hand	159,287.58		243,888.58	
Balance with Scheduled Banks				
-In Current Accounts	41,325.29		1,317,572.29	
-In Fixed Deposits Accounts	1,016,700.00		1,395,396.00	
Cheques/DDs In hand	61,924.02		400,000.00	
	<b>1,279,236.89</b>		<b>3,356,856.87</b>	
<b>SCHEDULE -8:</b>				
<b>LOANS &amp; ADVANCES</b>				
<b>(Unsecured, Considered Good)</b>				
Advances recoverable in Cash or in Kind or for value to be received	20,069,424.00		19,769,424.00	
Short Term Advances from Sister Concern	29,735,305.00			
TDS Receivables	43,838.00		96,973.00	
	<b>49,848,567.00</b>		<b>19,866,397.00</b>	



Manish Bora



**PAGARIA ENERGY LIMITED**

**SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT**

PARTICULARS	31.03.2011		31.03.2010	
	Rs.	P.	Rs.	P.
<b>Note ::</b>				
Amount Due from Director	750,000.00			-
Maximum Amount during the year	750,000.00			
<b>SCHEDULE -9:</b>				
<b>CURRENT LIABILITIES</b>				
Sundry Creditors	27,484,303.26		2,949,256.26	
Liability for expenses	1,182,818.87		72,043.00	
Advances Received	9,861,500.00		9,861,500.00	
	<b>38,528,622.13</b>		<b>12,882,799.26</b>	
<b>SCHEDULE -10:</b>				
<b>PROVISIONS</b>				
Provision For Income Tax F Y 2004-2005			12,050.00	
Provision For Income Tax F Y 2005-2006			14,196.00	
Provision For Income Tax F Y 2009-2010	56,087.00		56,087.00	
Provision For Income Tax F Y 2010-2011	80,408.58			
	<b>136,495.58</b>		<b>82,333.00</b>	
<b>SCHEDULE -11:</b>				
<b>DEFERRED REVENUE EXPENDITURE</b>				
Opening Balance	834,430.80		2,100,385.80	
Add: Transferred during the year				
	834,430.80		2,100,385.80	
Less: Written Off During the year	834,430.80		1,265,955.00	
			<b>834,430.80</b>	
<b>SCHEDULE -12:</b>				
<b>INCOME FROM OPERATION</b>				
Sales	93,652,213.00		168,327,900.00	
Consultancy Charges	1,462,194.00			
Web Development Receipts	105,000.00		531,000.00	
	<b>95,219,407.00</b>		<b>168,858,900.00</b>	
<b>SCHEDULE -13:</b>				
<b>OTHER REVENUE</b>				
Dividend	16,575.00			
Interest on FDR	121,065.00		1,065,008.00	
	<b>137,640.00</b>		<b>1,065,008.00</b>	



  
 Manoj B. Pagaria

**PAGARIA ENERGY LIMITED**

**SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT**

PARTICULARS	31.03.2011		31.03.2010	
	Rs.	P.	Rs.	P.
<b>SCHEDULE -14:</b>				
<b>ADMINISTRATIVE EXPENSES</b>				
Advertisement & Publicity Expenses	45,916.00		19,170.00	
AGM Expenses	38,102.00		16,108.00	
Amount written/off	-		44,500.00	
Audit Fees	22,060.00		16,545.00	
Bank Charges	3,807.00		2,190.00	
Books & Periodicals	33,812.00		19,857.00	
Brokerage Charges	4,838.98		7,006.35	
Business Promotion Expenses	52,268.00		18,638.00	
Computer Running & Maintenance	-		17,721.00	
Consultancy Charges	1,560,745.00		-	
Conveyance Expenses	111,004.00		42,749.00	
Depository Annual charges	14,462.00			
Director Remuneration	550,000.00		-	
Director Sitting Fees	17,000.00		-	
Electricity Expenses	9,556.00		10,102.00	
General Repair & Maintenance	102,070.00		31,940.00	
Insurance Charges	3,200.00		5,392.00	
Legal Expenses	180,760.55		36,550.39	
Listing Fees	32,685.50		-	
Miscellaneous & General Expenses	89,706.82		21,241.65	
Postage & Telegram Expenses	61,213.00		22,170.00	
Printing & Stationery Expenses	98,623.00		35,736.00	
Professional Fees	549,105.00			
ROC Filing Fees	24,550.00		5,000.00	
Salaries	307,375.00		625,548.00	
Share Transfer Charges	37,044.00		19,854.00	
Tea & Snacks to staff	38,883.00		28,701.00	
Telephone & Communication	32,798.00		20,318.00	
Tour & travelling Expenses	75,784.00		20,076.00	
Vehicle Running & Maintenance	-		32,148.00	
	<b>4,097,368.85</b>		<b>1,119,261.39</b>	

*Rajesh Rajani*  
*Manish Bora*





**PAGARIA ENERGY LIMITED**

**SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT**

**Schedule 3 : Fixed Assets**

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	Values as on 1.04.2010	Addition/ Deletion during the period	Total as on 31.03.2011	Rate of Dep in %	Up to 31.03.2010	For the year	Up to 31.03.2011	As on 31.03.2011	As on 31.03.2010
1 Air Conditioner	209,027.12	172,680.00	381,707.12	4.75	98,141.12	18,040.46	116,181.58	265,525.54	110,886.00
2 Car	1,150,172.00		1,150,172.00	9.50	1,150,172.00	-	1,150,172.00	-	-
3 Scooter	24,761.00		24,761.00	9.50	24,761.00	-	24,761.00	-	-
4 Water Filter	7,250.00		7,250.00	4.75	3,461.00	344.00	3,805.00	3,445.00	3,789.00
5 Fans	7,175.00		7,175.00	4.75	3,413.00	344.00	3,757.00	3,418.00	3,762.00
7 Furniture & Fixture	232,325.50	341,212.00	573,537.50	6.33	232,325.50	21,243.67	253,569.17	319,968.33	-
8 Inverter	13,240.80		13,240.80	4.75	6,094.80	628.00	6,722.80	6,518.00	7,146.00
9 Computers	653,400.00	600,600.00	1,254,000.00	16.21	653,400.00	97,090.53	750,490.53	503,509.47	-
10 EPABX	5,986.44		5,986.44	4.75	2,761.44	284.00	3,045.44	2,941.00	3,225.00
<b>Total</b>	<b>2,303,337.86</b>	<b>1,114,492.00</b>	<b>3,417,829.86</b>		<b>2,174,529.86</b>	<b>137,974.66</b>	<b>2,312,504.52</b>	<b>1,105,325.34</b>	<b>128,808.00</b>
Previous Year	2,303,337.86	0	2303337.86		2,068,097.86	106,432.00	2,174,529.86	128,808.00	235,240.00



**PAGARIA ENERGY LIMITED**

**SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT**

**Schedule 4: Investment**

Company Name	Face Value (Rs.)	No of Shares	31.03.2011 Rupees	No of Shares	31.03.2010 Rupees
<b>Quoted</b>					
JPT Securities Ltd	10	21500	186,400.00	21500	186,400.00
MFL Housing Ltd	10	152000	152,000.00	152000	152,000.00
MFL Stock Brocking Ltd	10	100000	110,000.00	100000	110,000.00
<b>Unquoted</b>					
Microchip Electronics P ltd	10	77500	775,000.00	77500	775,000.00
Sumeet Overseas Ltd	10	50000	-	50000	500,000.00
Gaurav Metals Pvt Ltd	10	30000	300,000.00	30000	300,000.00
Pratap Tiles Pvt Ltd	10	27500	275,000.00	27500	275,000.00
Care & Cure International Ltd	10	10000	100,000.00	10000	100,000.00
Indian Astrology Com P Ltd	10	3000	50,000.00	5000	50,000.00
Mewar Infoline.com P Ltd.	10	17000	1,700,000.00	170000	1,700,000.00
<b>Total</b>			<b>3,648,400.00</b>		<b>4,148,400.00</b>



*Manash Bora*



## SCHEDULE - '15'

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS:

Annexed to and forming part of the Balance Sheet as at 31<sup>st</sup> March, 2011 and of the Profit & Loss Account for the period ended on that date.

#### 1. Accounting System:

- a) Financial statements are prepared in accordance the generally accepted accounting principles including mandatory applicable accounting standards in India and relevant presentational requirement of the Companies Act 1956 under historical cost convention on accrual basis and ongoing concern concept, unless otherwise stated.
- b) All Expenses and Income are accounted for on Accrual basis.
- c) Dividend Income and Interest on Bank FDR's is accounted for on Cash Basis.

#### 2. Fixed Assets :

- a) Fixed Assets are stated at cost, which includes expenditure on installation /construction and preoperative expenses wherever applicable.
- b) Depreciation on Fixed Assets is provided on Straight Line Method on pro-rata basis as per rates prescribed in Schedule XIV to the Companies Act, 1956 with reference to the date of addition or deletion.
- c) The cost incurred for fixed assets, the construction/ installation/ acquisition of which are not completed is included under the heard 'Capital Work in Progress'.

#### 3. Investments:

- a) Long term investments are stated at cost.
- b) Provision for diminution in the value of Long Term Investments is made only if such a decline is, in the opinion of management, other than temporary.

#### 4. Taxation:

- a) Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the Provisions of the Income Tax Act, 1961.
- b) Deferred Tax is recognized, subject to the consideration of prudence, on timing difference being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- b) Deferred tax assets on unabsorbed tax losses and tax depreciation and on other items are recognized only when there is virtual certainty of their realization and that sufficient future taxable income will be available against which such deferred tax assets can be realized.



- c) The Tax effect is calculated on the accumulated timing difference at the yearend based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

**5. Retirement Benefits:**

Liabilities in respect of Gratuity & Leave encashment and Other Retirement benefits are accounted for on cash basis which is not in conformity with Accounting Standard (AS) 15 (Revised 2005) on Employee Benefits as issued by the Institute of Chartered Accountants of India which requires that Gratuity and Leave Encashment Liabilities be accounted for on Accrual basis. However, no such payment was made during the financial year.

**6. Impairment of assets:**

- a) An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets.
- b) An impairment loss is recognized as an expense in the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.
- c) In the opinion of the management, there is no impairment of assets as on Balance Sheet date.

**7. Provisions, Contingent Liabilities and Contingent Assets:**

- a) Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.
- b) In the opinion of the management, there are no contingent liabilities as on Balance Sheet date and nor any events occurred after the Balance Sheet date that affects the financial position of the Company.

8. The names of Micro Small and Medium Enterprises suppliers defined under 'The Micro Small and Medium Enterprises Development Act, 2006' could not be identified, as the necessary evidence is not in the possession of the Company.





9. Additional information pursuant to part II of the Schedule VI of the Companies Act, 1956 has been disclosed below::

a) Quantitative Information ::

# Includes Turnover of Rough Diamond, Web Development Receipts and Consultancy Fees

	CURRENT YEAR AMOUNT (RS.)	PREVIOUS YEAR AMOUNT (RS.)
Opening Stock	NIL	NIL
Sales	95,219,407	168,858,900
Purchase	89,717,624	167,133,800
Closing Stock	NIL	NIL

b) Remuneration to Auditors:  
-As Statutory Audit fee (Inl S.tax) 22,060 16,545

c) Remuneration to Directors 550,000 NIL

10. The Major Components of Deferred Tax Liability arising on account of timing difference are::

Depreciation Rs. 95,612.87(P.Y Rs.NIL)

11. There has been no foreign exchange income or outflow during the year.

12. The Company has not disclosed the reportable business segment as per AS-17 issued by the Institute of Chartered Accountants of India.

13. **Earning Per Share:**

Particulars	2010-11	2009-10
Net Profit for the year attributable to the equity shareholders (Rs.)	338488.24	40621.46
Number of equity shares outstanding (in Nos.)	4349670	3014,800
Basic and diluted earnings per share ( Face value of Rs.10 each )(Rs.)	0.08	0.01

14. In the Opinion of the Board, all the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount stated in the Balance Sheet and all the known liabilities have been provided for.

15. All Debit and Credit Balances including Bank Balances, FDR Accounts are being subject to confirmation and reconciliation thereof and the same have been taken as per the balances appearing in the books. The consequent necessary adjustments, either of a revenue nature or otherwise if any, will be made as and when these accounts are confirmed.

16. The Company has Investment either quoted or unquoted in certain companies, which have been acquired at par/premium respectively though their present book values are lower than their par values or some of them are delisted from the Stock Exchange(s), and also their Current Balance Sheet are also not available, keeping in view the long term business potential, the management is of the view that no provision for fall in their values is required to be made as the same is of temporary nature.



17. The Company is making effort to liquidate its Sundry Debtors, Interest free loan, Advances recoverable in cash or in kind, other Current Assets which are outstanding for a considerable period. The company is working out different modalities for quicker recovery or adjustment during the forthcoming period .In the meanwhile the same have been considered by the management as good for recovery.
18. As informed and explained by the management, since number of employee was employed by the company for any part of the year or during the year were less than10 (Ten), the provisions of Employees' Provident Funds and Miscellaneous Provisions Act, Payment of Bonus Act, Payment of Gratuity Act, Employees' State Insurance Act and other Labor laws, rules and regulations relating to labor are not applicable to the company.
19. As informed by the management, the Company is not liable for any legal proceedings instituted under various statues/laws/provisions of different laws against the company.
20. As informed by the management, the Company is generally filing various statutory returns and forms including fulfilling of other compliances and formalities as required under various statues/laws/provisions of different laws, as applicable to it.
21. The Company is obliged to employ a Company Secretary under section 383A and other applicable provisions of companies Act 1956 and rules made there under on the Whole time basis. As informed by the management Effective steps have been taken but till date not found suitable candidates for the post. However your directors have been complied with all the legal compliances/formalities including updating of its secretarial record which is in process of updation, as required, through whole time practicing Company secretary.

## 22. Key Management Personnel

The Key management personnel are the directors, whose names are mentioned in the corporate governance report.

## 23. Related Party Disclosures:

The List of related parties and nature including amount of their transaction have been taken place during the year are given below::

Name	Relationship	Nature of transaction	Maximum amount o/s during the year	Opening Balance	Received during the year	Paid during the year	Closing balance
A.K. Gadia	Director	Loans & advances	750,000.00	-	1,350,000.00	600,000.00	750,000.00
Rajesh Kumar Pagaria	Managing Director	Preferential allotment of shares	8,925,295.00	-	29,025,000.00	29,025,000.00	-
Pagaria Power (P) Ltd.	Associated/Sister concern	Loans & advances	1,485,305.00	-	14,695.00	1,500,000.00	1,485,305.00
R.S.P. Business (P) Ltd.	Associated/Sister concern	Loans & advances	15,000,000.00	-	-	15,000,000.00	15,000,000.00
Zebraa Infrastructure Pvt. Ltd.	Associated/Sister concern	Loans & advances	12,500,000.00	-	-	12,500,000.00	12,500,000.00
Bhawara Lal Gadia	Director's Relative	Loans & advances	11,000.00	-	11,000.00	-	11,000.00
Rajesh Kumar Pagaria	Managing Director	Director Remuneration	NIL	-	-	550,000.00	550,000.00
		Directors sitting Fees	NIL	-	-	17,000.00	17,000.00





24. As informed the management, the Company has been generally charging /deducting Service Tax / TDS on receipts /payments which are liable to Service Tax/TDS, and payment is also being generally being made.
25. During the year under review, certain unquoted investments have been transferred/ sold/disposed off to certain parties at cost price.
26. Paise have been rounded off to the nearest rupee.
27. Schedule 1 to 15 from an integral part of Balance Sheet and Profit & Loss Account.
28. Previous year figures have re-grouped or rearranged wherever necessary.

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**Signatures to Schedules 1 TO 15**

As per our attached report on even date  
For S.R.Ghedia & Associates  
(Chartered Accountants)

(Sunil Jain)  
Partner  
M. No. 059181



Place : Mumbai  
Date : 30<sup>th</sup> May, 2011

**FOR AND ON BEHALF OF THE BOARD  
For Pagaria Energy Limited**

**Rajesh Kumar Pagaria  
Director**



**Manas Bose  
Director**

**PAGARIA ENERGY LIMITED**

**STATEMENT PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956**

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**I. Registration Details**

Registration No :: L67120DL1991PLC043677  
State Code :: 55  
Balance Sheet Dt. :: 31 March, 2011.

**II. Capital Raised During the Year (Amount in Rs. Thousands)**

Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	13,349

**III. Position of Mobilization and Deployment of Funds (Amount in Rs. Thousands)**

<b>Total Liabilities</b>	<b>99,832</b>	<b>Total Assets</b>	<b>99,832</b>
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**Sources of Funds.**

Paid-up Capital	43,497
Reserves and Surplus	17,574
Current Liabilities	38,665
Deferred Tax Liability	96

**Applications of Funds**

Net Fixed Assets	1,105
Currents Assets	95,078
Investments	3,649

**IV. Performance of Company (Amount in Rs. Thousands)**


Income	95,357
Total Expenditure	94,787
Profit before tax	570
Profit after tax	338
E.P.S (Rs.)	0.08
Dividend rate (%)	Nil

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

Item Code	Not Available
Product Description	Software Development & Consultancy
Item Code no.	Not Available
Product Description	Trading

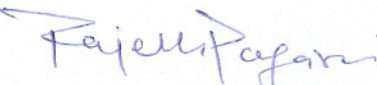
As per our Reports of Even Date

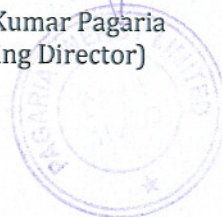
For S.R.Ghedia & Associates  
Chartered Accountants

  
Sunil Jain  
Partner  
FCA No.059191



For Pagaria Energy Ltd

  
Rajesh Kumar Pagaria  
(Managing Director)



  
Manash Bose  
(Director)

Place : Mumbai  
Date : 30<sup>th</sup> May 2011



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2011**  
(Pursuant to the Listing Agreement Clause 32 with the Stock Exchange)

	2010-11	2009-10
<b>(A) Cash Flow From Operating Activities</b>		
Net Profit before Tax as per P&L Account	514510	106936
Adjusted for		
Dividend	16575	0
Interest Income	121065	1065008
Depreciation	137975	106435
Misc Expenses W/off	834431	1265955
<b>Operating Profit Before Working Capital Changes</b>	<b>1349275</b>	<b>414318</b>
Adjusted for		
Loans & Advances	-29982170	2928511
Sundry Debtors	-27243000	560823
Other Current Assets	-44155	485224
Current Liabilities	25645823	-565985
Inventory	0	191521
<b>Cash Generated From Operations</b>	<b>-30274227</b>	<b>1842609</b>
Payment of Tax	-26246	-65800
<b>Net Cash Inflow/Outflow From Operations</b>	<b>-30300473</b>	<b>1908409</b>
<b>(B) Cash Flow From Investing Activities</b>		
Purchases of Fixed Assets	-1114492	0
Investments	500000	0
Dividend	16575	0
Interest Income	121065	1065008
<b>Net Cash Flow From Investing Activities (B)</b>	<b>-476852</b>	<b>1065008</b>
<b>(C) Cash Flow From Financing Activities</b>		
Net Proceeds from Issue of Share Capital	28699705	0
<b>Net Cash Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>-2077620</b>	<b>-843401</b>
Cash & Cash Equivalents at the Beginning of the Year	3356857	4200258
Cash & Cash Equivalents at the End of the Year	1279237	3356857

For Pagaria Energy Ltd

*Rajesh Pagaria*  
Rajesh Kumar Pagaria  
(Managing Director)

*Manash Bore*  
Manash Bore  
(Director)

Place : Mumbai  
Date : 30/5/2011

