

28th
Annual Report
2010-11



Sah Petroleums Limited

Directors :

- Mr. Rajendra Sah - Chairman
- Mr. Vivek Sah - Managing Director
- Mr. Aditya Sah - Joint Managing Director
- Mr. Bruno P.Y.G. Seghin - Director
- Mr. Noshir B. Dubash - Independent, Non Executive Director
- Mr. Alok D. Sukhani - Independent, Non Executive Director
- Mr. Pradip C. Shah - Independent, Non Executive Director
- Mr. Vinay G. Rao - Independent, Non Executive Director

Company Secretary : Mr. D. Malla Reddy

Auditors : N.D. Daga & Co.
Chartered Accountants
5/2, Tardeo AC Market Building, Tardeo Road, Mumbai – 400 034.

Bankers :

- Axis Bank Ltd, Nariman Point, Mumbai - 400 021.
- Dena Bank, Sachivalaya Corner, Mumbai - 400 021.
- IDBI Bank, Mumbai.

Registered Office : 406/407, Embassy Centre, Nariman Point, Mumbai-400 021.

Registrars & Share Transfer Agents : Sharex Dynamic (India) Pvt. Ltd.
Unit-1, Luthra Industrial Premises,
Andheri Kurla Road, Safed Pool,
Andheri(E)-Mumbai - 400 072.
Telephone No: 28515606/28515644: Fax: 28512885

Plant Locations :

- 1) Plot No. 5 to 14, Behind Dewan & Shah Indl. Estate, Village: Valiv, Vasai (E), Dist: Thane, India.
- 2) Survey No. 97 / 2, Daman Industrial Estate, Kadaiya, Daman Pataliya Road, Nani Daman – 396 210.

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NOTICE

Notice is hereby given that the Twenty Eighth Annual General Meeting of the Members of Sah Petroleums Limited will be held on Friday, the 30th September, 2011 at 10.00 A.M. at M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 2011 and the Balance Sheet as at that date, together with the Report of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Shares for the year ended 31st March, 2011.
3. To appoint a Director in place of Mr. Alok D. Sukhani, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Noshir B. Dubash, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint the Auditors of the Company to hold office upto the conclusion of the next Annual General Meeting and fix their remuneration.

By order of the Board
For **SAH PETROLEUMS LIMITED**

D. MALLA REDDY
Company Secretary

Mumbai, 12th August, 2011.

Registered Office:

406/407, Embassy Centre,
Nariman Point, Mumbai – 400 021

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 a proxy need not be a member of the company.**
2. The instrument(s) appointing the proxy, if any, shall be delivered at the Registered Office of the Company, not less than forty eight (48) hours before the commencement of the Meeting and in default, the instrument of proxy shall be treated as invalid. Proxies shall not have any right to speak at the meeting.
3. Members are requested to address all their correspondence including change of address and e-mail registration, etc. to the Company's Registrar and Transfer Agent, Sharex Dynamic (India) Pvt. Ltd. Unit-1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (E), Mumbai – 400 072.
4. The Ministry of Corporate Affairs has taken a Green initiative in Corporate Governance by allowing paperless compliance by companies. Accordingly companies can now send various documents electronically to those shareholders who register their email addresses. To receive all communications including Annual Reports by e-mail:
 - Holders of shares in physical form are requested to send e-mail registration details to the share transfer agents, M/s. Sharex Dynamic (India) Pvt. Limited, Mumbai-400 072.

- Members holding shares in demat form may register their e-mail IDs with their depository participant.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 24-09-2011 to 30-09-2011 (both days inclusive) for the purpose of determination & entitlement of payment of dividend, if declared, at the ensuing Annual General Meeting. The dividend will be paid on or before 29th October 2011.
 6. Pursuant to the provisions of Section 205C of the Companies Act, 1956 as amended, IPO share application money, dividend warrants and others for the financially year 2004-05, which remains unpaid or unclaimed for a period of 7 years will be transferred to "Education and Protection Fund" of the Central Government on their due dates. Therefore, Members advised to write to the Company regarding their unclaimed dividends and if any for the financial year 2004-05 to 2009-10 with out delay.
 7. Members desiring any information as regards the Accounts are requested to write to the G. M. (Finance) at the address of Registered Office of the Company at least seven days before the date of the meeting, so that the requisite information is made available at the meeting.
 8. Members / Proxies are requested to bring the Attendance Slip duly filled in.
 9. Members are requested to bring their copies of the Annual Report to the meeting.
 10. Details of Directors seeking appointment and re-appointment at the ensuing Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement).

Name of Director	Mr. Alok D. Sukhani	Mr. Noshir B. Dubash
Date of Birth	6/12/1963	14/04/1941
Nationality	Indian	Indian
Date of Appointment on Board	5/4/2004	5/4/2004
Qualifications	B.Com (Hons)	BA, LLB
Expertise in Functional Area	Business Individual	Legal Professional
No. of Shares held in the Company (as on 31.03.2011)	NIL	NIL
List of Directorships held in other Companies	NIL	NIL
Chairman/Member Committee of Boards of other Companies in which he is a Director	NIL	NIL

By order of the Board
For **SAH PETROLEUMS LIMITED**

D. MALLA REDDY
Company Secretary

Mumbai, 12th August, 2011.

Registered Office:

406/407, Embassy Centre,
Nariman Point, Mumbai – 400 021

Balance Sheet

	Year Ended March 31, 2011 Rs.	Year Ended March 31, 2010 Rs.	Year Ended March 31, 2009 Rs.	Year Ended March 31, 2008 Rs.	Year Ended March 31, 2007 Rs.
I SOURCES OF FUNDS					
1 Shareholders Funds					
a. Share Capital	220,000,000	220,000,000	220,000,000	160,000,000	160,000,000
b. Reserves and Surplus	1,042,673,000	888,088,746	950,802,390	711,601,342	566,465,651
Less: Revaluation Reserve	32,871,079	33,855,845	34,840,611	35,825,377	36,810,143
	<u>1,009,801,921</u>	<u>854,232,901</u>	<u>915,961,779</u>	<u>675,775,965</u>	<u>529,655,508</u>
Net Worth	1,229,801,921	1,074,232,901	1,135,961,779	835,775,965	689,655,508
2 Loan Funds					
a. Secured Loans	-	-	-	-	-
b. Unsecured Loans	-	-	-	94,185,000	74,950,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,185,000</u>	<u>74,950,000</u>
3 Deferred Tax Liability	21,979,974	12,393,847	9,454,814	7,395,423	5,193,650
Total	<u>1,251,781,895</u>	<u>1,086,626,748</u>	<u>1,145,416,593</u>	<u>937,356,388</u>	<u>769,799,158</u>
II APPLICATION OF FUNDS					
1 Fixed Assets					
a. Gross Block	462,523,735	431,722,340	356,557,329	283,986,448	223,002,657
b. Less: Depreciation	103,577,089	85,950,738	68,283,587	55,353,366	45,401,321
c. Net Block	358,946,646	345,771,602	288,273,742	228,633,082	177,601,336
d. Capital Work-In-Progress	-	11,387,033	23,574,981	6,155,516	30,873,393
	<u>358,946,646</u>	<u>357,158,635</u>	<u>311,848,723</u>	<u>234,788,598</u>	<u>208,474,729</u>
Less: Revaluation Reserve	328,710,079	33,855,845	34,840,611	35,825,377	36,810,143
	<u>326,075,567</u>	<u>323,302,790</u>	<u>277,008,112</u>	<u>198,963,221</u>	<u>171,664,586</u>
2 Investments	410,360,889	411,578,142	343,380,533	317,837,905	117,553,740
3 Current Assets, Loans and Advances					
a. Inventories	790,709,355	561,809,557	523,973,962	330,080,384	228,270,120
b. Sundry Debtors	1,066,452,645	766,448,302	863,735,309	737,892,933	487,124,806
c. Cash and Bank Balances	229,753,973	193,040,404	439,774,212	168,736,195	51,604,201
d. Loans and Advances	1,056,966,806	182,745,114	174,265,929	148,483,685	100,231,618
	<u>3,143,882,779</u>	<u>1,704,043,377</u>	<u>2,001,749,412</u>	<u>1,385,193,197</u>	<u>867,230,745</u>
Less: Current Liabilities and Provisions					
a. Current Liabilities	2,623,466,876	1,349,511,064	1,469,477,617	923,654,209	412,859,582
b. Provisions	5,070,464	2,786,497	7,243,847	40,983,726	-
	<u>2,628,537,340</u>	<u>1,352,297,561</u>	<u>1,476,721,464</u>	<u>964,637,935</u>	<u>412,859,582</u>
Net Current Assets	515,345,439	351,745,816	525,027,948	420,555,262	454,371,163
4 Miscellaneous Expenditure (To the extent not written off or adjusted)					
Share Issue Expenses	-	-	-	-	26,209,669
Total	<u>1,251,781,895</u>	<u>1,086,626,748</u>	<u>1,145,416,593</u>	<u>937,356,388</u>	<u>769,799,158</u>

Profit & Loss Account

	Year Ended March 31, 2011 Rs.	Year Ended March 31, 2010 Rs.	Year Ended March 31, 2009 Rs.	Year Ended March 31, 2008 Rs.	Year Ended March 31, 2007 Rs.
INCOME					
Gross Turnover	4,139,012,061	3,173,793,508	2,933,654,572	2,398,225,997	2,090,175,295
Less: Excise Duty	499,688,835	393,220,259	380,137,691	343,120,966	293,498,198
Net Turnover	3,639,323,226	2,780,573,249	2,553,516,881	2,055,105,031	1,796,677,097
Other Income	64,165,812	120,544,522	(114,471,432)	67,094,392	23,873,399
Increase/(Decrease) in Finished Goods	29,940,293	(109,547,263)	202,150,039	36,173,802	31,614,076
	<u>3,733,429,331</u>	<u>2,791,570,508</u>	<u>2,641,195,488</u>	<u>2,158,373,225</u>	<u>1,852,164,572</u>
EXPENDITURE					
Materials	2,644,025,129	2,054,395,521	2,062,291,815	1,570,251,926	1,477,909,803
Staff Cost	128,339,391	112,567,462	89,155,291	45,392,263	24,586,739
Other Manufacturing Expenses	275,631,703	162,945,395	194,451,913	126,936,215	87,022,056
Administration Expenses	81,187,940	73,265,392	54,987,584	43,512,909	50,544,376
Selling & Distribution Expenses	361,365,953	363,522,995	140,495,167	105,104,763	74,025,859
	<u>3,490,550,116</u>	<u>2,766,696,765</u>	<u>2,541,381,770</u>	<u>1,891,198,076</u>	<u>1,714,088,833</u>
PROFIT BEFORE INTEREST, DEPRECIATION & TAX	242,879,214	24,873,744	99,813,718	267,175,149	138,075,739
Interest	44,920,071	65,907,292	81,044,677	38,855,402	13,489,355
Depreciation	20,712,392	17,242,217	13,365,301	10,130,175	7,466,481
PROFIT BEFORE TAX	177,246,751	(8,275,766)	5,403,740	218,189,572	117,119,903
Provision for Tax - Current Tax	35,500,000	-	568,000	22,000,000	13,000,000
- Deferred Tax	4,694,627	2,939,033	2,059,391	2,201,773	1,856,000
- Fringe Benefit Tax	-	-	2,840,000	1,826,000	1,500,000
- Exchange Rate Difference	-	-	-	28,800,000	-
- MAT Credit Entitlement	(28,258,597)	-	(568,000)	(21,010,000)	-
PROFIT FOR THE YEAR	<u>165,310,721</u>	<u>(61,214,799)</u>	<u>504,349</u>	<u>184,371,799</u>	<u>100,763,903</u>
Earning Per Share	3.59	(1.39)	0.01	5.76	3.15
Book Value Per Share	27.95	24.41	25.82	26.12	21.55
Dividend Payment Track Record	✓	✓	✓	✓	✓

DIRECTORS' REPORT

To

The Members,

The Directors have pleasure in presenting their Twenty Eighth Annual Report together with the Audited Accounts for the year ended 31st March 2011.

1. FINANCIAL RESULTS:

(₹ In Lacs)

Particulars	2010-11	2009-10
Gross Turnover	41390.12	31737.93
Profit before Depreciation, Interest & Taxation	2428.79	248.74
Interest & Financial Charges	449.20	659.07
Depreciation	207.12	172.42
Profit before Taxation	1772.46	(582.75)
Provision for taxes including Deferred tax	119.36	29.39
Profit for the year after taxation	1653.10	(612.14)
Prior Period Adjustments (Net)	71.74	-
Balance brought forward from previous year	3415.56	4032.84
Amount available for appropriation	4996.92	3420.70
Appropriations:		
-Proposed Dividend	22.00	4.40
-Tax on Dividends	3.65	0.74
-Residual Dividend	0.02	-
-General Reserve	4.94	-
Total	30.61	5.14
Balance carried to Balance Sheet	4966.31	3415.56

2. BUSINESS RESULTS:

Gross turnover for the year ended 31st March, 2011 amounted to ₹ 41,390.12 lacs as compared to ₹ 31,737.93 lacs for last year, registering a growth of 30.41%. The profit for the year stood at ₹ 1,653.10 lacs against the loss of ₹ 612.14 lacs in the previous year.

3. DIVIDEND:

The Board of Directors, at its meeting held on 12th August, 2011, recommended dividend of ₹ 0.05 per share (1%) on the Equity Shares of ₹ 5/- each for the year ended 31st

March, 2011. The dividend will be paid subject to approval of Shareholders at the ensuing Annual General Meeting.

4. DIRECTORS:

Directors Mr. Alok D. Sukhani and Mr. Noshir B. Dubash, retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. A brief resume, nature of expertise, details of directorships held in other companies and shareholding in the company as stipulated under clause 49 of the listing agreement with the stock exchanges is appended as an annexure to the notice of the ensuing Annual General Meeting.

5. FIXED DEPOSITS:

Your Company has not accepted any Fixed Deposits from the Public and therefore is not required to furnish information in respect of outstanding deposits under Non-Banking Non-Financial Companies (Reserve Bank) Directions, 1966 and Companies (Acceptance of Deposits) Rules, 1975.

6. AUDITORS:

The Auditors of the Company Messrs. N.D. Daga & Co., Chartered Accountants retire at the ensuing Annual General Meeting of the Company and have given their consent for re-appointment. The company has also received Certificate from them under section 224(1B) of the Companies Act, 1956.

7. PARTICULARS OF EMPLOYEES:

The company has not paid any remuneration attracting the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975. Hence no information is required to be appended.

8. CORPORATE GOVERNANCE:

Your Company has complied with the requirements of Clause 49 of the listing agreement regarding Corporate Governance. A report on the Corporate Governance practices followed by the Company, the Auditors' Certificate on compliance of mandatory requirements thereof and Management Discussion and Analysis are given as annexure to this report.

9. CODE OF CONDUCT:

Your Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and highest standards of business ethics. In recognition thereof, the Board of Directors has implemented a Code of Conduct for adherence by the Directors and Senior Management Personnel of the Company. This helps in dealing with ethical issues and also in fostering a culture of accountability and integrity.

10. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors confirm that:

- (i) in the preparation of annual accounts, the applicable Accounting Standards have been followed and that no material departures have been made from the same;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2011 and of the profit of the company for the year ended on that date;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis.

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

i. CONSERVATION OF ENERGY:

The Company's operations involve low energy consumption. Adequate measures have, however, been taken to conserve energy.

ii. TECHNOLOGY ABSORPTION:

The Company is carrying on Research and Development in manufacturing process and the R & D is busy in developing new products to absorb full Technology available with Company.

iii. FOREIGN EXCHANGE EARNINGS / OUTGO:

(a) Earnings in Foreign Exchange	:	
Export of Sales (FOB)	:	₹ 18,42,69,267/-
(b) Expenditure in Foreign Exchange	:	
Import of Raw Material	:	₹ 2,04,92,51,539/-
Foreign Travelling	:	₹ 15,19,269/-
Royalty	:	₹ 69,480/-
Others	:	₹ 4,00,41,585/-

12. INDUSTRIAL RELATIONS:

Industrial Relations continued to remain cordial and peaceful.

13. ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation of the employees at all levels for their dedicated service and contribution to the growth and prosperity of the Company. Your directors also wish to place on record their appreciation for the assistance and co-operation received from Central & State Governments, banks, shareholders and business associates.

On behalf of the Board

Place: Mumbai
Date: 12th August, 2011

RAJENDRA SAH
Chairman

CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY

Sah Petroleums Limited's philosophy on good Corporate Governance envisages a combination of business practices that result in enhancement of the value of the Company to the shareholders and simultaneously enable the Company to fulfill its obligations to other stakeholders such as customers, employees, vendors, dealers, financier's and to the society at large. Your Company firmly believes that such practices are founded upon the core values of transparency, professionalism, empowerment, equity and accountability.

Your Company makes best endeavors to uphold and nurture these core values in all facets of its operations and aims to increase and sustain its corporate value through growth and innovation. Your Company is fully committed to and continues to follow procedures and practices in conformity with the Code of Corporate Governance as recommended by SEBI Guidelines in clause 49 of the Listing Agreement with the Stock Exchanges, is set out below:

2. BOARD OF DIRECTORS

2.1. Composition

The Board of Directors as at 31st March, 2011 comprises of following Eight Directors, out of which four are the Non-Executive & Independent Directors. None of the Non-Executive Directors have any material pecuniary relationship or transactions with the company.

Name of the Director	Position
Mr. Rajendra Sah	Chairman
Mr. Vivek Sah	Managing Director
Mr. Aditya Sah	Joint Managing Director
Mr. Bruno P.Y.G. Seghin	Director
Mr. Noshir B. Dubash	Non-Executive & Independent Director
Mr. Alok Sukhani	Non-Executive & Independent Director
Mr. Pradip C. Shah	Non-Executive & Independent Director
Mr. Vinay G. Rao	Non-Executive & Independent Director

2.2. Meetings and attendance record of each Director

Sah Petroleums Limited held Seven Board Meetings during the year ended 31st March, 2011. These were as under:

13th May, 2010, 10th August, 2010, 21st October, 2010, 11th November, 2010, 7th February, 2011, 1st March, 2011 and 28th March, 2011.

Director's attendance record and directorships held:

Name of the Director	Attendance Particulars		No. of Other		
	Board Meetings	Last AGM	Directorships	Committee Memberships	Committee Chairmanships
Mr. Rajendra Sah	7	Yes	Nil	Nil	1
Mr. Vivek Sah	7	Yes	Nil	Nil	Nil
Mr. Aditya Sah	7	Yes	Nil	1	Nil
Mr. Bruno P.Y.G. Seghin	1	No	13	Nil	Nil
Mr. N. B. Dubash	6	Yes	Nil	2	1
Mr. Alok Sukhani	7	No	Nil	2	Nil
Mr. Pradip C. Shah	7	Yes	Nil	1	1
Mr. Vinay G. Rao	7	No	Nil	Nil	Nil

2.3. Directors proposed to be reappointed

The brief particulars of the Directors of the Company proposed to be reappointed at the ensuing Annual General Meeting are as under:

Mr. Alok D. Sukhani, B.Com (Hons) aged 48 years and possesses rich experience in the industrial field. He is a member of the Shareholder Investors/ Grievances Committee and Audit Committee of the Company.

Mr. Noshir B. Dubash, B.A., LLB, aged 70 years and possesses rich experience in the Legal, Administration and Company Law matters for more than 45 years. He is the chairman of the Shareholder Investors/ grievances Committee and a member of the Audit Committee of the Company.

3. BOARD COMMITTEES:

(a) AUDIT COMMITTEE

- i) The Audit Committee comprises of three independent non-executive directors, Mr. Pradip C. Shah, Mr. Noshir B. Dubash and Mr. Alok D. Sukhani. Mr. Pradip C. Shah is a Chairman of the Audit Committee.
- ii) The Audit Committee met four times during the year i.e., 13th May, 2010, 10th August, 2010, 11th November, 2010 and 7th February, 2011. Attendance record of each member is as under:

Sr. No.	Name of the Director	No. of Meetings attended
1	Mr. Pradip C. Shah - (Chairman)	4
2	Mr. Noshir B. Dubash	3
3	Mr. Alok D. Sukhani	4

- iii) The Committee acts as a link between the Management, Statutory Auditors and the Board of Directors and oversees the financial reporting process.

(b) SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

- i) The Shareholders'/Investors' Grievance Committee comprises of three directors, Mr. Noshir B. Dubash, Mr. Alok D. Sukhani and Mr. Aditya Sah.
- ii) The Committee met four times during the year i.e., on 13th May, 2010, 29th July, 2010, 14th October, 2010 and 10th February, 2011. The attendance record of each member is as under:

Sr. No.	Name of the Director	No. of Meetings attended.
1	Mr. Noshir B. Dubash - (Chairman)	4
2	Mr. Alok D. Sukhani	4
3	Mr. Aditya Sah	4

The shareholders/investors grievance committee specifically looks into redressing of shareholders' and investors' complaints such as transfer of shares, non-receipt of dividend warrants, others if any and ensures expeditious share transfer process.

4. ANNUAL GENERAL MEETINGS

The Annual General Meetings (AGM) of the company was held at the following places in the last three years.

Year	Date	Time	Venue
2007-08	30.09.2008	10.00 A.M.	M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai- 400 001.
2008-09	30.09.2009	10.00 A.M.	M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai- 400 001.
2009-10	30.09.2010	10.00 A.M.	M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai- 400 001.

No Special Resolutions were put through postal ballot by the Company during the Financial Year 2010-11.

5. CODE OF CONDUCT

The Board of Directors has adopted the Code of Business Conduct and Ethics for all Directors of the Company and Senior Management personnel. The Code of Conduct provisions has been communicated to the directors and members of the Senior Management personnel. The Code has also been posted on the Company's website – www.sahpetroleums.com

6. DISCLOSURES

There were no materially significant related party transactions during the year having conflict with the interest of the company.

The Company has complied with all requirements of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties were levied by SEBI, Stock Exchanges or any other Statutory Authorities nor passed strictures on matters relating to capital markets during the financial year.

7. CEO/CFO CERTIFICATION

The CEO and the CFO certified to the Board that:

1. They have reviewed the balance sheet and profit and loss account and all its schedules and notes to accounts, as well as the cash flow statement;
2. Based on their knowledge, information and belief, these statements do not contain any untrue statement of a material fact or omit to state a material fact that might be misleading with respect to the statements made;
3. Based on their knowledge, information and belief, the financial statements and other financial information included in this Report present a true and fair view of the Company's affairs for the period presented in this Report and are in compliance with the existing accounting standards, applicable laws and regulations;
4. To the best of their knowledge, information and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct;
5. They are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting;
6. They have disclosed, based on their most recent evaluation, wherever applicable, to the Company's Auditors and the Audit Committee of the Company's Board of Directors all significant deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps taken or proposed to be taken to rectify the deficiencies;

They have indicated to the Auditors and the Audit Committee:

- Significant changes in the Company's internal control over financial reporting during the year;
- all significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements;
- any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.

8. MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly results of the Company were published as under.

Quarter (F.Y.2010-11)	Date of Publication	Name of the Newspaper
First	12.08.2010	The Free Press Journal & Navshakti – Mumbai
Second	13.11.2010	The Free Press Journal & Navshakti – Mumbai
Third	09.02.2011	The Free Press Journal & Navshakti – Mumbai
Fourth	16.05.2011	The Free Press Journal & Navshakti – Mumbai

9. GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting

Date and Time : 30th September, 2011 at 10.00 A.M.

Venue : M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001.

Book Closure : 24th September, 2011 to 30th September, 2011. (Both days inclusive)

Dividend Date

The Board of Directors recommended dividend of ₹ 0.05 per share (1%) on the Equity Shares of ₹ 5/- each. The dividend will be paid on or before 29th October 2011, after its approval of Shareholders at the ensuing Annual General Meeting.

Financial Calendar

Financial Year : 1st April 2011 to 31st March 2012

Results Announcements

First quarterly results : Second week of August, 2011
 Second quarterly results : Second week of November, 2011
 Third quarterly results : Second week of February, 2012
 Fourth quarterly/ Audited results : Second week of May, 2012 or Audited results by 30th May, 2012.

Listing of Securities

- National Stock Exchange of India Limited, Mumbai.
- Bombay Stock Exchange Limited, Mumbai.
- Stock Symbol at the National Stock Exchange, Mumbai : SAHPETRO
- Stock Code at the Bombay Stock Exchange, Mumbai : 532543
- ISIN No. for Dematerialisation of shares : INE586G01017

Market Price Data

High & Low price for shares traded during each month in the financial year at the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited, Mumbai.

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2010	29.60	18.90	29.55	18.95
May, 2010	24.60	19.50	26.20	19.00
June, 2010	24.00	18.00	24.10	18.00
July, 2010	27.70	20.50	27.55	21.00
August, 2010	23.70	21.10	23.70	20.75
September, 2010	24.85	21.00	25.00	21.15
October, 2010	24.80	20.40	24.95	21.50
November, 2010	30.60	21.90	30.40	21.75
December, 2010	31.25	23.75	30.30	23.30
January, 2011	28.40	22.15	28.00	22.00
February, 2011	24.30	20.95	24.05	20.95
March, 2011	25.90	21.70	25.60	21.50

Registrar & Transfer Agents

SHAREX DYNAMIC (INDIA) PVT. LTD
 Unit-1, Luthra Industrial Premises,
 Andheri Kurla Road, Safed Pool,
 Andheri(E)-Mumbai - 400 072.
 Telephone No: 28515606/28515644
 Fax: 28512885.
 E-mail: sharexindia@vsnl.com

Share Transfer System

Shares sent for transfer in physical form are registered by the Registrar and Share Transfer Agents within 15 days of receipt of the documents and transfer of dematerialized shares are done through the depositories with no involvement of the company.

Distribution of Shareholding

Distribution of Shareholding as on 31.03.2011:

No. of Equity Shares	No. of Share holders	% of Share holders	No. of Shares held	% of Share holding
UPTO - 100	3563	36.97	195986	0.45
101 - 200	1677	17.40	286380	0.65
201 - 500	2659	27.59	948683	2.16
501 - 1000	993	10.31	814677	1.85
1001 - 5000	659	6.84	1307341	2.97
5001 - 10000	52	0.54	397918	0.90
10001 - 100000	24	0.25	668103	1.52
100001 - ABOVE	10	0.10	39380912	89.50
Total	9637	100.00	44000000	100.00

Shareholding Pattern as on 31.03.2011:

Category	No. of Shares held	% to total shares
Promoters	38230292	86.89
NRI	98439	0.22
FII	907005	2.06
Bodies Corporate	772959	1.76
Public	3991305	9.07
Total	44000000	100.00

Dematerialisation of Shares and Liquidity

The equity shares of the Company are available under dematerialisation form with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). Total of 4,39,99,550 equity shares aggregating to 99.999% of the total Equity Share Capital is held in dematerialized form as on 31st March, 2011 and the balance of 450 equity shares are held in re-mat physical form.

Plant Locations

Vasai Plant : Plot No. 5 to 14, Behind Dewan & Shah Industrial Estate, Village Valiv, Vasai (E), Dist: Thane, India.

Daman Plant : Plot No. 97/2, Daman Industrial Estate, Kadaiya, Daman Pataliya Road, Nani Daman – 396 210.

Registered Office & Address for Correspondence

Sah Petroleums Limited,
406/407, Embassy Centre,
Nariman Point, Mumbai – 400 021.
Tel No: 022-6630 1911 / 2287 3097:
Fax: 022 – 2287 5751:

On behalf of the Board

Place : Mumbai
Date : 12th August, 2011

RAJENDRA SAH
Chairman

AUDITOR'S CERTIFICATE

To

The Members of Sah Petroleums Limited

We have examined the compliance of conditions of Corporate Governance by Sah Petroleums Limited for the year ended on 31st March 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For N.D. DAGA & CO.

Firm Registration No. : 101993 W
Chartered Accountant

Place: Mumbai
Date : 12th August, 2011

N.D. Daga
Proprietor
Membership No. 9921

MANAGEMENT DISCUSSION AND ANALYSIS

A) Industry Structure & Development:

Sah Petroleums Limited (SPL) is one of the leading manufacturer of industrial lubricants in India and manufacturing wide range of industrial and automotive lubricants, specialties and process oils etc., under the brand name of "IPOL®TM" at Vasai and Daman plants. This industry has much growth potential and is growing globally.

B) Overview:

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and made on a prudent and reasonable basis, in order that the financial statements reflects a true and fair manner the form and substance of transactions, and reasonably present our state of affairs and profit for the year.

The Company's gross turnover for the year ended 31st March, 2011 amounted to ₹41,390.12 lacs as compared to ₹ 31,737.93 lacs for last year registering a growth of 30.41%. The profit for the year stood at ₹ 1,653.10 lacs against the loss of ₹ 612.14 lacs in the previous year.

Considering the performance of the company, the Board of Directors recommended dividend @ 1% on the equity shares of Rs.5/- each for the financial year 2010-11.

C) Industry outlook:

The public sector undertakings have dominated the Indian lubes market upto 1993 and they had a collective market share of approximately 89%, but after 1993, the Government has liberalized and decentralised the norms of import of key raw material, determination of pricing regulations and reduction in the custom duties on import of base oil. Due to liberalization policy, the fair competition took place between the private players and public sector undertakings. In today's position, around more than 20 companies are operating in the Indian lubricants market. Until the 1980, lubricants produced in the country were basically simple blends based on low and medium level technologies. More sophisticated lubricants were imported and these amounted for a very small market. The entry of multinationals has led to complex and premium brands being introduced into the Indian market. The Indian lubricants market is the fourth largest in the world.

Market Segments: There are two major segments of the lubricants industry. The automotive lubricants segment, which has an approximate market share of 65% and the industrial lubricants segment accounting for the rest.

Import Threat: Lubricants are usually made according to the nature of use, climatic conditions, type of road, nature of automobiles and so on. Therefore, it would not be logical to import the same in the country. But at the same time, there is not much difference and the same can be imported if one prefers to do so. In fact, premium products, even as on today, are imported. However, in the general outlook of things import of lubricants in India would not be competitive due to the prevailing import duty structure as well as high freight costs.

In consideration of above, it could be safely noted that the key factors to success for any company in the Lubricant industry would be:

- Good brand image.
- An extensive marketing network.
- Strong financial resources.
- Technological innovations and R&D backup.
- Strategically located manufacturing facilities.

D) Marketing Strategy:

Company has been in the market for more than three decades under the brand name IPOL. The strategy is to cater to the specific need of the company by way of customising our products, offering

the right price at right time. The Company has a marketing network setup all over India. IPOL brand is registered in the name of the Company. The company presently markets its products through its sales offices / depots located at Pune, Delhi, Faridabad, Chandigarh, Chennai, Bangalore, Hyderabad, Baroda, Kolkata, Jamshedpur, Jaipur, Indore, Mehsana, Jabalpur, Patiala, Gaziabad and many Clearing & Forwarding Agents at different locations in India.

In addition to the direct marketing efforts, the company also appoints distributors/agents for both domestic and overseas markets.

E) Business Strategy:

The Company would continue to focus on the current segments of business considering the market potential, its own inherent strength in terms of its quality, price and timely delivery. The Company has requisite infrastructure and manufacturing facilities due to its constant upgradation/modernization and phased expansion of the same.

The Company is constantly introducing new products on account of its strong in-house R&D and will continue to do the same in the near future and will also direct efforts for increasing its presence in the export markets.

F) Research and Development:

The Company's research and development activities are focused on process improvements to optimize cost, introduction of new products. The selection, composition and precise balanced application of additives are necessary for consistent product quality and optimum performance. The Company's research scientists and production technicians work cohesively with high quality additive packages creating quality products adhering to strict Indian and International Quality Standards.

G) Quality Systems and Certification:

The Company attaches high priority to Quality Control/Quality Assurance. The Company's products are subjected to the strictest quality control systems, IPOL range is manufactured to meet national and international standards.

Each IPOL batch, after blending and processing is tested in-house to meet stringent quality standards. The Company's blending facilities and filling plant are in tune with the increasing sophistication of engineering technology, packaging and zero contamination conditions.

ISO Certification: The Company has obtained ISO – 9001:2008 and ISO – 14001:2004 certifications from International Certifications Limited for its quality systems and environment, applicable to manufacturing practices and distribution process across the entire product chain of the company.

H) Cautionary Statement:

Statements in this report on Management Discussion and Analysis describing the company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities law or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting global and domestic demand-supply, finished goods price in the domestic and overseas markets in which the Company operates, raw-materials cost and availability, changes in Government regulations, tax regimes, economic developments within or outside India and other factors such as litigation 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.

AUDITOR'S REPORT

TO THE MEMBERS OF SAH PETROLEUMS LIMITED

1. We have audited the attached Balance Sheet of Sah Petroleums Limited as at 31st March, 2011, the related Profit and Loss Account for the year ended on that date annexed thereto, and the Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on the 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 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

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

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3 C) of Section 211 of the Companies Act, 1956;
- e) On the basis of the written representations received from the directors as on March 31, 2011 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2011 from being appointed as director in terms of section 274 (1)(g) of the Act;
- f) In our opinion and to the best of our information and according to explanations given to us, the said financial statements together with notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - ii. In the case of the Profit and Loss Account, of the Profit for the year ended on that date; and

- iii. In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For N.D.DAGA & CO.
Firm Registration No.101993 W
Chartered Accountants

N.D.Daga
Proprietor

Mumbai. 12.08.2011

Membership No. 9921

ANNEXURE REFERRED TO IN PARA I:

- i.
 - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) All the Fixed assets have not been physically verified by management during the year but there is regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) During the year the company has not disposed off a substantial part of its fixed assets.
- ii.
 - (a) The inventory (excluding stocks with third parties) has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company is maintaining proper records of inventory. No material discrepancies have been noticed on physical verification of stocks as compared to books records.
- iii. The Company has neither granted nor taken, during the year, any loans, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of audit, no major weakness has been noticed in these internal controls.
- v. Based on the audit procedures applied by us and according to the information and explanations provided by the management, the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- vi. The Company has not accepted any deposits from public within the meaning of Section 58A & 58AA of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975. Accordingly, the provisions of clause 4(vi) of the Companies (Auditor's Report) Order 2003 is not applicable to the company.

- vii. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- viii. The Central Government has not prescribed the maintenance of cost records by the Company under Section 209(1) (d) of the Companies Act, 1956 for any of its products.
- ix. (a) The Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it. There were no arrears as at 31st March 2011 for a period of more than six months from the date they became payable.
- (b) On the basis of our examination of the documents and records, there are no dues of Income Tax, Wealth Tax, Service Tax, Customs duty and Cess which have not been deposited on account of any dispute. The particulars of Sales tax as on 31st March 2011 which have not been deposited on account of disputes is as follows:

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax, 1956 and Sales Tax Acts of various States	Central Sales Tax, Local Sales Tax and Commercial Tax	41,575,724	2003-04	Appellate Tribunal
		89,503,356	1996-97, 2003-04 to 2005-06, 2007-08, 2010-11	Departmental Authorities

- x. The Company has no accumulated losses as at 31st March, 2011 and has not incurred any cash losses in the financial year ended on that date but had incurred cash losses during the immediately preceding financial year.
- xii. Based on the examination of the books of account and related records and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the banks.
- xiii. According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiv. The company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order 2003 are not applicable to the company.
- xv. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order 2003 are not applicable to the company.
- xvi. According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions, during the year.
- xvii. On the basis of an overall examination of the Balance Sheet of the company, in our opinion, there are no funds raised on short-term basis which have been used for long-term investment.
- xviii. The Company has not made any Preferential Allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act, during the year.
- xix. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Manager.
- xx. The Company has not raised any money by public issue during the year.

For N.D.DAGA & CO.
Firm Registration No.101993 W
Chartered Accountants

N.D.Daga
Proprietor
Membership No. 9921

Mumbai. 12.08.2011

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule No.	Year Ended March 31, 2011 Rs.	Year Ended March 31, 2010 Rs.
I SOURCES OF FUNDS			
1 Shareholders Funds			
a. Share Capital	1	220,000,000	220,000,000
b. Reserves and Surplus	2	1,042,673,000	888,088,746
Less: Revaluation Reserve		32,871,079	33,855,845
		1,009,801,921	854,232,901
		1,229,801,921	1,074,232,901
2 Loan Funds			
a. Secured Loans	3	-	-
b. Unsecured Loans	4	-	-
3 Deferred Tax Liability		21,979,974	12,393,847
Total		1,251,781,895	1,086,626,748
II APPLICATION OF FUNDS			
1 Fixed Assets			
a. Gross Block	5	462,523,735	431,722,340
b. Less: Depreciation		103,577,089	85,950,738
c. Net Block		358,946,646	345,771,602
d. Capital Work-In-Progress		-	11,387,033
		358,946,646	357,158,635
Less: Revaluation Reserve		32,871,079	33,855,845
		326,075,567	323,302,790
2 Investments			
3 Current Assets, Loans and Advances		410,360,889	411,578,142
a. Inventories	7	790,709,355	561,809,557
b. Sundry Debtors	8	1,066,452,645	766,448,302
c. Cash and Bank Balances	9	229,753,973	193,040,404
d. Loans and Advances	10	1,056,966,806	182,745,114
		3,143,882,779	1,704,043,377
Less: Current Liabilities and Provisions			
a. Current Liabilities	11	2,623,466,876	1,349,511,064
b. Provisions	12	5,070,464	2,786,497
		2,628,537,340	1,352,297,561
Net Current Assets		515,345,439	351,745,816
Total		1,251,781,895	1,086,626,748
NOTES TO ACCOUNTS	21		

Schedules referred to above and notes attached thereto form an integral part of Balance Sheet
This is the Balance sheet referred to in our report of even date.

For **N. D. DAGA & CO.**
Firm Registration No. 101993 W
Chartered Accountants

N. D. Daga
Proprietor
Membership No. 9921

Mumbai 12.08.2011

D. Malla Reddy
Company Secretary

For **SAH PETROLEUMS LIMITED**

Rajendra Sah
Chairman

Vivek Sah
Managing Director

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

	Schedule No.	Year Ended March 31, 2011 Rs.	Year Ended March. 31, 2010 Rs.
INCOME			
Gross Turnover		4,139,012,061	3,173,793,508
Less: Excise Duty		499,688,835	393,220,259
Net Turnover		<u>3,639,323,226</u>	<u>2,780,573,249</u>
Other Income	13	64,165,812	120,544,522
Increase/(Decrease) in Finished Goods	14	29,940,293	(109,547,263)
		<u>3,733,429,331</u>	<u>2,791,570,508</u>
EXPENDITURE			
Materials	15	2,644,025,129	2,054,395,521
Staff Cost	16	128,339,391	112,567,462
Other Manufacturing Expenses	17	275,631,703	162,945,395
Administration Expenses	18	81,187,940	73,265,392
Selling & Distribution Expenses	19	361,365,953	363,522,995
		<u>3,490,550,116</u>	<u>2,766,696,765</u>
PROFIT BEFORE INTEREST, DEPRECIATION & TAX		<u>242,879,214</u>	<u>24,873,744</u>
Interest & Financial Charges	20	44,920,071	65,907,292
Depreciation		20,712,392	17,242,217
PROFIT BEFORE TAX		<u>177,246,751</u>	<u>(58,275,766)</u>
Provisions for			
- Current Tax		35,500,000	-
- Deffered Tax		4,694,627	2,939,033
- MAT Credit Entitlement		(28,258,597)	-
PROFIT FOR THE YEAR AFTER TAX		<u>165,310,721</u>	<u>(61,214,799)</u>
Prior Period Adjustment (Net) (Refer Note 7)		4,386,121	-
Tax in Respect of Earlier Years (Net)		2,788,211	-
Balance brought forward from earlier year		341,555,912	403,284,790
NET PROFIT AVAILABLE FOR APPROPRIATION		<u>499,692,300</u>	<u>342,069,991</u>
Proposed Dividend		2,200,000	440,000
Corporate Dividend Tax thereon		365,673	74,080
Residual Dividend		1,695	-
Transfer to General Reserve		493,852	-
BALANCE CARRIED TO BALANCE SHEET		<u>496,631,080</u>	<u>341,555,912</u>
Earning per share (Basic/Diluted) Rs.		<u>3.59</u>	<u>(1.39)</u>
NOTES TO ACCOUNTS	21		

Schedules referred to above and notes attached thereto form an integral part of Profit and Loss Account.
This is the Balance sheet referred to in our report of even date.

For **N. D. DAGA & CO.**
Firm Registration No. 101993 W
Chartered Accountants

N. D. Daga
Proprietor
Membership No. 9921

Mumbai 12.08.2011

D. Malla Reddy
Company Secretary

For **SAH PETROLEUMS LIMITED**

Rajendra Sah
Chairman

Vivek Sah
Managing Director

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

PARTICULARS	2010-2011	2009-2010
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	177,246,751	(58,275,766)
Adjustments for :		
Depreciation	20,712,392	17,242,217
Interest Expenses (Net)	17,213,147	25,790,431
(Profit) / Loss on Fixed Assets sold	4,989,683	727,162
Prior Period Expenses	(3,809,034)	-
Dividend Income	(13,682,747)	(17,697,609)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	202,670,192	(32,213,564)
Adjustments for :		
Decrease / (Increase) in trade and other receivables	(1,158,598,109)	94,572,285
Decrease / (Increase) in inventories	(228,899,798)	(37,835,595)
Increase / (Decrease) in trade and other payables	1,268,071,427	(116,246,944)
CASH GENERATED FROM OPERATIONS	83,243,711	(91,723,818)
Income Taxes Refund / (Paid) (net)	(15,226,369)	(11,880,503)
NET CASH FROM OPERATING ACTIVITIES	68,017,342	(103,604,321)
B CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from Sale of Fixed Assets	11,254,568	1,066,667
Sale / redemption / (Purchase) of Investments (net)	1,217,253	(68,197,609)
Dividend Received	13,682,747	17,697,609
Purchase of Fixed Assets	(39,729,419)	(65,330,724)
NET CASH (USED IN) / FROM INVESTING ACTIVITIES	(13,574,851)	(114,764,057)
C CASH FLOW FROM FINANCING ACTIVITIES		
Dividends Paid (including tax thereon)	(515,775)	(2,575,000)
Interest and Finance Charges paid	(17,213,147)	(25,790,431)
NET CASH (USED IN) / FROM FINANCING ACTIVITIES	(17,728,922)	(28,365,431)
NET INCREASE IN CASH AND EQUIVALENTS	36,713,569	(246,733,809)
CASH AND CASH EQUIVALENTS (OPENING BALANCE)	193,040,404	439,774,212
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)	229,753,973	193,040,404

Notes:

Previous year's figures have been regrouped/recast wherever necessary

For **N. D. DAGA & CO.**
Firm Registration No. 101993 W
Chartered Accountants

N. D. Daga
Proprietor
Membership No. 9921

Mumbai 12.08.2011

For **SAH PETROLEUMS LIMITED**

Rajendra Sah
Chairman

Vivek Sah
Managing Director

D. Malla Reddy
Company Secretary

SCHEDULES “1” TO “21” ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

Schedule
No.

	Year Ended March 31, 2011 Rs.	Year Ended March 31, 2010 Rs.
1 SHARE CAPITAL		
AUTHORISED		
4,40,00,000 (Previous Year 4,40,00,000) Equity Shares of Rs. 5/- each	<u>220,000,000</u>	<u>220,000,000</u>
	<u>220,000,000</u>	<u>220,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP		
4,40,00,000 (Previous Year 4,40,00,000) Equity Shares of Rs. 5/- each	<u>220,000,000</u>	<u>220,000,000</u>
	<u>220,000,000</u>	<u>220,000,000</u>
Notes:		
Out of the above, 2,19,50,000 (Previous Year 2,19,50,000) Equity Shares of Rs. 5/- each were allotted as fully paid up Bonus Shares by Capitalisation from General Reserve/Accumulated Profits.		
2 RESERVES AND SURPLUS		
1] Capital Reserve	300,000	300,000
2] General Reserve		
Balance as at the beginning of the year	24,006,148	24,006,148
Add: Transferred from Profit & Loss Account	493,852	-
	<u>24,500,000</u>	<u>24,006,148</u>
3] Revaluation Reserve		
Balance as at the beginning of the year	33,855,845	34,840,611
Less: Transferred to Profit & Loss Account	984,766	984,766
	<u>32,871,079</u>	<u>33,855,845</u>
4] Security Premium Account	488,370,841	488,370,841
5] Profit and Loss Account	496,631,080	341,555,912
	<u>1,042,673,000</u>	<u>888,088,746</u>
3 SECURED LOANS		
From Banks for Working Capital	-	-
	-	-
Note:		
Secured by pari pasu charge by way of:		
i) Hypothecation of:		
a) Present & future stock of Raw Materials, Stock in Process, Semi Finished Goods, Finished Goods, Stores & Spares, Packing Materials of the Company.		
b) Present & future Book Debts, Outstanding & Receivables of the Company.		
c) All movables properties including Plant & Machinery, Furniture & Fixtures, etc. of the company.		
ii) Equitable Mortgage on Factory Premises of the Company at Plot No. 5 to 14, Village Valiv, Taluka Vasai, District Thane.		
iii) Equitable Mortgage on office premises at 406/407 and 612 Embassy Centre, Nariman Point, Mumbai - 400021.		
4 UNSECURED LOANS		
From Directors	-	-
From Others	-	-
	-	-
	-	-

SCHEDULES “1” TO “21” ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

**Schedule 5
FIXED ASSETS (AT COST)**

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31.03.2010	Additions during the year	Deductions during the year	As at 31.03.2011	Upto 31.03.2010	Provided during the year	W/Back on Deduction / Adjustment	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
Land	56,091,798	490,000	-	56,581,798	-	-	-	-	56,581,798	56,091,798
Buildings	65,277,682	-	-	65,277,682	18,011,003	1,384,897	-	19,395,900	45,881,782	47,266,679
Furniture & Fixtures	21,237,141	763,593	-	22,000,734	6,516,626	1,264,319	-	7,780,945	14,219,789	14,720,515
Plant & Machinery	214,532,325	18,752,402	979,901	232,304,826	43,845,553	10,363,854	185,782	54,023,625	178,281,201	170,686,772
Vehicles	56,885,019	18,979,551	19,179,356	56,685,214	8,682,586	5,257,250	3,729,225	10,210,611	46,474,603	48,202,433
Fork Lift	2,518,532	746,435	-	3,264,967	881,794	116,121	-	997,915	2,267,052	1,636,738
Computer Systems	15,179,843	11,384,471	155,800	26,408,514	8,013,176	3,310,717	155,800	11,168,093	15,240,421	7,166,667
Total	431,722,340	51,116,452	20,315,057	462,523,735	85,950,738	21,697,158	4,070,807	103,577,089	358,946,646	345,771,602
Previous year	356,557,329	77,518,672	2,353,661	431,722,340	68,283,587	18,226,983	559,832	85,950,738	345,771,602	288,273,742
								Capital Work in Progress	-	11,387,033
								Total	358,946,646	357,158,635

Notes :

Depreciation for the year

Less: Additional Depreciation on revalued assets withdrawn from Revaluation Reserve

Current Year	Previous Year
21,697,158	18,226,983
984,766	984,766
<u>20,712,392</u>	<u>17,242,217</u>

Schedule No.

	Year Ended March 31, 2011 Rs.	Year Ended March 31, 2010 Rs.
6 INVESTMENTS (Non Trade, Unquoted)		
Current Investments (At cost or market value whichever is lower)		
Investments in Mutual Funds (Unquoted)		
SBI SHF Ultra Short Term Fund - Institutional	400,360,889	401,578,142
(40,133,734 units 2010, 80,938,249 units purchased, 1,367,039 units cumulated, 84,439,336 units sold during the year)		
Osian's Art Fund Contemporary-I	10,000,000	10,000,000
(100,000 units of Rs. 100/- each (2010 - 100,000 units))		
	<u>410,360,889</u>	<u>411,578,142</u>
7 INVENTORIES (As certified by the Management)		
(a) Raw Materials	565,414,822	368,679,764
(b) Finished Goods	215,470,852	185,530,559
(c) Stores & Packing Materials (At Cost or Market Value whichever is lower)	9,442,147	7,273,900
(d) Moulds (At Cost less amounts written off)	381,534	325,334
	<u>790,709,355</u>	<u>561,809,557</u>
8 SUNDRY DEBTORS		
(Unsecured and considered good)		
i. Debts outstanding for a period exceeding six months	26,807,497	55,021,127
ii. Other debts	1,039,645,148	711,427,175
	<u>1,066,452,645</u>	<u>766,448,302</u>

SCHEDULES “1” TO “21” ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

Schedule No.

Schedule No.	Year Ended March 31, 2011 Rs.	Year Ended March 31, 2010 Rs.
9 CASH AND BANK BALANCES		
i. Cash on Hand	2,704,608	1,066,627
ii. Bank Balance with Scheduled Banks:		
In Current Account	132,049,364	118,811,520
In Margin Deposits	95,000,000	73,162,257
	<u>229,753,973</u>	<u>193,040,404</u>
10 LOANS AND ADVANCES (Unsecured and considered good)		
Advance recoverable in cash or kind or for value to be received	991,186,128	145,445,145
Deposits	9,790,477	9,324,641
Advance Payments against tax (Net)	1,839,191	6,397,328
MAT Credit Entitlement	54,151,010	21,578,000
	<u>1,056,966,806</u>	<u>182,745,114</u>
11 CURRENT LIABILITIES		
Acceptances (Refer Note 11)	1,307,381,208	953,384,678
Sundry Creditors	234,576,001	231,890,839
Advance from Customers	2,161,010	4,072,997
Deposit from Dealers	8,135,000	8,285,000
Other liabilities	1,070,358,119	150,993,591
Investors Education & Protection Fund to be credited as and when due :		
Unpaid Dividend	670,710	665,760
Unpaid Application Money & Others	184,828	218,199
	<u>2,623,466,876</u>	<u>1,349,511,064</u>
12 PROVISIONS		
Proposed Dividend	2,200,000	440,000
Corporate Dividend Tax	365,393	73,080
Provision for Leave Encashment	2,505,071	2,273,417
	<u>5,070,464</u>	<u>2,786,497</u>
13 OTHER INCOME		
Bad Debts W/off Recovered	1,192,957	-
Miscellaneous Income	308,076	76,825
Exchange Rate Difference	27,268,854	87,246,212
Dividend	13,682,747	17,697,609
Export Incentives	15,470,716	10,217,295
Interest Received	6,242,462	5,306,582
[TDS Rs.4,61,346/- (Previous Year Rs. 5,77,845/-)]		
	<u>64,165,812</u>	<u>120,544,522</u>
14 (INCREASE)/DECREASE IN FINISHED GOODS		
Opening Stock	185,530,559	295,077,822
Closing Stock	215,470,852	185,530,559
	<u>(29,940,293)</u>	<u>109,547,263</u>

SCHEDULES “1” TO “21” ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

Schedule
No.

	Year Ended March 31, 2011 Rs.	Year Ended March 31, 2010 Rs.
15 MATERIALS		
Raw Materials:		
Opening Stock	368,679,764	220,083,986
Add: Purchase	2,750,604,240	2,134,887,584
Add: Transport & Dock Expenses	90,155,946	68,103,715
	<u>3,209,439,951</u>	<u>2,423,075,285</u>
Less: Closing Stock	565,414,822	368,679,764
Raw Materials Consumed	<u>2,644,025,129</u>	<u>2,054,395,521</u>
16 STAFF COST		
(Refer Note 1(i) of Schedule 21)		
Salaries,Wages & Related Payment	121,370,735	106,310,964
Contribution to Provident and Other Funds (Refer Note 10 of Schedule 21)	5,453,095	4,778,208
Staff Welfare Expenses	1,515,561	1,478,290
	<u>128,339,391</u>	<u>112,567,462</u>
17 OTHER MANUFACTURING EXPENSES		
Purchases for Resale	82,129,114	-
Stores Spares and Packing Material	169,422,293	157,790,942
Power & Fuel	8,061,301	6,988,661
Moulds Ammortised	322,100	436,000
Excise Duty	4,503,880	(15,983,227)
Machinery & Equipments Maintainence	7,533,339	7,864,768
Laboratory & R & D Expenses	1,140,690	1,088,459
Production & Processing Expense	2,518,986	4,759,792
	<u>275,631,703</u>	<u>162,945,395</u>
18 ADMINISTRATION EXPENSES		
Motor Vehicle Expenses	5,005,847	3,494,010
Rent	10,683,916	7,314,977
Rates & Taxes	590,024	521,395
Insurance Charges	8,315,892	7,735,067
Conveyance Expenses	2,618,547	2,879,836
Postage,Telephone & Telex	7,261,204	6,908,806
Electricity Expenses	1,650,069	2,163,944
Repairs & Maintainence:		
(a) Building	11,011,566	8,209,570
(b) Others	633,056	469,442
Printing & Stationery & Computer Expenses	4,507,808	3,469,832
Legal & Professional Charges	13,008,373	16,308,162
Loss on Disposal / Discard of Fixed Assets	4,989,683	727,162
Miscellaneous Expenses	8,686,540	12,213,964
Donation	840,000	-
Remuneration to Auditors:		
(a) As Audit Fees (Including Quarterly Results)	827,250	507,380
(b) For Tax Audit	55,150	55,150
(c) For Tax Matters	300,000	270,150
(d) For Other Services	203,016	16,545
	<u>81,187,940</u>	<u>73,265,392</u>

SCHEDULES “1” TO “21” ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

Schedule
No.

	Year Ended March 31, 2011 Rs.	Year Ended March 31, 2010 Rs.
19 SELLING & DISTRIBUTION EXPENSES		
Freight, Forwarding, etc.	149,873,012	114,255,463
Commission on Sales	26,508,907	24,586,513
Advertisement Expenses	43,547,764	35,393,402
Travelling Expenses	20,046,643	24,874,846
Bad Debts	12,734,101	20,694,015
Sales Promotion Expenses	108,655,526	143,718,756
	<u>361,365,953</u>	<u>363,522,995</u>
20 INTEREST & FINANCIAL CHARGES		
Interest Paid	23,455,609	31,097,013
Bank Charges & Commission	21,464,462	22,421,583
Others	-	12,388,696
	<u>44,920,071</u>	<u>65,907,292</u>

Schedule
No.

21. NOTES TO ACCOUNTS:

1] Significant Accounting Policies:

a] Fixed Assets

Fixed Assets are stated at their original cost except certain Fixed Assets which are adjusted for revaluation.

b] Depreciation

Depreciation on Fixed Assets has been provided on “Straight Line Method” at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956. Depreciation on account of enhancement in the value of certain Fixed Assets on account of revaluation is adjusted against Revaluation Reserve.

c] Investment

Current Investments are valued at cost or market value whichever is lower.

d] Inventories

1. Inventories are valued at cost or market value whichever is lower. The company has been following this generally accepted accounting policy in accordance with the Accounting Standard (AS2) on valuation of Inventories.

2. Moulds are amortized over a period of Three years.

e] Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is identification that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

f] Income & Expenditure Recognition

Income & Expenditure are recognized and accounted for on accrual basis. In case of uncertainties in either aspect, revenue recognition is postponed to the time of realizing such claims.

g] Sales

Sales are recognized when goods are invoiced on despatch to customers and are recorded inclusive of Excise duty but are net of trade discount and Sales Tax.

h] Foreign Currency Transactions

1. Transactions in foreign currency are recorded at the exchange rate existing at the time of the transaction.
2. Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of monetary items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
3. Any income or expense on account of exchange difference either on settlement or on translation is recognized as Revenue.

i] Retirement and other Employee's Benefit

1. Retirement benefits in the form of Provident Fund & Superannuation Fund is a defined contribution scheme and the contributions are charged to the Profit & Loss Account of the year when the contributions to the respective funds are due. The Company has no other obligation other than the contributions payable.
2. Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method calculated at the end of each financial year.
3. Leave encashment liability is provided for based on actuarial valuation done as per Projected Unit Credit Method calculated at the end of each financial year.
4. Actuarial gains / losses are immediately taken to profit and loss account and are not deferred.

j] Research and Development

Capital expenditure on Research and Development (R & D) is included in fixed assets under appropriate heads and revenue expenditure on R & D is charged as expenditure in the year in which it is incurred.

k] Provision for Current and Deferred Tax

Provision for Current tax is made after taking into account benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing difference" between book profit and taxable profit using the tax rates and laws that have been enacted or substantively enacted as on Balance Sheet date. The company has taken credit for MAT which it is entitled on future taxable profits.

l] Segment Reporting

The Company is engaged mainly in Manufacturing of Industrial Oils & Lubricants and as such it is the only reportable segment as per Accounting Standard (AS 17) on Segment Reporting. The geographical segmentation is not relevant as export turnover is not significant in respect to total turnover.

2] As per information available with the Company, none of the creditors have confirmed that they are registered under the Micro, Small and medium enterprises Development Act, 2006.

3] Contingent liabilities not provided for:

	Rs. 2010-2011	Rs. 2009-2010
a] Guarantees given by Banks	2,363,154	335,225
b] Estimated amount of contracts / capital commitments	5,887,065	1,601,915
c] Claims against the Company not acknowledged as debts:		
(i) Excise matters	9,408,719	9,408,719
(ii) Sales Tax matters	131,079,080	108,965,538

4] Related Party Disclosure

(a) Name of the related parties and description of relationship.

Related Party:

NAF India Holdings Ltd
Shri Rajendra Sah
Shri Vivek Sah
Shri Aditya Sah
Smt. Shobha Sah

Relationship:

Investor Company – Controlling Interest
Whole time Director
Whole time Director
Whole time Director
Senior President

(b) Enterprises over which Key management personnel exercise significant influence

Sah Agrotechs

Note: Related party relationship is as identified by the Company and relied by the Auditors

[B] Transactions:

Sr. No.	Nature of Transaction	Key Management Personnel	Enterprises over which Key Management personnel exercise significant influence	Total
1	Salary & Related Payments	5,817,600	-	5,817,600
		(58,22,400)	(-)	(58,22,400)
2	Garden Development Expenses	-	56,900	56,900
		(-)	(-)	(-)
3	Purchase of Land	-	-	-
		(6,360,000)	(-)	(6,360,000)

5]	<u>Remuneration of Directors</u>			
			2010-2011	2009-2010
			Rs.	Rs.
	Salaries		4,800,000	4,800,000
	Contribution to provident and superannuation funds		360,000	360,000
6]	<u>Earnings per Share (EPS)</u>		2010-2011	2009-2010
			Rs.	Rs.
	(i) Profit after Tax		165,310,721	(61,214,799)
	Profit attributable to Ordinary shareholders		158,136,389	(61,214,799)
	(ii) No. of Ordinary Shares for Basic EPS		44,000,000	44,000,000
	No. of Ordinary Shares for Diluted EPS		44,000,000	44,000,000
	(iii) Nominal Value of Ordinary Shares		5.00	5.00
	(iv) Basic/Diluted Earnings per Ordinary Shares		3.59	(1.39)
7]	<u>Prior period adjustment represent:</u>		2010-2011	2009-2010
			Rs.	Rs.
	Debits relating to earlier years		13,387,710	-
	Credits relating to earlier years		9,001,588	-
			4,386,122	-
8]	<u>Deferred Tax Liability (Net)</u>			
		Deferred tax liability/ (asset) 2009-2010	Current year Charge/ (Credit)	Deferred tax Liability/ (asset) 2010-2011
	(a) Deferred Tax Liability			
	Depreciation	18,440,763	4,632,110	23,072,873
	(b) Deferred Tax Asset			
	Adjustment of item u/s 43 B	(1,155,416)	62,517	(1,092,899)
	(c) Deferred Tax	17,285,347	4,694,627	21,979,974
9]	<u>Derivative transactions:</u>			
	(a) Derivative instruments outstanding as on 31st March 2011		2010-2011	2009-2010
			Rs.	Rs.
	Acceptances USD		18,454,375	15,205,857
	INR		822,972,847	718,811,094
	(b) Foreign exchange currency exposures not covered by derivative instruments as on 31st March 2011.			
	i) Debtors USD		509,847	512,498
	INR		21,984,468	23,538,396
	ii) Acceptances USD		10,433,128	8,341,348
	INR		484,408,361	374,526,521
10]	<u>EMPLOYEE BENEFITS:</u>			
	Defined benefit plans as per actuarial valuation on 31st March, 2011			
	I Expenses recognized in the Statement of Profit and Loss for the year ended 31st March, 2011		Gratuity Funded 31.03.11	Gratuity Funded 31.03.10
			Rs.	Rs.
	1 Current Service Cost		1,050,550	1,080,522
	2 Interest Cost		726,664	649,929
	3 Expected return on plan assets		(594,776)	(426,781)
	4 Past Service Cost		2,437,573	-
	5 Net Actuarial (Gains) / Losses		(293,481)	(883,073)
	6 Total Expenses		3,326,530	420,597
	II Net Asset/(Liability) recognized in the Balance Sheet as at 31st March, 2011			
	1 Present value of Defined Benefit Obligation as at 31st March, 2011		12,219,195	8,236,673
	2 Fair value of plan assets as at 31st March, 2011		8,472,805	7,816,813
	3 Funded status [Surplus/(Deficit)]		(3,746,390)	(419,860)
	4 Net Asset/(Liability) as at 31st March, 2011		(3,746,390)	(419,860)

III	Change in obligation during the year ended 31st March, 2011		
1	Present value of Defined Benefit Obligation at beginning of the year	8,236,673	7,635,982
2	Current Service cost	1,050,550	1,080,522
3	Interest cost	726,664	64,929
4	Past Service Cost	2,437,573	-
5	Actuarial (Gains) / Losses	(232,265)	(919,182)
6	Benefits Payments	-	(210,578)
7	Present value of Defined Benefit Obligation at the end of the year	12,219,195	8,236,673
IV	Change in fair value of asset during the year ended 31st March, 2011		
1	Plan assets at the beginning of the year	7,816,813	4,981,719
2	Expected return on plan assets	594,776	426,781
3	Contribution by Employer	-	2,655,000
4	Actual benefits paid	-	(210,578)
5	Actuarial (Gains) / Losses	61,216	(36,109)
6	Plan assets at the end of the year	8,472,805	7,816,813
7	Actual return on plan assets	655,992	390,672
V	The major categories of plan assets as a percentage of total plan		
1	Insurer Managed Funds	98%	100%
2	Others	2%	-
		100%	100%
VI	Actuarial Assumptions:		
1	Discount Rate	8.30%	8.40%
2	Expected Rate of return on Assets	7.50%	7.50%
3	The estimates of future salary increases are considered taking into account the inflation, seniority, promotion and other relevant factors		
4	Salary Escalation	10% for first 3 years & 7% thereafter	10% for first 3 years & 7% thereafter

Note:

The above information is certified by actuary.

- 11] Acceptances pertain to liability under Secured Letters of Credit from Bank.
(Details of security is given in note to Schedule 3)
- 12] ADDITIONAL INFORMATION AS FAR AS APPLICABLE PURSUANT TO PART II OF SCHEDULE VI OF THE COMAPANIES ACT 1956.
- I. Particulars of Capacity:
- (i) Licensed Capacity
Not applicable
- (ii) Installed Capacity:
Installed capacity for the manufacturing of Industrial Oils and Lubricants – 80,000 KL per annum (approx).
Since the company's installed capacity is dependent on Product-mix, which in turn is dependent on the basis of actual demand for various products from time to time, it is not feasible for the company to give the exact installed capacity. The company has, however indicated the installed capacity on the basis of the normal year's product-mix as certified by the Managing Directors and the same being a technical matter is accepted by the Auditors.
- II. Particulars in respect of opening and closing stocks, production, purchases and sales of goods produced and traded:

	2010-2011		2009-2010	
	Qty. Lt.	Value (Rs.)	Qty. Lt.	Value (Rs.)
Opening Stock				
Oils & Lubricants	2,657,578	85,444,813	2,735,811	294,990,485
Traded Goods	1,002	87,337	1,002	87,337
Purchases				
Traded Goods	1,737,399	82,129,114	-	-

	2010-2011		2009-2010	
	Qty. Lt.	Value (Rs.)	Qty. Lt.	Value (Rs.)
Sales				
Oils & Lubricants	61,498,462	3,545,467,728	58,284,379	2,780,573,249
Traded Goods	1,737,399	93,855,498	-	-
Closing Stock				
Oils & Lubricants	3,171,773	215,470,852	2,657,578	185,444,813
Traded Goods	-	-	1,002	87,337
Excess/(Shortage)				
Oils & Lubricants	14,818		(66,480)	
Write Off	(1,002)		-	
Actual Production				
Oils & Lubricants	62,027,475		58,273,628	
III. <u>Raw Materials Consumed :</u>				
Oils & Lubricants	57,256,659	2,726,140,173	55,263,621	2,054,426,884
	kgs		kgs	
IV. <u>Imported / Indigenous Materials Consumed :</u>				
	2010-2011		2009-2010	
	Imported	Indigenous	Imported	Indigenous
Raw Materials	1,905,440,089	820,700,084	1,554,924,187	499,502,697
	69.90%	30.10%	75.69%	24.31%
Stores & Spares	-	169,422,293	-	158,627,791
		100%		100%
V. <u>Value of Imports (C.I.F. Basis) :</u>				
			Rs.	Rs.
			2010-2011	2009-2010
Raw Materials			2,049,251,539	1,684,676,364
VI. <u>Expenditure in Foreign Currency</u>				
			Rs.	Rs.
			2010-2011	2009-2010
Travel			1,519,269	1,581,046
Royalty			69,480	63,050
Others			40,041,585	65,518
VII. <u>Earning in Foreign Exchange :</u>				
			Rs.	Rs.
			2010-2011	2009-2010
Export of Goods (FOB Basis)			184,269,267	141,028,780

13] Previous years figures have been regrouped / recast wherever necessary.

Signature to Schedule "1" to "21"

For N.D. DAGA & CO.

Firm Registration No. : 101993 W
Chartered Accountants

N.D. Daga
Proprietor

Membership No. 9921

Mumbai: 12.08.2011

For SAH PETROLEUMS LIMITED

Rajendra Sah
Chairman

Vivek Sah
Managing Director

D. Malla Reddy
Company Secretary

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details

 Registration No.

		0	3	0	3	7	2
--	--	---	---	---	---	---	---

 State Code

1	1
---	---

 Balance Sheet Date

3	1	0	3	2	0	1	1
---	---	---	---	---	---	---	---

II Capital Raised during the year (Amount in Rs. Thousands)

Public Issue

					N	I	L
--	--	--	--	--	---	---	---

Rights Issue

					N	I	L
--	--	--	--	--	---	---	---

Bonus Issue

					N	I	L
--	--	--	--	--	---	---	---

Private Placement

					N	I	L
--	--	--	--	--	---	---	---

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

Total Liabilities

	1	2	2	9	8	0	2
--	---	---	---	---	---	---	---

Total Assets

	1	2	2	9	8	0	2
--	---	---	---	---	---	---	---

Sources of Funds

Paid up Capital

	2	2	0	0	0	0	0
--	---	---	---	---	---	---	---

Reserves & Surplus

	1	0	0	9	8	0	2
--	---	---	---	---	---	---	---

Secured Loan

					N	I	L
--	--	--	--	--	---	---	---

Unsecured Loan

					N	I	L
--	--	--	--	--	---	---	---

Application of Funds

Net Fixed Assets

	3	2	6	0	7	6	
--	---	---	---	---	---	---	--

Investment

	4	1	0	3	6	1	
--	---	---	---	---	---	---	--

Net Current Assets

	4	9	3	3	6	5	
--	---	---	---	---	---	---	--

Misc. Expenditure

					N	I	L
--	--	--	--	--	---	---	---

Accumulated Losses

					N	I	L
--	--	--	--	--	---	---	---

IV Performance of Company (Amount in Rs. Thousands)

Turnover

	3	7	3	3	4	2	9
--	---	---	---	---	---	---	---

Total Expenditure

	3	5	5	6	1	8	2
--	---	---	---	---	---	---	---

+ -

Profit / Loss Before Tax

✓			1	7	7	2	4	7
---	--	--	---	---	---	---	---	---

+ -

Profit / Loss After Tax

✓			1	6	5	3	1	1
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Earning per share in Rs.

			3	.	5	9	
--	--	--	---	---	---	---	--

Dividend Rate %

							1
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V Generic Name of Three Principal Products of the Company (as per monetary items)

Item Code No. (ITC Code)	2 7 1 0 1 9 8 0	Product Description	LUBRICATING PETROLEUM OIL
Item Code No. (ITC Code)	3 4 0 3 1 9 0 0	Product Description	LUBRICATING PREPARATION CUTTING OIL
Item Code No. (ITC Code)	2 7 1 0 1 9 9 0	Product Description	LUBRICATING GREASE

For N.D. DAGA & CO.
Firm Registration No. : 101993 W
Chartered Accountants

N.D. Daga
Proprietor

Membership No. 9921

Mumbai: 12.08.2011

For SAH PETROLEUMS LIMITED

Vivek Sah
Chairman

Vivek Sah
Managing Director

D. Malla Reddy
Company Secretary



Sah Petroleums Limited

Reg. Office: 406/407, Embassy Centre, Nariman Point, Mumbai-400 021.

ATTENDANCE SLIP

Regd. Folio No. _____

**Client I.D _____

**D.P. I.D _____

28th Annual General Meeting – 30th September, 2011

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the **Twenty Eighth Annual General Meeting** of the Company held on **Friday, 30th September, 2011** at 10.00 A.M. at M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001.

*Member's / Proxy's Name in Block Letters

*Member's/Proxy's Signature

Note:

1. Member / Proxy must bring the Attendance Slip to the Meeting and hand it over, duly signed, at the registration counter.
2. The Copy of the Notice may please be brought to the Meeting Hall.
3. NO GIFTS WILL BE GIVEN.

*Strike out whichever is not applicable.

----- T E A R H E R E -----



Sah Petroleums Limited

Reg. Office: 406/407, Embassy Centre, Nariman Point, Mumbai-400 021.

PROXY FORM

Regd. Folio No. _____

**Client I.D _____

**D.P. I.D _____

I/We _____

of _____

as my / our Proxy to attend and vote for me / us on my / our behalf at the **Twenty Eighth Annual General Meeting** of the Company to be held on **Friday, 30th September, 2011** at M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001 at 10.00 A.M. and at any adjournment thereof.

Signed this _____ day of _____ 2011.

Note:-

1. Proxy need not be a member.
2. Proxy form, complete in all respects, should reach the Company's Regd. Office at 406/407, Embassy Centre, Nariman Point, Mumbai – 400 021, not less than 48 hours before the scheduled time of the meeting.

**Applicable only in case of investors holding shares in Electronic form.

Please Affix
Re. 1/-
Revenue
Stamp

Signature

Book Post

To

If undelivered, please return to:

Sah Petroleums Limited
406/407, Embassy Centre, Nariman Point,
Mumbai - 400 021, India
www.sahpetroleums.com