

DEEPAK MINING SERVICES PRIVATE LIMITED


NOTICE

NOTICE is hereby given that Second Annual General Meeting of the Members of **DEEPAK MINING SERVICES PRIVATE LIMITED** will be held on Monday, 20th September, 2010 at 10:00 a.m. at the Registered Office of the Company at Deepak Complex, Opp. Golf Course, Shastri Nagar, Yerawada, Pune – 411 006 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2010 and the Profit and Loss Account for the financial year ended on that date together with the Directors' Report and the Auditors' Report thereon.
2. To appoint a Director in place of Shri S. C. Mehta, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

For and on Behalf of the Board of Directors,


S. C. Mehta
Chairman

Place : Pune
Date : 20th May, 2010

Registered Office :

Deepak Complex,
Opp. Golf Course,
Shastri Nagar,
Yerawada,
Pune – 411 006.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective, should be completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

Regd. Office : Opp. Golf Course, Shastri Nagar, Airport Road, Yerawada, Pune – 411006

* Telephone : 020 - 6645 8000 * Fax : 020 - 2668 3722 *

DEEPAK MINING SERVICES PRIVATE LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the Second Annual Report together with the Audited Statement of Accounts for the financial year ended 31st March, 2010.

FINANCIAL RESULTS

The Summarised financial results for the year are as under:

(in Rupees)

	2009-2010	2008-2009
Gross Revenue	Nil	Nil
Profit Before Tax	(62,736)	(75,911)
Less :		
Provision for Income Tax	Nil	Nil
Provision for Fringe Benefit Tax	Nil	Nil
Provision for Deferred Tax	Nil	Nil
Net Profit after Tax	(62,736)	(75,911)
Add :		
Balance brought forward	(75,911)	Nil
Surplus carried to Balance Sheet	(138,647)	(75,911)

CURRENT OPERATIONS AND FUTURE OUTLOOK

During the year under review, your Company has participated in the Tenders floated by mining companies in the private sector for mine consulting works in association with a leading international mine consulting firm, Runge Limited of Australia.

There is going to be tremendous demand for mining in India. Deepak Fertilisers And Petrochemicals Corporation Limited, your Company's holding company, being the Country's single largest manufacturer of AN prills used for blasting operations in mining sector has a natural tilt towards mining industry with its excellent reputation and availability of mining professionals. With an intent to become a total mining solution provider, your Company is also in the process of identifying a reputed international mining firm as business partner to venture into Mine Development & Operation (MDO) business in India. Your Directors are confident that this would be achieved by creating a strong in-house team of mining professionals and a robust business model through business alliances with capable and reputed domestic and international players.

DIRECTORS

Shri S. C. Mehta retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

DEPOSITS

During the year under review, your Company has not accepted any deposits from the public.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (ii) the accounting policies selected had been applied consistently and judgments and estimates made were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on 31st March, 2010 and of the Loss of the Company for that period;
- (iii) proper and sufficient care had been taken for the maintenance of the 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; and
- (iv) the annual accounts had been prepared on a 'going concern' basis.

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

Your Company does not fall in the categories of Companies specified in Schedule of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988. Hence, the provisions of the said Rules are not applicable to your Company.

During the year under review, your Company has neither imported any Technology nor earned or used any Foreign Exchange.

EMPLOYEES

During the year under review, your Company did not have any employee. Hence, the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended were not applicable.

AUDITORS

M/s. B.K. Khare & Co., Chartered Accountants, Mumbai, Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. The Board of Directors recommend their appointment.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation to the Banks and Financial Institutions, Government Authorities and all other agencies for their continued support during the year.

For and on Behalf of the Board,

Place : Pune
Date : 20th May, 2010


S. C. Mehta
Chairman

Head Office : Mumbai

- Tel : (022) 2200 0607 / 7318 / 6360
- (022) 6631 5835 / 36
- Fax : (022) 2200 3476
- E-mail: info@bkkhareco.com
- 706 / 708, Sharda Chambers,
New Marine Lines, Mumbai 400 020

B. K. KHARE & Co.
CHARTERED ACCOUNTANTS

AUDITOR'S REPORT

To,

The Members of Deepak Mining Services Private Limited

We have audited the attached Balance Sheet of Deepak Mining Services Private Limited, as at 31st March 2010, and the related Profit and Loss Account for the period 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.

We conducted our audit in accordance with the generally accepted auditing standards 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 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.

We report that Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 is not applicable to the Company as per clause 1(iv) of Notification No. G.S.R. 480 (E), dated 12.06.2003 of the said order.

We further report that:

- 1) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

Branch Office : Pune

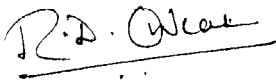
- Tel : (020) 2543 3704 • Fax : (020) 2542 0212
- E-mail : pune@bkkhareco.com
- 11, Venu-Madhav, 104/7, Off Lane No. 14,
Prabhat Road, Erandwane, Pune - 411 004.

Branch Office : Bangalore

- Tel: (080) 4110 5357 •
- E-mail: bkkhareb@vsnl.net •
- 505, 8B Main, Koramangala, 19th Block
Near Telephone Exchange, Bangalore - 560 034.

- 2) 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.
- 3) The Balance Sheet, Profit and Loss account dealt with by this report are in agreement with the books of accounts;
- 4) In our opinion, the Balance Sheet and Profit and Loss account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- 5) On the basis of written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- 6) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March 2010 and
 - b) in the case of the Profit and Loss account, of the loss for the year ended on that date;

For B.K.Khare & Co.
Chartered Accountants



R.D.Onkar

(Partner)

Membership No: 45716

Firm Registration No.-105102W

Place: - Pune

Dated: 20 MAY 2010

DEEPAK MINING SERVICES PVT LTD

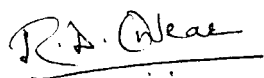
DEEPAK COMPLEX OPP GOLF COURSE, SHASTRI NAGAR
YERAWADA PUNE 411006

BALANCE SHEET AS ON 31ST MARCH 2010

PARTICULARS	Schedule	As at	As at
		31.03.2010	31.08.2009
		<u>Rs.</u>	<u>Rs.</u>
I. SOURCES OF FUNDS			
1. SHAREHOLDERS' FUND			
a. Share Capital	1	100,000	100,000
b. Reserves and Surplus		-	-
		100,000	100,000
2. LOAN FUNDS			
Secured Loans		-	-
Unsecured Loans		-	-
		-	-
TOTAL		100,000	100,000
II. APPLICATION OF FUNDS			
1. FIXED ASSETS			
a. Gross Block		-	-
b. Less : Depreciation		-	-
c. Net Block		-	-
2. INVESTMENTS			
3. CURRENT ASSETS, LOANS & ADVANCES			
a. Inventories		-	-
b. Sundry Debtors		-	-
c. Cash & Bank Balance	2	12,283	44,089
d. Loans & Advances		-	-
		12,283	44,089
LESS : CURRENT LIABILITIES & PROVISIONS			
a. Liabilities	3	50,930	28,065
b. Provisions		-	-
		50,930	28,065
NET CURRENT ASSETS		(38,647)	16,024
4. MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF			
a. Preliminary Expenses		-	8,065
5. PROFIT & LOSS ACCOUNT (DR BALANCE)			
a. Profit & Loss A/c		138,647	75,911
TOTAL		100,000	100,000

In terms of our report even date

For and on behalf of
B.K.Khare & Co.
Chartered Accountants

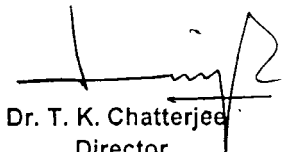


R. D. Onkar
Partner
Membership No. 045716

For and on behalf of Board of Directors,



S. C. Mehta
Director



Dr. T. K. Chatterjee
Director

Place : Pune
Date : 20.05.2010


DEEPAK MINING SERVICES PVT LTD

DEEPAK COMPLEX OPP GOLF COURSE, SHASTRI NAGAR
YERAWADA PUNE 411006

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2010

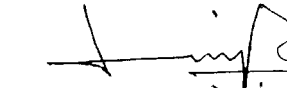
PARTICULARS	Schedule	For the period ended	
		31.03.2010	31.08.2009
		<u>Rs.</u>	<u>Rs.</u>
INCOME			
Income From Operations		-	-
TOTAL		-	-
EXPENDITURE			
General Expenses		29,068	-
Audit Fees		20,000	20,000
Bank Charges		1,963	55,911
Legal and Professional Fees		2,965	-
Preliminary Expenses W/off		8,065	-
Printing And Stationery		675	-
TOTAL		62,736	75,911
PROFIT / (LOSS) BEFORE TAX		(62,736)	(75,911)
Provision for Taxation		-	-
PROFIT / (LOSS) AFTER TAX		(62,736)	(75,911)
BALANCE AS PER LAST BALANCESHEET		(75,911)	-
BALANCE CARRIED TO BALANCESHEET		(138,647)	(75,911)
NOTES TO ACCOUNTS	4		

In terms of our report even date
For and on behalf of
B.K.Khare & Co.
Chartered Accountants


R. D. Onkar
Partner
Membership No. 045716

For and on behalf of Board of Directors,


S. C. Mehta
Director


Dr. T. K. Chatterjee
Director

Place : Pune
Date : 20.05.2010

DEEPAK MINING SERVICES PVT LTD

DEEPAK COMPLEX OPP GOLF COURSE, SHASTRI NAGAR
YERAWADA PUNE 411006

SCHEDULES FORMING PART OF BALANCESHEET

PARTICULARS	As at	As at
	31.03.2010	31.08.2009
	<u>Rs.</u>	<u>Rs.</u>
SCHEDULE : 1: SHARE CAPITAL		
AUTHORISED		
10,000 Equity Shares of Rs 10/- each	100,000	100,000
ISSUED, SUBSCRIBED & PAID UP		
10,000 Equity Shares of Rs 10/- each fully paid up	100,000	100,000
SCHEDULE : 2: CASH & BANK BALANCES		
Cash in Hand	0	350
Balance with Bank	12,283	43,739
	12,283	44,089
SCHEDULE : 3: CURRENT LIABILITIES		
Sundry Creditors for expenses	50,930	28,065
	50,930	28,065

Details of Bank Charges

Date	Particulars	Amount
		<u>Rs.</u>
29/10/09	Bank Charges debited by the bank.	88
26/12/09	Bank Charges debited by the bank.	441
23/01/10	Bank Charges debited by the bank.	441
25/02/10	Bank Charges debited by the bank.	496
31/03/10	Bank Charges debited by the bank.	496
	Total	1,963

Details of Legal and Professional Fees

Date	Particulars	Amount
		<u>Rs.</u>
09/10/09	Filing Fees	110
30/01/09	Professional Fees to Shri. Shridhar Mudliar	1,000
28/02/10	Professional Fees to Godase Joshi & Associates	1,655
03/04/10	Filing Fees	200
	Total	2,965

DEEPAK MINING SERVICES PVT. LTD.

**Deepak Complex, Opp. Golf Course, Shastri Nagar,
Yerawada, Pune – 411 006.**

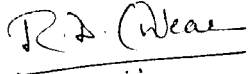
**Notes forming part of Balance Sheet as on 31st March 2010 and Profit & Loss Account for
the year ended on that date.**

1. Accounting Policies: -

- Method of accounting followed for revenue & expenditure is mercantile.
- Preliminary Expenses have been written off during the year in which it is incurred.
- Accounts are prepared on going concern basis.
- There is no change in accounting policies as compared to previous year except for the changes expressly reported in this Annexure.

2. Previous year figures are regrouped wherever necessary.

*For and on Behalf of B. K. Khare & Co.,
Chartered Accountants*

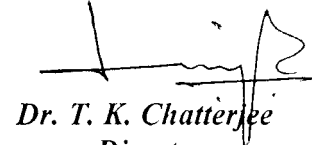


*R. D. Onkar
Partner
Membership No. 045716*

For & on behalf of Board of Directors,



*S. C. Mehta
Director*



*Dr. T. K. Chatterjee
Director*

Place: - *Pune*

Date: - *20th May, 2010*