



LESHA ENERGY
RESOURCES LIMITED

18th Annual Report

2008 - 2009

Regd. Office
702, Ashoka Chambers, Near Lions Hall, Mithakhali Six Road,
Ahmedabad 380 006.

LESHA ENERGY RESOURCES LIMITED

**18th ANNUAL REPORT
2008 - 2009**

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BOARD OF DIRECTORS

ASHOK C. SHAH
SHALIN A. SHAH
PRAVIN P. SHAH
HARIYANT C. SHELAT

CHAIRMAN & MANAGING DIRECTOR
DIRECTOR (Whole Time)
DIRECTOR
DIRECTOR

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AUDITORS

M/s. NAIMISH K. SHAH & CO.
Chartered Accountants.

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BANKERS

ICICI Bank Ltd., Ashram Road Branch, Ahmedabad
Union Bank of India, Ashram Road Branch, Ahmedabad
Syndicate Bank, Ashram Road, Ahmedabad.

REGD. OFFICE

7th Floor, Ashoka Chambers.
Mithakhali Six Road, Near Lions Hall,
AHMEDABAD 380 006.

REGISTRAR & SHARE TRANSFER AGENTS

PURVA SHAREGISTRY (INDIA) PVT. LTD.
Shiv Shakti Industrial Estates, Unit No. 9
7-B, J. R. Boricha Marg,
Sitaram Mill Compound,
Mumbai 400 011.

Place
Date . 01.

NOTICE

NOTICE is hereby given that the 18th Annual General Meeting of the Members of LESHA ENERGY RESOURCES LIMITED will be held on 30th September, 2009 at 10.00 a.m at 7th Floor, Ashoka Chambers, Near Lions Hall, Mithakhali Six Roads, Ahmedabad 380 006 to transact the following business:-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet of the Company as at 31st March 2009, Profit & Loss Account for the year ended on that date and Director's Report and the Auditor's Report thereon.
2. To appoint a Director in place of Mr. Shalin A. Shah, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Ashok C. Shah, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors of the company to hold office from the conclusion of this Annual General Meeting up to the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and, if through fit, to pass, with or without modification, the following resolution as an Ordinary Resolution;

"RESOLVED that in accordance with the provision of Section 198, 269 and 309 read with Schedule XIII and such other applicable provisions, if any, of the Companies Act, 1956, the company hereby approves the re-appointment and the remuneration payable to Mr. Shalin A. Shah as Whole-time Director of the Company for a period of five years from 01.11.2008 to 31.10.2013 on such terms and conditions including remuneration as set out in the agreement submitted to this meeting and initialed by the Chairman for the purpose of identification.

RESOLVED FURTHER that notwithstanding anything to the contrary contained herein, where in any financial year during the currency of the tenure of the Whole-time Director, the company has no profits or its profits are inadequate, the Company will pay Mr. Shalin A. Shah the remuneration by way of salary and perquisites not exceeding the limits indicated in the Explanatory Statement.

RESOLVED FURTHER that the scope and quantum of remuneration specified here in above, may be enhanced, enlarged, widened, altered or varied by the Board of Directors in the light of and in conformity with any amendments to the relevant provisions of the Companies Act, 1956 and/ or the rules and regulations made there under and / or such guidelines as may be announced by the Central Government from time to time."

By Order of the Board
FOR, Lesha Energy Resources Limited.

Place : Ahmedabad
Date : 01.09.2009

Ashok C. Shah
[Chairman & Managing Director]

ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT IN ANNUAL GENERAL MEETING.

(IN PURSUANCE OF CLAUSE 49(VI) A OF THE LISTING AGREEMENTS)

NAME OF DIRECTOR	Shalin A. Shah	Ashok C. Shah
Age (Yrs.)	36	65
Qualifications	B.E.(Civil)	B.Sc. (India) B.S. (Chem., Eng., USA) MIA (USA)
Designation	Director (Whole Time)	Chairman & Managing Director
List of Companies in which outside Directorialship held	Technocorp infosystems Ltd. Shree Ghantakarana Rolling Mills Pvt. Ltd.	Shree Ghantakarana Rolling Mills Pvt. Ltd.
Chairman/Member of the Committee of the Board of Directors of the Company	-----	Two

Place : Ahmedabad
Date : 01.09.2009

Regd. Office
7th Floor, Ashoka Chambers,
Mithakhali Six Road, Near Lions Hall,
AHMEDABAD : 380 006.

By Order of the Board
FOR, Lesh Energy Resources Limited.

Ashok C. Shah
[Chairman & Managing Director]

NOTES :

1. A Member is eligible to attend and vote is entitled to appoint one or more **proxies** to attend and vote instead of himself and a Proxy need not be a member. The instrument appointing a **proxy** shall be deposited at the Registered Office of the Company not later than 48 hours before the **time fixed** for holding the meeting.
2. The Members are requested to notify any change in their address to the **company** quoting their folio number at the earliest to avoid inconvenience at a later stage.
3. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting, therefore, Members are requested to bring their copies of Annual Report to the meeting.
4. Shareholders seeking any information with regards to accounts are requested to write to the Company latest by 20 September, 2009 so as to enable the management to keep the **information** ready.
5. Members/Proxies should bring the Attendance slip attached herewith **duly filled in** for attending the meeting.
6. Register of Members shall remain closed from 25th September, 2009 to 30th September, 2009 (Both days inclusive).
7. Member Companies/Organisations are requested to send a copy of the **resolution** of their Governing Body authorising their representative to attend and vote at this Annual General Meeting.
8. Explanatory Statement pursuant to Section 173(2) of the Act is enclosed.

By Order of the Board
FOR, Lesh Energy Resources Limited.

Place : AHMEDABAD
Date : 01.09.2009

ASHOK C.SHAH
[Chairman & Managing Director]

EXPLANATORY STATEMENT

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EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.
ITEM NO. 5:

Mr. Shalin A. Shah was re-appointed as the Whole-time Director of the Company at the Board Meeting held on 21st October, 2008 for a period of five years from 01.11.2008 to 31.10.2013 on the terms and conditions including remuneration in accordance with the provisions contained in Schedule XIII to the Companies Act, 1956.

Taking into account the significant contribution made by Mr. Shalin A. Shah to the progress and development of the company and in order to continue to avail of the benefits of his vast experience and expertise, the Board of Directors have, pursuant to the Resolution adopted on 21st October, 2008, re-appointed Mr. Shalin A. Shah as the Whole-time Director of the Company for a period of five years from 01.11.2008 to 31.10.2013, in accordance with the provisions contained in Schedule XIII to the Companies Act, 1956. The details of the remuneration payable to Mr. Shalin A. Shah as Whole-time Director are set out below:

1. Remuneration :

- a) Salary of Rs. 25,000 - (Rupees Twenty Five Thousand only) per month with such increments as may be decided by the Board subject to a ceiling of Rs. 50,000/- (Rupees Fifty Thousand Only) per month.
- b) Perquisites: In addition to the salary and commission the Whole-time Director shall be entitled to the following perquisites:

The perquisites are classified into three categories as under:

CATEGORY 'A'

- i) **Housing I :** The expenditure incurred by the Company on hiring furnished accommodation for the Managing Director will be subject to the following ceiling:
Forty Five per cent of the Salary, over and above ten per cent payable by the Whole-time Director.

Housing II : In the case the accommodation is owned by the Company, ten per cent of the salary of the managing director shall be deducted by the Company.

Housing III : In case no accommodation is provided by the Company, the Whole-time Director shall be entitled to House Rent Allowance subject to the ceiling laid down in Housing I.

Explanation : The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income-Tax Rules, 1962. This shall, however, be subject to a ceiling of ten per cent of the salary of the Managing Director.

- ii) **Medical, Hospitalization and Health-care expenses Reimbursement:** Reimbursement of actual expenses incurred for the Whole-time Director and his family.
- iii) **Leave Travel Concession :** For the Whole-time Director and his family, once in a year incurred in accordance with any rules specified by the Company.
- iv) **Personal accident insurance:** Premium as per the rules of the Company.

CATEGORY 'B'

- i) **Provident Fund:** Company's contribution to Provident Fund shall be as per the scheme applicable to the employees of the Company.

Contribution to provident fund will not be included in the computation of perquisites to the extent this is not taxable under the Income-tax Act.

- ii) **Gratuity :** As per the rules of the Company, which shall not exceed half a month's salary for each completed year of service.
- iii) **Encashment of Leave:** Encashment of Leave at the end of the tenure of the appointment will not be included in the computation of perquisites.

CATEGORY 'C'

- i) Car: Provision of car with driver for use on Company's business is not to be considered as perquisites. Use of car for private purpose shall be billed by the Company to the Whole-time Director.
 - ii) Telephone: Telephone(s) at the residence of the Whole-time Director and a Mobile Phone for his use not to be considered as perquisites. Personal long distance calls on telephone(s) shall be billed by the Company to the Whole-time Director.
2. The Whole-time Director shall be entitled to annual privilege leave on full salary for a period of thirty days and such leave shall be allowed to be accumulated for not more than Ninety days.

The agreement between the company and Mr. Shalin A. Shah referred to in the notice is open for inspection at the registered office of the company during office hours on all working days till the date of Annual General Meeting.

None of the Directors, except Mr. Shalin A. Shah & Mr. Ashok C. Shah is concerned or interested in this Resolution.

By Order of the Board
FOR, Leshya Energy Resources Limited.

Place : Ahmedabad
Date : 01.09.2009

Ashok C. Shah
[Chairman & Managing Director]

DIRECTOR

To
The Managing Director
LESHA

Your Director
account

FINANCIAL

The following

Sales

Profit & Loss

Depreciation

Taxation

Net Profit

STATUS

The company
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The company
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DIRECTOR

Mr. Shalin A.
Meet

PUBLICATION

Your

DIRECTORS' REPORT

To
The Members of
LESHA ENERGY RESOURCES LIMITED.

Your Directors have pleasure in presenting their 18th Annual Report together with the audited statement of accounts for the year ended 31st March, 2009.

FINANCIAL RESULTS :

The following figures represent the results for the year :-->

	2008-2009 Rs.	2007-2008 Rs.
Sales & Other Income	71,97,322	1,04,44,433
Profit before Depreciation & Taxation	2,02,654	2,73,156
Depreciation	1,31,341	1,43,155
Taxation	14,000	75,000
Net Profit After Tax for the year	57,313	55,001

STATUS OF THE PROJECT :

The company is engaged in the business of Oil & Gas exploration and production, and currently the company is carrying on these activities through its 100% owned subsidiaries. The company currently holds 30% participating interest (through its 100% owned subsidiary) in six producing Oil & Gas fields in the Cambay Basin. It is an operator in majority of these fields (with remainder held by Government of India as operator and GSPCL- Gujarat State Petroleum Corporation Limited).

FINANCE :

During the year company had received call money on warrants and shares were allotted to warrant holders.

FUTURE OUTLOOK:

The company through its 100% owned subsidiaries expects to generate revenue of Rs. 11 crores and net profit of Rs. 5 crores in FY2010 which the revenues are expected to touch Rs. 90 crores by 2015.

PARTICULARS OF EMPLOYEES :

There are no employee drawing remuneration exceeding the limit stipulated under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

STATUTORY INFORMATION :

Particulars of conservation of energy etc. u/s. 217(1)(e) are not applicable as the Commercial Production has not yet commenced. There are no plans to import any kind of technology for the project and hence information regarding its absorption is not applicable. There is no foreign exchange income or outgo.

DIRECTORS :

Mr. Shalin A. Shah and Mr. Ashok C. Shah retire from the Board by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

PUBLIC DEPOSITS :

Your Company has not accepted any deposits during the year under review.

AUDITORS :

M/s. Naimish K. Shah & Co. Chartered Accountants, Ahmedabad, Auditors of the company held office until the conclusion of the ensuing Annual General Meeting and, being eligible have expressed their willingness to be re-appointed.

AUDIT OBSERVATIONS :

With reference to the observations of the Auditors on the accounts the notes to the Schedule are self-explanatory.

DIRECTORS RESPONSIBILITY STATEMENT

In compliance of Section 217(2AA), as incorporated by the Companies (Amendment) Act, 2000 in the Companies Act, 1956 your Directors confirm :

- i) That, in the preparation of the annual accounts, the applicable accounting standards had been followed,
- ii) That, the directors 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 at the end of the financial year ended on 31st March'2009 and of the profit or Loss of the company for the year.
- iii) That, the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) That, the directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT :

The Directors wish to place on record the unstinted efforts and dedicated services extended by the employees at all levels and the support received at all times from customers, suppliers, agents, and general public for their support and confidence reposed in the management.

Your Directors are also grateful to the Central and State Government Authorities and Company's Bankers for their continued assistance and support. The Directors also express their sincere thanks to all the Shareholders for the continued support and trust they have reposed in the management.

For and on behalf of the Board,
FOR, Lesh Energy Resources Limited.

Place : Ahmedabad
Date : 01.09.2009

ASHOK C. SHAH
Chairman & Managing Director.

ANNEXURE - II CORPORATE GOVERNANCE REPORT

1. Company's Philosophy :

Statutorily, Corporate Governance involves transparency, full disclosure, independent monitoring of the state of affairs and being fair to all stakeholders. The Company's philosophy of Corporate Governance is not only to meet the statutory requirements but also to go well beyond that and to attain a high level of transparency and accountability in the functioning of the company and the conduct of the business both internal and external. This is done with the sole view to enhance stake holder's value.

2. Board of Directors :

a) Composition of Board

The Board of Directors of the Company comprises of 4 Directors, of which one is Managing Director, one Whole Time Director and all others are Non Executive Directors. However there are two Independent Directors.

b) Board Meetings :

During the financial year 2008-2009, Seven Board meetings were held on 17/04/08, 23/06/08, 07/07/08, 14/07/08, 21/10/08, 23/01/09 & 19/03/09.

The composition, attendance and other memberships of the Board of directors of the company is given as follows:

Name of Director	Designation	Category	No. of Board meetings attended	Attendance at last AGM	Total No. of Directorships in public companies	Total No. of Committee memberships
Ashok C. Shah	Chairman & Mg. Director	Executive Director	7	YES	--	2
Shalin A. Shah	Whole-time Director	Executive Director	7	YES	--	--
Pravin P. Shah	Director	Non-Executive Independent	7	YES	--	2
Hariyant C. Shelat	Director	Non-Executive Independent	7	YES	--	2

3. Remuneration of Directors

a) Directors :

The Company has not set up a Remuneration Committee. The remuneration of Executive Directors were fixed by the Board and approved by the Shareholders at the Annual General Meetings. Details of remuneration paid to Managing Director during the financial year 2008-2009 is given below :

Name of Director	Designation	Tenture of Appointment	Salary (Rs.)
Ashok C. Shah	Managing Director	5 Years	360000/-
Shalin A. Shah	Whole Time Director	5 Years	300000/-

b) Non-Executive Directors :

Non-Executive Directors have not been paid any remuneration or sitting fees for attending Board and Committee meetings.

4. Audit Committee

The Board of the company has constituted an Audit Committee, comprising of Directors viz., Ashok C. Shah, Hariyant C. Shelat are the members and Pravin P. Shah is the chairman of the committee. The terms of reference stipulated by the Board to the Audit committee covers the matters specified under clause 49 of the Listing Agreement as well as section 292 A of the companies Act 1956. The Committee also act as a link between the statutory auditors and the Board of Directors. The committee meets the statutory auditors periodically and reviews the quarterly / half-yearly and annual Auditor's Report thereon financial statements and discusses their findings and suggestions and seeks clarifications thereon. Four Audit Committee Meetings were held during the year ended 31st March 2009.

5. Shareholders'/Investors' Grievance Committee :

The Board of the company has constituted an Shareholders'/investors' Grievance Committee, comprising of Directors viz., Pravin P. Shah & Hariyant C. Shelat are the members and Ashok C. Shah is the chairman of the committee. The committee, interalia, approves issue of duplicate certificates and overseas and reviews all matters connected with the transfer of securities. The committee also looks into shareholders' complaints like transfer of shares, non receipts balance sheet etc. The committee oversees the performance of the Registrar and Transfer Agents, and recommends measures for overall improvement in the quality of investor services.

During the year, 15 complaints were received from the Shareholders and all 15 complaints were resolved. The Company has no transfers pending at the close of the financial year.

6. Disclosure

- a) Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at large.

During the year, there were no materially significant transactions with related parties except disclosed in notes on accounts as per accounting standard 18 viz. the promoters, Directors or the Management, their relatives etc. that may have any potential conflict with the interests of the Company at large.

- b) Disclosure of Accounting Treatment :

In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India. The significant accounting policies which are consistently applied are set out in the Notes of the Accounts.

7. Share Transfer System

The Company had appointed M/s. Purva Sharegistry (India) Pvt. Ltd. as the Registrar and Transfer Agents w.e.f. August 1, 2005. Valid Share transfers in physical form and complete in all respects were approved and registered within the stipulated period.

8. Dematerialisation of Shares and Liquidity

The shares of the company are permitted for demat on NSDL and CDSL.

AS ON DATE

31.03.2009

Issued subscribed & paid up Capital	:	13933700
A. Electronic holding in NSDL	:	267189
B. Electronic holding in CDSL	:	7009111
C. Physical holding	:	4252800

TOTAL : 13933700

9. Date, time and venue of 18th

Annual General Meeting : 30th September, 2009 at
10:00 a.m. at 7th Floor, Ashoka Chambers, Nr. Lions Hall,
Mithakhali Six Roads, Ahmedabad 380 006, Gujarat.

10. Book Closure Date : 25/09/2009 to 30/09/2009 (both days inclusive).

11. Dividend Payment Date : Not Applicable

12. Details of last three Annual General Meeting :

Meeting	Year	Venue of AGM	Date	Time
17 th AGM	2007-2008	7 th Floor, Ashoka Chambers, Nr. Lions Hall, Mithakhali Six Roads, Ahmedabad 380 006, Gujarat.	29.09.2008	10.00 a.m.
16 th AGM	2006-2007	7 th Floor, Ashoka Chambers, Nr. Lions Hall, Mithakhali Six Roads, Ahmedabad 380 006, Gujarat.	29.09.2007	10.00 a.m.
15 th AGM	2005-2006	7 th Floor, Ashoka Chambers, Nr. Lions Hall, Mithakhali Six Roads, Ahmedabad 380 006, Gujarat.	30.09.2006	10.00 a.m.

13. Financial Calendar (Tentative)

Financial reporting for the quarter ending June 30, 2009	End of July, 2009
Financial reporting for the quarter/ half year ending September 30, 2009	End of October, 2009
Financial reporting for the quarter ending December 31, 2009	End of January, 2010
Financial reporting for the year ending March 31, 2010	End of April, 2010
Annual General Meeting for the year ending March 31, 2010	September, 2010

14. High/Low of monthly Market Price of the Company's Equity Shares traded on Mumbai Stock Exchange during the financial year 2008-2009 is furnished below :

Period	Share Price		No. of Shares Traded	No. of trades
	Highest (Rs.)	Lowest (Rs.)		
April-08	7.05	5.30	4500	15
May-08	11.02	6.77	7200	37
June-08	13.11	9.92	19500	73
July-08	12.81	11.20	13800	31
August-08	12.52	10.25	13250	61
September-08	15.43	11.87	39884	197
October-08	13.5	8.97	4937	56
November -08	11.44	9.13	1747	32
December-08	9.9	8.95	664	26
January -09	9.86	8.46	6648	31
February-09	9.97	7.51	25331	103
March-09	13.25	10.22	39133	230

15. Distribution of Shareholding as on March 31, 2009 :

On the basis of shares held

No. of Equity shares held (Range)	No. of Share holders	Percentage to total shares	No. of shares held	Percentage to total shares
Upto 5000	6287	86.29	1404203	10.08
5001 – 10000	594	8.15	510561	3.66
10001 – 20000	203	2.79	313688	2.25
20001 – 30000	59	0.81	149098	1.07
30001 – 40000	27	0.37	98700	0.71
40001 – 50000	27	0.37	126575	0.91
50001 – 100000	42	0.58	308925	2.22
Above 100000	47	0.65	11021950	79.10
TOTAL	7286	100.00	13933700	100.00

16. Listing on Stock Exchanges : The Stock Exchange, Mumbai
25th Floor, P. J. Towers, Dalal Street, Fort, Mumbai – 400 001.
17. Stock Codes : Mumbai Stock Exchange - 513536
18. Demat ISIN Number in NSDL & CDSL : INE207H01018
19. Investor Correspondence : All enquiries, clarifications and Correspondence should be addressed to the compliance officer at the following address.

20. Compliance Officer : Shri Ashok C. Shah, M.D.
7th Floor, Ashoka Chambers, Nr. Lions Hall,
Mithakhali Six Roads, Ahmedabad 380 006.
21. Corporate Office : 7th Floor, Ashoka Chambers, Nr. Lions Hall,
Mithakhali Six Roads, Ahmedabad 380 006.
22. Address for correspondence : 7th Floor, Ashoka Chambers, Nr. Lions Hall,
Mithakhali Six Roads, Ahmedabad 380 006.
23. Registrar & Transfer Agents : PURVA SHAREGISTRY (INDIA) PVT. LTD.
Shiv Shakti Industrial Estates, Unit No. 9,
7-B, J. R. Boricha Marg, Sitaram Mill Compound, Mumbai 400 011.

DECLARATION

As provided under clause 49 of the Listing Agreement with the Stock Exchanges, all Board members and Senior Management Personnel have affirmed compliance with Lesha Energy Resources Limited's code of Business conduct and Ethics for the year ended March 31, 2009.

For and on behalf of the Board,
FOR, Lesha Energy Resources Limited.

Place : Ahmedabad
Date : 01.09.2009

ASHOK C. SHAH
Chairman & Managing Director.

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MANAGEMENT DISCUSSION AND ANALYSIS :

INTRODUCTION

Your company has terminated the steel business since January 2008 and is currently dealing in Oil & Gas Exploration and production business. The Company has recently acquired 100% equity of Gorlas Oil & Gas (P) Ltd. and your company owns 100% equity in the following companies and its step-down fully owned subsidiaries.

1. Herameç Limited- Incorporated in Bahamas with Limited Liability
2. Gorlas Corporate Holdings Limited – Isle of Man
3. Gorlas Global Energy Plc – Isle of Man
4. Alkoor Petro Overseas Limited UAE, Jebel Ali Free Zone

STRATEGY

In order to achieve the goal of becoming the leading oil & gas exploration and production company your company's strategy shall be as follows:

- Increasing production by work over and repairing of existing wells
- Drilling more development wells in existing fields
- Exploring deeper prospects in the existing fields
- Farming in to discovered/producing fields with upside exploration potential
- Reactivation of old and sick fields
- Application of EOR and IOR techniques
- Acquiring Exploration acreages in India and Overseas

OPPORTUNITIES

- Increasing global demand for oil and natural gas leading to extensive outsourcing of services.
- Ongoing Government Liberalization policy of private player entry in Oil & Gas sector.
- In the Gas Compression sector, currently there are very few players in India and Asian region. Thus there is a huge opportunity for new players to establish themselves in the domestic market.

INTERNAL CONTROL SYSTEMS

The Company shall establish & built adequate systems of internal controls towards achieving efficiency and effectiveness in operations, optimum utilization of resources, and effective monitoring thereof as well as compliance with all applicable laws.

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY :

I, Mr. Ashok C. Shah, Chairman & Managing Director of Lesha Energy Resources Limited (the company) hereby certify the board that :

1. I have reviewed the financial statements and the cash flow Statement for the year and that to the best of our knowledge and belief:
 - (i) these statement do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading :
 - (ii) these statement together present a true and fair view of the Company affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
2. To the best of our knowledge and belief, no transactions were entered into by Lesha Energy Resources Limited during the year which are fraudulent, illegal or violative of the company's Code of Conduct.
3. I am responsible for establishing and maintaining internal controls for financial reporting in Lesha Energy Resources Limited and I have evaluated the effectiveness of the internal control system of the Company pertaining to financial reporting. I have disclosed to the auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any of which I am aware and steps I have taken or propose to take to rectify these deficiencies.

4. I have indicated to the auditors and the audit Committee :

- (i) Significant changes in internal controls over financial reporting during the year.
- (ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.

To,
The M.
LESH

5. I affirm that I have not denied any personal access to the Audit Committee of the Company (in respect of matter involving alleged misconduct, if any.)

1.

6. I further declare that all Board Members and Senior Management have affirmed compliance with the Code of Conduct for the current year.

For and on behalf of the Board,
FOR, Lesh Energy Resources Limited.

2.

Place : Ahmedabad
Date : 01.09.2009

ASHOK C. SHAH
Chairman & Managing Director.

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AUDITORS' REPORT

To,
The Members of
LESHA ENERGY RESOURCES LIMITED

1. We have audited the attached Balance Sheet of LESHA ENERGY RESOURCES LIMITED Ahmedabad as at 31st March, 2009 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based as 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 a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 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 purposes of our 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 the books;
 - (c) The Balance Sheet and Profit & Loss Account and Cash Flow Statement dealt with, by this report are in agreement with the books of accounts.
 - (d) In our opinion, Balance Sheet and Profit and Loss account and Cash flow statement dealt with this report comply with the Accounting Standard referred to in sub Section 211 (3C) of the Companies Act, 1956 to the extent applicable.
 - (e) On the basis of the written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors of the company are prima facie disqualified as at 31st March 2009 from being appointed as Directors of the company in terms of Clause (g) of Section 274(1) of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanation given to us, the accounts together with the notes thereon, give the information required under 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 the affairs of the Company as at 31st March, 2009, and
 - (ii) In the case of the Profit & Loss Account, of the profit of the Company for the year ended on that date.
 - (iii) In the case of Cash Flow Statement, of the cash flows of the company for the year ended on that date :

FOR NAIMISH K. SHAH & CO.
CHARTERED ACCOUNTANTS

Place : Ahmedabad.
Date : 01.09.2009

(N.K.SHAH)
PROPRIETOR

ANNEXURE TO THE AUDITORS' REPORT

10.

Annexure referred to in paragraph 3 of the Auditor's report to the members of LESHA ENERGY RESOURCES LIMITED, on the accounts for the year ended on 31st March, 2009.

11.

1. a. According to the information and explanation given to us, the fixed assets records showing full particulars including quantitative details and situation of fixed assets are under compilation. 12.
b. As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner 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 physical verification. 13.
c. In our opinion, the company has not disposed of substantial part of its fixed assets during the year and the Going Concern status of the Company is not effected. 14.
2. a. The Inventories lying with the company have been physically verified by the management to the extent practicable at reasonable interval during the year or at the year end. 15.
b. In our opinion 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. 16.
c. In our opinion the company is maintaining proper records of inventories and according to the records of the company the discrepancies noticed on physical verification of stocks as compared to book records were not material. 17.
3. a. The Company has not granted any loans, or advances in the nature of loans to companies, firms or other parties listed in the register to be maintained under Section 301 of the Companies Act, 1956. 18.
b. The company has not taken any unsecured loans from any company to be listed in the Register required to be maintained under section 301 of the Act. 19.
4. In our opinion and on the basis of test checks carried out by us, it appears that there are adequate internal control procedures commensurate with the size of the company and the nature of its business, with regard to purchase of inventory, fixed assets and for the sale of goods. During the course of audit, we have neither come across nor have been informed of any instance of major weaknesses in aforesaid internal control procedure, which would require corrective action. Place Date
5. a. In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered in the Register maintained under Section 301 of the Companies Act, 1956.
b. As there are no transactions that need to be entered into the register maintained under section 301 of the Companies Act, paragraph 4(v)(b) of the order is not applicable.
6. The Company has not accepted deposits from public.
7. The company did not have any formal internal audit system during the year under review. In the opinion of the management, the existing internal control procedures are adequate and hence separate internal audit is not called for.
8. According to the records of the company, we are of the opinion that the company has been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, VAT, wealth tax, service tax, custom duty, excise duty, Excess and other statutory dues applicable to it. Based on our audit procedures and according the information and explanations given to us, and records of the company, there are no arrears of statutory dues which has remained outstanding as at 31st March 2009.
9. The company has no accumulated losses and has not incurred any cash losses during the current financial year and in the immediately preceding financial year.

10. According to the records of the company, and the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank during the financial year.
11. In our opinion, the company has not granted any loans and advances on the basis of security by way of pledge of shares and other securities.
12. In our opinion, the provisions of any special statute applicable to chit fund or nidhi mutual fund or mutual benefit fund/ societies are not applicable to the company.
13. As per the information and explanations given to us, the company during the year has not given guarantees for loans taken by others from bank.
14. In our opinion, the term loans have been applied for the purpose for which they were obtained / raised.
15. According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the company for the year under audit, we report that no funds raised on short-term assets except permanent working capital.
16. The company has made preferential allotment of shares during the year to outsiders under SEBI Guidelines on Preferential Issue.
17. The Company has not issued any debenture during the year.
18. The company has not raised any money by way of public issues during year.
19. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the company nor have we been informed of such case by the management.

FOR NAIMISH K. SHAH & CO.
CHARTERED ACCOUNTANTS

Place : Ahmedabad
Date : 01.09.2009

(N.K.SHAH)
PROPRIETOR

AUDITORS' CERTIFICATE

AS PER CLAUSE 49 OF THE LISTING AGREEMENT

To
The Member of
LESHAENERGY RESOURCES LIMITED
Ahmedabad.

We have examined the compliance of conditions of corporate governance by Lesha Energy Resources Ltd. for the ended 31st March, 2009 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 was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of information and according to the explanations given to us, we certify that company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2009, no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Shareholders'/Investors' Grievance Committee.

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 NAIMISH K. SHAH & CO.
CHARTERED ACCOUNTANTS

Place : Ahmedabad
Date : 01.09.2009

(N.K.SHAH)
PROPRIETOR

BALANCE

SOURCE

A) SHARE
i)
ii)

B) LOAN
i)
ii)

APPLICABLE

A) FIXED
i)
ii)
iii)

B) INVEST
C) CURRENT
AD

LESS : C
& PROV

Net Current

D) MISCELLANEOUS
i)
ii)
iii)

Net

As per
NAIMISH K. SHAH & CO.
CHARTERED ACCOUNTANTS

N. K. SHAH
PROPRIETOR
PLACE
DATE

BALANCE SHEET AT 31 ST MARCH 2009

PARTICULARS	SCHE DULE	AS ON 31/03/2009	AS ON 31/03/2008
SOURCES OF FUNDS			
A) SHARE HOLDERS' FUNDS			
i) SHARE CAPITAL	1	139,337,000.00	138,137,000.00
ii) RESERVE & SURPLUS	2	81,432,408.08	81,375,095.20
		220,769,408.08	219,512,095.20
B) LOAN FUNDS			
i) DIFFERED PAYMENT CREDITS	3	1,502,902.00	1,502,902.00
ii) UNSECURED LOANS & DEPOSITS	4	3,959,000.00	1,474,000.00
		5,461,902.00	2,976,902.00
TOTAL		226,231,310.08	222,488,997.20
APPLICATION OF FUNDS			
A) FIXED ASSETS	5		
i) Gross Block		102,512,903.00	100,957,880.00
ii) Less: Depreciation		1,555,023.00	2,577,725.00
iii) Net Block		100,957,880.00	97,764,037.00
B) INVESTMENTS	6	55,763,971.00	6,663,971.00
C) CURRENT ASSETS, LOANS & ADVANCES			
i) CASH & BANK BALANCES	7	388,252.83	38,762,043.20
ii) SUNDRY DEBTORS	8	26,045,800.00	15,605,219.75
iii) LOANS & ADVANCES	9	28,498,582.00	51,351,165.00
		54,932,634.83	105,718,427.95
LESS : CURRENT LIABILITIES & PROVISIONS			
i) CURRENT LIABILITIES	10	4,024,002.75	4,024,002.75
ii) PROVISIONS		134,102.00	91,777.00
		4,158,104.75	4,115,779.75
Net Current Assets		50,774,530.08	101,602,648.20
D) MISCELLANEOUS EXPENDITURE			
i) Preliminary Exp. (not written off)		1,020,000.00	1,020,000.00
ii) Public Issue Exp. (not Written off)		600,879.00	600,879.00
iii) Pre-Operative Exp.		17,114,050.00	14,837,462.00
		18,734,929.00	16,458,341.00
TOTAL		226,231,310.08	222,488,997.20
NOTES ON ACCOUNT	14		

As per our Report of even date
NAIMISH SHAH & CO.
 CHARTERED ACCOUNTANTS

ASHOK C. SHAH
 (CHAIRMAN & MANAGING DIRECTOR)

N. K. SHAH
 PROPRIETOR
 PLACE : AHMEDABAD
 DATE :01.09.2009

SHALIN A. SHAH
 (WHOLE TIME DIRECTOR)

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31/03/2009.

PARTICULARS		AS ON 31/03/2009	AS ON 31/03/2008
1. INCOME			
(a) Sales		6,723,185.00	9,707,700.00
(b) Gas Generation Income		-	707,233.00
(c) Other Income	11	474,136.56	29,500.00
TOTAL		7,197,321.56	10,444,433.00
2. EXPENDITURE			
(a) Purchases		5,948,974.75	8,060,990.00
(b) Selling & Administration Expenses	12	736,680.93	1,042,592.00
(c) Payment to & provisions for Employees	13	309,012.00	227,695.00
(d) Managerial Remuneration		-	600,000.00
(e) Depreciation		131,341.00	143,155.00
TOTAL		7,126,008.68	10,074,432.00
3. Profit for the year		71,312.88	370,001.00
Less : Prior Period Exp., Municipal Tax		-	240,000.00
4. Profit Before Tax		71,312.88	130,001.00
5. Provisions for Taxation		14,000.00	75,000
6. Profit After Tax		57,312.88	55,001.00
7. Balance Brought Forward		692,858.20	637,857.20
8. Balance Carried to Balance Sheet			
9. Balance Carried to Balance Sheet		750,171.08	692,858.20
EARNING PER SHARE		0.004	0.006

NOTES ON ACCOUNT

14

As per our Report of even date

NAIMISH K. SHAH & CO.
CHARTERED ACCOUNTANTS

N. K. SHAH
PROPRIETOR
PLACE : AHMEDABAD
DATE : 01.09.2009

ASHOK C. SHAH
(CHAIRMAN & MANAGING DIRECTOR)

SHALIN A. SHAH
(WHOLE TIME DIRECTOR)

SCHEI

SHARE

AUTHOR

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ISSUED,

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S M Patel HUF
S M Patel
M.A. Mehta

SCHEDULE - 1

(AMOUNT IN RS.)

SHARE CAPITAL	AS ON 31/03/2009	AS ON 31/03/2008
AUTHORISED :		
16,000,000 Equity Shares of Rs. 10/- each fully paid	160,000,000.00	160,000,000.00
ISSUED, SUBSCRIBED AND PAID UP :		
1,39,33,700 Equity Shares of Rs. 10/- each fully paid	139,337,000.00	96,337,000.00
96,33,700 Equity Shares of Rs. 10/- each fully paid Previous Year)		
Convertible Warrants	-	41,800,000.00
TOTAL	139,337,000.00	138,137,000.00

SCHEDULE - 2

(AMOUNT IN RS.)

RESERVES & SURPLUS	AS AT 31/03/2009	AS AT 31/03/2008
Surplus in Profit & Loss A/c.	750,171.08	692,858.20
Revaluation Reserves	80,682,237.00	80,682,237.00
TOTAL	81,432,408.08	81,375,095.20

SCHEDULE - 3

(AMOUNT IN RS.)

DEFERRED PAYMENT CREDITS	AS AT 31/03/2009	AS AT 31/03/2008
Deferred payment credits from Gujarat Industrial Development Corporation Ltd. Towards Leasehold Land	1,502,902.00	1,502,902.00
TOTAL	1,502,902.00	1,502,902.00

SCHEDULE - 4

(AMOUNT IN RS.)

UNSECURED LOANS	AS AT 31/03/2009	AS AT 31/03/2008
RENT DEPOSIT		
Pegepoint Service (India) Pvt. Ltd.	59,000.00	59,000.00
Zenith Incorporation	100,000.00	100,000.00
Technocorp Infosystems Ltd.	2,000,000.00	--
CORPORATE DEPOSIT		
Rhetan Estate (P) Ltd.	550,000.00	500,000.00
UNSECURED LOANS		
Anar Soft-com Pvt. Ltd.	--	185,000.00
Milan Graphitec Pvt. Ltd.	--	220,000.00
S M Patel HUF	--	240,000.00
S M Patel	--	170,000.00
M.A. Mehta	1,250,000.00	--
TOTAL	3,959,000.00	1,474,000.00

K C. SHAH
(DIRECTOR)JIN A. SHAH
(DIRECTOR)

SCHEDULE - 5 FIXED ASSETS

SCHEDULE -5 FIXED ASSETS										
Assets	As on 01.04.2008	GROSS BLOCK		As on 31.03.2009	Up to 31.03.2008	DEPRECIATION		Total 31.03.2009	NET BLOCK	
		Addi- tions	Deduc- tions			Recou- ped on sale	Depreci- ation for the year		W.D.V. As at 31.03.2009	W.D.V. As at 31.03.2008
Leasehold Land & Development (*)	45000000	0	0	45000000	0	0	0	0	45000000	45000000
Factory Building under installation	30500000	0	0	30500000	0	0	0	0	30500000	30500000
Plant & Machinery under instalation	658064	0	0	658064	0	0	0	0	658064	658064
Office Premises(*)	21243100	3055336	0	24298436	324699	0	20262	344961	23953475	20918401
Furniture & Fixtures	1113676	130827	0	1244503	1038636	0	75629	1114265	130238	75040
Vehicaes	1296322	-1296322	0	0	1154043	-1154043	0	0	0	142279
Office Equipment	530600	257300	0	787900	60347	0	35132	95479	692421	470253
Computer		24000		24000			318	318	23682	
TOTAL	100341762	2171141	0	102512903	2577725	-1154043	131341	1555023	100957880	97764037

SCHEDULE - 6

(AMOUNT IN RS.)

INVESTMENT (At Cost)	AS ON 31/03/2009	AS ON 31/03/2008
UNQUOTED :		
1. 7,81,000 Equity Shares of Technocorp Infosystems Ltd. Of Rs. 10/- each fully paid up	8,100,000.00	900,000.00
2. 52,000 Equity Shares of Bhumidev Credit Corporation Ltd. Of Rs. 10/- each fully paid up	13,000,000.00	3,500,000.00
3. 20,000 Equity Shares of D.S.Intergranted Finstock P. Ltd. Of Rs. 10/- each fully paid up	2,000,000.00	2,000,000.00
4. 37,000 Equity Shares of Bagrecha Marketing P. Ltd. Of Rs. 10/- each fully paid up	3,700,000.00	--
5. 140000 Equity Shares of Jai Adhyashakti Marketing P. Ltd. Of Rs. 10/- each fully paid up	7,000,000.00	--
6. 140000 Equity Shares of Jai Durga Tradelink P. Ltd. Of Rs. 10/- each fully paid up	7,000,000.00	--
7. 43,200 Equity Shares of Palidar Cotspin Pvt. Ltd. Of Rs. 10/- each fully paid up	10,800,000.00	--
8. 6500 Equity Shares of Team Ferroalloys Pvt. Ltd. Of Rs. 10/- each fully paid up	3,900,000.00	--
9. Investment in Shares - Others	263,971.00	263,971.00
TOTAL	55,763,971.00	6,663,971.00

SCHEDULE - 7

(AMOUNT IN RS.)

CASH & BANK BALANCES

	AS ON 31/03/2009	AS ON 31/03/2008
Balances with Banks in Current account	44,655.38	--
Cash on Hand	343,597.45	416,452.00
TOTAL	55,763,971.00	6,663,971.00

SCHEDULE - 8

(AMOUNT IN RS.)

SUNDARY DEBTORS

(Unsecured - Considered good)

	AS ON 31/03/2009	AS ON 31/03/2008
More than six months	26,045,800.00	14,970,831.75
Others	--	634,388.00
TOTAL	26,045,800.00	15,605,219.75

SCHEDULE - 9

(AMOUNT IN RS.)

LOANS & ADVANCES

(Unsecured - considered good unless otherwise specified)

	AS ON 31/03/2009	AS ON 31/03/2008
Sundry Deposits	5,797,152.00	5,797,152.00
Advances recoverable in cash or in kind or for value to be received	17,263,241.00	38,715,824.00
Advance on Capital Account	5,078,189.00	6,838,189.00
TOTAL	28,498,582.00	51,351,165.00

SCHEDULE - 10

(AMOUNT IN RS.)

CURRENT LIABILITIES & PROVISIONS

SUNDRY CREDITORS

-- Payesha Alloys Pvt. Ltd.

PROVISIONS

Provision for Taxation

	AS ON 31/03/2009	AS ON 31/03/2008
-- Payesha Alloys Pvt. Ltd.	4,024,002.75	4,024,002.75
	4,024,002.75	4,024,002.75
Provision for Taxation	86,777.00	86,777.00
	5,000.00	5,000.00
	7,000.00	--
	7,000.00	--
	28,325.00	--
	134,102.00	91,777.00
TOTAL	4,158,104.75	4,115,779.75

SCHEDULE - 11

(AMOUNT IN RS.)

OTHER INCOME

	AS ON 31/03/2009	AS ON 31/03/2008
Interest Income	83,096.56	--
Profit on Sale of Assets	4,486.00	--
Rent Income	386,450.00	29,500.00
Kesar - Vatav	104.00	--
TOTAL	474,136.66	29,500.00

BLOCK

W.D.V.

As at

31.03.2008

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NT IN RS.)

AS ON

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ANNUAL REPORT

(21)

LESHA ENERGY RESOURCES LIMITED

ANNUAL REPORT

(AMOUNT IN RS.)		
SCHEDULE - 12		
ADMINISTRATIVE & GENERAL EXPENSES	AS ON 31/03/2009	AS ON 31/03/2008
	2,500.00	4,267.00
Advertisement Expenses	-	60,000.00
Petrol Exp	21,429.00	16,330.00
Stationary & printing Exp.	56,841.00	64,699.00
Telephone Exp.	-	15,205.00
Vehicle Repair Exp.	43,607.00	-
Consultancy Expenses	150,182.00	71,673.00
Electricity Exp.	126,000.00	267,555.00
Other Exp.	-	10,352.00
Repairs & Maintenance Bldg.	33,924.00	-
Repairs & Maintenance (office)	86,451.00	23,800.00
Office Exp.	5,000.00	5,000.00
Payments to Auditors	25,109.00	65,150.00
Stock Exchange Fees	49,500.00	14,300.00
ROC Expenses	6,000.00	9,165.00
Computer Exp.	-	26,626.00
Bank Interest	-	29,518.00
Business Development exp.	3,572.00	3,988.00
Postage, Xerox Expenses	67,993.00	46,963.00
Share Transfer Exp.	38,204.00	-
Depository Exp.	-	150,454.00
Travelling Exp.	15,368.93	22,203.00
Bank Charges	5,000.00	135,344.00
Legal Exp.	-	-
TOTAL	736,680.93	1,042,692.00

(AMOUNT IN RS.)		
SCHEDULE - 13		
PAYMENTS TO EMPLOYEES	AS ON 31/03/2009	AS ON 31/03/2008
	309,012.00	203,695.00
Salary	-	24,000.00
staff Welfare Exp.	-	-
TOTAL	309,012.00	227,695.00

SCHEDULE

NOTES

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SCHEDULE: 14

NOTES FORMING PART OF THE ACCOUNTS:

1. Accounting policies and other relevant Notes:

Significant Accounting Policies adopted in the preparation and presentation of the accounts are as under:

A) Basis of preparation of financial statements

a) The financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956 as adopted consistently by the Company.

b) Accounting policies not specifically referred to are otherwise consistent with generally accepted accounting principles followed by the Company.

B) Sales: Sales are inclusive of VAT and net of Sales Return, Brokerage etc. if any.

C) Fixed Assets and Depreciation:

a) Fixed Assets are stated at cost of acquisition less accumulated depreciation. All costs, including financing cost till commencement of commercial production are capitalised/to be capitalised.

b) Depreciation on the assets of the Company (except Leasehold Land and assets under installation/construction) has been provided on Straight Line Method at the rates and in the manner specified in the amended Schedule XIV to the Companies Act, 1956.

D) Investments : Investments are stated at cost and have been considered as long term investments. The Investments at the close of the year are as certified by the management. The said Investments are subject to physical verification.

H) Cash on hand as at 31/3/2009 has been certified as correct by the management.

2 Previous year's figures have been regrouped and rearranged wherever necessary to make them comparable with the current year's figures.

3 The Company is yet to receive Rs. 80215/- from some of the collecting bankers which have been debited to public issue money recovery account in the books of account.

4. Managerial Remunerations:

	Current Year Rs.	Previous Year Rs.
1) <u>Managing Director</u> Remuneration	6,60,000	6,00,000
	6,60,000	6,00,000

5. Payment to Auditors Audit Fees

5,000	5,000
-------	-------

6 a) Wherever the vouchers / bills etc. have not been adequately supported or are missing, the Management has certified that the transactions under question are genuine transactions. The Auditors have accepted such certification of the management.

b) In the opinion of the Directors, Current Assets, Loans and Advances are approximately of the value if realised in the ordinary course of business and all known liabilities have been fully provided for unless otherwise specified in this Schedule

c) In the opinion of the Directors, no personal expenses have been debited in the books of account.

7. Quantitative Information pursuant to Paragraphs 3 and 4 of Part-II of Schedule VI to the Companies Act, 1956 (As certified by the Management).

		Current Year Rs.		Previous Year Rs.
I.	Licensed Capacity	N.A.		N.A.
	Installed Capacity	N.A.		N.A.
	Actual Own Production	NIL		NIL
II.	Opening & Closing Stock of Finished Goods (MS CTD Bars)			
		M.T.	Rs.	M.T.
	Opening Stock	---	---	---
	Closing Stock	---	---	---
III.	Turnover			
	Rolled Steel			
	Products (Trading)	210.349	67,23,185	315.500
				97,07,700
IV.	Purchases (Trading)			
	Rolled Steel			
	Products	210.349	59,48,975	315.500
				80,60,990
V	Raw Materials Conversion (100% Indigenous for both the years)			
	Ingots/Re-rollable			
	M.S.Plates/Scrap	NIL		NIL
VI	C.I.F. Value of Imports	NIL		NIL
VII	Expenses in Foreign Currency	NIL		NIL
VIII	F.O.B. Value of Exports	NIL		NIL
IX	Remittance in Foreign Currency on account of Dividend	NIL		NIL

8. Segment Accounting :

(a) Primary Segment :

The Company now predominantly operates in a single segment namely "Oil & Gas" and is primary basis for segment information. However the company was operating till January, 08 in Steel segment. Pursuant to change of main object clause in EGM the Company operates in a single segment of Oil & Gas, business. However the identified reportable segment is steel trading & Oil & Gas operations during the year.

(b) Segment information is disclosed as under.

Particulars	Steel	Oil
Segment Revenue	67.23	0
Segment Results	0.71	0
OTHER INFORMATION		
Segment Assets	1009.58	--
Segment Liability	513.75	--
Capital Expenditure		

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Ashok
Shalin
Shree Rolling
Technoco

As per our at

For and on br
NAIMISH K. S.

(N.K.SHAH)
PROPRIETO

Place : Ahme
Date : 01.09

(c) Geographical Segment :

The following table presents revenue regarding geographical segments for the year ended March 31, 2009.

PARTICULARS	SALES REVENUE BY GEOGRAPHICAL MARKET
Segment Assets	67.23
Segment Liability	-
TOTAL	67.23

9. Deferred Tax :

In accordance with accounting standard 22 " Accounting for taxes on income" issued by the institute of chartered accountants of India, which has become mandatory from 1st April, 2001.

Since, the company has carried forward unabsorbed depreciation of negligible amount And current year difference of depreciation between income tax method and company Law method, being also negligible, deferred tax assets as on 31st March' 2009 has not been recognized.

10. Related parties and disclosure :

Related parties disclosure in accordance with Accounting Standard 18 issued by Institute of Chartered Accountants of India :

a) Related parties and nature of relationship :

Directors of the Company :	Associates Companies, Firms Relatives of directors :
1. Ashok C. Shah	1. Technocorp Infosystems Ltd.
2. Shalin A. Shah	2. Shree Ghantakarna Rolling Mills P. Ltd
3. Pravin P. Shah	
4. Hariyant C. Shelat	

b) Transactions that have taken place during the period April 1, 08 to March 31, 09 with related parties by the company.

Name of the related parties whom transactions have been made	Description of relationship with the party	Nature of Transactions	Amount 2008 -2009 (Rs. in Lacs)	Amount outstanding as on 31.03.2009. (Rs. in Lacs)
Ashok C. Shah	Managing Director	Remuneration	3.60	---
Shalin A. Shah	Managing Director	Remuneration	3.00	---
Shree Ghantakarna Rolling Mills P. Ltd	Associate Company	Advance	17.00	7.00
Technocorp Infosystems Ltd.	Associate Company	Investment	---	9.00

As per our attached Report of even date.

For and on behalf of
NAIMISH K. SHAH & CO. Chartered Accountants

(N.K.SHAH)
PROPRIETOR

Place : Ahmedabad.
Date : 01.09.2009

ASHOK C. SHAH
[CHAIRMAN & MANAGING DIRECTOR]

SHALIN A. SHAH
[WHOLE TIME DIRECTOR]

Place : Ahmedabad.
Date : 01.09.2009

Information pursuant to part IV of Schedule VI of the Companies Act 1956

Balance Sheet Abstract and Company's General Business Profile

I	Registration Details		Balance Sheet Date 31-03-2009		State Code 04	
	Registration No.	04-16158 of 1991-92	Balance Sheet	Date	31-03-2009	
II	Capital raised during the year (Amount in Rs Thousands)		Public issue	NIL	Rights issue	NIL
			Bonus issue	NIL	Private Placement	Rs. 12,00,000
III	Position of mobilisation and deployment of funds (Amount in Rs Thousands)		Total Liabilities		Total Assets	
			226231		226231	
IV	Sources of Funds		Paid-up Capital		Reserve & Surplus	
			139337		81432	
V	Performance of Company (Amount in Rs. Thousands)		Secured Loans		Unsecured Loans	
			1503		3959	
VI	Application of Funds		Net Fixed Assets		Investments	
			100958		55764	
VII	Net Current Assets		50774		Misc Expenditure	
			NIL		18735	
VIII	Accumulated Losses		Turnover		Total Expenditure	
			7197		7126	
IX	Profit before tax		Profit after tax		Dividend Rate(%)	
			71		57	
X	Earning Per Share		M.S.C.T.D. Bars		M.S. Ingots/M.S. Billets	
			(Annualised)		Oil & Gas Sector	
XI	Product Description : Item Code No. (ITC Code)		Generic Name of three Principal Products of Company (as per monetary)			
XII	On Behalf of the Board of Director		ASHOK C. SHAH		(CHAIRMAN & MANAGING DIRECTOR)	
			SHALIN A. SHAH		(WHOLE TIME DIRECTOR)	
XIII	Place : Ahmedabad		NAIMISH K. SHAH		PROPRIETOR	
	(Date : 01.09.2009)					
XIV	As per our Report of even date		For, NAIMISH K. SHAH & Co		(Chartered Accountants)	
XV	NET IN		CASH F		CASH F	
XVI	INCREASE/		INCREASE/		INCREASE/	
XVII	CLOSING		OPENING		CLOSING	
XVIII	FOR N. CHART		(NAIMI PROP)		Place :	
					Date :	

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2009

CASH FLOW FROM OPERATING ACTIVITIES	Rs.	Rs.
NET PROFIT AS PER PROFIT AND LOSS A/C	71,312.88	130,001.00
ADJUSTMENT FOR- DEPRECIATION		
(PROFIT)/LOSS ON SALE OF VEHICLE	131,341.00 (4,486.00)	143,155.00
Operating Profit/(Loss) before working capital changes	198,167.88	273,156.00
(INCREASE)DECREASE IN DEBTORS	(10,025,580.25)	(6,932,114.00)
(INCREASE)DECREASE IN LOANS & ADVANCES	22,407,583.00	(33,736,845.00)
INCREASE(DECREASE IN CREDITORS		4,024,003.00
Increase in Provisions	28,325.00	5,000.00
Cash generated from operations		
TAX PAID	12,410,327.75	(36,639,956.00)
[A] Net cash flow from operating activities	12,608,495.63	(36,366,800.00)
Cash Flow from Investing activity		
PURCHASE OF FIXED ASSETS	(3,476,198.00)	(60,600.00)
SALE OF VEHICLE	155,500.00	
purchase of investment	(49,100,000.00)	(5,500,000.00)
[B] Net Cash from Investing activity	(52,420,698.00)	(5,560,600.00)
Cash Flow from Finance activity		
Increase in share capital	1,200,000.00	81,300,000.00
INCREASE IN UNSECURED LOAN	2,485,000.00	1,62,485.00
Increase in pre operative expinditure	(2,276,588.00)	(1,020,000.00)
[C] Net Cash used in financing activity	1,408,412.00	80,442,485.00
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALLENTS	(38,403,790.37)	38,515,085.00
OPENING CASH AND BANK BALANCE	38,762,043.20	246,958.00
CLOSING CASH AND BANK BALANCE	358,252.83	38,762,043.20

FOR NAIMISH K SHAH
CHARTERED ACCOUNTANTS

(NAIMISH K. SHAH)
PROPRIETOR

Place : Ahmedabad
Date : 01.09.2009

FOR LESHA ENERGY RESOURCES LIMITED

DIRECTOR

Place : Ahmedabad
Date : 01.09.2009

LESHA ENERGY RESOURCES LIMITED
Regd. Office: 702, Ashoka Chambers, Nr. Lions Hall, Mithakhali Six Roads,
Ahmedabad - 380 006.

ATTENDANCE SLIP

Name of the attending Member/Proxy : _____

Member's Folio No./Client ID : _____

No. of Shares held : _____

I/We hereby record my/our presence at the 18th Annual General Meeting held on 30th September 2009 at 7th, Floor, Ashoka Chambers, Near Lions Halls, Mithakhali Six, Roads, Ahmedabad 380 006. at 10.00 a.m.

Signature of the Attending Member/Proxy

- Notes : 1. Share holder/Proxy holder wishing to attend the meeting must bring the attendance slip to the Meeting and hand it over at the entrance duly signed.
2. Share holder/Proxy holder desiring to attend the meeting should bring his/her copy of the Annual Report for reference at the meeting

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LESHA ENERGY RESOURCES LIMITED
Regd. Office: 702, Ashoka Chambers, Nr. Lions Hall, Mithakhali Six Roads,
Ahmedabad - 380 006.

PROXY FORM,

I/We _____ of _____ in the district of _____ being a member/members of the Company, hereby appoint _____ of _____ in failing him/her _____ of _____ as my/our Proxy to attend and vote for me/us on my/our behalf at the ANNUAL GENERAL MEETING of the Company to be held on 30th September, 2009 at 10.00 a.m. or any adjournment thereof.

Signed this ____ day of ____ 2009.

Reference Folio No. _____

This form is to be used in favour of/against* the resolution. Unless otherwise introduced, the Proxy will act as he thinks fit.

Affix
Signature
Revenue

* Strike out whichever is not desired.

