

Alkor Petroo Limited

M-22/3RT, VIJAYANAGAR COLONY
HYDERABAD – 500 057. AP

9TH ANNUAL REPORT

2010-11

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 9th Annual General Meeting of the members of Alkor Petroo Limited will be held on Wednesday, the 27th July, 2011 at 11.00 A.M. at the Registered Office of the company at M-22/3RT, Vijayanagar Colony, Hyderabad – 500 057, Andhra Pradesh to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit and Loss Account for the year ended March 31, 2011, the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors attached thereto.
2. To appoint a Director in place of Mr. K. Ashok Reddy, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration

To consider and pass the following resolution with or without modifications as an Ordinary Resolution:

“RESOLVED THAT Mr. T Vijay Kumar, Chartered Accountant, (Membership No: 023499), the retiring Auditor be and is hereby reappointed as Statutory Auditor of the Company to hold office till the conclusion of the next Annual General Meeting and that the Board of Directors of the Company be and is hereby authorised to fix the remuneration payable to him”.

By order of the Board of Directors

Place: Hyderabad
Date: 12.05.2011



**S. Ramachan
Director**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE PROXY FORM SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Alkor Petroo Limited

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DIRECTORS' REPORT

To
The Members

Your Directors have pleasure in presenting the 9th Annual Report together with the Audited accounts of the Company for the Financial Year ended 31st March, 2011.

OPERATIONS:

During the year ended 31st March, 2010, the company earned miscellaneous income of Rs.15.08 lakhs (Previous year Rs.26.60 lakhs). The company has incurred a net expenditure of Rs.11.26 lakhs (Previous Year: Rs.10.82 lakhs). During the year the company earned Profit Before Tax (PBT) of Rs.3.82 lakhs (Previous Year: Rs. 15.78 lakhs) and Profit after Tax is Rs.3.11 lakhs (Previous Year: Profit of Rs.10.42 lakhs).

DIVIDEND

Since the Company has not commenced commercial operations and absence of profits, your Directors regret their inability to recommend any dividend on the equity share capital of the Company for the financial year ended 31st March, 2011.

REVIEW OF OPERATIONS AND OUTLOOK

The Company has invested an amount of Rs.8411.15 lakhs upto 31st March, 2011 towards the commitments made to the Governments of Egypt and Yemen through the joint venture partner, M/s Gujarat State Petroleum Corporation Limited (GSPCL).

Status of the projects pertaining to the Company attended by GSPCL, the operator for the project.

North Happy Block (6) in Egypt

The oil/gas (Exploration North Hap'y Block (6) project is in Egypt. The project is measuring 4180 Sq.Km and it was signed between the Ministry of Petroleum, Govt. of Arab Republic of Egypt, Egyptian Gas Holding Company and Gujarat State Petroleum Corporation Ltd (GSPC) consortium. As per the Contract, GSPC is the Operator of North Hap'y Block. The progress of the work is as follows:

- Completed 3D Seismic Data Processing
- Prepared tenders and awarded contracts for drilling rig and associated services for exploratory drilling
- Established/hired shore-base to support drilling activity
- Procured drilling tangibles for exploratory wells on phased delivery basis

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- Arranged for required man power to supplement planned activity
- 3D Acquisition completed (3045 Sq. Km) (Full fold)
- 3D Seismic processing (PSTM) completed and interpretation started
- 3D seismic processing (PSDM) of Priority Area 1 & 2 completed & interpretation started
- 3D seismic processing (PSDM) of Priority Area 3 & 4 PSDM volume completed & interpretation started
- Engaged FRL (UK) and Spectrum Geopex to carry out independent interpretation of 3D seismic data. Interpretation of the 3D seismic data has been completed.
- Engaged Antira Engineering for preparing of scope of work for drilling rig and other related services
- In compliance with the Concessionary Agreement, Operator has submitted the Work Program and Budget for FY 2011-12 amounting to a total of Million USD 192.42 (approx.) to EGAS for review.

South Diyur Block 8 in Egypt

The oil/gas (Exploration South Diyur Block (8) project is in Egypt. The project is measuring 37,678 sq.km. was signed between the Ministry of Petroleum, Govt. of Arab Republic of Egypt, Egyptian Gas Holding Company and Gujarat State Petroleum Corporation Limited (GSPC) Consortium. As per the Contract, GSPC is the Operator of South Diyur Block. The progress of the work is as follows:

- Completed reprocessing & Interpretation of 1414 LKM (Reprocessing carried out by Western Geco and interpretation by Spectrum Geopex)
- Pre-seismic EIA study completed by Petrosafe
- Airborne Magnetic data acquisition & processing completed.
- Airborne Gravity data acquisition completed on 22nd March 2011. Gravity data processing is in progress
- Obtained approval from GANOPE for Mine Clearance work
- Issued tender for 2D seismic acquisition - Technical Bid Evaluation has been completed and Commercial Bid opened on 6th March 2011; Commercial bid evaluation is presently in progress.
- Revised Budget for 2010-11 had been submitted earlier to GANOPE for approval. Approval awaited (details given in Financial Summary section).
- In compliance with the Concessionary Agreement, Operator has submitted the Work Program and Budget for FY 2011-12 amounting to a total of Million USD 40.66 (approx.) to GANOPE for review

The remaining 3 blocks in Yemen, i.e. Block No.19, 28 & 57 are under reprocessing and interpretation of 2D and 3D seismic data

SUBSIDIARY TO IVRCL LIMITED

During the year, IVRCL Assets & Holdings Limited has transferred its equity stake in the company to IVRCL Limited (Formerly IVRCL Infrastructures & Projects Limited). Consequently, the Company has become subsidiary to IVRCL Limited.

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DIRECTORS

Pursuant to the provisions of Section 256 of the Companies Act, 1956, Mr. K. Ashok Reddy, Director of the company being longest in office is liable to retire at the forthcoming Annual General Meeting and offer himself for reappointment.

AUDITORS

Mr. T Vijay Kumar, Chartered Accountant (Membership No: 023499), retires at the ensuing Annual General Meeting and is eligible for reappointment. The company received confirmation that his appointment, if made, would be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956.

STATUTORY INFORMATION

The Company has not employed any person who is in receipt of remuneration prescribed under section 217 (2A) of the Companies Act, 1956. Further there is no information to be furnished under Section 217 (1) (e) of the Companies Act, 1956, as there were no Foreign Exchange earnings and outgo during the financial year.

FIXED DEPOSITS

The Company has not accepted any deposits within the meaning of Section 8A of the Companies Act, 1956 and the Rules made there under.

PARTICULARS OF EMPLOYEES

During the year under review, none of the employees were drawing remuneration, which require disclosure under Section 217(2A) of the Companies Act, 1956, as amended, read with the Companies (Particulars of Employees) Rules, 1975.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a. In the preparation of the annual accounts the applicable accounting standards have been followed along with proper explanations relating to material departures;
- b. The Directors have selected such accounting policies and applied them consistently and made judgment 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 or Loss of the Company for the financial year ended on that date.

Alkor Petroo Limited

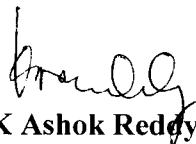
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- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities: and
- d. The Directors have prepared the annual accounts of the company for the financial year ended 31st March, 2011 on a 'going concern' basis.

ACKNOWLEDGEMENTS

Your Directors place on record their appreciation of the assistance and support extended by all the Government Authorities, Banks, Consultants, Solicitors and shareholders of the Company.

By order of the Board of Directors



K Ashok Reddy
Director



S Ramachandran
Director

Place: Hyderabad
Date : 12.05.2011

ALKOR PETROO LIMITED

AUDITOR'S REPORT

To the members of Alkor Petroo Limited

1. I have audited the attached Balance Sheet of **Alkor Petroo Limited**, as at 31st March,2011, the Profit & Loss Account and Cash Flow Statement of the company for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. My responsibility is to express an opinion on these financial statements based on my Audit.
2. I conducted the Audit in accordance with Auditing Standards generally accepted in India. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.
3. As required by the Companies (Auditor's Report) Order,2003 as amended by the Companies (Auditor's Report) (Amendment) Order 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 ("the Act") , and on the basis of such checks of the books and records of the Company as I considered appropriate and according to the information and explanations given to me, I enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to my comments in the Annexure referred to above, I report that:
 - i) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit;
 - ii) In my opinion, proper books of account as required by law have been kept by the Company so far as appears from my examination of those books;

ALKOR PETROO LIMITED

- iii) The Balance Sheet , the Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account of the Company;
- iv) In my opinion, the Balance Sheet, the Profit & Loss Account and Cash Flow Statement of the Company dealt with by this report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956;
- v) On the basis of the written representations received from the Directors, as on 31st March, 2011 and taken on record by the Board of Directors, I report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956;
- vi) In my opinion and to the best of the information and according to the explanations given to me, 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 Balance Sheet, of the state of affairs of the Company as at 31st March 2011;
 - b) In the case of the Profit and Loss Account of the profit for the year ended on that date.
 - c) In the case of Cash Flow Statement of the cash flows for the year ended on that date.

**Place: Hyderabad
Date : 12.05.2011**



T. Vijay Kumar

**T. VIJAY KUMAR
Chartered Accountant
Membership No: 023499**

ALKOR PETROO LIMITED

Annexure to the Auditor's Report referred to in Paragraph 3 of my report of even date

1. Based on my scrutiny of the Company's books of account and other records and other records and according to the information and others records and according to the information and explanations received by me from the management, I am of the opinion that the question of commenting on maintenance of proper records of fixed assets physical verification of fixed assets and any substantial sale thereof does not arise since the company had no fixed assets as on 31st March 2011 nor at any time during the financial year ended 31st March 2011.
2. As the Company has not purchased / sold goods during the year nor is there any opening stock, requirement of reporting on physical verification of stocks or maintenance of inventory records , in my opinion does not arise.
3. a) The Company has not granted any loans , secured or unsecured to companies , firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.

b)The Company has taken an unsecured loan from its ultimate Holding company during the year under review. The maximum amount involved during the year was Rs.83,53,68,560/- and the year end balance of loan taken from the Holding company was Rs. 83,53,68,560/-.

In my opinion the rate of interest and other terms and conditions on which the loan has been taken from the Holding company, listed in the register maintained under Section 301 of the Companies Act, 1956, are not prima facie prejudicial to the interests of the company. There is no overdue amount of loan taken from the Holding company listed in the Register maintained under Section 301 of the Companies Act 1956.
4. In my opinion and according to the information and explanations given to me, 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 with regard to sale of goods .During the course of my audit, I have not observed any continuing failure to correct major weaknesses in internal controls.
5. There were no transactions entered into in pursuance of contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956.

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6. The company has not accepted any deposits from the public to which the provisions of Section 58 A and 58 AA of the Companies Act, 1956 and rules made thereunder apply.
7. In my opinion the company has an internal audit system commensurate with the size of the company and the nature of its business.
8. According to the information and explanations given to me, the Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for any of the activities of the company.
9. a) The Company has been regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, wealth tax, sales tax, service tax, customs duty and excise duty and cess and other statutory dues applicable to it during the year .

b) According to the information and explanations given to me, no undisputed amounts payable in respect of provident fund, employees state insurance, Income tax, wealth tax, sales tax, customs duty and excise duty were outstanding, as at 31st March, 2011 for a period of more than six months from the date they became payable.
10. The accumulated losses of the company have exceeded fifty percent of its networth as at 31st March 2011. The company has not incurred any cash loss in the current financial and in the immediately preceding financial year.
11. According to records of the company, the company has not borrowed from financial institutions or banks or issued debentures till 31st March, 2011. Hence in my opinion, the question of reporting on defaults in repayment of dues to financial institutions or banks or debenture does not arise.
12. The company, during the year has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company is not a nidhi/mutual benefit fund/society to which the provisions of special statute relating to chit fund are applicable.
14. As per the records of the Company and the information and explanations given to me by the management, Company is not dealing or trading in shares, securities and debentures and other investments.
15. According to the information and explanations given to me and the records examined by me, the company has not given any guarantees for loans taken by others from banks or financial institutions, the terms and conditions whereof are prima facie prejudicial to the interests of the company.

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16. According to the records of the Company, the Company had not obtained any term loans during the year under review. Hence, comments under the clause are not called for.
17. In my opinion and according to the information and explanations given to me and on an overall examination of the Balance Sheet of the company, I report that no funds raised on short term basis have been used for long term investment and vice-versa.
18. According to the records of the Company and the information and explanations provided by the management, the Company had 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 under review.
19. In my opinion and according to the information and explanations given to me, the company has not issued any secured debentures during the period covered by my report.
20. During the period covered by my audit report, the company has not raised any money by public issue.
21. According to the information and explanations given to me, no fraud on or by the company has been noticed or reported during the period.

Place: Hyderabad
Date : 12.05.2011



T. Vijay Kumar
T. VIJAY KUMAR
Chartered Accountant
Membership No: 023499

ALKOR PETROO LIMITED
Balance Sheet as at March 31, 2011

	SCHEDULE	As at		As at	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010
		₹	₹	₹	₹
SOURCES OF FUNDS					
SHARE HOLDERS FUNDS					
Share Capital	1	66,250,000		66,250,000	
Reserves & Surplus	2	2,500,000		2,500,000	
Share Application Money		50,000		50,000	
			68,800,000		68,800,000
LOAN FUNDS					
Secured Loans		-		-	
Unsecured Loans	3	835,368,560		604,692,594	
			835,368,560		604,692,594
			904,168,560		673,492,594
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block		-		-	
Less: Depreciation		-		-	
Net Block		-		-	
Capital Work-in-progress	4	841,115,118		595,661,490	
			841,115,118		595,661,490
Deferred tax Asset					15,205,954
Current Assets, Loans & Advances					
Cash and Bank balances	5	13,273,050		24,021,216	
Other Current Assets	6	8,334,014		6,905,788	
		21,607,064		30,927,004	
Less: Current Liabilities & Provisions	7	10,809,499		6,509,643	
Net Current Assets			10,797,565		24,417,361
Miscellaneous Expenditure (To the extent not written off or adjusted)					
Preliminary Expenses					846,754
Profit and Loss account (Dr)			52,255,877		37,361,035
			904,168,560		673,492,594
NOTES ON ACCOUNTS	10				

The schedules referred to above form an integral part of the Balance Sheet

As per my report of even date attached

For and on behalf of the Board

T. Vijay Kumar

T. VIJAY KUMAR
Chartered Accountant
Membership No. 023499

D.P. Mishra

D.P. MISHRA
MANAGER

K. Ashok Reddy

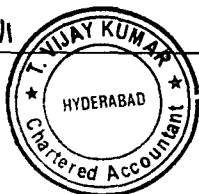
K. ASHOK REDDY
DIRECTOR

S. Ramachandran

S. RAMACHANDRAN
DIRECTOR

Place : Hyderabad

Date : 12.05.2011



ALKOR PETROO LIMITED

Profit & Loss Account for the Year ended March 31, 2011

	SCHEDULE	For the Year ended 31.03.2011		For the Year ended 31.03.2010	
		₹	₹	₹	₹
INCOME:					
Income from Operations					
Miscellaneous Income			1,507,887		2,660,299
			1,507,887		2,660,299
EXPENDITURE:					
Administration & Other Expenses	8		276,052		234,931
Financial Charges	9		3,161		799
Preliminary Expenses Written Off			846,754		846,756
			1,125,967		1,082,486
Profit / (Loss) Before Tax			381,920		1,577,813
Less: Provision for Tax					
Current Tax		70,808		-	
Deferred Tax		-		536,299	
Fringe Benefit Tax		-	70,808	-	536,299
Profit / (Loss) After Tax			311,112		1,041,514
Prior Period Tax			15,205,954		-
Add: Balance brought forward from Previous Year			(37,361,035)		(38,402,549)
Balance Carried to Balance Sheet			(52,255,877)		(37,361,035)
Earnings Per Share of Rs. 10 each					
Basic & Diluted			0.05		0.16
Weighted average No. of shares used in the computation			6,625,000		6,625,000
NOTES ON ACCOUNTS	10				

The schedules referred to above form an integral part of the Profit and Loss Account

As per my report of even date attached

For and on behalf of the Board

T. Vijay Kumar
T. VIJAY KUMAR

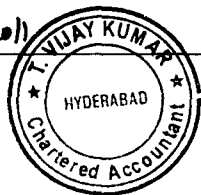
Chartered Accountant
Membership No. 023499

D.P. Mishra
D.P. MISHRA
MANAGER

K. Ashok Reddy
K. ASHOK REDDY
DIRECTOR

S. Ramachandran
S. RAMACHANDRAN
DIRECTOR

Place : Hyderabad
Date : 12.05.2011



ALKOR PETROO LIMITED

Cash Flow Statement for the Year ended March 31, 2011

		For the Year ended 31.03.2011		For the Year ended 31.03.2010
	₹	₹	₹	₹
A. CASHFLOW FROM OPERATING ACTIVITIES				
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS		381,920		1,577,813
Adjustment for :				
Loss on sale of Investments	-	-	-	-
Preliminary Expenses Written Off	846,754	846,754	846,756	846,756
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		1,228,674		2,424,569
(Increase)/ Decrease in Inventories	-	-	-	-
(Increase)/ Decrease in Debtors	-	-	-	-
(Increase)/ Decrease in Other Current Assets	(1,499,034)		(2,601,121)	
Increase/ (Decrease) in Current Liabilities	4,299,856	2,800,822	(1,874,688)	(4,475,809)
CASH GENERATED FROM / (USED IN) OPERATIONS		4,029,496		(2,051,240)
Direct taxes paid		-		-
NET CASH GENERATED FROM / (USED IN) OPERATIONS		4,029,496		(2,051,240)
B. CASHFLOW FROM INVESTING ACTIVITIES				
Sale of Fixed Assets	-	-	-	-
Purchase of Fixed Assets	-	-	-	-
Increase in Capital Work -in-Progress	(245,453,628)		(379,267,742)	
Sale of Investments	-	-	-	-
Preliminary Expenses	-	-	-	-
NET CASH USED IN INVESTING ACTIVITIES		(245,453,628)		(379,267,742)
C. CASHFLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of Share Capital	-	-	-	-
Proceeds from Share Premium	-	-	-	-
Share Application Money	-	-	-	-
Increase / (Decrease) in Secured Loans	-	-	-	-
Increase / (Decrease) in Unsecured Loans	230,675,966		366,937,713	
NET CASH FROM FINANCING ACTIVITIES		230,675,966		366,937,713
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(10,748,166)		(14,381,269)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		24,021,216		38,402,485
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		13,273,050		24,021,216

Notes :

- The Cash flow statement is prepared under 'indirect method' as set out in Accounting Standard -3 on Cash Flow Statements specified in Companies (Accounting Standards) Rules, 2006.
- Previous year's figures have been regrouped, wherever necessary

This is the Cash Flow Statement referred to in my report of even date attached

For and on behalf of the Board

T. Vijay Kumar

T.VIJAYKUMAR
Chartered Accountant
Membership No. 023499

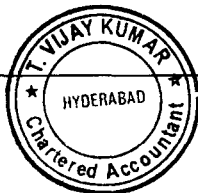
D.P. Mishra
D.P.MISHRA
Manager

K. Ashok Reddy
K.ASHOK REDDY
Director

S. Ramachandran
S.RAMACHANDRAN
Director

Place: Hyderabad

Date: 12-05-2011



ALKOR PETROO LIMITED

	As at 31.03.2011	As at 31.03.2010
	₹	₹
SCHEDULE 1		
SHARE CAPITAL		
Authorised Capital		
3,00,00,000 (3,00,00,000) Equity Shares of Rs.10/- each	300,000,000	300,000,000
	300,000,000	300,000,000
Issued, Subscribed and Paid up		
6,625,000 Equity Shares (Previous Year : 6,625,000) of Rs.10 each of which 5,625,000 Equity Shares are held by IVRCL Limited., the Holding Company	66,250,000	66,250,000
	66,250,000	66,250,000
SCHEDULE 2		
Reserves & Surplus		
Security Premium Account	2,500,000	2,500,000
	2,500,000	2,500,000
SCHEDULE 3		
Unsecured Loans		
From Holding Company	835,368,560	604,692,594
{Maximum amount outstanding during the year Rs.835,368,560 (Previous Year : Rs.604,692,594)}		
	835,368,560	604,692,594

ALKOR PETROO LIMITED

	As at 31.03.2011	As at 31.03.2010
	₹	₹
SCHEDULE 4		
Capital Work -in-Progress		
Opening Balance	595,661,490	216,393,748
Cash Call	119,275,305	302,534,640
BG Commission	15,786,970	17,809,961
Signature Bonus	21,473,750	-
Interest on Unsecured Loan	88,917,603	58,923,141
	841,115,118	595,661,490
SCHEDULE 5		
Cash & Bank Balances		
Cash balance on Hand		
Balances with Scheduled Banks		
- in Current Account	687,643	412,270
- in Fixed Deposit	12,585,407	23,608,946
	13,273,050	24,021,216
SCHEDULE 6		
Other Current Assets		
<i>(Unsecured, considered good unless otherwise stated)</i>		
Interest accrued	6,499,069	5,221,192
Tax Deducted at Source and Advance Tax	1,322,967	1,172,618
Advances Recoverable in cash or in kind	22,889	22,889
Minimum Alternate Tax	489,089	489,089
	8,334,014	6,905,788
SCHEDULE 7		
Current liabilities and Provisions		
Sundry Creditors		
Dues to Micro, Small and Medium Enterprises	-	-
Others	1,346,812	117,210
Other Liabilities	8,902,790	5,903,344
Provision for Taxation	559,897	489,089
	10,809,499	6,509,643
Miscellaneous Expenditure		
<i>(To the extent not written off or adjusted)</i>		
Preliminary Expenses	846,754	1,693,510
Less : Written off During the year	846,754	846,756
	-	846,754

ALKOR PETROO LIMITED

	For the Year ended 31.03.2011	For the Year ended 31.03.2010
	₹	₹
SCHEDULE 8		
Administration & Other Expenses		
Salaries	120,000	120,000
Travelling and Conveyance	21,801	-
Printing and Stationery	425	-
Rates and Taxes	22,533	4,631
Audit Fees	110,300	110,300
Legal and Professional Charges	993	-
	276,052	234,931
SCHEDULE 9		
Financial Charges		
Bank and Financing Charges	3,161	799
	3,161	799

ALKOR PETROO LIMITED

SCHEDULE – 10

Significant accounting policies and notes on accounts

A. Significant accounting policies

1. Method of Accounting

The financial statements are based on historical cost convention and prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP) and in compliance with the Accounting Standards as specified in Companies (Accounting Standards) Rules, 2006.

2. Fixed Assets

Fixed Assets are stated at cost, less accumulated depreciation and amortization. Direct costs inclusive of inward freight, duties and taxes and incidental expenses including interest relating to acquisition and cost of improvements thereon are capitalized until fixed assets are ready for use

3. Depreciation

Depreciation is charged on straight line method at rates specified in Schedule XIV to the Companies Act, 1956. Depreciation is charged on pro-rata basis for assets capitalized during the year.

4. Investments

Investments are valued at cost of acquisition

5. Recognition of Revenue

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable

6. Capital Work - in - Progress

Work in progress is valued at cost. For this purpose cost comprises of all expenses directly identifiable with the contracts.

7. Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing at the time of the transactions. Any gain or loss on account of exchange difference either on settlement or on translation is recognised as revenue / expense item in the Profit and Loss Account.

B. NOTES ON ACCOUNTS

1. Auditors' Remuneration:

	For the year ended 31.03.2011 ₹	For the year ended 31.03.2010 ₹
a) Audit Fees	100,000	100,000
b) Service Tax & Others	10,300	10,300
Total:	110,300	110,300

2. The break up of deferred tax assets and deferred tax liability are as follows:

	As at 31.03.2011	As at 31.03.2010
	₹	₹
Deferred Tax Liability Components:		
Difference between books and tax depreciation	Nil	Nil
Deferred Tax Liability	Nil	Nil
Accumulated Loss	Nil	29,080,438
Deferred Tax asset (Carry Forward Business Loss)	Nil	9,884,441
Accumulated Capital Loss	Nil	23,484,173
Deferred Tax asset (Carry Forward Capital Loss)	Nil	5,321,514
Total Deferred Income Tax (Asset)	Nil	15,205,954

The Company has not accounted for the deferred tax asset (net) in view of the uncertainty in earning future profits to avail the tax benefits.

3. Contingent Liabilities:

	As at 31.03.2011	As at 31.03.2010
	(₹ in million)	(₹ in million)
Bank Guarantee issued by the banks on behalf of the company.	1,834.25	1,981.91

4. Expenditure in foreign currency:

	For the year ended 31.03.2011	For the year ended 31.03.2010
Traveling Expenses	Nil	Nil
Consultancy Charges and others	Nil	Nil

5. During the year dues to Micro, Small and Medium Enterprises is Nil.

6. As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of related parties as defined in the Accounting Standard are given below:

1. Holding Company

IVRCL Limited (formerly IVRCL Infrastructures & Projects Limited)

2. Fellow Subsidiaries

IVRCL Assets & Holdings Limited
Hindustan Dorr Oliver Limited
IVRCL Building Products Limited
IVRCL PSC Pipes Private Limited
IVR Enviro Projects Private Limited
IVRCL Patalaganga Trucks Terminal Pvt Limited
IVRCL Steel Constructions & Services Limited
IVRCL-Cadagua Hogenakkal Water Treatment Company Private Limited
IVRCL International FZE
IVRCL Holdings & Services Pte Limited

7. Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as on 31st march 2011.

Particulars	31.03.2011 ₹	31.03.2010 ₹
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Loan taken

IVRCL Infrastructures and Projects Limited	835,368,560	604,692,594
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Interest Paid

IVRCL Infrastructures and Projects Limited	88,917,603	58,923,141
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Particulars	31.03.2011 ₹	31.03.2010 ₹
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Corporate Guarantee taken


IVRCL Infrastructures and Projects Limited	2,000,000,000	2,000,000,000
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8. Information required under 4C, of Part-II of Schedule VI to the Companies Act, 1956 relating to licensed capacity, installed capacity and actual production is not applicable.

9. Figures of the previous year have been regrouped or rearranged wherever considered necessary to conform to the figures presented in the current year.

As per my report of even date attached

For and on behalf of the Board

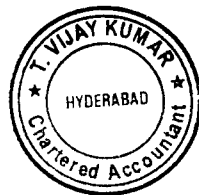

T. VIJAY KUMAR
Chartered Accountant
Membership No. 023499


K.ASHOK REDDY
Director


S.RAMACHANDRAN
Director


D.P.MISHRA
Manager

Place: Hyderabad
Date: 12-05-2011



ALKOR PETROO LIMITED
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
AS ON 31.03.2011

1	Registration Details	:	39393	State Code	:	01
2	Capital raised during the year (Rupees in lakhs)	:			:	NIL
3	Position of Mobilisation and Deployment of Funds (Rupees in lakhs)					
	Total Liabilities	:	9,041.69	Total Assets	:	9,041.69
	Sources of Funds					
	Paid up Capital	:	662.50	Share Application Money	:	0.50
	Secured Loans	:	NIL	Reserves & Surplus	:	25.00
	Deferred Tax Liability	:	NIL	Unsecured Loans	:	8,353.69
	Application of Funds					
	Capital Work - in - Progress	:	8,411.15	Investments	:	NIL
	Deferred Tax Asset	:	-	Net Current Assets	:	107.98
	Miscellaneous Expenditure	:	-	Profit and Loss Account (Dr.)	:	522.56
4	Performance of Company (Rupees in lakhs)					
	Sales & Other Income	:	15.08	Total Expenditure	:	11.26
	Profit Before Tax	:	3.82	Profit After Tax	:	3.11
	Earnings Per Share (Rs.)	:	0.05	Dividend Rate %	:	NIL
5	Generic Names of Three Principal Products / Services of Company (as per monetary terms)					
	Service of the Company	:		Exploration of Oil & Gas	:	
	Item Code No.	:		NIL	:	

As per my report of even date attached

For ALKOR PETROO LIMITED

T. Vijay Kumar
T. VIJAY KUMAR
Chartered Accountant
Membership No. 023499

D.P. Mishra
D.P. MISHRA
Manager

K. Ashok Reddy
K. ASHOK REDDY
Director

S. Ramachandran
S. RAMACHANDRAN
Director

