

*GEOLOGGING INDUSTRIES LIMITED*



*TWENTY THIRD ANNUAL REPORT 2008 - 2009*

# **GEOLOGGING INDUSTRIES LTD.**



## **TWENTY THIRD ANNUAL REPORT 2008-2009**

### **BOARD OF DIRECTORS**

DIRECTOR

MANORANJAN SAHU.  
S.N. CHATURVEDI.  
SREEDHAR TRIPATHY.

BANKERS

INDIAN BANK  
STATE BANK OF INDIA.  
ICICI BANK.

AUDITORS

M/S HEMANT MHAMBHREY  
ASSOCIATES  
Chartered Accountants.

REGISTERED OFFICE

UNIT NO.2, PLOT NO.243,  
PRABHADEVI APARTMENTS,  
PHIROZESHAH MEHTA ROAD,  
VILE PARLE (E),  
MUMBAI 400057.

FACTORY

C-1, 1806/2 & 3 GIDC,  
UMBERGAON 396171  
DIST. BULSAR, GUJARAT.

REGISTRAR & SHARE TRANSFER  
AGENT

BIGSHARE SERVICES PVT. LTD.  
E-2 ANSA INDUSTRIAL ESTATE,  
SAKIVIHAR ROAD, SAKINAKA,  
ANDHERI (E), MUMBAI 4000 72  
PH: 2856 0652  
FAX: 28525207  
EMAIL : bigshare@bom7.vsnl.net.in

## NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the Shareholders of GEOLOGGING INDUSTRIES LTD. will be held on Friday, 30<sup>th</sup> September, 2009 at 9.00 a.m. at Plot No.243, Prabhadevi Apartment, P.M.Road, VileParle(E), Mumbai - 400 057, to transact the following business :

### ORDINARY BUSINESS

1. To receive, consider, and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2009 and the Profit and Loss Account for the year ended 31<sup>st</sup> March 2009 and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Manoranjan Sahu, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting, until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and Share transfer Register of the Company will remain closed from Sunday 27<sup>th</sup> September 2009 to Wednesday 30<sup>th</sup> September 2009 both the days inclusive.
4. The Members are requested to:
  - a) Notify immediately any change in their address at the Registered Office of the Company.
  - b) Quote ledger folio numbers in all your correspondence.
  - c) Get the multiple folios consolidated and also get the shares transferred in joint names if they are held in single name to avoid inconvenience in future.
  - d) Bring copies of the Annual Report and the Attendance Slips with you at the Annual General Meeting.
  - e) Write at least 10 days prior to the date of Meeting, any information which they desire on the accounts, to enable the management to keep the information ready.

Registered Office:  
Unit No-2, Plot-243  
Prabhadevi Aptmt.  
P.M.Road, Vile Parle-E  
Mumbai- 400057  
Place: Mumbai  
Date: 3-08-2009

By Order of the Board  
For Geologging Industries Limited

M.SAHU  
Director

# Geologging Industries Ltd.



## DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting the Twenty Third Annual Report and Audited Accounts for the year ended 31st March, 2009.

### 1. FINANCIAL RESULTS

	Year Ended 31.03.2009	Year Ended 31.03.2008	Year Ended 31.03.2007	(Rs. in 'Lacs) Year Ended 31.03.2006
<b>INCOME</b>	359.16	133.50	122.95	256.73
Profit before Interest and Depreciation	70.77	19.43	20.51	82.72
Less : Interest	30.84	8.16	3.68	30.92
Depreciation	28.54	10.17	13.58	18.39
Profit before Taxation	11.38	4.85	3.24	33.41
Net Profit after Taxation	(16.68)	5.56	(16.89)	30.04
add : Surplus Brought Forward	(389.45)	395.00	378.11	397.58
Less : Deposit Written Off	-	-	-	-
Less : Earlier Year Adjustments	-	-	-	-
Deficit Carried to Balance Sheet	406.13	389.45	395.00	378.11

### 2. DIVIDEND

Your Directors do not recommend any dividends in view of loss for the year under review.

### 3. PERFORMANCE DURING THE YEAR

The Company's performance for the year ending 31<sup>st</sup> March 2009 has been unfortunately hit upon due to adverse circumstances. The Company couldnot perform well due to unexpected technical faults arising during the operation. However, we have been able to identify our short-comings and are now going ahead with new contracts.

### DIVERSIFICATION

The Company is exploring the African, South American and South East Asian markets for export of Mudlogging Services. We are pleased to report that successful dialogue has been set up with prospective clients in these regions. The Company's subsidiary Mono Acrylic Industries Ltd has been referred to BIFR, who is expected to put together a restructuring plan for our subsidiary.

### 4. DIRECTORS:

In accordance with the Company's Article of Association Mr. Monoranjan Sahu retires by rotation at the forthcoming Annual General Meeting and being eligible offers him self for re-appointment as Director liable to retire by rotation. General meeting and being eligible offers him self for re-appointment as Director liable to retire by rotation.

### 5. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of Companies Act, 1956 with respect to Director's Responsibilities Statement, it is hereby confirmed:

- that in the preparation of the annual accounts of the financial year ended 31<sup>st</sup> March 2009, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable & prudent so as to give a true & fair view of the state of affairs of the company at the end of the financial year & of the profit or loss of the company for the year under review, 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 and of the profit or loss of the Company for the year under review;
- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the companies act 1956 for safeguarding assets of the company & for preventing & detecting fraud & other irregularities, provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors had prepared the accounts for the financial year ended 31<sup>st</sup> March 2009 on a "going concern" basis.



# Twenty Third Annual Report



## 7. QUALIFICATIONS IN THE AUDITORS REPORT

The observations of the auditors on the accounts have been extensively dealt with in the notes and since they are self-explanatory, they are not commented upon.

## 8. LISTING OF SHARES

The Company's shares are listed on Mumbai Stock Exchange. The Company has already paid listing fees to them for the year – trading in the shares has been suspended by the stock exchange, Mumbai.

## 9. HUMAN RESOURCES

The relationship of your Company with its employees remained cordial throughout the year. The Company is paying full attention to the development of Human Resources at all levels by group discussions, job related training etc. The Company appreciates the value of maintaining high morale amongst its employees and has always endeavored to keep it at highest level.

## 10. CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

In terms of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988, your Directors wish to state that there was no activity relating to the same. However the information on foreign exchange earnings and outgo are given below:

	Rs.	Rs.
<b>Foreign Exchange Earnings/Outgo</b>	<b>2008-09</b>	<b>2007-08</b>
Foreign Exchange Earned	Nil	Nil
Foreign Exchange earning booked	Nil	2673900
Foreign Exchange Outgo (actual payments during the year)	2505995	1947054 (actual pay-

## 11. FIXED DEPOSITS

The Company has not accepted any deposits from the public.

## 12. PARTICULARS OF EMPLOYEES

Particulars of Employees are required in terms of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975, are not applicable as none of the employees were entitled to a remuneration of Rs. 24,00,000.00 or more per year or Rs. 2,00,000.00 or more per month.

## 13. AUDITORS

M/s. Hemant Mhambrey Associates, Chartered Accountants, Auditors retire at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment.

## 14. ACKNOWLEDGMENT

Your Directors take this opportunity to place on record their warm appreciation for the valuable contribution, untiring efforts and spirit of dedication demonstrated by the employees and officers at all levels, in the sure and steady progress of the company.

Your Directors also express their deep gratitude to the Bankers, Financial Institutions and Statutory Authorities. We are thankful to the Shareholders and Customers for the co-operation and trust they have reposed in the Company.

For and on Behalf of the Board  
GEOLOGGING INDUSTRIES LIMITED

Place: Mumbai  
Date : August 03, 2009

M. SAHU  
DIRECTOR

## **AUDITORS REPORT**

### **TO THE MEMBERS OF GEOLOGGING INDUSTRIES LTD.**

1. **We have audited the attached Balance Sheet of M/s. GEOLOGGING INDUSTRIES LTD.** as at 31st March, 2009 and the Profit & Loss Account and also the 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 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act 1956 (1 of 1956) we give in the Annexure a statement on the matters specified in paragraph 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 purpose 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 such books.
  - (c) The Balance Sheet and Profit & Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of account.
  - (d) On the basis of confirmations received from the Directors of the Company, and the information and explanation given to us, none of the Directors of the Company are disqualified from being appointed as Directors of the Company under Clause (g) of Sub-Sec(1) of Section 274 of the Companies Act, 1956.
  - (e) In our opinion the Profit and Loss Account and the Balance Sheet and Cash Flow Statement comply with the accounting standards defined in sub-section (3C) of Section 211 of the Companies Act, 1956.

# ***Twenty Third Annual Report***



- (f) In our opinion, and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Profit & Loss Account **subject to Note No.10 regarding Inter Corporate Deposit, Note No.11 regarding loans to subsidiary , Note No.13 regarding loan from financial institution and Note No. 14 regarding unsubstantiated Deposits** read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
- i) In so far as it relates to the Balance Sheet of the state of affairs of the Company as at 31st March, 2009 and
  - ii) In so far as it relates to the Profit & Loss Account of the Profit of the Company for the year ended on that date.
  - iii) In the case of the Cash Flow Statement of the Cash Flow for the year ended on that date.

For **HEMANT MHAMBREY ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

Dated : August 3, 2009  
Place : Mumbai

**CA. HEMANT MHAMBREY**  
**PROPRIETOR**



## **ANEXURE TO AUDITOR'S REPORT**

**Referred to in Paragraph 1 of my report of even date.**

- i) On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:-
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
  - b) As explained to us, fixed assets, according to the practice of the Company, have been physically verified by the Management at reasonable intervals, which in our opinion, is reasonable, having regard to the size of the Company and the nature of its business, during the year. According to the information and explanations given to us, no material discrepancies were noticed on physical verification of assets.
  - c) The Company has not disposed off substantial part of fixed assets during the year.
- ii)
  - a) Physical verification of inventory has been conducted at reasonable intervals.
  - b) The procedure and interval of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - c) The company is maintaining proper records of inventory. No discrepancies were noticed on verification between the physical stock and book record.
- iii)
  - a) The registers required under section 301 have been maintained by the company. The company has not taken any loan from companies, firms and other parties covered under section 301 of the Companies Act.
  - b) The Company has granted unsecured loan to its subsidiary M/s. Mono Acriglass Industries Ltd. without stipulation as to the repayment of the principal or the interest thereon.
  - c) Neither the principal amount nor the interest has been repaid by the subsidiary M/s. Mono Acriglass Industries Ltd.
  - d) This subsidiary has become a sick unit and the same is with BOARD FOR INDUSTRIAL AND FINANCIAL RECONSTRUCTION for reconstruction. The company claims to be taking possible reasonable steps to ensure speedy recovery of this advance.
- iv) There is an adequate internal control procedure commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods.
- (v) In our opinion and according to the information and explanations given to us, the transaction that need to be entered into the register in pursuance of such 301 of the Companies Act, 1956, have been entered but it not possible to comment on the reasonableness of the prices considering the technical nature of the business.

# ***Twenty Third Annual Report***



- (vi) According to the information and explanation given to us, the Company has not accepted any deposits from the public.
- (vii) In our opinion, the internal audit function carried out during the year by a firm of Chartered Accountants appointed by the management has been commensurate with the size of the Company and the nature of its business.
- (viii) The Central Government has not prescribed the maintenance of cost records under Section 209(I)(d) of the Companies Act, 1956 for the Company.
- (ix) According to the records of the Company, the Company is irregular in depositing with appropriate authorities undisputed statutory dues. The following dues are outstanding as at the last day of the financial year concerned for a period of more than 6 months from the day they become payable. Service Tax Rs. 557185/-.
- (x) The Company's accumulated loss at the end of the financial year is more than its networth. The company has earned cash profit during this financial year, and in the previous financial year.
- (xi) As per books and records maintained by the Company and according to the information and explanations given to us, the Company has defaulted in repayment of dues to the financial institutions since Sep, 2005. This was on account of repayment of principal Rs.9423623/- as well as interest Rs.4169143/-
- (xii) The Company had granted ICDs to various borrowers on the basis of security by way of pledge of shares and other securities. These companies have defaulted on repayment. It is not possible to comment on the adequacy of the documents and records maintained by the Company as the required papers have not been provided to us.
- (xiii) The Company is not dealing in or trading in shares, securities, debentures or other investments.
- (xiv) The company has given guarantee for fund based facilities granted to its subsidiary M/s. Mono Acriglass Industries Ltd. The terms and conditions of this guarantee don't seem to be prejudicial to the company. However there is no counter guarantee taken by the Company in case the lender invokes the guarantee given by the Company.



# **Geologging Industries Ltd.**



- (xv) On the basis of records examined by us and according to the information and explanations given to us, term loans obtained by the Company during the year were applied for the purpose for which they were obtained.
- (xvi) On the basis of records examined by us and according to the information and explanations given to us, the company has not used any short term funds for long term application.
- (xvii) The Company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year. The price at which the shares have been issued is not prejudicial to the interest of the company.
- (xviii) According to the information and explanations given to us, and to the best of our knowledge and belief, no fraud on or by the Company, has been noticed or reported by the Company during the year;
- (xix) Looking to the nature of activities being carried on at present by the Company during the year; and also considering the nature of the matters referred to in the various clauses of the Companies (Auditors' Report) Order, 2003, clauses (xiii), (xix) and (xx) of paragraph 4 of the aforesaid Order, are in our opinion, not applicable to the Company.

For **HEMANT MHAMBREY ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

Dated : August 3, 2009  
Place : Mumbai

**CA. HEMANT MHAMBREY**  
**PROPRIETOR**

# Twenty Third Annual Report



## GEOLOGGING INDUSTRIES LTD BALANCE SHEET AS AT 31st MARCH 2009

	SCH	31-03-2009	31-03-2008
<b>SOURCES OF FUNDS:</b>			
<b>Shareholders Funds:</b>			
(a) Share Capital	A	64206300	50251300
<b>LOAN FUNDS</b>			
(a) Secured Loan	B	16347724	16087749
(b) Unsecured Loan		20077046	16956321
<b>TOTAL</b>		<b>100631070</b>	<b>83295370</b>
<b>APPLICATION OF FUNDS:</b>			
<b>FIXED ASSETS</b>			
(a) Gross Block	C	71048736	49031216
(b) Less Depreciation		48751522	45896662
(c) <b>NET BLOCK</b>		<b>22297213</b>	<b>3134554</b>
(d) Add: Capital WIP		7091185	11466151
<b>TOTAL FIXED ASSETS</b>		<b>29388398</b>	<b>14600705</b>
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
(a) Sundry Debtors	D	16107097	18031207
(b) Cash & Bank Balances	E	2781571	2348442
(c) Loans & Advances	F	28914236	32322383
		<b>47802904</b>	<b>52702032</b>
<b>LESS:</b>			
<b>CURRENT LIABILITIES AND PROVISIONS</b>			
(a) Liabilities	G	18103605	24695278
		<b>18103605</b>	<b>24695278</b>
<b>NET CURRENT ASSETS</b>		<b>29699300</b>	<b>28006754</b>
<b>DEFERRED TAX ASSETS (NET)</b>		930097	1743143
<b>PROFIT AND LOSS ACCOUNT</b>	H	40613273	38944768
<b>TOTAL</b>		<b>100631068</b>	<b>83295370</b>

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES  
AND NOTES FORMING PART OF ACCOUNTS

In terms of our report of even date

For HEMANT MHAMBREY ASSOCIATES  
CHARTERED ACCOUNTANTS

CA. HEMANT MHAMBREY  
PROPRIETOR

PLACE : MUMBAI  
DATED : AUGUST 03, 2009

For GEOLOGGING INDUSTRIES LTD.

M. SAHU  
DIRECTOR

S.N. CHATURVEDI  
DIRECTOR

PLACE : MUMBAI  
DATED : AUGUST 03, 2009

# Geologging Industries Ltd.



**GEOLOGGING INDUSTRIES LTD**  
**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MAR. 2009**

		31-03-2009	31-03-2008
<b><u>INCOME</u></b>			
Mudlogging Services		35916240	13354452
Other Income	I	404143	1120642
Sales		1498163	
Closing WIP		0	11466151
		<b>37818546</b>	<b>25941245</b>
<b><u>EXPENDITURE</u></b>			
Personnel Expenses	J	10881419	3383195
Purchases		5428999	13252813
Interest and Finance Charges		3084392	815560
Other Expenses	K	13651232	6987103
Depreciation	C	2854860	1017104
		<b>35900902</b>	<b>25455775</b>
<b><u>PROFIT</u></b>		<b>1917644</b>	<b>485470</b>
Prior Period Items		(779010)	0
<b><u>PROFIT(LOSS) BEFORE TAX FOR THE YEAR</u></b>		<b>1138634</b>	<b>485470</b>
LESS:			
Provision For Taxation		1350000	185000
Provision For FBT		290000	140000
Provision For Deffered tax		813046	(395345)
Prior Period taxes		354093	0
<b><u>PROFIT AFTER TAX FOR THE YEAR</u></b>		<b>(1668505)</b>	<b>555815</b>
Add:Balance brought forward		(38944768)	(39500583)
<b><u>BALANCE CARRIED TO BALANCE SHEET</u></b>		<b>(40613273)</b>	<b>(38944768)</b>
Earning per Share ( Note No.9)		(0.26)	0.110
<b>STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS</b>			
L			

In terms of our report of even date

For HEMANT MHAMBREY ASSOCIATES  
 CHARTERED ACCOUNTANTS

For GEOLOGGING INDUSTRIES LTD.

CA. HEMANT MHAMBREY  
 PROPRIETOR

M. SAHU  
 DIRECTOR

S.N. CHATURVEDI  
 DIRECTOR

PLACE : MUMBAI  
 DATED : AUGUST 03, 2009

PLACE : MUMBAI  
 DATED : AUGUST 03, 2009

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**GEOLOGGING INDUSTRIES LTD**  
**SCHEDULES FORMING PART OF THE BALANCE SHEET**  
**AS AT 31ST MARCH 2009**

	31-03-2009	31-03-2008
<b><u>SCHEDULE A : SHARE CAPITAL</u></b>		
<b>Authorised</b>		
55,00,000 Equity Shares of Rs. 10/- each	65000000	55000000
<b>Issued, Subscribed and Paidup</b>		
54,20,630 shares of Rs. 10/- each	64206300	50251300
<b>SCHEDULE B: SECURED LOANS</b>		
Overdraft from Indian Bank (Secured by hypothecation of Book Debts)	2754958	2494983
Loan from GSFC (Secured by hypothecation Mudlogging Units)	6816221	6816221
Loan from GSFC (Secured by Mortgage of Director's Personal Property)	2607401	2607401
Interest on above loan	4169143	4169143
(All the above have been further secured by personal guarantees of Directors)		
	16347724	16087749



# Geologging Industries Ltd.



GEOLOGGING INDUSTRIES LTD.

SCHEDULES: C FORMING PART OF THE BALANCE SHEET

AS AT 31ST MARCH 2009

	RATE	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		AS ON 1/4/08	ADDITION	DELETION	AS ON 31/03/09	AS ON 1/4/08	FOR THE PERIOD	AS ON 31/03/09	AS ON 31/03/08
LAND		112640	0	0	112640	0	0	112640	112640
FACTORY SHED	10%	1964504	0	0	1964504	1512297	45221	406986	452207
PLANT & M/C	13.91%	746006	0	0	746006	678018	9457	58531	67988
OFFICE EQPT	13.91%	198307	0	0	198307	165969	4498	27840	32338
FUR & FIXTURES	18.10%	577637	13538	0	591175	547988	6906	36281	29649
COMPUTER	40%	1804827	56158	0	1860985	1747234	39378	74373	57593
ELEC FITTINGS & FIXTURES	13.91%	47217	0	0	47217	40728	903	5586	6489
M.L. UNITS	13.91%	43550080	21941674	0	65491754	41204428	2739939	21547387	2345652
VEHICLE	25.89%	30000	0	0	30000	0	7767	22233	30000
FAX MACHINE	13.91%	0	6150	0	6150	0	792	5358	0
TOTAL		49031216	22017520	0	71048736	45896662	2854860	22297215	3134554
Previous year		49001216	30000	0	49031216	44879558	1017104	3134554	4121658



# Geologging Industries Ltd.



## GEOLOGGING INDUSTRIES LTD.

### SCHEDULES FORMING PART OF THE BALANCE SHEET

AS AT 31ST MARCH 2009

	31-03-2009	31-03-2008
<b>SCHEDULE D : SUNDRY DEBTORS</b>		
( Considered good)		
Debtors exceeding Six months	7838789	214224
Others Debts	8268308	17816983
	<b>16107097</b>	<b>18031207</b>
<b>SCHEDULE E : CASH AND BANK BALANCE</b>		
Cash on hand	226195	10511
<b>BANK BALANCES WITH SCHEDULED BANK</b>		
In Current Account	13710	710745
In Deposit Account(FD with Indian Bank with Interest Accrued)	2541666	827186
In Recurring deposits account(RD with Indian Bank)	0	800000
	<b>2781571</b>	<b>2348442</b>
<b>SCHEDULE F : LOANS &amp; ADVANCES</b>		
(Unsecured, Considered good)		
Advances, recoverable in cash or in kind for value to be received	539886	822164
Advance to Mono Acriglass Industries Ltd.- Subsidiary Company	20418614	20243614
Deposits (including interest accrued)	5473650	9985129
Prepaid Taxes	2331586	1271475
Security Deposit at sites	150500	0
	<b>28914236</b>	<b>32322383</b>
<b>SCHEDULE G : CURRENT LIABILITIES</b>		
Sundry Creditors	7241322	2978855
Outstanding Liabilities/Statutory Liabilities	6087872	2718669
Provision for taxation	4774411	3597754
Advance from Client	0	15400000
	<b>18103605</b>	<b>24695278</b>
<b>SCHEDULE H : PROFIT AND LOSS ACCOUNT</b>		
Accumulated Losses	40613273	38944768
	<b>40613273</b>	<b>38944768</b>

# Twenty Third Annual Report



GEOLOGGING INDUSTRIES LTD.		
SCHEDULE FORMING PART OF THE		
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST. MARCH 2009		
	31-03-2009	31-03-2008
<b>SCHEDULE I : OTHER INCOME</b>		
Interest on Adv.Pymt / Fixed Deposit	199599	89450
Interest on RD A/C	24544	0
Sale of shares	180000	1167
Sundry Balance W/off	0	1030025
	<b>404143</b>	<b>1120642</b>
<b>SCHEDULE J: PERSONNEL EXPENSES</b>		
Salaries Wages & Bonus	10176557	3119942
Staff Welfare	72187	143473
Gratuity	98077	
Employers Contribution to ESIC/PF etc.	534598	119780
	<b>10881419</b>	<b>3383195</b>
<b>SCHEDULE K : OTHER EXPENSES.</b>		
Advertising expenses	15357	0
Airway bill charges	36628	0
AGM Expenses	10352	0
Brokerage	11000	0
Business & Development	539143	0
Conveyance	169576	109031
Electricity Chg	248075	132970
Transportation Chg	2217497	380284
Entertainment expenses	118556	0
Repairs & maintainance	701212	0
ROC Charges	50000	0
Society Charges	122906	0
Telephone Expenses	255899	187911
Travel Expenses	3453272	976432
Hotel Expenses/Room Rent	349845	0
Food Expenses on site	1164729	0
Foreign Travel Expenses	1643409	1947054
Insurance	69017	0
Office software exp.	11523	10782
Field Staff Expenses	248733	0
Professional Charges	533348	665546
Legal Fees	42900	0
Misc Bls. Written Off( misc)	726298	0
Postage & Courier	74452	0
Printing & Stationery	209794	0
Sundry Expenses	467871	356197
Other Expenses	0	2108536
Tender Fees	8000	0
Interest on FBT	11164	0
Interest on Service tax	6358	0
Exchange Differences	34318	0
Audit Fees	100000	112360
<b>TOTAL</b>	<b>13651232</b>	<b>6987103</b>

## SCHEDULE 'L':-

### A. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:

#### 1. Basis of Accounting

Financial Statements are prepared under historical cost convention on accrual basis.

#### 2. Sales

Sales comprise of sale of Oil Field Services and sale of spare parts. Sales are accounted on completion of on-site-services. Claims are reviewed on a periodical basis and if recovery is uncertain, provision is made in the accounts.

#### 3. Fixed Assets

All fixed assets are valued at cost of acquisition less depreciation.

#### 4. Depreciation

- i) Depreciation has been provided on the written down value method at the rates specified in Schedule XIV to the Companies Act, 1956 as amended by Notification No. GSR 756 (E) dated 16th December, 1993.
- ii) Pro-rata Depreciation is provided on additions/disposal of fixed assets during the year.

#### 5. Employee Benefits

Contributions to Provident Fund for the year are recognized in the Profit & Loss Account. The liability towards gratuity, leave encashment, post retirement benefits and other long-term benefits are provided for in the accounts based on actuarial valuation as at the end of the year. Actuarial gains and losses are recognized in the Profit and Loss Account as income or expense.

#### 6. Inventories

They are valued at lower of cost or net realisable value.

#### 7. Foreign Exchange Transactions

Transactions not covered by forward contracts are accounted at exchange rates prevailing on the date of transactions. Any difference arising out of foreign currency fluctuations on realisation is dealt with in the Profit & Loss Account.

#### 8. Impairment of Assets

The values of fixed assets are reviewed by the management for impairment at each Balance Sheet date if events or circumstances indicate that the carrying values may not be recoverable. If the carrying value is more than the net selling price of the asset or present value, the difference is recognized as an impairment loss.

#### 9. Borrowing Costs

Borrowing costs attributable to acquisition, construction or production of qualifying asset are capitalized as part of the cost of that asset, till the month in which the asset is ready for use. Other borrowing costs are recognized as an expense in the period in which these are incurred.

#### 10. Provisions, Contingent Liabilities and Capital Commitments

Provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

Capital commitments and Contingent liabilities disclosed are in respect of items which exceed Rs.0.05 crores in each case.

Contingent liabilities are considered only on conversion of show cause notices issued by various Government authorities into demand.



# Twenty Third Annual Report



## 11. Taxes on Income

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax on account of timing difference between taxable and accounting income is provided using the tax rates and tax laws enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are not recognized unless, in the management's judgments there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

- B. Figures of the previous year have been re-grouped and re-arranged wherever necessary to make them comparable with the figures of the current year.

## C. NOTES FORMING PART OF ACCOUNTS

### 1. MANAGERIAL REMUNERATION

Amount paid to Directors including Managing Director

	2008-09	2007-08
(i) Salary	444000	360000
(ii) Company's contribution to PF	9360	9360
(iii) Bonus	NIL	NIL
<b>TOTAL</b>	<b>453360</b>	<b>369360</b>

### 2. PAYMENTS TO AUDITORS

a) For Statutory Audit	85000.00	85000.00
b) For Tax Audit	27360.00	27360.00
c) Other Matters	0	0
<b>TOTAL</b>	<b>112360.00</b>	<b>112360.00</b>

3. Debtors and Creditors balances are checked subject to confirmation.
4. As company's activity falls within a single segment viz. Mud logging, the disclosure requirements of accounting Standard 17 "Segment Reporting", is issued by the Institute of Chartered Accountants of India is not applicable.

### 5. Disclosure as required by clause 32 of Listing Agreement

	Balance as on		Maximum amount outstanding during the year	
	31-03-2009	31-03-2008	2008-09	2007-08
a) Loans and Advances in the nature of loans to subsidiary Company.				
- Mono Acriglass Industries Ltd.	204.19	202.44	204.19	202.44

6. Contingent liabilities not provided in respect of the guarantees issued by the Bank on behalf of the Company to the customers and Government authorities. Rs.44, 08,750/- (Previous year 34, 58,750/-)

7. To the extent, the Company has received intimation from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the details are provided as under for the year 2008-09:

	2008-09	2007-08
(i) Principal amount remaining unpaid as on 31 <sup>st</sup> March	-	-
(ii) Interest due thereon remaining unpaid as on 31 <sup>st</sup> March	-	-

- (iii) Interest paid by the Corporation in terms of section 16 of the Micro, Small And Medium Enterprises Development Act, 2006, along with the amount Of the payment made to the supplier beyond the appointed day during the Year
- (iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.
- (v) Interest accrued and remaining
- (vi) Interest remaining due and payable even in the succeeding years, until Such date when the interest dues as above are actually paid to the small enterprise

**8. Disclosure as per requirements of Accounting Standard 15 – “Employee Benefits”:**

**Gratuity:** The Company has a defined benefit gratuity plan. Gratuity is paid to a staff member who has put in a minimum qualifying period of 5 years of continuous service, resignation, termination or to his nominee on death.

**9. Values used in Calculating Earning per Share**

	Year Ended 31-03-09	Year Ended 31-03-08
(a) Numerator: Profit/Loss after Tax	(16, 68,505)	5, 55,815
(b) Denominator: Number of Equity Shares	64, 20,630	50, 25,130
(No of Shares 5025130 for whole year & 1395500 no of shares for 12 days)		
Value of Earning per Share is	Rs. (0.26)	Rs. 0.11

- 10. The company had given inter-corporate deposits to various parties out of which Rs. 76.41 lakh was recoverable at the beginning of the financial year. As these parties have defaulted in making the repayments, the company has filed criminal cases against all the defaulters along with the Directors and Signatories under Section 138 of the Negotiable Instruments Act. During the year, a sum of Rs.36 Lakhs has been received out of the above. Cases related to the balance amount are yet undecided, but the management is confident of favourable decisions and recovery of the dues. However, based on the information and explanations given to me, I believe this amount to be irrecoverable and therefore should be written off. If a provision for this irrecoverable amount had been made, the Profit of the Company would have been impacted further to the extent of Rs. 40.41 Lakh..
- 11. The Company has granted its subsidiary M/s. Mono Acriglass Industries Limited, advance and loans amounting to Rs. 204.19 lacs. M/s Mono Acriglass Inds. Ltd has accumulated losses in excess of its share capital. It has become a sick Company as per the Sick Industrial Companies (Special Provision) Act. 1985. The Board of Industrial & Financial Reconstruction vide their order dated 6-2-2007 has declared the company sick. The lender, M/s GSFC has filed an appeal against the order. The advance of Rs. 204.19 lakhs is considered good and recoverable by the management. However in my opinion it is not recoverable and therefore needs to be written off. If this amount of Rs.204.19 lakhs were to be written off, then the current profit of the company would be impacted to the extent of Rs.204.19 lakhs.



# Twenty Third Annual Report



12. During the accounting year ended 31-03-2004, the shares investment in M/s Mono Acriglass Industries Ltd had been written off as a matter of prudent accounting norms. During the current year these 18,00,000 shares have been transferred to the name of the Director, Mr. Manoranjan Sahu for a nominal sum of Rs 0.10 paise per share.
13. The Company had taken a term loan from GSFC in the F Y 2003-04. It has defaulted on the repayment of the principal as well as the interest. Since it has come to a One Time Settlement for an amount of Rs.8218192/- with GSFC, it has stopped providing for interest on the loan. However, GSFC reserves the right to withdraw this facility unilaterally in case of default in repaying the settled amount as per the agreed schedule. Therefore on the principal of conservatism, the Company has not adjusted the difference between the outstanding dues to GSFC & the One Time Settlement amount agreed upon.
14. The current assets of the company, partly consist, of deposits amounting to Rs. 14,32,650. However, we were not provided with any details or proof to substantiate their existence. In my opinion this amount needs to be written off. If this amount of Rs.14.32 lakhs were to be written off, then the current profit of the company would be impacted to the extent of Rs.14.32 lakhs.
15. In the opinion of the Board of Directors, save as otherwise stated, the current assets, loans & advances have been stated at value realisable in the ordinary course of business and provisions have been made in the accounts for all known liabilities.
16. In accordance with Accounting Standard AS 22 relating to "Accounting for Taxes on Income- the deferred tax asset/liability has been worked out and provided in the accounts as follows:  
Items Attributable to deferred tax assets/liabilities:

	2008-09	2007-08
Deferred Tax Assets (Net): as at 01.4.2008	Rs. 1743143.00	1347798.00
Deferred Tax Liability arising on A/c of timing difference: Depreciation	Rs. 222883.00	Nil
Deferred Tax Assets arising on A/c of timing difference: Section 40 (a) (ia)	Rs.1119643=00	
Section 43 B items disallowed	Rs. 33336=00	Rs 1152980=00
		395345=00
<b>Net Assets on account of deferred taxation</b>	<b>Rs. 930097.00</b>	<b>1743143.00</b>
	=====	=====
Net Assets on account of deferred Tax as on 31-03-08	Rs. 1743143.00	
Deferred Income Tax provision for Net assets during the year 2008-09 is Rs.	813046.00	

17. Disclosure as required by Accounting Standard 18 (AS-18) "Related Party Disclosures" are as follows:

Name of the related parties and description of relationship:

- (a) Related Parties where control exists:

Subsidiaries

M/s Mono Acriglass Industries Ltd.

# Geologging Industries Ltd.



(b) Other related parties (where transactions have taken place during the year) :

(i) Associates M/s.Alexis Financial Consultants P Ltd  
M/s.E-Log -Jakarta  
M/s.E-Log - Indonesia  
M/s.E-Log -Canada  
M/s.E-Log (Fareast) Pte.Ltd

(c) Key Management Personnel Mr.Manoranjana Sahu  
Mr.S.N.Chaturvedi  
Mr.Shreedhar Tripathy

(d) Details of Transactions:

	Subsidiaries	Associates	Key Management Personnel
Purchases [Imports] of Goods.....		8707836/-	
Sales of Shares			180000/-
<b>Balance Outstanding</b>			
Loan Given	20418614/-		
Amount Receivables [Sales]		7340970/-	
Amount Payable [Import Purchase]		3925711/-	
Sales of Shares			180000/-

18. Additional Information pursuant to Part II of Schedule VI to the Companies Act 1956.

**a. Particulars regarding Capacities and production (as certified by the MANAGING DIRECTOR)**

	2008-09	2007-08
	Mudlogging units	Mudlogging units
i. Licensed Capacity	10	10
ii. Installed Capacity (as per Management's estimates)	10	10
iii. Actual Production *	5	NIL

Note: This figure refers to Mudlogging Units assembled and capitalised for own use.

**b. Consumption of spare parts and consumables**

	% of total	2008-09	% of total	2007-08
	Consumption	Rs.	consumption	Rs.
i. Imported	100.00	8707836.00	12.07	1425641
ii. Indigenous	0.00	0.00	87.93	10384075

Note : The above data include items consumed during the manufacturing of plant and machinery for the Company's own use.

# Twenty Third Annual Report



<b>c. Imports at CIF</b>		
	2008-09	2007-08
	Rs.	Rs.
i. Sensors, Components		
Assemblies and Sub-assemblies.	NIL	1425641
<b>d. Expenditure in Foreign</b>		
Currency	NIL	NIL
<b>e. Value of export</b>		
	NIL	2673900

For HEMANT MHAMBREY ASSOCIATES  
CHARTERED ACCOUNTANTS

For GEOLOGGING INDUSTRIES LTD.

CA. HEMANT MHAMBREY  
PROPRIETOR

M. SAHU  
DIRECTOR

S. N. CHATURVEDI  
DIRECTOR

PLACE : MUMBAI

DATED : August 03, 2009.

# Geologging Industries Ltd.



## GEOLOGGING INDUSTRIES LIMITED CASH FLOW FOR THE YEAR ENDED MARCH 31, 2009

	2008-09	2007-2008
<b>A. Cash flow from operating activities</b>		
<b>Profit before tax &amp; extra-ordinary items Adjusted for</b>	<b>1138634</b>	<b>485470</b>
Depreciation	2854860	1017104
Prior Period Items	779010	-
Profit on sale of fixed assets	-	-
Interest charged	-404143	-1120642
Misc Balances W/off	-	-
<b>Operating profit before working capital changes</b>	<b>4368361</b>	<b>381932</b>
<b>Changes in</b>		
Trade & other receivables	5332257	-10114379
Inventories	11466151	-11466151
Trade payables & other liabilities	-9364779	18169850
Cash generated from operations	11801990	-3028748
Provision for Taxation	-	-
Prov for Deferred tax assets	-	-
Direct taxes paid	-	-
<b>CASH FLOW BEFORE EXTRAORDINARY ITEMS</b>	<b>11801990</b>	<b>-3028748</b>
Extra-ordinary items	-	-
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>11801990</b>	<b>-3028748</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets	-22017520	-30000
Sale of fixed assets	-	-
Capital W/P	-7091185	-
Investments made	-	-
Sale of investments	-	-
Interest received	404143	1120642
Dividend received	-	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>-28704562</b>	<b>1090642</b>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
Proceeds from issue of share capital	13955000	-
Proceeds from borrowings/Secured Loans/Unsecured Loans	3380700	2463999
Cash Subsidy	-	-
Dividend paid	-	-
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>17335700</b>	<b>2463999</b>
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>433128</b>	<b>525893</b>
<b>CASH &amp; CASH EQUIVALENTS-OPENING BALANCE</b>	<b>2348443</b>	<b>1822550</b>
<b>CASH &amp; CASH EQUIVALENTS-CLOSING BALANCE</b>	<b>2781571</b>	<b>2348443</b>

We have verified the above cash flow statement of Geologging Industries Limited derived from the audited financial statements for the years ended March 31, 2009 and March 31, 2008 and found the same to be drawn in accordance therewith and also with the requirements of Clause 32 of the listing agreements with stock exchange.

For HEMANT MHAMBREY ASSOCIATES  
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF  
For GEOLOGGING INDUSTRIES LIMITED

CA. HEMANT MHAMBREY  
PROPRIETOR

M. SAHU  
DIRECTOR

PLACE : MUMBAI  
DATED : AUGUST 03, 2009

PLACE : MUMBAI  
DATED : AUGUST 03, 2009



# Twenty Third Annual Report



The Companies Act (1 of 1956)										S C H E D U L E VI										PART - IV																			
<b>BALANCE SHEET ABSTRACT AND A COMPANY'S GENERAL BUSINESS PROFILE</b>																																							
<b>I. Registration Details :</b>																																							
Registration No.										4 0 4 4 2										Sate Code										1 1 (Refer Code List)									
Balance - sheet										3 1										0 3										2 0 0 9									
Date										Date										Month										Year									
<b>II. Capital Raised during the year (Amount in Rs.Thousands).</b>																																							
Public Issue										N I L										Right Issue										N I L									
Bonus Issue										N I L										Private Placement										1 3 9 5 5									
<b>III. Position of Mobilisation and Deployment of Funds (Amount in Rs.Thousands)</b>																																							
Total Liabilities										1 0 0 6 3 1										Total Assets										1 0 0 6 3 1									
Sources of Funds																																							
Paid - up Capital										6 4 2 0 6										Reserves & Surplus										N I L									
Secured Loans										1 6 3 4 7										Unsecured Loans										2 0 0 7 7									
Application of Funds																																							
Net Fixed Assets										2 2 2 9 7										Investments										N I L									
Net Current Assets										2 9 6 9 9										Misc. Expenditure										N I L									
Accumulated Losses										4 0 6 1 3																													

2																																							
<b>IV. Performance of Company (Amount in Rs.Thousands).</b>																																							
Turnover										3 5 9 1 6										Total Expenditure										3 5 9 0 0									
Profit / Loss Before Tax										1 1 3 8										profit / Loss After Tax										1 6 6 8									
(Please tick Appropriate box + for Profit - or Loss)																																							
Earning per share in Rs.										0 2 6										Dividend @ %										N O									
<b>V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)</b>																																							
Item Code No. (ITC Code)										O I L F I E L D S E R V I C E S																													
Product Description										M U D L O G G I N G U N I T /																													
										E Q U I P M E N T / S P A R E S																													
										E X P O R T O F T E C H N I C A L																													
										S E R V I C E S																													
<p><b>Note :</b> For ITC Code of Products please refer publication Indian Trade Classification based on harmonised commodity description and coding system by Ministry of Commerce, Directorate General of Commercial Intelligence &amp; Statistics Calcutta - 700 001.</p>																																							



# Geologging Industries Limited



## ATTENDANCE SLIP

Registration Office : Unit No. 2, Plot No. 243, Prabhadevi Apartment, Phiroze Shah Mehta Road, Vile Parle (E), Mumbai - 400 057.

Please complete this attendance slip and hand it over at the entrance of the Registered Office.

I, hereby record my attendance at the Twenty Third Annual General Meeting to be held on 30th September 2009 at 9.00 at plot No. 243, Prabhadevi Apartment, P.M. Road, Vile Parle (East), Mumbai - 400 057.

NAME AND ADDRESS OF SHAREHOLDER (IN BLOCKS CAPITALS)	REFERENCE FOLIO

SIGNATURE OF THE SHARE HOLDER OR PROXY \_\_\_\_\_

## PROXY

## GEOLOGGING INDUSTRIES LIMITED

Registration Office : Unit No. 2, Plot No. 243, Prabhadevi Apartment, Phiroze Shah Mehta Road, Vile Parle (E), Mumbai - 400 057.

DIP ID		CLIENT ID	
--------	--	-----------	--

I / We \_\_\_\_\_ of \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_

Being a member / Members of GEOLOGGING INDUSTRIES LIMITED, hereby appoint

\_\_\_\_\_ of \_\_\_\_\_

(or failing him) \_\_\_\_\_ of \_\_\_\_\_

(or failing him) \_\_\_\_\_ of \_\_\_\_\_

as my / our Proxy to attend and vote for me / us and on my / our behalf at the Third Annual General Meeting of the Company to be held on 30th September 2009 and at any adjournment there of.

AS WITNESS my hand / our hands this \_\_\_\_\_ day of \_\_\_\_\_ 2009.

Signed by the said



Note : The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the Meeting. The Proxy need be a member of the Company.

Reference Folio

**BOOK-POST**

***If Not Delivered, Please Return to :***

**GEOLOGGING INDUSTRIES LIMITED**

**Unit no.2, Plot No. 243,  
Prabhadevi Apartments,  
Phirozshah Mehta Road,  
Vile Parle - East,  
Mumbai - 400 057.**