

TAINWALA CHEMICALS AND PLASTICS INDIA LIMITED
ANNUAL REPORT 2009-2010

MANAGEMENT TEAM

DUNGARMAL TAINWALA	Chairman and Whole-time Director
RAKESH TAINWALA	Managing Director
ABHAY SHETH	Independent Director
SUBHASH KADAKIA	Independent Director
MAYANK DHULDHOYA	Independent Director
SIMRAN MANSUKHANI	Vice President Accounts & CFO
ASHOK MUKHERJEE	Sr. Vice-President Marketing & Administration
V.M.RAJU	General Manager Works
MILIND BURDE	General Manager Commercial

COMPANY SECRETARY
ANIRUDH K. TANVAR

AUDITORS

M/s RUNGTA & ASSOCIATES
Chartered Accountants
Mumbai

TWENTY FIFTH
ANNUAL GENERAL MEETING

- Tuesday, 28th September, 2010
- 11.00 a.m.
- The All India Plastics Manufacturers Association, A-52, Street No. 1, M.I.D.C. Marol, Andheri (East), Mumbai - 400093.

BANKERS

HDFC Bank Ltd.
State Bank of India

REGISTERED OFFICE

Tainwala House
Road No. 18, M.I.D.C.,
Andheri (East), Mumbai-400 093
Tel: 67166100,
Fax : +91-22-28387039

WORKS

87, Government Industrial Estate
Khadoli Village, Silvassa - 396230
Dadra & Nagar Haveli - U.T.

REGISTRAR & SHARE TRANSFER
AGENTS

LINK INTIME INDIA PVT. LTD
C-13, Pannalal Silk Mills Compound,
LBS Road, Bhandup (W), Mumbai 400 078.
Tel.: 25963838.

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NOTICE

Notice is hereby given that the TWENTY FIFTH ANNUAL GENERAL MEETING of the Members of TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED will be held at The All India Plastics Manufacturers Association, A-52, Street No 1, M.I.D.C, Marol, Andheri (East), Mumbai - 400 093 on Tuesday, 28th September, 2010 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Subhash Kadakia who retires by rotation and being eligible, offers himself for re-appointment.
3. To reappoint M/S. Rungta and Associates, Chartered Accountants, the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:-

4. "RESOLVED THAT pursuant to the provision of the sections 198,269,309,310,311 and all other applicable provisions of the Companies act, 1956 read with schedule XIII of the act and subject to the approval of the Central Government, if necessary, and such other approvals, permission and sanctions, as may be required, and subject to the such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permission and sanctions, approval of the company be accorded to the revision of the remuneration payable to Mr. Rakesh Tainwala as the Managing Director from 26th June,2010 for remainder of his office i.e. upto 25th June, 2012 as follows.

Salary Rs. 21, 00,000/-per annum. (inclusive of all benefit and perquisites but excluding Company's Contribution to Provident Fund, Super Annuation Fund or Annuity Fund, if any, upto the tax exempt limit and benefit of gratuity and encashment of leave at the end of the tenure of his services, as per the rules of the Company)

RESOLVED FURTHER THAT the remuneration payable to the Managing Director by way of salary, perquisites and other allowances and benefits does not exceed the limits laid down in sections 198 and 309 of the Act, including any statutory modifications or re-enactment thereof.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of the Managing Director, the company has no profit or its profits are inadequate, the company may pay to the Managing Director, the above remuneration as the minimum remuneration by way of salary, perquisites and other allowances and benefits as specified above subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the company be authorised to do all such acts, deeds and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, application returns and writings as may be necessary, proper, desirable or expedient."

5. "RESOLVED THAT pursuant to the provision of the sections 198,269,309,310,311 and all other applicable provisions of the Companies act, 1956 read with schedule XIII of the act and subject to the approval of the central government, if necessary, and such other approvals, permission and sanctions, as may be required, and subject to the such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permission and sanctions,

approval of the company be accorded to the revision of the remuneration payable to Mr. Dungarmal Tainwala as the Whole Time Director from 1st July, 2010 for remainder of his office i.e. upto 30th June, 2012 as follows.

Salary Rs. 7, 20,000/-per annum. (inclusive of all benefit and perquisites but excluding Company's Contribution to Provident Fund, Super Annuation Fund or Annuity Fund, if any, upto the tax exempt limit and benefit of gratuity and encashment of leave at the end of the tenure of his services, as per the rules of the Company)

RESOLVED FURTHER THAT the remuneration payable to the Whole -Time Director by way of salary, perquisites and other allowances and benefits does not exceed the limits laid down in sections 198 and 309 of the Act, including any statutory modifications or re-enactment thereof.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of the Whole -Time Director, the company has no profit or its profits are inadequate, the company may pay to the Whole -Time Director, the above remuneration as the minimum remuneration by way of salary, perquisites and other allowances and benefits as specified above subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the company be authorised to do all such acts, deeds and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, application returns and writings as may be necessary, proper, desirable or expedient."

By Order of the Board of Directors
For **TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED**

Registered Office:

"Tainwala House",
Road No. 18, M.I.D.C., Marol,
Andheri (East),
Mumbai - 400 093.

(RAKESH TAINWALA)
Managing Director

Place : Mumbai.

Date : 18th May, 2010

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF, SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 22.9.2010 to 28.9.2010 (both days inclusive).
3. The Company has appointed M/s. Link Intime India Pvt. Ltd., having their address at C-13 Pannalal Silk Mills Compound, LBS Road, Bhandup (West), Mumbai-400 078 as its Registrar and Share Transfer Agents. Members are requested to notify the Registrar quoting their folio no. any change in their registered address alongwith the pin code number.
4. Members of the Company holding shares in the physical form and who have multiple account(s) in identical name(s) or holding more than 1(one) share certificate in the same name under different ledger folio(s) are requested to apply for consolidation of such folio(s) and

- send the relevant share certificates to the registrar viz. M/s. Link Intime India Pvt. Ltd.
5. In terms of the notification issued by SEBI, equity shares of the Company are under Compulsory Demat. The Company's ISIN No is INE123C01018.
 6. Members who attend the meeting are requested to complete the enclosed attendance slip and to deliver the same at the entrance of the meeting hall.
 7. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the Annual Report at the time of attending the Meeting.
 8. Members desirous of obtaining any information, concerning the accounts and operations of the Company are requested to address their queries to "THE COMPLIANCE OFFICER" at the Company's registered office, at least 10 days before the date of the Annual General Meeting, in order to enable the management to keep the information ready at the meeting.
 9. All amounts specified in Section 205 C (2)(a & b) of the Companies Act, 1956 due for transfer have been transferred to the Investors Education and Protection Fund within the prescribed time. No amounts are pending for transfer to the Investors Education & Protection Fund.
 10. All documents referred to in the accompanying Notice and Explanatory statement are open for inspection at the Registered Office of the Company between 10.00 a.m. and 12.00 p.m. on any working day.
 11. Section 109A of the Companies Act, 1956 has extended the Nomination facility to individuals holding shares in Companies. Shareholders holding shares in the physical mode and wishing to avail this facility may please write to the Company for the prescribed nomination form.
 12. Members holding shares in dematerialised form are requested to bring their Client ID and DP-ID nos. for easier identification of attendance at the meeting.

ANNEXURE TO THE NOTICE:

EXPLANATORY STATEMENT in respect of the Special Business pursuant to Section 173(2) of the Companies Act, 1956.

ITEM NO 4:

Mr. Rakesh Tainwala was re-appointed as the Managing Director of the Company for a Period of 5 Years effective 26th June 2007 which was approved by the Shareholders at their Annual General Meeting held on 28th September, 2007.

Now, at the Board Meeting held on 18 May 2010, the Board of Director have proposed to revise the remuneration payable to Mr. Rakesh Tainwala (Managing Director) for the remaining period i.e. 26th June 2010 to 25th June 2012, as under, subject to the approval of members of Company and subject to such approvals including that of Central Government, if any, as may be required under any applicable law on the basis of following terms & conditions:

- Monthly salary of Rs.1,75,000/- including all allowances and Perquisites.
- The Managing Director shall be entitled to the company's Contribution to provident fund, superannuation fund or annuity fund if any up to the tax exempt limit , benefits of gratuity and encasement of leave at the end of the tenure of his services, as per the rules of the company and this shall not be included in the computation of perquisites.
- The aforesaid remuneration has been approved by remuneration committee in their meeting held on 18th May, 2010.
- The aforesaid remuneration (including perquisites,ifany,) or such remuneration as may be approved by the Central Government shall in the event of absence or inadequacy of profits in any financial year paid to the Managing Director as minimum remuneration for that financial year.

Your directors recommend this resolution as a Special Resolution for approval of the members.

Mr.Rakesh Tainwala is interested in the resolution as it concerns his own remuneration.Mr. Dungarmal Tainwala , relatives of Mr. Rakesh Tainwala may be deemed to be interested in the passing of the resolution at item no. 4.

None of the other Directors are concerned or interested in the passing of the resolution at item no. 4.

The following additional information as required by Schedule XIII to the Companies Act, 1956 is given below:

I. General Information:

1. Nature of Industry: Chemical & Plastics Industry.
2. Date or expected date of commencement of commercial production: Not applicable (company is existing company)
3. In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
4. Financial performance based on given indicators : (Rs. in lacs)
Turnover - 760.90, Net Profit After Interest, Depreciation and tax - 169.77
** For detailed financial performance refer to the Audited Accounts.
5. Export performance & Net foreign exchange collaborations: Nil
6. Foreign investments or collaborations if any: Nil

II. INFORMATION ABOUT THE APPOINTEE :

1. Background:
Mr. Rakesh Tainwala aged 42 years has done B.Tech (Computer Engineering) from the College of Engineering Manipal. He has over 20 years of experience in the plastics industry. He joined the Company in April, 1989 and He was inducted as a Whole-time Director on the Company's Board in 1992 and subsequently elevated to the position of Managing Director of the Company with effect from 24th July, 1999. and entrusted with the responsibility of looking after the day to day affairs of the Company with substantial powers of management, supervision and control, subject to the supervision of the Board.

2. Past remuneration : (During the financial year ended 31st March, 2009)

Mr. Rakesh Tainwala was paid a sum of Rs. 30,00,000 p.a. as a minimum remuneration for the year ended 31st March, 2009.

3. Recognition /Awards: Nil
4. Job Profile & Suitability:

Mr. Rakesh Tainwala is the Managing Director of the Company and looks after the day to day affairs of the Company, including the Company's plant at Silvassa. He has over 20 years of rich business experience. Under his leadership and guidance the performance of the Company has improved significantly. Taking into consideration his qualification, experience and expertise Mr. Rakesh Tainwala is best suited for the responsibilities entrusted to him by the Company's Board.

5. Remuneration:

Salary of Rs. 1,75,000/- (Rupees One lakhs and Seventy Five Thousand only) per month (inclusive of all benefits and perquisites).

6. Comparative remuneration profile with respect to industry, size, profile of the position etc.

The remuneration payable to Mr. Rakesh Tainwala is commensurate with his qualification, experience, the duties and responsibilities entrusted to him.

7. Pecuniary relationship directly/indirectly with the Company.

Apart from the proposed remuneration Mr. Rakesh Tainwala does not have any other pecuniary relationship with the Company. Other Related party transactions have been disclosed in Note No. 07 of the Schedule "O" to the accounts.

This Explanation together with the accompanying Notice is and shall be regarded as an Abstract under Section 302 of the Companies Act, 1956.

ITEM NO. 5

Mr. Dungarmal Tainwala was re-appointed as the Whole- Time Director of the Company for a Period of 5 Years effective 1st July, 2007 which was approved by the Shareholders at their Annual General Meeting held on 28th September, 2007.

Now, at the Board Meeting held on 18 May 2010, the Board of Director have proposed to revise the remuneration payable to Mr. Dungarmal Tainwala (Whole- Time Director) for the remaining period i.e. 1st July, 2010 to 30th June, 2012, as under, subject to the approval of members of company and subject to such approvals including that of Central Government, if any, as may be required under any applicable law. On the basis of following terms & conditions:

- Monthly salary of Rs.60, 000/- including all allowances and Perquisites.
- The Whole- Time Director shall be entitled to the company's Contribution to provident fund, superannuation fund or annuity fund if any up to the tax exempt limit , benefits of gratuity and encasement of leave at the end of the tenure of his services, as per the rules of the company and this shall not be included in the computation of perquisites.
- The aforesaid remuneration has been approved by remuneration committee in their meeting held on 18th May, 2010.

- The aforesaid remuneration(including perquisites,ifany,) or such remuneration as may be approved by the Central Government shall in the event of absence or inadequacy of profits in any financial year paid to the Whole- Time Director as minimum remuneration for that financial year
- The Whole-time Director shall not be entitled to sitting fees for attending meetings of the Board and/ or any Committee thereof.

Your directors recommend this resolution as a special resolution for approval of the members.

Mr. Dungarmal Tainwala is interested in the resolution as it concerns his own remuneration. Mr. Rakesh Tainwala, relatives of Mr. Dungarmal Tainwala may be deemed to be interested in the passing of the resolution at item no. 5.

None of the other Directors are concerned or interested in the passing of the resolution at item no. 5.

The Directors recommend the Special resolution at item no. 5 for the approval of the members.

This Explanation together with the accompanying Notice is and shall be regarded as an Abstract under Section 302 of the Companies Act, 1956.

By Order of the Board of Directors
For **TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED**

Registered Office:

"Tainwala House",
Road No. 18, M.I.D.C., Marol,
Andheri (East),
Mumbai - 400 093.

(RAKESH TAINWALA)
Managing Director

Place : Mumbai.
Date : 18th May, 2010

DIRECTORS' REPORT

To the Members,

The Directors submit the Annual Report of the Company together with the audited statement of accounts for the year ended March 31, 2010.

Financial Results:

	(Rs. in Lacs)	
	Year ended 31st March, 2010	Year ended 31st March, 2009
Sale of Products	628.18	993.17
Less: Excise Duty	49.22	100.29
	578.96	892.88
Sale of Shares	181.93	119.60
	760.90	1,012.48
Profit before Depreciation	242.40	198.04
Less : Depreciation	72.63	68.59
Profit for the year before tax & exceptional items	169.77	129.45
Add: Exceptional Items	-	347.27
Profit before taxation	169.77	476.72
Provision for Tax:		
Current Tax (MAT)	-	6.50
Deferred Tax	-	Nil
Fringe Benefit Tax	-	3.75
Wealth Tax	-	0.70
Net Profit After Tax	169.77	465.77
Balance b/f from previous year	(220.74)	(686.53)
Tax adjustments of earlier years	0.43	-
Deficit carried to Balance-Sheet	(50.54)	(220.74)

OPERATIONS:

The financial year 2009-10 was a year of challenges and uncertainties for businesses across various segments of industry with the financial crisis and volatile Markets, but your Company continues to demonstrate the robustness of its business model. Your Company has been able to achieve a turnover of Rs. 760.90 lakhs and a competitive Net Profit before exceptional items of Rs. 169.77 lakhs.

DIVIDEND:

Though the Company has earned profits during the year, in view of the accumulated losses, your

Directors are unable to recommend any dividend for the year.

FIXED DEPOSITS:

During the year under review, the Company has not accepted any deposits within the meaning of Section 58-A of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS / OUTGOINGS:

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in Annexure "A" to this report.

PARTICULARS OF EMPLOYEES:

The information as required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is as under:

STATEMENT U/S 217 2(A) OF THE COMPANIES ACT,1956 READ WITH THE COMPANIES (PARTICULARS OF EMLPOYEES) RULES, 1975 AND FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2010.

EMPLOYED FOR FULL YEAR AND IN RECEIPT OF REMUNERATION FOR THE YEAR WHICH IN AGGREGATE WAS NOT LESS THAN Rs.24,00,000 P.A.

Sr. No.	Employee Name	Design-ation	Quali-fication	Total Working Expe-rience	Date of Commen-cement of Emplo-yment	Age (Yrs.)	Remun-eration (Rs.)	Previ-ous emp-lo-yment held
1.	Mr. Rakesh Tainwala	Managing Director	B.Tech (Computer Eng.)	18 Yrs	April, 1989	42	33,60,000	N.A.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and Company's Articles of Association, Mr. Subhash Kadakia retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act, 1956 the Board of Directors of the Company

hereby state and confirm that:

- (i) in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgements 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 and of the Profit of the Company for the year;
- (iii) 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 the assets of the Company and for preventing and detecting frauds and other irregularities;
- (iv) the Directors had prepared the annual accounts on a going concern basis.

AUDITORS:

You are requested to appoint the Auditors for the current year and to fix their remuneration. M/S. Rungta & Associates, Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible have offered themselves for Re-appointment.

BOARD COMMITTEES:

In order to ensure compliance with the applicable provisions of the Companies Act, 1956 as well as the provisions of the Listing Agreement the Board has constituted an Audit Committee, Shareholders / Investors Grievance Committee and Remuneration Committee. Details of these committees are given in the Corporate Governance Report which is annexed to the Directors' Report.

CORPORATE GOVERNANCE:

During the year under review, your Company has taken adequate steps to ensure that all mandatory

provisions of Corporate Governance as stipulated in clause 49 of the Listing Agreement have been complied with. A separate Report on Corporate Governance along with the Auditors' Certificate on its compliance is given in "Annexure B" to this Report.

AUDITORS' REPORT:

With reference to the auditors comments in para 3(a) and 3(b) of Annexure to the Auditors Report, management would like to state that these loans were given in earlier years and the Company is confident of recovering the full amount.

WHOLE-TIME COMPANY SECRETARY:

Mr. Anirudh Kumar Tanvar has been appointed Whole time Company Secretary W.e.f. 01st April 2009. He shall also act as the Compliance Officer of the Company. Mr. Vikas Lad, Whole-time Company Secretary of the Company has resigned w.e.f. 15th April, 2009.

PERSONNEL:

Your Directors are pleased to inform you that employee relations continued to be cordial and peaceful both at the factory and at the office during the year under review.

APPRECIATION:

Your Directors place on record their sincere appreciation for the co-operation received by the Company from its Bankers, Shareholders, Customers, Dealers and Suppliers. Your Directors also wish to place on record their sincere appreciation for the valuable contributions made by the employees at all levels.

For and on behalf of the Board of Directors

(MR. DUNGARMAL TAINWALA)
Chairman

Place : Mumbai.
Dated : 18th May, 2010

ANNEXURE 'A' TO THE DIRECTORS' REPORT:

Information as per Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, and forming part of the Directors' Report for the year ended 31st March, 2010.

A. Conservation of Energy:**a) Energy Conservation measures taken:**

1. Provided better load management.
2. Provided automatic power factor control unit.
3. Provided Voltage Stabilizer.
4. Reduced breakdown by proper preventive maintenance.
5. Provided PLC controlled systems on machine
6. Provided extra -insulation on chilled water pipelines to reduce energy consumption.

b) Impact of the measures at (a) above for reduction of energy consumption and consequent impact on the cost of production

Implementations of the aforementioned measures have resulted in efficient energy management.

c) Power & Fuel Consumption:

	Year ended 31/03/10	Year Ended 31/03/09
a) Electricity:		
Units Purchased	648584	767,680
Total amount (Rs.)	2,543,311	2,914,577
Rate per Unit (Rs.)	3.92	3.80
b) Own Generation through Diesel Generator:		
Units Generated	31360	33,417
Quantity of Diesel Used	11200 ltrs.	12,062 ltrs.
Total Amount (Rs.)	397,704	451,135
Cost per unit (Rs.)	12.68	13.50
c) Consumption per unit of production.		
Details:		
Production (Kgs)	618171	934,871
Electricity (Rs.)	2,543,311	2,914,577
Diesel (Rs.)	397,704	451,135
Total Amount (Rs.)	2,941,015	3,365,712
Cost per Unit Rs.	Rs.4.75 per kg	Rs.3.60 per kg

B. Technology Absorption:**1. Research and Development (R & D):****a) Specific areas in which R & D carried out in the Company.**

Nil.

b) Benefits:

Not Applicable

c) Future Plan of Action:

On-going Development in product quality and process conditions.

d) Expenditure on R & D:

Expenditure on R & D is an on going process at every stage of operation and forms part of the regular activities of the Company and hence the cost element in the form of R & D is not easily identifiable.

2. Technology Absorption, Adaptation and Innovation:

The company has not acquired any indigenous or imported technology.

C. Foreign Exchange Earnings and Outgoings:

Total Foreign Exchange earned : Rs. Nil

Total Foreign Exchange used : Rs. 1,90,31,653/-

ANNEXURE 'B' TO THE DIRECTORS' REPORT**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2009-10**

(As required under the Revised Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

Corporate Governance broadly refers to a set of rules and practices designed to govern the behaviour of corporate enterprises. It refers to a system by which Companies are governed, controlled and managed. A detailed Report on Corporate Governance as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is set out below.

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate Governance is a system by which companies are governed, controlled and managed. Your Company's philosophy on Corporate Governance envisages accountability, responsibility and transparency in the conduct of the Company's business and its affairs vis-

à-vis its employees, shareholders, bankers, lenders, government, suppliers, dealers etc. and accordingly lays great emphasis on regulatory compliances. In addition to emphasis on various regulatory compliances your Company strives to ensure that high standards of professionalism and ethical conduct are maintained throughout the organization. Your Company continues to give high priority to the principles and practice of Corporate Governance and has accordingly benchmarked its practices with the existing guidelines of corporate governance as laid down in the Listing Agreement.

2. BOARD OF DIRECTORS:-

COMPOSITION AND CATEGORY:-

The Company has an optimum combination of Executive and Non-Executive Directors. The Board of Directors comprises of 5 (Five) Directors i.e. 2 (two) Executive Directors and 3 (Three) Non-Executive Directors. During the year, the Board was headed by a Executive Chairman - Mr. Dungarmal Tainwala. All the members of the Board are persons with considerable experience and expertise in their respective fields like industry, finance, technology, management and law.

The Board's composition is in accordance with the requirements of Clause 49(I)(A) of the Listing Agreement.

None of the Directors on the Board is a member of more than 10 (ten) committees and Chairman of more than 5 (five) committees as per clause 49(I)(C)(ii) across all companies in which they are Directors.

The Composition of the Board of Directors during the year as well as details of outside directorships and other board committees of which the Company's Directors are members is as under:

Name of the Director	Category	Number of Directorships in other Companies**	Number of committee positions held in other Companies	
			Member	Chairman
Rakesh Tainwala	Promoter & Executive	Nil	Nil	Nil
Dungarmal Tainwala	Promoter & Executive	Nil	Nil	Nil
Subhash Kadakia	Independent & Non-Executive	Nil	Nil	Nil
Abhay Sheth	Independent & Non-Executive	Nil	Nil	Nil
Mayank Dhuldhoya	Independent & Non-Executive	Nil	Nil	Nil

** excluding directorship in private companies.

Notes:

- Independent Director means a director as defined under revised Clause 49 of the Listing Agreement
- Only two committees viz; Audit Committee and Shareholders/Investors Grievance Committee have been considered as per revised Clause 49 of the Listing agreement.

None of the Non-executive Directors hold any shares in the Company except Mr. Subhash Kadakia - Independent Director who holds 200 equity shares in the Company.

The meetings of the Board of Directors are held in Mumbai at the registered office of the Company. Meetings are scheduled well in advance and notice and detailed agenda of each board meeting is given in writing to each Director. The Board meets at least once a quarter inter- alia, to review the quarterly performance and financial results and the gap between two meetings is not more than four months.

BOARD MEETINGS AND ANNUAL GENERAL MEETINGS:

During the financial year ended 31st March, 2010 5(Five) Board Meetings were held i.e. on 27.04.2009, 27.06.2009, 27.07.2009, 30.10.2009, 29.01.2010.

The last i.e. the 24th Annual General Meeting of the Company was held on **Wednesday, 23rd September, 2009**. Details of attendance of each Director at the Board Meetings and at the Annual General Meeting are given below:

Name of the Director	No. of Board Meetings Attended	Whether attended last AGM held on 23.09.2009
Rakesh Tainwala	5	Yes
Dungarmal Tainwala	5	Yes
Subhash Kadakia	5	Yes
Abhay Sheth	5	No
Mayank Dhuldhoya	5	Yes

INFORMATION REQUIRED UNDER CLAUSE 49(IV)(G) OF THE LISTING AGREEMENT ON DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT:

Name : Mr. Subhash Kadakia
 Age : 63 years
 Qualifications : B.E. (Mech.) from Bangalore University
 Expertise : Mr. Kadakia is the Managing Director of Kadakia Plastics & Chemicals Pvt. Ltd. He is an expert having extensive knowledge in the field of PVC compounds and is a life member of Bombay Industries Association. He was the past Chairman of the governing council of the Indian Plastics Institute a professional body imparting education and professional training in the plastic industry.
 Other Directorships : Nil

3. BOARD COMMITTEES:-

The Board had constituted the following committees of Directors.

I AUDIT COMMITTEE:

The Audit Committee comprises of three members all Non-Executive Independent Directors.

A. COMPOSITION OF AUDIT COMMITTEE:

The Composition of the Audit Committee during the financial year is as follows :

Name of the Director	Category
Subhash Kadakia	Chairman, Non-Executive & Independent
Abhay Sheth	Non-Executive & Independent
Mayank Dhuldhoya	Non-Executive & Independent

All the members of the Audit Committee are financially literate. Mr. Subhash Kadakia, Chairman, Mr. Abhay Sheth and Mr. Mayank Dhulkhoya are technically qualified and are also Director in other companies and are having good financial and accounting background.

B. TERMS OF REFERENCE OF AUDIT COMMITTEE:

The Committee inter alia dealt with accounting matters, financial reporting and internal controls. The powers and terms of reference of the Audit Committee are in line with the requirements of revised clause 49 of the Listing Agreement as well as Section 292A of the Companies Act, 1956.

C. DETAILS OF AUDIT COMMITTEE MEETINGS AND ATTENDANCE OF MEMBERS:

5 (Five) Audit Committee meetings were held during the year i.e. on 27.04.2009, 27.06.2009, 27.07.2009, 30.10.2009, 29.01.2010.

Name of the Member	No. of Audit Committee Meetings attended
Subhash Kadakia	5
Abhay Sheth	5
Mayank Dhuldhoya	5

II SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE:-

The Share Transfer / Investor Grievance Committee:

approves and monitors transfers and transmission of shares, splitting and consolidation of shares and issue of duplicate share certificates.

monitors redressal of complaints received from shareholders relating to transfer and transmission of shares, issue of duplicate share certificates, non-receipt of Annual Reports, dematerialization of shares etc.

A. COMPOSITION AND DETAILS OF SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE:

Mr. Subhash Kadakia -Non-Executive and Independent Director is the Chairman of the Shareholders / Investors Grievance Committee.

During the year 2009- 2010 the Committee held 12 (Twelve) meetings on 30.05.2009, 30.06.2009, 17.08.2009, 30.09.2009, 16.11.2009, 30.11.2009, 15.12.2009, 31.12.2009, 15.01.2010, 30.01.2010, 26.02.2010, and 31.03.2010

The Composition of the Shareholders/Investors Grievance Committee and the attendance of each member during the year 2009-2010 are detailed below:-

Name of the Director	Executive/Non-Executive	No. of Committee Meetings Attended
Dungarmal Tainwala	Executive	12
Abhay Sheth	Non-Executive	12
Subhash Kadakia	Non-Executive	12

B. Status of Shareholders/Investors Grievances and their Redressal:

No. of Complaints Received : 6
 No. of Complaints Resolved : 6
 Pending Complaints : Nil

C. Name and Designation of Compliance Officer:

Mr. Anirudh Kumar Tanvar-Whole-Time Company Secretary is appointed as Compliance Officer of the Company with effect from 27th April, 2009.

III. REMUNERATION COMMITTEE:

The Remuneration Committee comprises of 3 Non-Executive independent Directors as members viz. Shri. Abhay Sheth, Shri. Subhash Kadakia and Shri. Mayank Dhuldhoya. Shri. Abhay Sheth is the Chairman of the Committee.

No meeting of remuneration committee was held during the year.

The scope and function of the Remuneration Committee covers the requirements of the code of Corporate Governance of the Listing Agreement and the provisions of Schedule XIII and any other provisions, if any, of the Companies Act, 1956. The broad terms of reference of the Committee are to recommend to the Board the Remuneration package including perquisites payable to the Company's Managing Director and Whole-Time Director.

4. REMUNERATION OF DIRECTORS:**A. REMUNERATION POLICY:**

The remuneration committee shall have power to consider and recommend the remuneration payable to Managing Director and Whole-Time Director of the Company which shall be duly approved by the Board and the Shareholders of the Company and if necessary and, if required prior Central Government approval shall be taken for the same.

B. REMUNERATION OF MANAGING DIRECTOR & WHOLE-TIME DIRECTORS:

The Remuneration (including perquisites and benefits) paid to the Managing Director during the year ended 31st March, 2010 is as follows:

Name of the Director	Salary/Benefits **	Stock Option
Rakesh Tainwala -Managing Director	Rs.3,360,000/- p.a	-
Dungarmal Tainwala-Whole-Time Director	Rs.806,400/- p.a	-

** includes Company's contribution to Provident Fund.

The Non-Executive Directors of the Company do not draw any remuneration from the Company other than sitting fees for attending Board and Committee meetings.

Details of Sitting Fees paid to Non - Executive Directors for attending Board and Committee Meeting during the year 2009-2010 are given below:-

Name	Board Meeting (Rs.)	Committee Meeting (Rs.) ***	Total (Rs.)
Subhash Kadakia	5000	5750	10,750
Dungarmal Tainwala	Nil	Nil	Nil
Abhay Sheth	5,000	5,750	10,750
Rakesh Tainwala	Nil	Nil	Nil
Mayank Dhuldhoya	5,000	2,500	7,500
TOTAL	15,000	14,000	29,000

*** Includes Shareholders / Investors Grievance Committee Meeting, Audit Committee Meeting and Remuneration Committee Meeting.

The Company did not have any pecuniary relationship or transactions with Non-Executive Directors except payment of sitting fees, reimbursement of expenses incurred for travel etc. for attending Board/ Committee Meetings. Notice period, severance fees and performance-linked incentive are not stipulated in their terms of appointments.

5. GENERAL BODY MEETINGS:

a. Details of Previous Three Annual General Meetings:

Financial Year	Date of Meeting	Time	Location
2008-2009	23.09.2009	11.00 a.m.	All India Plastics Manufacturers Association A-52, Street No. 1, MIDC, Marol, Andheri (E), Mumbai - 400 093.
2007-2008	24.09.2008	11.00 a.m.	All India Plastics Manufacturers Association A-52, Street No. 1, MIDC, Marol, Andheri (E), Mumbai - 400 093.
2006-2007	28.09.2007	11.00 a.m.	All India Plastics Manufacturers Association A-52, Street No. 1, MIDC, Marol, Andheri (E), Mumbai - 400 093.

b. Special resolutions passed in the previous three AGMs are as below:

- 2006-07**
1. Re-appointment of Mr. Rakesh Tainwala as Managing Director for a period of five years.
 2. Re-appointment of Mr. Dungarmal Tainwala as Whole-time Director for a period of five years.

2007-08 Nil

2008-09 Nil

c. No resolutions were put through Postal Ballot last Year.

d. No resolutions are proposed to be carried out by Postal Ballot this Year.

6. OTHER DISCLOSURES:

- a. During the year under review, besides the transactions reported in the Notes to the Accounts for the year, there were no other related party transactions of material nature by the Company with its promoters, directors, management and subsidiaries or relatives etc.
- b. The Company has duly complied with all the mandatory requirements as per Clause 49 of the Listing Agreement.
- c. Compliance with Non-mandatory requirements is furnished separately under the heading "Non-mandatory Requirements".

7. MEANS OF COMMUNICATION:

Quarterly Unaudited Financial Results are published in the "Free Press Journal" and "Navshakti" newspapers. The Annual Audited Accounts are also like-wise published. The half yearly Report is

not sent separately to each household of the Shareholders. Annual Reports are sent to each shareholder at their address registered with the Company.

Website: www.tainwala.in

No presentation to any institutional investors or analysts has been made during the year ended 31st March, 2010.

8 CODE OF CONDUCT:

The Board of Directors has laid down a Code of Conduct for all the Board members and Senior Management of the Company to ensure adherence to a high ethical professional conduct by them in the discharge of their duties. All the Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year 2009-10. A Declaration to this effect signed by Chief Executive Officer (CEO) of the Company is annexed to this report.

9. GENERAL SHAREHOLDER INFORMATION:

a) AGM Date, Time and Venue : **Tuesday, 28th September, 2010** at 11.00 a.m. at the All India Plastics Manufacturers Association
A-52, Street No. 1, Marol, M.I.D.C.,
Andheri (East), Mumbai -93.

b) Financial Calendar: 1 April to 31 March

Audited Annual results for the year ended 31st March, 2010	By 30th May, 2010
Unaudited First Quarter results for quarter ended 30th June 2010	By 14th August, 2010
Unaudited Second Quarter results for quarter ended 30th September 2010	By 14th November, 2010
Unaudited Third Quarter results for quarter ended 31st December 2010	By 14th February, 2011
Unaudited Fourth Quarter results for quarter ended 31st March 2011	By 15th May, 2011

c) Book Closure Date : 22/09/2010 to 28/09/2010.

d) Listing on Stock Exchange : Bombay Stock Exchange Limited.
National Stock Exchange of India Limited.

e) Stock Code
Bombay Stock Exchange Limited. : 507785
National Stock Exchange of India Limited : TAINWALCHM

f) Payment of Annual Listing Fees : Listing Fees for the financial year 2009-2010 has been paid to the concerned stock exchanges within the prescribed time limit.

g) Dividend payment : Nil

h) Stock Market Data :

YEAR/ MONTH	BOMBAY STOCK EXCHANGE			NATIONAL STOCK EXCHANGE		
	HIGH (RS.)	LOW (RS.)	SENSEX (Rs.)	HIGH (RS.)	LOW (RS.)	NIFTY (Rs.)
2009						
April	12.55	10.22	11,403.25	12.75	9.50	3,473.95
May	16.18	11.31	14,625.25	15.65	11.25	4,448.95
June	17.50	13.55	14,493.84	16.95	13.75	4,291.10
July	16.00	13.63	15,670.31	17.05	13.50	4,636.45
August	17.25	13.55	15,666.64	16.50	12.80	4,662.10
September	18.40	14.35	17,126.84	18.20	14.60	5,083.95
October	22.50	16.00	15,896.28	23.45	15.05	4,711.70
November	20.70	15.40	16,926.22	19.80	14.80	5,032.70
December	18.95	16.00	17,464.81	20.00	16.00	5,201.05
2010						
January	21.75	16.05	16,357.96	21.90	15.00	4,882.05
February	19.50	16.35	16,429.55	20.45	16.50	4,922.30
March	17.70	15.70	17,527.77	18.00	15.55	5,249.10

- i) Share Transfer Agents : The Company has appointed Link Intime India Pvt. Ltd., having their office at C-13, Pannalal Silk Mills Compound, L B S Road, Bhandup (West), Mumbai- 400 078 as the Registrar & Share Transfer Agents. All Shareholder related services including transfer, demat of shares is carried out by the Registrar & Share Transfer Agents.
- j) Share Transfer System : The share transfer requests are processed by the Company's Registrar and Share Transfer Agents as mentioned above.

k) Distribution of Shareholdings as on 31st March, 2010:

No. of Equity shares held	No. of Shareholders	% of Shareholders	Total No. of Shares Held	% of Shares
1 - 500	6,397	88.27%	9,85,059	10.52%
501 - 1000	485	6.69%	3,87,069	4.13%
1001 - 2000	190	2.62%	288,748	3.09%
2001 - 3000	52	0.72%	135,019	1.44%
3001 - 4000	28	0.39%	98,627	1.05%
4001 - 5000	29	0.40%	134,256	1.44%
5001 - 10000	19	0.26%	137,711	1.47%
10001 & above	42	0.65%	7,197,374	76.86%
TOTAL	7,242	100.00%	9,363,863	100.00%

l) Shareholding pattern as on 31st March, 2010:

Category	No. of Shares Held	%age to Total Capital	No. of Shareholders	%age to Total Shareholders
Promoters	6,242,554	66.67%	10	0.14%
NON-PROMOTERS:				
Mutual Funds & UTI	16,200	0.17%	9	0.12%
Financial Institutions/Banks	217,214	2.32%	9	0.12%
FII's	3,509	0.04%	3	0.04%
Bodies Corporate	284,317	3.04%	151	2.09%
NRI'S,OCB'S & Foreign companies	333,531	3.56%	260	3.59%
Public	2,266,538	24.20%	6,800	93.90%
TOTAL	9,363,863	100.00%	7,242	100.00%

m) Status of Dematerialisation of Shares as on 31st March, 2010:

Particulars	No. of Shares	% age to Total Capital
NSDL	78,04,635	83.35%
CDSL	5,46,956	5.84%
PHYSICAL	1,012,272	10.81%
TOTAL	9,363,863	100.00%

- n) Company ISIN No. : INE123C01018
- o) Registered Office : Tainwala House, Road No.18, MIDC, Marol, Andheri (East), Mumbai - 400 093.

-
- p) Works : Plot No. 87 Government Industrial Estate,
Khadoli Village, Silvassa Dadra & Nagar Haveli-U.T
- q) Address for Correspondence : (1) Tainwala House, Road No.18, M I D C, Marol,
Andheri (East), Mumbai - 400 093.
(2) Shareholders correspondence should be
Addressed to:
Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound
L B S Road, Bhandup (West), Mumbai
Pin - 400 078.
Phone No. 022-2596 3838
- r) GDRs/ADRs : The Company has not issued any GDRs/ADRs.
- s) Management Discussion and Analysis Report :
The Management Discussion and Analysis Report is given as an Annexure to the Directors' Report.
- t) Risk Management Framework:
The Board members discuss about the risk assessment and minimization procedures.

10. NON-MANDATORY REQUIREMENTS:

Remuneration Committee:

The Company has set up a Remuneration Committee as per the details under Item no. 3 - III of this report.

Other Requirements:

The Company is yet to adopt the other non-mandatory requirements like sending of the half yearly financial performance including summary of significant events in past six months to shareholders, restricting the tenure of the independent directors in the aggregate to a period of nine years on the Board of the Company, unqualified financial statements, training of Board members, mechanism of evaluation of Non-executive Board members and Whistle Blower Policy and would be complied with at an appropriate time later.

11. The CEO and CFO have certified to the Board of Directors with regard to the financial statements and other matters as required by the Clause 49 of the Listing Agreement. The certificate is annexed to this report.
12. The Company has obtained the certificate from its statutory auditors regarding compliance with the provisions relating to corporate governance laid down in the Clause 49 of the Listing Agreement. The report is annexed to this report.

For and on behalf of the board

Place: Mumbai.
Date: 18th May, 2010

RAKESH TAINWALA
MANAGING DIRECTOR

AUDITORS' CERTIFICATE

To,
The Members of

Tainwala Chemicals and Plastics (India) Ltd.

We have examined the compliance of conditions of Corporate Governance by Tainwala Chemicals And Plastics (India) Ltd. for the year ended 31st March 2010, as stipulated in clause 49 of the listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was carried out in accordance with guidance note on certification of the Corporate Governance (As stipulated in clause 49 of the listing Agreement) issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring 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 our information and according to the explanations given to us and the representations made by the directors and management, we certify that the company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement.

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

For RUNGTA & ASSOCIATES
CHARTERED ACCOUNTANT

Place: Mumbai

MEMBERSHIP NO.: 42902

PAWAN KUMAR RUNGTA

Date: 18th May, 2010

FIRM REGISTRATION NO.:108888W

(PROPRIETOR)

DECLARATION BY CHIEF EXECUTIVE OFFICER / MANAGING DIRECTOR

I, Rakesh Tainwala, Managing Director of Tainwala Chemicals and Plastics (India) Limited hereby certify and acknowledge that all the members of the Board of Directors and the Senior Management Personnel of the Company have complied with the Code of Conduct of the Company and have already given the annual affirmation of the compliance with the Code of Conduct.

For TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED

Place : Mumbai

(RAKESH TAINWALA)

Date : 18th May, 2010

Managing Director

CERTIFICATE PURSUANT TO CLAUSE 49 (V) OF THE LISTING AGREEMENT

We, Mr. Rakesh Tainwala - Managing Director and Mrs. Simran Mansukhani - Chief Financial Officer of the Company hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2010 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions have been entered into by the company during the year 2009-10 which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies of which we are aware in the design or operation of internal control systems and have taken the required steps to rectify the deficiency.
- (d) We have informed the auditors and the Audit Committee:
 - i. about significant changes in internal control over financial reporting during the year;
 - ii. that there have been no significant changes in accounting policies during the year;
 - iii. that there have been no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

FOR TAINWALA CHEMICALS AND PLASTICS (INDIA) LTD.

Place: Mumbai

RAKESH TAINWALA

SIMRAN MANSUKHANI

Date: 18th May, 2010

Managing Director

Chief Financial Officer

**ANNEXURE "C" TO THE DIRECTOR REPORTS
MANAGEMENT DISCUSSION & ANALYSIS****INTRODUCTION:**

Tainwala Chemicals and Plastics (India) Limited is engaged in the business of manufacturing extruded plastic sheets of various polymers like PVC, PP, PPGL, HDPE, ABS etc. from 0.5 mm to 30 mm thickness. These sheets have diverse application in the fabrication of industrial equipments, lining of chemical tanks, signboards, automobiles and white goods industry as well as pollution control equipment. These sheets are a very good substitute for conventional materials like wood, metal etc. due to its advantages of being tough, light and anti-corrosive.

INDUSTRY STRUCTURE:

The Plastic Sheet industry has come a long way in India in the last decade. From a few sheet extrusion lines manufacturing engineering plastics, the number of manufacturers has grown almost three fold today. With new entrants in the industry there is excess capacity, as a result of which competition has increased. In spite of the stiff competition your Company is numero uno in the manufacture of PVC Extruded sheets manufacturing and marketing the widest range of PVC Extruded sheet of varying thickness from .5 mm to 30 mm. Your Company enjoys a majority market share in the PVC Extruded Sheets, in polypropylene sheets, though there are a large number of manufacturers, we continue to remain one of the few manufacturers of superior quality polypropylene sheets.

FINANCIAL PERFORMANCE:

During the year under review the Company achieved Turnover of Rs. 760.90 lacs. The Company achieved a Net Profit of Rs. 169.77 lacs. The Company continues to focus on tight working capital management. Stringent cost control measures have been initiated and implemented.

FUTURE OUTLOOK:

Your management has been identifying new areas of application where plastic sheets can replace traditional materials like stainless steel, asbestos, iron etc. The market for PVC Engineering Sheets is set to grow since sheets are mainly used as Pollution Control Equipment, in Waste Water Treatment applications, Sewage Treatment Plants as well as

Portable Water Treatment Plants. As our economy moves from a developing to a developed one, the Sewage Treatment Plants and Portable Water Treatment as well as Effluent Treatment plants for treating industrial waste are a must. These are essential for preventing water pollution of both river as well as ground water and for providing safe drinking water to the country's Population. The Government's Policy on social sector development in areas such as low cost housing, safe sewage disposal and safe drinking water will increase the demand for PVC Sheets. In recent years the government has been according high priority to social development measures. The World Bank and other International Regional Development Banks are coming forward to finance these projects in the developing countries including India. The Government of India has decided to implement these projects on priority basis as part of the social welfare measures. This itself is an indication that the future outlook for PVC Extruded Engineering Sheets is bright.

OPPORTUNITIES AND THREATS:

The PVC Extruded sheets are not only in demand in the domestic market, but also exports are expected to grow. This is because of the growing demand for these Sheets from the SAARC countries for applications in similar pollution control projects as those undertaken in our country. Similarly demand for PVC Extruded Plastic Sheets is also expected from the UAE, Saudi Arabia and other Middle East countries.

As these countries resort to cost cutting exercises due to a fall in the oil prices, they look forward to India as a potential low cost supplier for their requirements.

In spite of the immense opportunities for growth of the PVC Extruded Engineering Plastic Sheet Industry, this industry faces certain risk, especially since demand for PVC Sheets depends on the various projects undertaken by the government. China made products are also threat to the Company.

SEGMENTWISE PERFORMANCE:

The business activities of the Company comprises of two business segments i.e. Plastic Sheets and Securities trading and all the business operations are in India only.

RISKS AND CONCERNS:

The company makes responsible approaches towards Risk Management on an integrated basis to cover all aspects of operations to diminish each or a combination of known risks that could affect its business.

The company has a comprehensive insurance coverage and breakdown coverage for all its electronic equipments to protect all its assets from such damages.

Apart from the above, the Company has a well documented Risk Management System. The Company does identify a few risks, which are purely routine in nature and none of any significant impact. There is a mitigation system in place which addresses these risks as part of routine management process.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has a system of internal controls commensurate with the size of its operation and nature of business to ensure optimum utilization and protection of resources, speedy and accurate reporting of financial transactions in compliance with applicable laws and regulations. The Company has an internal audit department which monitors and supplements the Company's operations through regular audits. The Board has also constituted an audit committee which meets periodically inter-alia to review the financial results, and the accuracy of financial records.

HUMAN RESOURCES / INDUSTRIAL RELATIONS:

The Company believes that the success of an Organisation largely depends on the quality of its workforce and hence has always recognised people as its key workforce. The belief 'great people create great organisations' has been at the core of the Company's approach to its people. The Company has created a favourable work environment that encourages innovation and meritocracy.

Employee relations both at the office and at the factory have remained cordial and peaceful throughout the year.

RESEARCH AND DEVELOPMENT (R & D):

Your Company considers R & D as crucial for sustained growth of the Company and has inhouse test facility at its factory premises.

CAUTIONARY STATEMENT:

Any statements made in this report relating to Company's perception of future outlook, objectives, expectations etc. may be considered as forward looking within the meaning of applicable securities laws and regulations which may differ from the actual results. Factors that would make difference to Company operations include competition, price realisation, forex market, changes in government policies and regulations, tax regimes, economic development and other incidental factors.

AUDITORS' REPORT

To
The Members of
**TAINWALA CHEMICALS AND PLASTICS (INDIA)
LIMITED**

1. We have audited the attached balance sheet of TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED as at 31st March 2010 and also the profit and loss account and cash flow statement of the Company 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 the 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 Companies (Auditor's Report) Order 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 ('the Order') issued by Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, on the basis of such checks of the books and records of the Company, as we considered appropriate and according to information and explanations given to us, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to 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 it appears from our examination of those books;

- c) The balance sheet, the profit and loss account and the cash flow statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report have been prepared in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956, to the extent applicable;
- e) On the basis of written representations received from the directors of the Company as on 31 March 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with significant accounting policies and notes thereon in Schedule 'O' and other notes appearing elsewhere in the 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:
 - i. in the case of the balance sheet, of the state of affairs of the Company as at 31st March 2010;
 - ii. in the case of the profit and loss account, of the profit for the year ended on that date; and
 - iii. in the case of cash flow statement, of the cash flows for the year ended on that date.

FOR RUNGTA & ASSOCIATES
Chartered Accountant

(Pawan Kumar Rungta)
PROPRIETOR

Membership No. 42902
FIRM REGISTRATION NO.:108888W

Place : Mumbai
Dated : 18th May, 2010

**ANNEXURE TO THE AUDITORS' REPORT
REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE**

1. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) In our opinion and according to information explanations given to us, physical verification of fixed assets have been conducted by the management at reasonable intervals and no material discrepancies were noticed on such verification.
 - c) During the year, no substantial part of its fixed assets has been disposed off by the Company.
 2. In respect of its inventories:
 - a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion and according to information and explanations given to us, the procedures 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. According to the information and explanations given to us, the discrepancies noticed on physical verification of inventory as compared to book records were not material and the same have been properly dealt with by the Company in the books of account.
 3. In respect of loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
 - a) The Company had granted unsecured loans to two companies in earlier years and maximum amount involved during the year was Rs.7,93,04,546 and year-end balance of loans given to such parties was Rs.7,93,04,546.
 - b) The rate of interest and other terms and conditions of the loans given by the Company are, prima facie, not prejudicial to the interests of the Company except for a loan which are fully provided as doubtful.
 - c) The above loans are repayable on demand and in our opinion, in respect of overdue amounts, the Company is taking necessary steps for recovery.
 - d) The Company has not taken any loans ,secured or unsecured ,from companies ,firms and other parties during the year covered in the register maintained under section 301 of the Companies Act 1956. Accordingly, the provisions of clause 4(iii)f and 4(iii)g of the order are not applicable to the company.
 4. In our opinion and according to information and explanations given to us, having regard to the explanations that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is adequate internal control systems commensurate with the size of the Company and nature of its business, for the purchase of inventories and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
 5.
 - a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that Section.
 - b) There are no transactions during the year made in pursuance of such contracts or arrangements exceeding Rs. 500,000 in respect of each party.
 6. The Company has not accepted any deposits from public during the year.
 7. The Company has in house internal audit system during the year, which needs to be strengthened to commensurate with its size and nature of its business.
 8. The Central Government has not prescribed for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for the products manufactured by the Company.
 9.
 - a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to the Company with appropriate authorities. According to information and explanations
-

given to us, there are no amounts of statutory dues outstanding as at 31 March 2010 for a period of more than six months from the date they became payable, except for Rs 30,653 in respect of wealth Tax.

- b) According to information and explanations given to us, there are no dues in respect of Sales Tax, Wealth Tax, Service Tax, Custom Duty, Cess which have not been deposited on account of any dispute. Dues in respect of Income Tax and Excise Duty not deposited on account of dispute are as follows:

Name of statute	Nature of dues	Amount Rs.	Period to which amount pertains	Forum where dispute is pending
Income tax Act, 1961	Income tax	1,605,058	1995-96	The Commissioner of Income tax (Appeals)
Income tax Act, 1961	Income tax	1,091,941	2004-05	The Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax (Penalty)	16,605,622	2004-05	The Commissioner of Income tax (Appeals)
Income tax Act, 1961	Income tax	33,17,036	2006-07	The Commissioner of Income tax (Appeals)
Central Excise Act, 1944	Penalty	92,368	1999-00	The High Court

10. In our opinion, the accumulated losses of the Company at the end of the financial year are less than fifty percent of its net worth. The Company has not incurred cash losses during the current financial year as well as in the immediately preceding financial year.
11. According to information and explanations given to us, the Company has not defaulted in repayment of dues to the banks. The Company does not have any borrowing from financial institution and by way of debentures.
12. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures, and other securities.
13. According to the informations and explanations given to us, the Company is not a chit fund or a nidhi / mutual benefit fund / society, provisions of clause (xiii) of paragraph 4 of the Order is not applicable to the Company.
14. The Company has kept adequate records of its transactions and contracts in respect of dealing in shares, securities and other investments and timely entries have been made therein. The shares, securities and other investments have been held in the name of the Company.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
16. According to information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that term loans were applied for the purpose for which the loans were obtained.
17. According to information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term basis have not been used for long term investments.
18. The Company has not made any preferential allotment of shares during the year.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money through public issues during the year.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

FOR RUNGTA & ASSOCIATES
Chartered Accountants

(Pawan Kumar Rungta)
PROPRIETOR

Membership No. 42902
FIRM REGISTRATION NO.:108888W

Place : Mumbai
Dated : 18th May, 2010

BALANCE SHEET AS AT 31ST MARCH 2010

	Schedule	As at		As at	
		Rs.	Rs.	Rs.	Rs.
I. SOURCES OF FUNDS:					
1. Shareholders' funds					
Share capital	A	93,638,630		93,638,630	
Reserves and surplus	B	275,766,242		275,766,242	
			369,404,872		369,404,872
2. Loan funds					
Secured loans	C		1,984,480		3,089,156
Total funds employed			371,389,352		372,494,028
II. APPLICATION OF FUNDS:					
1. Fixed assets					
Gross block	D	144,926,566		144,526,566	
Less: Depreciation		81,882,754		74,689,602	
Net block			63,043,812		69,836,964
2. Investments					
	E		119,714,645		146,366,507
3. Current assets, loans and advances					
Inventories	F	45,311,469		37,597,053	
Sundry debtors		10,962,311		6,650,708	
Cash and bank balances		36,027,522		28,784,852	
Other current assets		1,786,350		561,614	
Loans and advances		102,838,645		73,468,495	
		196,926,297		147,062,722	
Less: Current liabilities and provisions					
Current liabilities	G	10,833,200		9,635,627	
Provisions		2,516,382		3,211,320	
		13,349,582		12,846,947	
Net current assets			183,576,715		134,215,775
4. Profit and loss account (debit balance)			5,054,180		22,074,782
Total funds utilised			371,389,352		372,494,028
Significant accounting policies and notes to accounts	O				

As per our attached report of even date

For and on behalf of the Board

FOR RUNGTA & ASSOCIATES
Chartered AccountantsMR. DUNGARMAL TAINWALA
ChairmanMR. RAKESH TAINWALA
Managing Director(PAWAN KUMAR RUNGTA)
ProprietorMR. ANIRUDH KUMAR TANVAR
Company Secretary

Place : Mumbai

Dated : 18th May, 2010

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010

	Schedule	Current Year 31/03/2010 (Rs.)	Previous year 31/03/2009 (Rs/)
I. INCOME:			
Sales and income from operations	H	76,089,854	101,248,324
Income from investments	I	27,153,336	26,270,597
Other income	J	10,758,111	6,703,800
Increase / (Decrease) in stocks	K	9,745,680	(6,964,133)
TOTAL		123,746,981	127,258,588
II. EXPENDITURE:			
Raw materials consumed	L	38,298,867	59,478,517
Purchase for resale		-	245,220
Purchase of shares for resale		29,261,601	12,716,832
Manufacturing and other expenses	M	30,620,322	34,702,980
Interest	N	1,325,751	310,567
Depreciation		7,263,378	6,859,262
TOTAL		106,769,919	114,313,378
III PROFIT / (LOSS)			
Profit before exceptional items and taxation		16,977,062	12,945,210
Exceptional items (Refer note no.4 in Schedule "O")		-	34,727,284
Profit before taxation		16,977,062	47,672,494
Provision for taxation:			
Current tax (MAT)		-	(650,000)
Fringe benefit tax		-	(375,000)
Provision for wealth tax		-	(70,000)
Profit after tax		16,977,062	46,577,494
Tax Adjustments of earlier years		43,540	-
Net Profit		17,020,602	46,577,494
Balance of loss brought forward from previous year		(22,074,782)	(68,652,276)
Balance of Deficit carried to balance sheet		(5,054,180)	(22,074,782)
Basic and diluted earnings per share (including exceptional items)		1.81	4.97
Basic and diluted earnings per share (excluding exceptional items)		1.81	1.27
(Face Value Rs. 10 per share)			
Significant accounting policies and notes to accounts	O		

As per our attached report of even date

For and on behalf of the Board

FOR RUNGTA & ASSOCIATES
Chartered AccountantsMR. DUNGARMAL TAINWALA
ChairmanMR. RAKESH TAINWALA
Managing Director(PAWAN KUMAR RUNGTA)
ProprietorMR. ANIRUDH KUMAR TANVAR
Company Secretary

Place : Mumbai

Dated : 18th May, 2010

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2010

	Current Year Rs.	Previous Year Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax	16,977,062	47,672,494
Adjustments for:		
Depreciation	7,263,378	6,859,262
Provision for doubtful loans and advances written back	-	(34,727,284)
Provision for doubtful debts and advances written back	-	(134,915)
Provision for Gratuity Liability Written Back	(391,806)	-
Interest expense	1,325,751	310,567
Unrealised Gain/(Loss) on Foreign Exchange	191,813	(366,836)
(Profit) / loss on sale of investments (net)	(5,096,428)	1,536,684
Interest income	(8,597,002)	(5,378,677)
Dividend income on current investments	(567,795)	(2,778,967)
Dividend income from long term investments	(21,489,113)	(24,558,984)
(Profit) / loss on sale of fixed assets (net)	(115,206)	(657,784)
Operating profit before working capital changes	(10,499,346)	(12,224,440)
Changes in Current assets and Current liabilities:		
Trade and other receivables	(2,182,729)	54,862,760
Inventories	(7,714,416)	10,634,227
Trade payables	817,317	(347,434)
Cash generated from operations	(19,579,174)	52,925,113
Direct taxes (paid)/ refund	(1,891,088)	(2,774,578)
Net cash from operating activities	(21,470,262)	50,150,535
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	(705,020)	(11,098,454)
Sale of fixed assets	350,000	1,497,801
(Purchase) / sale of investments	31,748,290	(54,952,786)
Inter Corporate Loans	(50,000,000)	-
Application money paid (Equity Shares / Mutual Fund)	21,800,000	(21,800,000)
Dividend income from current investments	567,795	2,778,967
Dividend income from long term investments	21,489,113	24,558,984
Interest received	7,372,266	4,848,925
Net cash from / (used in) investing activities	32,622,444	(54,166,563)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds/ (repayment) of borrowings	(1,104,676)	2,732,421
Interest paid	(1,333,916)	(278,876)
Net cash from / (used in) financing activities	(2,438,592)	2,453,545
Net increase /(decrease) in Cash and cash equivalents (A+B+C)	(8,713,590)	(1,562,483)
Cash and cash equivalents at beginning of the year	26,450,932	28,013,415
Cash and cash equivalents at the end of the year	35,164,522	26,450,932
Net increase/(decrease) as disclosed above	8,713,590	(1,562,483)
Cash and cash equivalents at the end of the year:		
Cash on hand	47,783	78,208
Balances with scheduled banks in:		
Current accounts	3,616,739	9,872,724
Fixed deposits	31,500,000	16,500,000
	35,164,522	26,450,932

Notes:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) -3 on Cash Flow Statement.
- Cash and cash equivalents exclude fixed / margin deposit Rs.8,63,000 (previous year Rs. 23,33,920)

As per our attached report of even date

For and on behalf of the Board**FOR RUNGTA & ASSOCIATES**
Chartered Accountants**MR. DUNGARMAL TAINWALA**
Chairman**MR. RAKESH TAINWALA**
Managing Director**(PAWAN KUMAR RUNGTA)**
Proprietor**MR. ANIRUDH KUMAR TANVAR**
Company Secretary

Place : Mumbai

Dated : 18th May, 2010

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2010

	As at 31/03/2010 Rs.	As at 31/03/2009 Rs.
SCHEDULE `A'		
SHARE CAPITAL		
Authorised:		
14,000,000 Equity shares of Rs. 10 each	140,000,000	140,000,000
Issued, subscribed and paid-up:		
9,363,863 Equity shares of Rs. 10 each fully paid up	93,638,630	93,638,630
	93,638,630	93,638,630

SCHEDULE `B'

RESERVES AND SURPLUS

Capital reserve:

As per last balance sheet	25,049,992	25,049,992
(Arising on forfeiture of upfront payment received on convertible warrants)		

Securities premium account:

As per last balance sheet	250,716,250	250,716,250
	275,766,242	275,766,242

SCHEDULE `C'

SECURED LOANS*

Vehicle loans#		
- from banks	1,984,480	2,945,460
- from others	-	143,696
(Repayable within one year Rs.10,82,965; as at 31/03/2009 Rs.11,04,676]		

TOTAL

1,984,480	3,089,156
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*Refer Note No.2 in schedule "O"

Secured against hypothecation of vehicles purchased there against.

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2010

SCHEDULE 'D'
FIXED ASSETS

(In Rupees)

Particulars	Gross Block			Depreciation / Amortisation			Net Block		
	As at 01/04/2009	Addition	Deductions	As at 31/03/2010	Upto 31/03/2009	For the year	Deductions	As on 31/03/2010	As on 31/03/2009
Freehold Land	3,292,015	-	-	3,292,015	-	-	-	3,292,015	3,292,015
Leasehold Land	215,400	-	-	215,400	44,348	2,169	-	168,883	171,052
Buildings	34,562,930	-	305,020	34,257,910	11,071,172	921,963	70,226	22,334,981	23,491,758
Plant & Machinery	66,846,958	553,410	-	67,400,368	41,152,817	4,128,636	-	22,118,915	25,694,141
Dies & Moulds	14,218,040	-	-	14,218,040	13,668,159	150,637	-	399,244	549,881
Laboratory Equipments	183,085	-	-	183,085	141,057	8,696	-	33,332	42,028
Office Equipments	1,881,070	31,199	-	1,912,269	926,203	91,784	-	894,282	954,867
Computers & Software	1,427,559	120,411	-	1,547,970	1,016,054	131,513	-	400,403	411,505
Furniture & Fixtures	4,186,842	-	-	4,186,842	3,132,342	182,025	-	872,475	1,054,500
Vehicles	17,712,667	-	-	17,712,667	3,537,450	1,645,935	-	12,529,282	14,175,217
Total	144,526,566	705,020	305,020	144,926,566	74,689,602	7,263,378	70,226	63,043,812	69,836,964
Previous Year	134,660,774	11,152,454	1,286,662	144,526,566	68,276,985	6,859,262	446,645	69,836,964	

Notes:

- Freehold land costing Rs. 181,825 is under dispute with the local authority of Dadra Nagar Haveli and hence is yet to be transferred in the name of the Company.
- Depreciation for the year on buildings include rs. 6,797 being short depreciation related to the previous year.

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2010**SCHEDULE 'E'****INVESTMENTS**

Particulars	Face Value	As on 01/04/2009	Purchased/ acquired during the year	Sales during the year	As on 31/03/2010	As at 31/03/2010	As at 31/03/2009
	(Rs.)	(Nos./Units)	(Nos./Units)	(Nos./Units)	(Nos./Units)	(Rs.)	(Rs.)
Non Trade							
A. Long Term Investments:							
I. Quoted							
Equity Shares:							
ABG Infralogistics Ltd., Fully paid up	10	100	-	-	100	2,427	2,427
Elegant Pharmaceuticals Ltd., fully paid up	10	500	-	-	500	16,184	16,184
Jain Irrigation Systems Ltd., fully paid up	10	14	-	-	14	3,724	3,724
Yogi Sung Won Ltd., fully paid up	10	3,200	-	-	3,200	81,830	81,830
						104,165	104,165
Less: Provision for diminution in value of investments						(92,830)	(92,830)
						11,335	11,335
II. Unquoted							
Equity Shares:							
Samsonite South Asia Pvt. Ltd., fully paid up	10	3,069,873	-	-	3,069,873	30,698,730	30,698,730
Periwinkle Fashions Pvt. Ltd., fully paid up	10	12,500	5,000	-	17,500	70,000,000	50,000,000
Bonds:							
National Bank of Agriculture and Rural Development		150	-	150	-	-	1,312,500
Debentures: (Non Convertible)							
Deutsche Investments India Pvt. Ltd., fully paid up	1,000,000	5	-	5	-	-	5,125,000
DSP Memil Lynch Capital, fully paid up	100,000	50	-	50	-	-	5,062,500
Prakaushali Investments India Pvt. Ltd., fully paid	1,000,000	-	10	-	10	10,000,000	-
Units of Mutual Funds:							
Kotak India Growth Fund if, Rs. 28,000 (previous year Rs. 13,000) paid up	100,000	250	-	-	250	6,500,000	3,750,000
India Advantage fund, Fully paid up	100	-	15,000	-	15,000	1,500,000	-
B. Current Investments:							
Unquoted:							
Mutual Funds:							
HDFC cash Management Fund:							
~ Saving Plan - Daily Dividend	10	13.73	7,887,784.01	7,840,041.62	47,756.02	507,952	143
~ Treasury Advantage-Daily Dividend	10	37.63	7,509,757.18	7,509,794.81	-	-	375
Birla Sunlife Income Plus	10	122,086.11	-	122,086.11	-	-	4,835,758
Birla Sunlife saving Fund - weekly dividend	10	-	97,954	63,580	34,374	344,051	-
ICICI Prudential Institutional Income Plan Growth	10	425,629.71	-	425,629.71	-	-	12,238,940
IDFC Dynamic Bond Fund - Plan A Growth	10	216,990.34	-	216,990.34	-	-	3,787,393
IDFC Super Saver Income fund Investment Plan	10	222,305.22	-	222,305.22	-	-	4,697,265
Reliance Income Fund	10	166,792.32	-	166,792.32	-	-	4,846,568
Reliance Money Manager Fund	10	-	126,543	-	126,543	126,724	-
SBI Debt Fund Series 370 days-2	10	1,000,000	-	1,000,000	-	-	10,000,000
SBI Debt Fund Series 370 days-1	10	1,000,000	-	1,000,000	-	-	10,000,000
JM high liquidity - Weekly Dividend	10	-	93,413	90,997	2,416	25,853	-
Total						119,714,645	146,366,507
Aggregate value of quoted investments							
Book Value						11,335	11,335
Market Value						89,997	20,041
Aggregate value of unquoted investments							
Book Value						119,703,310	146,355,172

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2010

Units of Mutual Funds Purchased and Sold During the year	Face Value	2009-2010		2008-2009	
		Total Nos. of units	Total Purchase Cost (Rs.)	Total Nos. of Units	Total Purchase Cost (Rs.)
HDFC Cash Management Fund-Retail Daily Dividend	10	—	—	13,270,680.96	133,124,835
HDFC Cash management Fund-Saving Plan-Wholesale-Growth	10	742,994.77	14,104,641	—	—
HDFC Equity Fund	10	10,953.70	500,00	—	—
HDFC Fund Floating Rate Income Fund- Daily Dividend	10	4,336,429.14	43,715,108	—	—
HDFC Cash management Fund-Treasury Advantage Plan-Wholesale-Growth	10	—	—	52,521.01	1,000,000
HDF FMP-181D-August 2008(VIII)(1)-Wholesale Plan Dividend	10	—	—	1,000,000.00	10,000,000
HDFC FMP-90D-June 08(VIII)-2-Wholesale-Plan Dividend	10	—	—	3,000,000.00	30,000,000
HDFC QUARTELY INTERVAL FUND PLAN-Wholesale-Dividend	10	—	—	1,043,539.85	10,435,399
ICICI Prudential Institutional Income Plan Dividend	10	—	—	639,479.65	7,000,000
ICICI Prudential Gulf Fund Investment Plan	10	—	—	169,627.80	5,000,000
ICICI Pru Institutional Growth Short term Cumulative Option	10	700,717.25	12,997,114	—	—
ICICI Prudential MIP Growth Cumulative	10	575,499.53	13,396,478	—	—
IDFC Imperial Equity-Plan B Dividend	10	163,706.31	2,000,000	—	—
IDFC Money Manager-Treasury-Wkly Dividend	10	1,090,939.44	10,979,339	—	—
IDFC Premier Equity-Plan B Dividend	10	156,078.07	2,494,804	—	—
Reliance Monthly Income-Growth	10	557,696.49	10,281,860	—	—
Axis equity Fund	10	110,000	1,100,000	—	—
SBI SDF S-30 Days-3-Growth	10	—	—	4,000,000.00	40,000,000
SBI SHF-Liquid Plus-Institutional Plan-Daily Dividend Reinvestment (Name changed to SBI SHF-Ultra Short term Fund -Institutional Plan Daily Dividend Reinvestment)	10	—	—	3,517,237.38	35,189,960
UTI Fixed Income Interval Fund-Monthly Interval-I-Institutional Plan-Reinvestment	10	—	—	1,000,000.00	10,000,000
UTI FMP-QFMP-07-08-I-Institutional -Dividend	10	—	—	1,000,000.00	10,000,000
UTI Short Term Fixed Maturity Plan-90 days-Series (I-IX)-Institutional-Growth	10	—	—	1,000,000.00	10,000,000
			111,569,345		301,750,194

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2010

	As at 31/03/2010 Rs.	As at 31/03/2009 Rs.
SCHEDULE 'F'		
CURRENT ASSETS, LOANS AND ADVANCES		
CURRENT ASSETS		
Inventories		
(As taken, valued and certified by the Managing Director)		
Shares	18,858,891	3,951,648
Raw materials and components*	9,145,431	11,176,695
Stock in process	8,132,547	10,606,534
Finished goods	9,174,600	11,862,176
	<u>45,311,469</u>	37,597,053
*Including Stock in transit Rs 5,525,180; previous year Rs Nil.		
Sundry debtors		
(Unsecured, Considered good)		
Outstanding for a period exceeding six months	392,643	52,144
Others	10,569,668	6,598,564
	<u>10,962,311</u>	6,650,708
Cash and bank balances		
Cash on hand	47,783	78,208
Balances with scheduled banks in:		
Current accounts	3,616,739	9,872,724
Fixed / margin deposit accounts (Receipts of Rs. 8,63,000; Previous Year Rs. 2,333,920 lodged with banks/ Government authorities as security against issue of letters of credit /guarantees)	32,363,000	18,833,920
	<u>36,027,522</u>	28,784,852
Other current assets		
Accrued interest	1,786,350	561,614
TOTAL (A)	<u>94,087,652</u>	<u>73,594,227</u>
LOANS AND ADVANCES		
(unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received (net of provision for doubtful advances Rs. 1,057,066; previous year Rs. 1,057,066)	323,547	407,303
Share application money	-	21,800,000
Loans to bodies corporate (net of provision for doubtful loans Rs 39,115,942. ; previous year Rs. 39,115,942)	90,188,604	40,188,604
VAT receivable	2,200,836	2,081,672
Deposits with:		
Government Authorities	93,629	93,629
Others*	1,020,200	1,042,200
Balances with central excise authority	110,133	781,495
Income Tax Deducted at Source and Payments (net of provision of Rs. 7,16,926; previous year Rs. 7,16,926)	8,901,696	7,073,592
TOTAL (B)	<u>102,838,645</u>	<u>73,468,495</u>
TOTAL (A+B)	<u>196,926,297</u>	<u>147,062,722</u>
*Includes Rs.1,000,000 with a relative of Directors		

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2010

	As at 31/03/2010 Rs.	As at 31/03/2009 Rs.
SCHEDULE 'G'		
CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry creditors	-	-
- Outstanding dues of micro and small enterprises (Refer note no. 11 in Schedule 'O')		
- Others	8,445,364	6,643,055
Advance from customers	201,238	836,996
Interest accrued but not due on vehicle loans	15,889	24,054
Provision for excise duty on closing stock of finished goods	1,570,783	1,432,386
Security deposits	369,151	363,727
Statutory liabilities	230,775	335,409
TOTAL (A)	10,833,200	9,635,627
PROVISIONS		
Provision for fringe benefit tax (Net of advance fringe benefit tax Rs. Nil; previous year Rs. 320,856)	-	54,144
Provision for wealth tax	70,000	122,380
Provision for leave encashment	344,439	366,336
Provision for gratuity	2,101,943	2,668,460
TOTAL (B)	2,516,382	3,211,320
TOTAL (A + B)	13,349,582	12,846,947

**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2010**

	Current Year Rs.	Previous Year Rs.
SCHEDULE 'H'		
SALES AND INCOME FROM OPERATIONS		
Sale of finished products	62,818,447	99,056,612
Less : Excise duty	(4,921,554)	(10,029,554)
	57,896,893	89,027,058
Sale of trading products	-	261,200
	57,896,893	89,288,258
Sale of shares	18,071,998	11,891,687
Dividend on traded shares	120,963	68,379
	76,089,854	101,248,324

**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2010**

	Current Year Rs.	Previous Year Rs.
SCHEDULE 'I'		
INCOME FROM INVESTMENTS		
Dividend Income On Investments:		
Current	567,795	2,778,967
Long Term	21,489,113	24,558,984
Income From Sales / Redemption Of Investments (net):		
Current	3,160,439	-
Long Term	1,560,658	2,935,971
Diminution in the value of Current Investments	1,692,447	(1,692,447)
Loss on equity derivative instruments	(1,317,116)	(2,310,878)
	<u>27,153,336</u>	<u>26,270,597</u>
SCHEDULE 'J'		
OTHER INCOME		
Profit on sale of fixed assets	115,206	879,996
Rent income (Tax deducted at source Rs. 21,600; previous year Rs. 48,946)	226,500	294,000
Interest received on:		
-Fixed deposits with Banks (Tax deducted at source Rs. 137,645 previous year Rs. 358,173)	1,096,329	1,724,388
-Inter corporate loans (Tax deducted at source Rs. 1,465,033; previous year Rs. 819,606)	7,248,276	3,616,974
-Income Tax refund	184,869	-
-Debentures (Long Term Investment) Tax Deducted at Source Rs 25,240; previous year Rs.Nil)	252,397	-
-Customers and Others	7,349	37,315
	<u>8,789,220</u>	<u>5,378,677</u>
Sundry balances written back (net)	405,356	16,212
Provisions for doubtful debts written back	-	134,915
Exchange rate difference (net)	830,023	-
Excess provision for gratuity liability no longer required written back	391,806	-
	<u>10,758,111</u>	<u>6,703,800</u>
SCHEDULE 'K'		
INCREASE / (DECREASE) IN STOCKS		
Closing stocks:		
Shares	18,858,891	3,951,648
Finished goods	9,174,600	11,862,176
Stock in process	8,132,547	10,606,534
	<u>36,166,038</u>	26,420,358
Less : Opening stocks:		
Shares	3,951,648	5,056,215
Finished goods	11,862,176	19,297,987
Stock in process	10,606,534	9,030,289
	<u>26,420,358</u>	33,384,491
	<u>9,745,680</u>	<u>(6,964,133)</u>
SCHEDULE 'L'		
RAW MATERIALS CONSUMED		
Opening stock	11,176,695	14,846,789
Add: Purchases	36,267,603	55,808,423
	<u>47,444,298</u>	70,655,212
Less: Closing stock	(9,145,431)	(11,176,695)
	<u>38,298,867</u>	<u>59,478,517</u>

**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2010**

	Current Year Rs.	Previous Year Rs.
SCHEDULE `M'		
MANUFACTURING AND OTHER EXPENSES		
Salaries, wages and Bonus	14,641,393	12,793,243
Contribution to provident and other funds	1,007,698	1,049,154
Staff welfare expenses	309,704	359,950
Labour charges	1,127,375	4,218,912
Power and fuel	3,941,048	4,397,663
Repairs and maintenance:		
Machinery	365,303	687,017
Buildings	134,208	185,195
Others	680,747	423,126
Rates and taxes	122,811	178,731
Service Tax Paid On Transportation	5,398	70,172
Insurance	227,734	294,952
Directors' sitting fees	29,000	30,000
Legal and professional	621,836	1,341,933
Syndication / Portfolio Management fees	925,643	-
Auditors' Remuneration	132,000	132,000
Rebates and discounts	862,657	1,364,502
Donations	7,001	404,957
Printing and stationery	198,708	244,541
Security charges	961,546	768,948
Postage and telephone	470,826	483,744
Travelling and conveyance	2,063,090	2,217,941
Sales commission	471,786	1,095,853
Selling expenses	650,548	735,491
Bad debts written off	-	268,327
Increase / (decrease) in excise duty on stocks of finished goods	138,397	(1,957,553)
Loss on car burnt in fire	-	222,212
Exchange rate difference (net)	-	1,438,531
Loss on sale of long term investments	-	469,330
Miscellaneous expenses	523,865	784,108
	<u>30,620,322</u>	<u>34,702,980</u>
SCHEDULE `N'		
INTEREST		
Fixed Loans	300,886	112,555
Others	1,024,865	198,012
	<u>1,325,751</u>	<u>310,567</u>
EXCISE DUTY ON STOCKS		
EXCISE DUTY ON OPENING STOCK	1,432,386	3,389,939
EXCISE DUTY ON CLOSING STOCK	1,570,783	1,432,386
	<u>138,397</u>	<u>(1,957,553)</u>

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2010 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**SCHEDULE 'O'****SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS****A. Significant Accounting Policies:****a) General:**

- (i) The financial statements are prepared in compliance with all material aspects of the Accounting Standards notified by the Central Government of India and the relevant provisions of the Companies Act, 1956.
- (ii) The financial statements are prepared on the basis of historical cost convention, and on the accounting principles of a going concern.
- (iii) All expenses and income to the extent ascertainable with reasonable certainty are accounted for on accrual basis.

b) Use of Estimates:

The presentation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affects the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively.

c) Fixed Assets:

- (i) Fixed assets are capitalised at cost inclusive of freight, duties, taxes and all incidental expenses related thereto and net of cenvat credit.
- (ii) Pre-operative expenses incurred during construction period are allocated to various assets in proportion to their capital cost.
- (iii) Fixed assets are stated at cost less accumulated depreciation thereon.

d) Depreciation / Amortisation:

- (i) Premium on leasehold land is being amortised over the period of lease.
- (ii) Depreciation on fixed assets is provided on straight-line method at the rates and in the manner as specified in Schedule XIV to the Companies Act, 1956.
- (iii) "Continuous Process Plant" as defined in the said Schedule, has been considered on technical assessment and depreciation provided accordingly.

e) Investments:

Long-term investments are stated at cost of acquisition less provision for permanent diminution in the value of such investments determined for each investment individually. Current investments are valued at lower of cost or fair value.

f) Inventories:

- (i) Raw materials are valued at lower of cost and net realisable value. Cost is computed on FIFO basis.
- (ii) Finished goods and stock-in-process include estimated cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- (iii) Stores and spares are charged to consumption in the year of procurement.

(iv) Valuation of stock in trade of shares is carried out at lower of its cost and quoted market price, computed scrip wise. Cost is ascertained on FIFO basis.

g) Revenue Recognition:

Revenue from sales is recognised on dispatch of material and when risk and reward are transferred to the customers.

Revenue from sale of shares is recognised on the basis of broker's contract note.

h) Equity Derivative Transactions:

Profit / loss in respect of the contracts for equity index options are accounted in the profit and loss account on the expiry of the respective contract or on the same being squared-off.

In case of unsettled contracts for equity index options as at the balance sheet date, mark-to-market position is recognised in case of losses and ignored in case of profits, considering conservative principle.

i) Accounting for Taxes on Income:

Provision for taxation comprises of current tax, deferred tax and fringe benefit tax.

Current tax represents tax on Profits for the current year as determined as per the provisions of the Income Tax Act, 1961.

The deferred tax for timing differences between the book and tax profits for the year are accounted based on tax rates in force and tax laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences, are recognised to the extent there is reasonable / virtual certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

Fringe benefit tax is provided as per the provisions of Income Tax Act, 1961 on the chargeable expenses incurred during the year.

j) Borrowing Costs:

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are charged to profit and loss account.

k) Transactions in Foreign Currency:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of monetary assets and liabilities are recognised in the Profit and Loss Account. Non-monetary foreign currency items are carried at cost.

l) Retirement Benefits:

Liability in respect of retirement benefits is provided and charged to profit and loss account on accrual basis as follows:

- a) Provident / Pension Funds: At a specified percentage of salary / wages for eligible employees.
 - b) Leave Encashment: As determined on the basis of accumulated leave to the credit of the employees as at the year end as per the Company's rules.
 - c) Gratuity is provided in accordance with the provisions of Accounting Standard (AS) - 15 "Employee Benefits" on the basis of actuarial valuation carried out as at year end by an independent actuary.
-

m) Impairment of Assets:

2.

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and recognised in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

n) Accounting for Provisions and Contingent Liabilities:

5.

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

B. NOTES TO ACCOUNTS

6. a)

1. Commitments and contingent liabilities not provided for in respect of:

	As at 31/03/2010	As at 31/03/2009
	7.	Related party disclosures:
i. Capital commitment in respect of long term investments	32,000,000	35,250,000
ii. Income tax demands against which appeals are pending for the following assessment years (Excluding further interest liability as may be determined on conclusion of the matter):		
a. 1995-96	5,055,515	5,055,515
Amount paid / adjusted against demand for assessment Year 1995-96 (as per Company's letter to department) is as under:		
Amount deposited	2,285,000	
Amount adjusted against refund granted by the Department	1,165,457	
TOTAL	3,450,457	
b. 2004-05(Including penalty Rs 1,78,77,960) Rs. 12,72,338 adjusted against refund granted by the department	18,969,901	1,091,941
c: 2006-2007	33,17,036	-
iii. Disputed liabilities in respect of central excise and custom duty	92,368	102,288

2. Working capital facilities from a bank are secured by hypothecation of stocks of raw materials, finished goods, stock in process and book debts and further secured by equitable mortgage of plot of land measuring about 3,000 square meters bearing Survey No. 26, Plot No. 87 in the Govt. Industrial Estate, Village Khadoli, Dadra & Nagar Haveli, Silvassa and also the personal guarantee of a Director of the Company. Borrowings under the said facilities as at the year end were Rs. Nil, previous year Rs. Nil.

3. No provision has been considered necessary for diminution in fair value of a long term unquoted equity investment, as in opinion of the management, such diminution is not of permanent nature and the investment was made on long term basis.

4. The Company has recovered certain doubtful loans and advances given in earlier years to certain Companies and on re-assessment of doubtful loans and advances as at 31 March 2010, has written back provision aggregating to Rs.NIL (as at 31/03/2009 Rs.34,727,284) which has been shown as "Exceptional items" in the profit and loss account.
5. Loans and advances include dues from companies under the same management within the meaning of sub-section 1(B) of Section 370 are as under:
 - Tainwala Holdings Pvt. Ltd.: Balance as at 31/03/2010 Rs.39,115,942 (as at 31/03/2009 Rs.39,115,942) and maximum amount outstanding during the year Rs 39,115,942 (Previous year Rs.39,115,942). The Company has given legal notices to Tainwala Holdings Pvt. Ltd.
 - Abhishri Packaging Pvt. Ltd.: Balance as at 31/03/2010 Rs.40,188,604 (as at 31/03/2009 Rs.40,188,604) and maximum amount outstanding during the year Rs. 40,188,604 (Previous year Rs.40,188,604).
6. a) The balances in accounts of certain debtors, creditors and loans and advances are subject to confirmation, and consequent reconciliations. Adjustments in this respect in the opinion of the management are not likely to be material and would be carried out as and when ascertained.
b) In the opinion of the management, current assets, loans, advances and deposits are approximately of the value stated, if realised in the ordinary course of business. The provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.
7. Related party disclosures:

- i. Related parties:

Key management personnel:	Mr. DungarmalTainwala Mr. Rakesh Tainwala
Relatives of Key management personnel:	Ms. Vandana Tainwala Mr.Rajkumar Tainwala
Enterprises in which Key management personnel and/ or their relatives have significant influence:	Concept Reality & Securities Ltd. Tainwala Trading & Investment Co. Pvt. Ltd. Tainwala Holdings Pvt Ltd Abhishri Polycontainers Abhishri Packaging Pvt. Ltd.

ii. Related party transactions:

(Amount in Rs.)

Nature of transactions	Key management personnel	Relative of a key management personnel	Enterprises in which key management personnel and / or their relatives have significant influence	Total
Remuneration	4,166,400 (4,166,400)	537,600 (537,600)	– (–)	4,704,000 (4,704,600)
Loan taken	– (3,700,000)	–	–	– (3,700,000)
Loan taken repaid	– (3,700,000)	–	–	– (3,700,000)
Loans and advances given	– (–)	– (–)	– (–)	– (–)
Loans and advances given received back*	– (–)	– (–)	– (34,727,284)	– (34,727,284)
Rent income	– (–)	– (–)	216,000 (216,000)	216,000 (216,000)
Interest income	– (–)	– (–)	3,616,974 (3,616,974)	3,616,974 (3,616,974)
Deposits given outstanding as at year end	– (–)	1,000,000 (1,000,000)	– (–)	1,000,000 (1,000,000)
Debit balance as at year end	– (–)	– (–)	40,188,604 (40,188,604)	40,188,604 (40,188,604)
Receivable as at year end (fully provided for)	– (–)	– (–)	39,115,942 (39,115,942)	39,115,942 (39,115,942)

Notes:

- Figures in brackets pertain to previous year.
 - The related party relationships have been determined by the Company on the basis of the requirements of the Accounting Standard (AS)-18 'Related Party Disclosures' and the same have been relied upon by the auditors.
 - The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year, except where control exists.
- ii. Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the period:
- Remuneration includes paid to Mr. Rakesh Tainwala Rs. 3,360,000 (Previous year Rs. 3,360,000); Mr. Dungarmal Tainwala Rs. 806,400 (Previous year Rs. 806,400); Ms. Vandana Tainwala Rs. 537,600 (Previous year Rs. 537,600);
 - Loan taken / repaid is from / to Mr. Rakesh Tainwala Rs. Nil (Previous year Rs.3,700,000);
 - Loans and Advances given received back include from Concept Reality and Securities Pvt. Ltd. Rs NIL(Previous year 14,727,284) and Tainwala Trading and investment Co Pvt. Ltd Rs Nil (Previous Year Rs 20,000,000)

- Rent income is from Abhishri Polycontainers Rs.216,000 (Previous year Rs. 216,000).
- Interest income is from Abhishri Packaging Pvt. Ltd. Rs. 3,616,974 (Previous year Rs. 3,616,974).
- Deposits outstanding as at year Rs1,000,000 (Previous Year Rs1,000,000) Is given to Rajkumar Tainwala towards industrial Premises hired by the Company.
- Debit Balance as at year end relates to Abhishri Packaging Pvt Ltd.
- Receivables as at year end fully provided for relates to Tainwala Holdings Pvt. Ltd.

8. Segment reporting

The disclosure in respect of Segment information as per Accounting Standard (AS) - 17 on "Segment Reporting" is given as follows:

a) Primary segment reporting (Business segments):

Particulars	31/03/2010			31/03/2009		
	Plastic Sheets	Securities Trading	Total	Plastic Sheets	Securities Trading	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
REVENUE:						
External	57,896,893	18,192,961	76,089,854	89,288,258	11,960,066	101,248,324
Inter segment	-	-	-	-	-	-
Total revenue	57,896,873	18,192,961	76,089,854	89,288,258	11,960,066	101,248,324
RESULT:						
Segment results	(23,370,149)	1,583,107	(21,787,042)	(17,231,644)	(1,866,519)	(19,098,163)
Unallocable income/ (expense) (net)			31,485,504			26,975,263
Interest expenses			(1,325,751)			(310,567)
Interest income			8,789,220			5,378,677
Profit before exceptional item and taxation			16,977,062			12,945,210
Exceptional items			-			34,727,284
Profit before taxation			16,977,062			47,672,494
Provision for taxation			-			(1,095,000)
Profit after tax			16,977,062			46,577,494
OTHER INFORMATION:						
Segment assets	104,166,450	18,899,487	123,065,937	114,539,376	3,951,648	118,491,024
Unallocable assets			256,618,817			244,775,169
Total assets			379,684,754			363,266,193
Segment liabilities	15,334,062	-	15,334,062	15,936,103	-	15,936,103
Unallocable liabilities			-			-
Total liabilities			15,334,062			15,936,103
Capital expenditure	470,226	-	470,226	11,098,454	-	11,098,454
Depreciation / amortisation	7,263,378	-	7,263,378	6,859,262	-	6,859,262

b) Secondary segment reporting (Geographical segments):

In accordance with Accounting Standard (AS)-17 "Segment Reporting" there is no reportable geographical segment.

9. Calculation of Earnings per share (EPS):

	Current Year 2009-10	Previous Year 2008-09
Profit after tax (Rs.)	16,977,062	46,577,494
Profit after tax excluding exceptional items (Rs.)	16,977,062	11,850,210
Weighted average number of equity shares (Nos.)	9,363,863	9,363,863
Face value of equity shares (Rs.)	10.00	10.00
Basic and diluted earnings per share including exceptional items (Rs.)	1.81	4.97
Basic and diluted earnings per share excluding exceptional items (Rs.)	1.81	1.27

10. As per Accounting Standard (AS)-22 "Accounting for taxes on Income", deferred tax assets (net) pertaining to timing difference arising for the period upto 31/03/2010 of Rs.46,882,819(31/03/2009 Rs.33,072,235) have been determined.

As the Company has unabsorbed depreciation and carry forward losses and there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised, deferred tax assets (net) upto 31st March 2010 has not been recognised.

Major components of deferred tax assets and liabilities, arising on account of timing differences are as under:

Particulars	As at 31/03/2010 Rs.	As at 31/03/2009 Rs.
Deferred tax assets on account of:		
Statutory payments under Section 43B of the Income-tax Act, 1961	753,137	1,021,820
Business loss	1,725,913	1,636,022
Unabsorbed capital losses	21,551,858	21,551,858
Unabsorbed depreciation	17,244,253	15,288,407
Provision for doubtful debts	12,413,459	-
Total (A)	<u>53,075,451</u>	<u>39,498,107</u>
Deferred tax liability on account of:		
Depreciation	6,192,632	6,425,872
Total (B)	<u>6,192,632</u>	<u>6,425,872</u>
Deferred tax asset / (liability) [Net]: [Total A – B]	<u>47,495,988</u>	<u>33,072,235</u>

11. As per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 following information are disclosed :

	As at 31/03/2010 Rs.	As at 31/03/2009 Rs.
a) (i) The principal amount remaining unpaid to any supplier at the end of accounting year included in sundry creditors	Nil	Nil
(ii) The interest due on above	Nil	Nil
The total of (i) & (ii)	Nil	Nil
b) The amount of interest paid by the buyer in terms of section 16 of the Act, along with the amount of the		

payment made to the supplier beyond the appointed day during the accounting year.	Nil	Nil
c) The amount of 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 Act.	Nil	Nil
d) The amounts of interest accrued and remaining unpaid at the end of accounting year	Nil	Nil
e) The amount of further 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, for the purpose of disallowance as a deductible expenditure under Section 23 of the Act.	Nil	Nil
12. a) Gratuity payable to employees as per provision of the Payment of Gratuity Act 1972 is a defined benefit plan. As per the Accounting Standard (AS)-15 "Employee Benefits", disclosure in respect of defined benefit plan are as under:		

	(Amount in Rs.) Gratuity (Unfunded)	
	2009-10	2008-09
I Components of employer expense		
1 Current service cost	177,002	263,537
2 Interest cost	220,148	186,780
3 Actuarial losses/(gains)	(788,956)	(8,312)
4 Total expense recognised in the statement of profit and loss Account	(391,806)	442,005
II Net asset / (liability) recognised in Balance Sheet as at year end		
1 Present value of defined benefit obligation	2,101,943	2,668,460
2 Fair value on plan assets		-
3 Status [surplus/(deficit)]	(2,101,943)	(2,668,460)
4 Unrecognised past service cost	-	-
5 Net asset / (liability) recognized in Balance Sheet	(2,101,943)	(2,668,460)
III Change in defined benefit obligations (DBO) during the year		
1 Present value of DBO at the beginning of period	2,668,460	2,334,755
2 Current service cost	177,002	263,537
3 Interest cost	220,148	186,780
4 Actuarial (gains)/ losses	(788,956)	(8,312)
5 Benefits paid	(174,711)	(108,300)
6 Present value of DBO at the end of the year	2,101,943	2,668,460
IV Actuarial assumptions		
1 Discount rate (%)	8.25%	8.00%
2 Rate of increase in compensation level	5.00%	5.00%
3 Retirement age	58 years	58 years
4 Maturity table	LIC 1994-96	LIC 1994-96

13. The management based on their review of assets and operation of the Company has determined that there is no indication of potential impairment and that the recoverable amount of its fixed assets is not lower than its carrying amount. Accordingly no provision for impairment is required as at 31 March 2010.

14. Additional Information pursuant to paragraphs 3 and 4 of part II of Schedule VI to the Companies Act, 1956:

A. Licensed Capacity - Not applicable

B. Installed Capacity and Actual Production

Items	Unit	Installed Capacity (as certified by the Managing Director)		Actual Production @	
		2009-10	2008-09	2009-10	2008-09
Processed Plastic	MT.	6,000 MT	6,000 MT	386,052	476,412
	Mtrs.			-	-
	Nos. \$			20,829	69,757

@ Based on yield as verified and certified by the Managing Director and accepted by the Auditors, without verification, being a technical matter.

\$ Of different sizes of Plastic Sheets.

C. Details of turnover and stocks of finished goods:

Items	Unit	Opening stock		Turnover		Closing stock	
		Quantity	Value** (Rs.)	Quantity*	Value (Rs.)	Quantity	Value** (Rs.)
Processed Plastics	Kgs.	44,407	3,575,360	382186		48273	33,10,353
	Nos.	14,594	8,286,816	24,130	62818427	11293	58,64,247
	Kgs.	(80,414)	-7,259,696	(512,419)	(99,056,612)	(44,407)	(3,575,360)
	Nos.	(14,287)	-12,038,291	(69,450)		(14,594)	(8,286,696)
Total Value			11,862,176 (19,297,987)				9,174,600 (11,862,176)

- Notes:
1. Figures in brackets relate to previous year.
 2. *Includes samples, breakages, damages, write-off, etc. and sale of non usable palletised / salvaged materials.
 3. **Including excise duty.

D. Purchase for resale :

Items	Unit	Opening stock		Purchase		Sales		Closing stock	
		Qty.	Value (Rs.)	Qty.	Value (Rs.)	Qty.	Value (Rs.)	Qty.	Value (Rs.)
Plastic Powder – PVC Resin	Kgs.	-	-	-	-	-	-	-	-
Plastic Powder – ABS Resin	Kgs.	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Processing Aid	Nos.	-	-	(2,000)	(245,220)	(2,000)	(261,200)	(-)	(-)
Total		-	(-)	(2,000)	(245,220)	(2,000)	(245,220)	-	(-)

E. Details of equity shares purchased and sold during the year are as follows:

Scrip	Unit	Opening stock		Purchase		Sales		Closing stock	
		Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.
Ambuja Cement Ltd.	No.	- (~)	- (~)	14,000 (1,000)	1,342,336 (82,851)	14,000 (1,000)	1,503,807 (83,896)	- (~)	- (~)
Ashok Leyland Finance Ltd.	No.	1,000 (1,000)	18,100 (35,300)	8,032 (~)	277,564 (~)	7,873 (~)	376,725 (~)	1,159 (1,000)	60,389 (18,100)
Atul Ltd.	No.	4,000 (4,000)	172,000 (227,000)	- (~)	- (~)	4,000 (~)	363,833 (~)	- (4,000)	- (172,000)
ACC Ltd	No.	- (~)	- (~)	- (2,000)	- (1,148,011)	- (2,000)	- (1,199,349)	- (~)	- (~)
Akruti City Ltd.	No.	- (~)	- (~)	- (100)	- (181,047)	- (100)	- (182,306)	- (~)	- (~)
Bank of Rajasthan	No.	- (~)	- (~)	1,000	58,841	-	-	1,000	54,750
Bharat Forge	No.	- (~)	- (~)	2,000	327,858	2,000	381,165	-	-
Bharti ARTL	No.	- (~)	- (~)	2,500	876,156	500	224,020	2,000	623,800
Central Bank of India Ltd.		687 (687)	23,324 (59,803)	- (~)	- (~)	- (~)	- (~)	687 (687)	70,074 (23,324)
Cipla Ltd.	No.	- (500)	- (91,635)	- (~)	- (~)	(500)	(110,531)	- (~)	- (~)
Consolidated Fibers & Chemicals Ltd.	No.	75,451 (75,451)	119,967 (119,213)	- (~)	- (~)	- (~)	- (~)	75,451 (75,451)	119,967 (119,967)
Eveready Industries India Ltd.	No.	2,000 (~)	35,600 (~)	(2,000)	(68,285)	2,000 (~)	78,071 (~)	(2,000)	(35,600)
Gammon Infra	No.	- (~)	- (~)	5,000	95,408	5,000	116,611	-	-
Gujarat Siddhee Cement Ltd.	No.	34,000 (10,000)	278,460 (208,000)	(29,000)	(437,620)	7,000 (5,000)	141,666 (141,658)	27,000 (34,000)	434,700 (278,460)
Hexaware Technologies Ltd.	No.	6,000 (1,000)	156,300 (61,050)	(5,000)	(249,360)	6,000 (~)	430,465 (~)	(6,000)	(156,300)
Hindalco Industries Ltd.	No.	3,327 (~)	172,671 (~)	2,000 (5,327)	171,050 (643,238)	5,327 (2,000)	686,249 (296,007)	(3,327)	(172,671)
Ind Swift Ltd.	No.	3,627 (~)	47,224 (~)	(3,627)	(72,845)	3,627 (~)	95,606 (~)	(3,627)	(47,224)
IFCI Ltd.	No.	11,000 (10,000)	212,300 (440,500)	10,000 (2,000)	468,354 (85,154)	10,000 (1,000)	534,079 (49,446)	11,000 (11,000)	508,322 (212,300)
Infosys Technologies Ltd.	No.	200 (1,000)	264,820 (1,430,150)	303 (100)	572,310 (150,630)	400 (900)	698,676 (1,645,144)	103 (200)	230,901 (264,820)
J Kumar Infra Ltd.	No.	- (~)	- (~)	10,242	954,395	10,001	1,165,916	214	48,489
Kopran Ltd.	No.	8,000 (8,000)	57,520 (147,600)	- (~)	- (~)	8,000 (~)	225,687 (~)	- (8,000)	- (57,520)
Larsen & Toubro Ltd.	No.	400 (~)	248,196 (~)	1,120 (800)	1,691,389 (570,840)	1,100 (400)	1,433,699 (302,377)	420 (400)	6,46,507 (248,196)

Scrip	Unit	Opening stock		Purchase		Sales		Closing stock	
		Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.
Moser Baer (India) Ltd.	No.	3,000 (500)	159,300 (76,050)	- (9,000)	- (730,565)	3,000 (6,500)	182,601 (700,798)	- (3,000)	- (159,300)
NHPC Shares				152,207	5,479,452			152,207	4,642,314
National Organics Chemicals Industries Ltd.	No.	1,000 ([^])	11,530 ([^])	- (1,000)	- (21,086)	1,000 ([^])	27,784 ([^])	- (1,000)	- (11,530)
Omaxe Ltd.	No.	43 (43)	2,027 (6,540)	- ([^])	- ([^])	- ([^])	- ([^])	43 (43)	3,911 (2,027)
Polaris Software India Ltd.	No.	- -	- -	224 (1,500)	41,615 (83,795)	- (1,500)	- (71,620)	- -	- -
Ranbaxy Laboratories Ltd.	No.	400 ([^])	60,272 ([^])	200 (1,400)	52,216 (266,160)	600 (1,000)	223,271 (164,608)	- (400)	- (60,272)
Reliance Infrastructure Ltd.	No.	1,000 ([^])	515,350 ([^])	2,874 (1,000)	3,234,799 (830,977)	2,500 ([^])	3,016,869 ([^])	1,374 (1,000)	1,371,785 (515,350)
Reliance Industries Ltd.	No.	- (500)	- (1,132,250)	1,321 (300)	1,468,011 (461,286)	200 (800)	320,754 (1,315,630)	1,121 ([^])	1,158,393 ([^])
Reliance Power Ltd.	No.	- ([^])	- ([^])	4,000 (500)	557,555 (203,075)	1,000 (500)	145,300 (206,628)	3,000 ([^])	416,850 ([^])
Satyam Computers Ltd.	No.	7,500 ([^])	287,625 ([^])	7,077 (11,500)	710,853 (1,635,751)	500 (4,000)	59,751 (768,358)	14,077 (7,500)	1,204,576 (287,625)
Spice Communication Ltd.	No.	- (2,969)	- (82,390)	- -	- -	- (2,969)	- (82,390)	- -	- -
SRF Ltd	No.	- (4,000)	- (403,200)	- (500)	- (36,952)	- (4,500)	- (544,527)	- -	- -
Siemens Ltd	No.	500 ([^])	115,645 ([^])	82 (2,500)	52,638 (723,855)	500 (2,000)	242,869 (549,286)	82 (500)	52,638 (115,645)
State Bank of India	No.	200 ([^])	195,910 ([^])	- (300)	- (301,552)	200 (100)	226,059 (112,631)	- (200)	- (195,910)
Sterlite Industries India Ltd.	No.	500 ([^])	177,825 ([^])	442 (500)	303,524 (251,550)	500 ([^])	289,184 ([^])	442 (500)	299,600 (177,825)
Tata Steel Ltd.	No.	1,000 ([^])	206,000 ([^])	848 (1,500)	416,114 (706,460)	1,848 (500)	901,544 (311,189)	- (1,000)	- (206,000)
TCS Ltd	No.	600 (600)	324,000 (486,540)	1,000 (300)	276,143 (205,862)	1,600 (300)	820,790 (297,482)	- (600)	- (324,000)
Tech Mahindra	No.	- -	- -	200	210,872	- -	- -	200	170,700
Transgene Biotek Ltd.	No.	975 (975)	13,358 (43,680)	- (1,000)	- (14,626)	675 (1,000)	53,554 (17,823)	300 (975)	4,388 (13,358)
Wipro Ltd.	No.	300 ([^])	73,620 ([^])	- (1,800)	- (697,362)	300 (1,500)	119,802 (627,356)	- (300)	- (73,620)
Wockhardt Ltd	No	- -	- -	3,000	431,534	2,000	314,628	1000	138,700

Scrip	Unit	Opening stock		Purchase		Sales		Closing stock	
		Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.
Zylog Systems Ltd.	No.	29 (29)	2,704 (5,314)	~ (~)	~ (~)	29 (~)	10,107 (~)	~ (29)	~ (2,704)
Adhunik Metals Ltd	No.	~	~	1,776	230,080	~	~	1,776	211,078
Areva T & D India Ltd	No.	~	~	719	248,580	719	196,632	~	~
Axis Bank Ltd	No.	~	~	191	190,077	~	~	191	190,077
Bajaj Finserv Ltd	No.	~	~	645	214,617	~	~	645	214,617
Bharat Heavy Electricals Ltd	No.	~	~	110	251,180	~	~	110	250,002
Cummins India Ltd	No.	~	~	814	366,190	~	~	814	366,190
Grasim Industries	No.	~	~	71	170,589	71	185,171	~	~
GVK Power & Infrastructure Ltd	No.	~	~	5,674	234,599	~	~	5,674	234,599
Heilderberg Cement india Ltd	No.	~	~	4,785	238,946	~	~	4,785	238,946
HDFC Bank Ltd	No.	~	~	~	~	~	~	~	~
ICICI Bank Ltd	No.	~	~	499 (1,000)	411,158 (529,997)	230 (1,000)	189,847 (5,88,852)	269 ~	240,384 ~
Infrastructure Development Finance Co.	No.	~	~	1,505	204,997	~	~	1,505	204,997
Kotak Mahindra bank Ltd	No.	~	~	243	195,202	243	176,928	~	~
Mahendra & Mahendra Ltd	No.	~	~	643	382,217	181	150,975	462	250,104
Pantaloon Retail (India) Ltd	No.	~	~	561	197,255	~	~	561	1,97,255
Reliance Communications Ltd	No.	~	~	670 (2,500)	228,881 (712,023)	670 (2,500)	178,568 (736,470)	~ ~	~ ~
Steel Authority of India Ltd	No.	~	~	1,110	189,135	1,110	265,301	~	~
Suzlon Energy:Ltd	No.	~	~	1,632 (1000)	202,055 (45,186)	1,632 (1,000)	150,993 (51,982)	~ ~	~ ~
Tata Power Co. Ltd	No.	~	~	187	251,350	135	177,296	52	71,430
Titan Industries Ltd	No.	~	~	112	203,979	~	~	112	203,979
Ultratech Cement Ltd	No.	~	~	230	169,508	230	189,868	~	~

Scrip	Unit	Opening stock		Purchase		Sales		Closing stock	
		Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.
Union bank of India	No.	-	-	800	177,457	800	195,928	-	-
Unitech Ltd	No.	-	-	2,126	176,534	2,126	227,164	-	-
Voltas Ltd	No.	-	-	2,074	301,415	-	-	2,074	301,415
Yes Bank Ltd	No.	-	-	1,804	261,537	1,610	376,185	194	47,449
Action Construction Equipment	No.	-	-	1,482	59,531	-	-	1,482	59,531
Aban Offshore	No.	-	-	113	143,869	-	-	113	131,369
Adani Enterprises	No.	-	-	117	52,746	-	-	117	52,746
Allcargo Global Logistics	No.	-	-	398	77,629	-	-	398	74,207
Allied Digital Services	No.	-	-	359	85,982	-	-	359	75,893
Alstom Projects india	No.	-	-	90	49,081	-	-	90	49,082
Amara Raja Batteries	No.	-	-	371	61,980	-	-	371	60,918
Anant Raj Industries	No.	-	-	425	57,589	-	-	425	56,546
Aurobindo Pharma	No.	-	-	91	83,825	-	-	91	83,825
Bajaj Auto Finance	No.	-	-	151	48,541	-	-	151	48,373
CESC	No.	-	-	247	98,831	-	-	247	94,527
Core Projects & Technologies	No.	-	-	316	76,210	-	-	316	73,818
Crompton Greaves	No.	-	-	385	94,037	-	-	385	94,037
DB Corp	No.	-	-	151	40,033	-	-	151	36,225
Dish TV India	No.	-	-	1,918	83,437	-	-	1,918	70,295
Divis Laboratories	No.	-	-	119	80,200	-	-	119	80,200
Easun Reyrolle	No.	-	-	690	74,776	-	-	690	64,204
Eicher Motors	No.	-	-	68	44,884	-	-	68	44,292
GAIL (India)	No.	-	-	188	76,854	-	-	188	76,854
Gammon India	No.	-	-	346	79,061	-	-	346	79,061
Gujarat NRE Coke	No.	-	-	1,278	114,313	-	-	1,278	1,11,760
Hotel Leela Venture	No.	-	-	1,280	65,688	-	-	1,280	62,720
ILFS Transportation Network	No.	-	-	25	6,450	-	-	25	6,450
IVRCL Infrastructures & Projects	No.	-	-	834	148,118	-	-	834	138,444

Scrip	Unit	Opening stock		Purchase		Sales		Closing stock	
		Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.
Lanco Infratech	No.	~	~	1,692	76,319	~	~	1,692	76,319
Maharashtra Seamless	No.	~	~	181	66,421	~	~	181	64,201
MBL Infrastructure	No.	~	~	352	73,794	~	~	352	73,794
MPhasis	No.	~	~	87	63,589	~	~	87	53,979
MSK Projects India	No.	~	~	605	74,602	~	~	605	74,603
Mundra Port & Sp Eco Zone	No.	~	~	45	25,285	~	~	45	35,532
Nagarjuna Construction Company	No.	~	~	689	114,442	~	~	689	112,066
National Thermal Power Corporation	No.	~	~	238	56,099	~	~	238	49,326
Nava Bharat Ventures	No.	~	~	206	84,764	~	~	206	82,431
Patel Engineering	No.	~	~	132	62,475	~	~	132	60,100
Pipavav Shipyard	No.	~	~	914	52,422	~	~	914	52,422
Polaris Software Lab	No.	~	~	224	41,615	~	~	224	36,714
Punj Lloyd	No.	~	~	680	142,523	~	~	680	120,564
PVR	No.	~	~	321	60,097	~	~	321	56,576
Sadbhav Engineering	No.	~	~	103	125,307	~	~	103	125,307
Spice Jet	No.	~	~	1,142	62,782	~	~	1,142	62,782
Strides Arcolab	No.	~	~	15	5,073	~	~	15	5,073
Sundram Fasteners	No.	~	~	1,090	61,876	~	~	1,090	56,244
Texmaco	No.	~	~	703	107,050	~	~	703	100,107
Thermax	No.	~	~	80	51,574	~	~	80	51,574
Torrent Power	No.	~	~	257	81,339	~	~	257	74,234
TRF	No.	~	~	58	45,178	~	~	58	45,178
TVS Motor Company	No.	~	~	603	47,964	~	~	603	47,964
Voltamp Transformers	No.	~	~	73	67,985	~	~	73	61,948
WABCO-TVS INDIA	No.	~	~	143	80,451	~	~	143	80,451
Total		166,739 (121,254)	3,951,648 (5,056,215)	280,504 (90,554)	29,261,601 (12,716,832)	113,037 (45,069)	18,071,998 (11,891,687)	334,206 (166,739)	18,858,891 (3,951,648)

F. Raw materials consumed:

Items	Unit	Current year 2009 – 2010		Previous year 2008 – 2009	
		Quantity	Value (Rs.)	Quantity	Value (Rs.)
Chemicals	Kgs	167,535	95,56,998	257,129	16,215,098
Plastic powder	Kgs	626,739	27,925,529	808,894	42,516,206
Packing materials	Nos.	9,093	816,340	12,445	747,213
	Kgs.	6,908		7,241	
	Mtrs.	2801		813	
TOTAL			38,298,867		59,478,517

G Value of imported and indigenous Raw materials consumed and percentage thereof to the total consumption:

	2009 – 2010 Value		2008 – 2009 Value	
	%	(Rs.)	%	(Rs.)
Imported	37.76	14,462,862	35.03	20,832,735
Indigenous	62.24	23,836,005	64.97	38,645,782
TOTAL	100	38,298,867	100	59,478,517

	Current Year Rs.	Previous Year Rs.
H CIF value of imports:		
Raw materials	18,652,309	19,279,525
I Expenses in foreign currency:		
Travelling and others expenses	379,344	488,828
J FOB value of exports	–	–
K i Managerial remuneration (Managing Director and Whole time Director)		
Salary	3,720,000	3,720,000
Contribution to provident fund	446,400	446,400
Provision for gratuity*	–	–
TOTAL	4,166,400	4,166,400

* Provision for gratuity is being made on the basis of an actuarial valuation; hence provision for individual person can not be identified, hence not disclosed.

ii No commission is payable to Director/Managing Director and hence computation of Net Profit in accordance with section 198, 309 & 349 of Companies Act, 1956 has not been given.

15. Foreign currency exposure not hedged as at 31 March 2010 are as follows:

Particulars	Foreign Currency USD	Amount in Foreign Currency	Equivalent INR
Sundry creditors		1,18,770	5,525,180
		(68,400)	(35,39,016)

Figures in brackets relates to previous year.

16. Previous year's figures have been regrouped / rearranged / recast wherever necessary to confirm to the current year's presentation.

Signature to Schedules 'A' to 'O'
For and on behalf of the Board

Place : Mumbai
Date : 18th May, 2010

MR. DUNGARMAL TAINWALA CHAIRMAN
MR. RAKESH TAINWALA MANAGING DIRECTOR
MR. ANIRUDH TANVAR COMPANY SECRETARY

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(As per GSR No. 388(E) [F No. 3/24/94-CLV] dated 15/05/1995)

I. Registration Details	
Registration No.	: L24100MH1985PLC037387 State Code: 11
Balance Sheet Date	: 31/03/2010
II. Capital raised during the year	: (Amount in Rs. Thousands)
Public Issue	: Nil
Rights Issue	: Nil
Bonus Issue	: Nil
Private Placement	: Nil
III. Position of Mobilisation and Deployment of Funds	: (Amount in Rs. Thousands)
Total Liabilities	: 379,685
Total Assets	: 379,685
Sources of Funds	
Paid-up Capital	: 93,639
Reserves & Surplus	: 275,766
Share application money	: Nil
Secured Loans	: 1,984
Unsecured Loans	: Nil
Application of Funds	
Net Fixed Assets	: 63,044
Investments	: 119,715
Deferred Tax Assets	: Nil
Net Current Assets	: 183,576
Miscellaneous Expenditure	: Nil
Accumulated Losses	: 5,054
IV. Performance of Company	: (Amount in Rs. Thousands)
Turnover	: 114,001
Total Expenditure	: 97,024
Exceptional items (Refer note no 3 of Schedule 'O')	: NIL
Profit / (Loss) before tax	: 16,977
Profit / (Loss) after tax	: 17,021
Earning per share in Rs. (Basic and diluted including exceptional items)	: 1.81 (Face value Rs.10)
Dividend rate	: Nil
V. Generic Names of Three Principal Products / Services of the Company	: (As per monetary terms)
Item Code No. (ITC CODE)	: 39.2
Product Description	: Plastic Sheets