



**TAINWALA CHEMICALS AND PLASTICS INDIA LIMITED  
ANNUAL REPORT 2010-2011**

**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

**BANKERS**

HDFC Bank Ltd.

**REGISTERED OFFICE**

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

**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.

**AUDITORS**

M/s RUNGTA & ASSOCIATES  
Chartered Accountants  
Mumbai

**TWENTY SIXTH  
ANNUAL GENERAL MEETING**

- Tuesday, 27th September, 2011
- 11.00 a.m.
- The All India Plastics Manufacturers Association, A-52, Street No. 1, M.I.D.C. Marol, Andheri (East), Mumbai - 400093.

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**NOTICE**

Notice is hereby given that the TWENTY SIXTH 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, 27th September, 2011 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, 2011 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. Abhay sheth who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Mayank Dhuldhoya, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint 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:-**

5. To consider, if thought fit, with or without modifications, following resolution as a Special Resolution:  
"RESOLVED THAT pursuant to Section 269, 309, 198 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government if necessary and such other approvals, permissions and sanctions, if any, 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, permissions and sanctions, the consent and approval of the Company be and is hereby accorded to revise the terms and conditions including remuneration of Mr. Rakesh Tainwala, Managing Director of the Company, for his remaining tenure as Managing Director of the Company i.e. till 25th June 2012 as stated in the draft Supplementary Agreement placed before the meeting, with the liberty to the Board of Directors (hereinafter referred to "the Board" which term shall deem to include the Remuneration Committee constituted by the Board) to alter and vary the remuneration and/or agreement subject to the same not exceeding the limits specified in Schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time or any amendments thereto as may be agreed to between the Board of Directors and Mr. Rakesh Tainwala.

RESOLVED FURTHER that if in any financial year of the Company during his tenure as Managing Director, the Company has made no profit or profits are inadequate, remuneration including perquisites paid to Mr. Rakesh Tainwala shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits prescribed under Schedule XIII of the Companies Act, 1956, whichever is lower, or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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

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

**(RAKESH TAINWALA)**  
Managing Director

Place : Mumbai.  
Date : 9th August, 2011

**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 21.9.2011 to 27.9.2011 (both days inclusive).
4. Members are requested to:
  - i. Immediately intimate change of address, if any, to the Company/Registrar and Share Transfer Agent quoting reference to their Registered folio Number.
  - ii. Members are requested to send all share transfer lodgments (Physical mode) / correspondence to the Registrar and Share Transfer Agent at the following address up to the date of book closure:  
  
M/s LINK INTIME INDIA PVT. LTD  
C-13, Pannalal Silk Mills Compound,  
LBS Road, Bhandup (W),  
Mumbai - 400 078. Tel.: 25963838.
  - iii. Quote registered Folio Number or DP ID/ Client ID in all correspondence.
  - iv. Furnish bank account details to RTA/ Depository Participant to prevent fraudulent encashment of dividend warrants.
  - v. 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 certificates to the registrar viz. M/s. Link Intime India Pvt. Ltd.
  - vi. Avail nomination facility by filing in and forwarding the nomination, pursuant to Section 109A of the Companies Act, 1956, form to the RTA, if not already done.
  - vii. **Members are requested to quote their E-mail Ids, Telephone/ fax numbers for prompt reply to their communication.**
5. Members can address their queries to the Company at cs@tainwala.in / simran@tainwala.in.
6. In terms of the notification issued by SEBI, equity shares of the Company are under Compulsory Demat. The Company's ISIN No is INE123C01018.
7. 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.
8. 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.
9. 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 15 days before the date of the Annual General Meeting, in order to enable the management to keep the information ready at the meeting.
10. 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.
11. 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.

12. 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.

13. 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.

14. Green Initiative:

Ministry of Corporate Affairs (MCA) vide Circular Nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively have clarified that a Company would be deemed to have complied with the provisions of Section 53 and 219 (1) of the Companies Act, 1956, if documents like notices, annual reports, etc. are sent in electronic form to its Members.

Accordingly, the said documents of the Company for the financial year ended March 31, 2011 will be sent in electronic form to those Members who have registered their e-

mail address with their DP and made available to the Company by depositories through RTA.

Members holding shares in physical form are requested to submit their e-mail address to the RTA duly quoting their Folio number. Members holding shares in electronic form and who have registered their e-mail address with their DP are requested to do so at the earliest so as to enable the Company to send the said documents in electronic form, thereby supporting the green initiative of the MCA.

We request the Members to note that the documents viz. Annual Reports, etc. will be uploaded on the website of the Company viz. [www.tainwala.in](http://www.tainwala.in) and made available for inspection at the registered office of the Company during the business hours. However, in case a Member wishes to receive a physical copy of the said documents, he/she is required to send an e-mail to [cs@tainwala.in](mailto:cs@tainwala.in) / [simran@tainwala.in](mailto:simran@tainwala.in) duly quoting his/her DP ID and Client ID or the folio number, as the case may be, and the said documents will be dispatched to the Members free of cost.

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

Place : Mumbai.  
Date : 9th August, 2011

**(RAKESH TAINWALA)**  
Managing Director

#### **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 from 26th June 2007 which was approved by the shareholders at their Annual General Meeting held on 28th September, 2007. Subsequently, the remuneration was revised and the same was

approved by the Members in the Annual General Meeting held on 28th September 2010.

Now, remuneration committee in their meeting held on 9th August, 2011 recommended the Board to revise the remuneration payable to Mr. Rakesh Tainwala (Managing Director). The Board of Directors in their meeting held on 9th August, 2011, proposed to revise the remuneration payable to Mr. Rakesh Tainwala (Managing Director) w.e.f. 1st August, 2011 for his remaining tenure i.e till 25th June 2012, subject to the approval of members of

Company and subject to such approvals including that of the Central Government, if any, as may be required under any applicable law on following terms & conditions:

- a) Salary: Rs. 1,75,000/- per month including all perquisites (But not including the contribution to the Provident fund, Superannuation fund, annuity fund, Gratuity payable at a rate not exceeding half a months salary, Encashment of leave.)
- b) Reimbursement of medical expenses up to the extent of Rs.500000/- p.a.
- c) Commission: 5% p.a. of the Net Profit calculated u/s 198 of the Companies Act, 1956 less the total salary paid and Medical Allowance, during the financial year.
- d) The Company shall reimburse from time to time all expenses that he may be required to incur in the course of performance of duties as Managing Director of the Company.
- e) In addition to salary, he will be entitled to
  - i) Club fees-subject to a maximum of two clubs.
  - ii) Company Contribution to provident fund and superannuation fund- As per the applicable rules.
  - iii) Gratuity - As per the rules of the Company.
  - iv) Encashment of leave - As per the rules of the Company.
  - v) Company car and telephone - use of the Company's car and telephone at the residence for the official purposes, as per the rules of the Company.

Where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the aggregate remuneration by way of salary, commission and perquisites shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits prescribed under Schedule XIII of the Companies Act, 1956, whichever is lower, such other limits as may be prescribed by the Central Government from time to time as minimum remuneration unless otherwise determined by the Board of Directors.

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, relative of Mr. Rakesh Tainwala is 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 - 1075.02, Net Profit after Interest, Depreciation and tax - 148.37

\*\* For detailed financial performance refer to the Audited Financial Statements.

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 43 years has done B.Tech (Computer Engineering) from the College of Engineering Manipal. He has over 21 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:
- | <b>Particulars</b>               | <b>Rupees in Lacs</b> |
|----------------------------------|-----------------------|
| For the financial year 2008-2009 | 33.60                 |
| For the financial year 2009-2010 | 33.60                 |
| For the financial year 2010-2011 | 26.04                 |
3. Recognition /Awards: Nil
4. Remuneration proposed:
- The details of the proposed remuneration have been furnished hereinbefore at para 2 of the Explanatory Statement.
5. 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.
6. 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.

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 : 9th August, 2011

**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 31st March 2011.

**Financial Results:**

	(Rs. in Lacs)	
	Year ended 31st March, 2011	Year ended 31st March, 2010
Income from Sale	1,075.02	760.90
Other Income	295.80	379.11
Total Income	1,370.82	1,140.01
Profit before Depreciation	220.30	242.40
Less : Depreciation	70.58	72.63
Profit for the year before tax & exceptional items	149.72	169.77
Add: Exceptional Items	-	-
Profit before taxation	149.72	169.77
Less: Provision for Tax	(0.60)	-
Add: Tax adjustment relating to earlier years	(0.75)	0.43
Net Profit After Tax	148.37	170.21
Balance b/f from previous year	(50.54)	(220.74)
Surplus (Deficit) carried to Balance-Sheet	97.83	(50.54)

**OPERATIONS:**

The financial year 2010-11 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. 1075.02 lakhs and a competitive Net Profit before exceptional items of Rs. 149.72 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.

**DEPOSITORIES:**

The Company is registered both with National Securities Depositories Limited and Central Depository (Services) Limited. The shareholders can take advantage of holding their scripts in dematerialized mode.

**INSURANCE:**

All the assets of the Company, wherever necessary and to the extent required, have been insured.

**SHARE CAPITAL AND LISTING OF SECURITIES:**

The equity shares of the Company are listed and admitted to dealings on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). Annual Listing fee has been paid to each exchange.

**PARTICULARS OF EMPLOYEES:**

There was no employee during the year requiring the disclosure requirement under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended from time to time.

**DIRECTORS:**

The Board of Directors of the Company provides leadership and strategic guidance objective judgment, independent of management to the Company & exercise control over the Company while remaining at all times accountable to the Shareholders.

In accordance with the provisions of the Companies Act, 1956 and Company's Articles of Association, Mr. Mayank Dhuldhoya and Mr. Abhay Sheth retires by rotation at this Annual General Meeting and being eligible, offers themselves for re-appointment. Your Directors recommended their reappointment as Director.

The Board has considered the proposal for revision in remuneration payable to Mr. Rakesh Tainwala, Managing Director of the Company, for his remaining term and has been put up for consideration and approval of the Members.

**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:**

M/s. Rungta & Associates, Chartered Accountants, having firm registration No. 108888W, retire at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment. The Company has received a letter as required under section 224(1B) of the Companies Act 1956 from M/s Rungta & associates confirming their eligibility and willing to act as Statutory auditors, if re-appointed. Members are requested to elect auditors for the current year and fix their remuneration.

**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), 3(b) and 3(c) 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.

With reference to the auditors comments in para 7 of Annexure to the Auditors Report, management would like to state that the Board is finding out the area of improvement in the Internal Audit System.

**WHOLE-TIME COMPANY SECRETARY:**

Mr. Anirudh Kumar Tanvar has been appointed Whole time Company Secretary w.e.f. 01st April 2009. He had also act as the Compliance Officer of the Company. He had resigned as Company Secretary of the Company w.e.f. 31st May 2010.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management Discussion and Analysis Report for the financial year under review as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchanges is given in this report.

**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.

**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 take this opportunity to place on record their sincere appreciation for the co-operation received by the Company from its Bankers, State and Central Government Authorities, Business Associates, Customers, Dealers and Suppliers. You Directors also wish to place on record their sincere appreciation for the employee for their commitments, dedication and hard work put by them at all levels.

For and on behalf of the Board of Directors

(MR. DUNGARMAL TAINWALA)  
Chairman

Place : Mumbai.  
Dated : 9th August, 2011

**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, 2011.

**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 31/03/11	Year Ended 31/03/10
a) Electricity:		
Units Purchased	767,504	648,584
Total amount (Rs.)	2,452,842	2,543,311
Rate per Unit (Rs.)	3.22	3.92
b) Own Generation through Diesel Generator:		
Units Generated	29,585	31,360
Quantity of Diesel Used	9,400 ltrs.	11,200 ltrs.
Total Amount (Rs.)	377,556	397,704
Cost per unit (Rs.)	12.76	12.68
c) Consumption per unit of production.		
Details:		
Production (Kgs)	755,002	618,171
Electricity (Rs.)	2,452,842	2,543,311
Diesel (Rs.)	377,556	397,704
Total Amount (Rs.)	2,830,398	2,941,015
Cost per Unit Rs.	Rs.3.74	Rs.4.75
	per kg	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. 1,16,72,414/-  
(P.Y. Rs. 1,90,31,653/-)

**ANNEXURE 'B' TO THE DIRECTORS' REPORT****REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2010-11**

(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 behavior 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. In this Report, we confirm the compliance of the Corporate Governance criteria as required under the revised Clause 49 of the Listing Agreement.

**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 above referred Independent Directors have any material pecuniary relationship or transaction with the Company, its promoters or with its Management, except Mr. Subhash Kadakia - Independent Director who holds 200 equity shares in the Company, which would not affect the independence or judgment of Directors. Besides the transactions reported in the Notes to the Accounts for the year, the Company has also not entered into any materially significant transactions with its Promoters, Directors or their relatives or with the Management etc. that may have potential conflict with the interest of the Company at large.

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. All the necessary papers along with Annexures, Explanatory Notes, etc., if any, are circulated along with the Agenda to all the Directors about 7 to 10 days in advance. The Board Members are also free to recommend inclusion of any other matter in the Agenda for discussion in the Board Meeting.

### BOARD MEETINGS AND ANNUAL GENERAL MEETINGS:

During the financial year ended 31st March, 2011 4(Four) Board Meetings were held i.e. on 18.05.2010, 27.07.2010, 9.11.2010, 07.02.2011.

The last i.e. the 25th Annual General Meeting of the Company was held on **Tuesday, 28th September, 2010**. 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 28.09.2010
Rakesh Tainwala	4	Yes
Dungarmal Tainwala	4	Yes
Subhash Kadakia	4	Yes
Abhay Sheth	4	Yes
Mayank Dhuldhoya	4	Yes

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

Name	Mr. Mayank Dhuldhoya	Mr. Abhay Sheth
Age	54 Years	62 Years
Qualifications	B.Com	B.E. (Mechanicals)
Expertise	Mr. Mayank Dhuldhoya is the executive director of Shri Hap Chemicals Enterprises Pvt Ltd. He has rich and wide ranging experience in the plastic industry having extensive knowledge in the field of PVC compounds.	Mr. Abhay Sheth is presently looking after the business of Marketing of Plastics and Plastics Packaging machinery under the name and style of M/s Abhay Sheth Technologies., He has rich and wide ranging experience in the field of marketing of plastic and plastics packaging machinery. He is also a member of the All India Plastics Manufacturers Association (AIPMA) and Indian Plastics Institutes (IPI).
Other Directorship	Nil	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.

In order to effectively discharge their responsibilities the Audit Committee Members have been empowered:

- To investigate any activity within its terms of reference.
- To seek information from any employee of the Company.
- To obtain outside legal or other professional advice.
- To secure attendance of the outsiders with relevant expertise, if it considers necessary.
- To invite Statutory / Internal Auditors for Meetings / Discussions.

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

4 (Four) Audit Committee meetings were held during the year i.e. on 18.05.2010, 27.07.2010, 09.11.2010, 07.02.2011.

Name of the Member	No. of Audit Committee Meetings attended
Subhash Kadakia	4
Abhay Sheth	4
Mayank Dhuldhoya	4

**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.

The status on various complaints received and replied is also reported to the Board of Directors as an Agenda item in every Board Meeting.

**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 2010-2011 the Committee held 14 (Fourteen) meetings on 15.04.2010, 30.04.2010, 30.05.2010, 30.06.2010, 15.07.2010, 30.07.2010, 31.08.2010, 30.09.2010, 30.10.2010, 15.11.2010, 15.12.2010, 31.12.2010, 15.02.2011 and 28.02.2011

The Composition of the Shareholders/Investors Grievance Committee and the attendance of each member during the year 2010-2011 are detailed below:-

Name of the Director	Executive/Non-Executive	No. of Committee Meetings Attended
Dungarmal Tainwala	Executive	13
Abhay Sheth	Non-Executive	14
Subhash Kadakia	Non-Executive	14

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

No. of Complaints Received : 4  
No. of Complaints Resolved : 4  
Pending Complaints : Nil

**C. Name and Designation of Compliance Officer:**

Mr. Dungarmal Tainwala-Whole-Time Director is appointed as Compliance Officer of the Company with effect from 1st, July, 2010.

**III. REMUNERATION COMMITTEE:**

The Committee is vested with all the necessary powers and authority to ensure appropriate disclosure on the Remuneration of Directors and to deal with all the elements of the Remuneration package of all the Directors including but not restricted to the following:

To review, assess & recommend the appointment and remuneration of the Managing and Whole-time Directors.

To review the remuneration package including the retirement benefits, payable to the Directors periodically and recommend suitable revision/increments, whenever required, to the Board of Directors.

**A. COMPOSITION AND DETAILS OF REMUNERATION COMMITTEE:**

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

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

Remuneration Committee Meeting was held on 18th May 2010 during the year has recommended the revision in the remuneration of Mr. Rakesh Tainwala, Managing Director and Mr. Dungarmal Tainwala, Whole-time Director for their remaining term as per schedule XIII of the Companies Act, 1956 and other applicable provisions of the said Act. Same was approved by the Members in the Annual General Meeting held on 28th September 2010.

**B. DETAILS OF REMUNERATION COMMITTEE MEETINGS AND ATTENDANCE OF MEMBERS:**

During the financial year under review the Committee held 1 (One) meeting on 18.05.2010. Attendance at its Meeting is given hereunder:

Name of the Director	No. of Meetings Attended
Abhay Sheth	1
Subhash Kadakia	1
Mayank Dhuldhoya	1

The Minutes of the Remuneration Committee Meeting are placed before the Board of Directors and discussed in the Board Meeting.

**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, 2011 is as follows:

Name of the Director	Salary/Benefits **	Stock Option
Rakesh Tainwala -Managing Director	Rs. 2,604,000/- 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 2010-2011 are given below:-

Name	Board Meeting (Rs.)	Committee Meeting (Rs.) ***	Total (Rs.)
Subhash Kadakia	4000	6250	10,250
Dungarmal Tainwala	Nil	Nil	Nil
Abhay Sheth	4000	6250	10250
Rakesh Tainwala	Nil	Nil	Nil
Mayank Dhuldhoya	4000	2500	6500
<b>TOTAL</b>	12,000	15,000	27,000

\*\*\* 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
2009-2010	28.09.2010	11.00 a.m.	All India Plastics Manufacturers Association A-52, Street No. 1, MIDC, Marol, Andheri (E), Mumbai - 400 093.
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.

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

**2007-08** Nil

**2008-09** Nil

**2009-10**

1. Revise the remuneration of Mr. Rakesh Tainwala as a Managing Director for the remaining period of two years 26th June, 2010 up to 25th June, 2012.
2. Revise the remuneration of Mr. Dungarmal Tainwala as a Whole Time Director for the remaining period of two years 1st July, 2010 up to 30th June, 2012.

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. CORPORATE SOCIAL RESPONSIBILITIES:**

The Company, as a Corporate Citizen of the Country, is well aware of its social obligations.

As a good Corporate Citizen, the Company pays all the taxes, Government dues, cess, duties, etc. well on time because it believes that payment of taxes and levies is a way of fulfilling its social responsibilities.

**7. OTHER DISCLOSURES:**

a. During the year SEBI has imposed a penalty of Rs.50,000/- (Rupees Fifty Thousand) for the alleged violation of Regulation 7(3) and 8(3) of The SEBI (Substantial Acquisition and Takeover Regulations), 1997. However the same have been regularized.

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".

**8. 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 shareholders at their address registered with the Company. Website: [www.tainwala.in](http://www.tainwala.in)

No presentation to any institutional investors or analysts has been made during the year ended 31st March, 2011.

**9. 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 2010-11. A Declaration to this effect signed by Chief Executive Officer (CEO) of the Company is annexed to this report.

#### 10. GENERAL SHAREHOLDER INFORMATION:

- a) AGM Date, Time and Venue : **Tuesday, 27th September, 2011** 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, 2011	By 30th May, 2011
Unaudited First Quarter results for quarter ended 30th June 2011	By 14th August, 2011
Unaudited Second Quarter results for quarter ended 30th Sept. 2011	By 14th November, 2011
Unaudited Third Quarter results for quarter ended 31st Dec. 2011	By 14th February, 2012
Unaudited Fourth Quarter results for quarter ended 31st March 2012	By 14th May, 2012

- c) Book Closure Date : 21/09/2011 to 27/09/2011.  
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 2010-2011 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.)
<b>2010</b>						
April	18.45	16.5	17,558.71	18.80	16.55	5278.0
May	18	15.7	16,944.63	18.30	15.75	5086.3
June	17.15	16	17,700.90	17.35	15.85	5,312.5
July	17.85	16.2	17,868.29	17.90	16.05	5,367.6
August	25	17.1	17,971.12	24	17	5402.4
September	23.9	19.35	20069.12	23.85	19.25	6029.95
October	28.95	19.7	20,032.34	29.75	19.65	6017.70
November	27.9	19.15	19,521.25	27.75	18.65	5862.70
December	22.35	16.7	20,509.09	21.45	16.85	6134.5
<b>2011</b>						
January	23.1	19	18,327.76	23.50	19.00	5505.90
February	21.7	16.75	17,823.40	21.50	17.05	5333.25
March	20.8	14.5	19,445.22	21.20	17.00	5833.75



- 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, 2011:**

No. of Equity shares held	No. of Shareholders	% of Shareholders	Total No. of Shares Held	% of Shares
1 - 500	5986	88.36%	896,480	9.58%
501 - 1000	442	6.53%	351,152	3.75%
1001 - 2000	168	2.48%	257,305	2.75%
2001 - 3000	54	0.80%	142,047	1.52%
3001 - 4000	22	0.32%	78,745	0.84%
4001 - 5000	30	0.44%	139,039	1.48%
5001 - 10000	24	0.35%	184,676	1.97%
10001 & above	49	0.72%	73,14,419	78.11%
<b>TOTAL</b>	<b>6,775</b>	<b>100.00%</b>	<b>9,363,863</b>	<b>100.00%</b>

**l) Shareholding pattern as on 31st March, 2011:**

Category	No. of Shares Held	%age to Total Capital	No. of Shareholders	%age to Total Shareholders
Promoters	6,298,248	67.26%	15	0.22%
NON-PROMOTERS:				
Mutual Funds & UTI	16,200	0.17%	9	0.13%
Financial Institutions/Banks	217,214	2.32%	9	0.13%
FII's	3,509	0.04%	3	0.04%
Bodies Corporate	218353	2.33%	119	1.76%
NRI'S,OCB'S & Foreign companies	289548	3.09%	237	3.50%
Public	2320791	24.79%	6383	94.22%
<b>TOTAL</b>	<b>9,363,863</b>	<b>100.00%</b>	<b>6,775</b>	<b>100.00%</b>

**m) Status of Dematerialisation of Shares as on 31st March, 2011:**

Particulars	No. of Shares	% age to Total Capital
NSDL	78,85,072	84.20%
CDSL	5,43,032	5.80%
PHYSICAL	9,35,759	10.00%
<b>TOTAL</b>	<b>9,363,863</b>	<b>100.00%</b>

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- 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, Pannnalal Silk Mills Compound L B S Road, Bhandup (West), Mumbai - 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.

**11. 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.

12. 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.
13. 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: 9th August, 2011**

**RAKESH TAINWALA**  
**MANAGING DIRECTOR**

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**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 2011, 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: 25th May, 2011

FIRM REGISTRATION NO.:108888W

(PROPRIETOR)

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**ANNUAL CERTIFICATION BY THE MANAGING DIRECTOR PURSUANT  
TO CLAUSE 49 I D (ii) OF THE LISTING AGREEMENT**

As the Managing Director of Tainwala Chemicals And Plastics (India) Limited and as required pursuant to Clause 49 I D (ii) of the Listing Agreement, I hereby declare and certify that all the Board Members and Senior Management personnel of Tainwala Chemicals And Plastics (India) Limited have affirmed compliance with the Code of Conduct adopted by the Company for the Financial Year 2010-11.

**For TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED**

Place : Mumbai

**(RAKESH TAINWALA)**

Date : 9th August, 2011

Managing Director

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**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, 2011 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 2010-11 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: 9th August, 2011

Managing Director

Chief Financial Officer

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**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. 1075.03 lacs. The Company achieved a Net Profit of Rs. 149.72 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.

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**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, 2011 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 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- 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, 2011;
  - 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 Accountants  
(REGISTRATION NO.:108888W)

**(Pawan Kumar Rungta)**  
PROPRIETOR  
Membership No. 42902

Place : Mumbai  
Dated : 25th May, 2011

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**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 and explanations given to us, physical verification of fixed assets has 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 79,304,546 and year-end balance of loans given to such parties was 79,304,546.
    - 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 is fully provided as doubtful.
    - c) The above loans are repayable on demand and company is taking necessary step for recovery. However in our opinion, more concerted efforts are needed to recover these amount.
    - 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 explanation 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 system 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 Companies Act, 1956 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 500,000 in respect of each party.
  6. The Company has not accepted any deposits from public during the year.
  7. The Company has an in-house internal audit system during the year, which needs to be strengthened to be 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 31st March, 2011 for a period of more than six months from the date they became payable.

- b) According to information and explanations given to us, there are no dues in respect of Sales Tax, Wealth Tax, Service Tax, Custom Duty, and 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)	14,047,741*	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

\*Certain matters decided in favour of the Company, impact whereof could not be considered in absence of receipt of appeal effect orders.

10. The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current as well as 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 information 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 issue 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  
(REGISTRATION NO.:108888W)

(Pawan Kumar Rungta)  
PROPRIETOR  
Membership No. 42902

Place : Mumbai  
Dated : 25th May, 2011



**BALANCE SHEET AS AT 31ST MARCH 2011**

	Schedule	As at	
		Rs.	Rs.
			As at
			31/03/2010
			Rs.
			Rs.
<b>I. SOURCES OF FUNDS:</b>			
<b>1. Shareholders' funds</b>			
Share capital	A	93,638,630	93,638,630
Reserves and surplus	B	285,549,180	275,766,242
		<b>379,187,810</b>	369,404,872
<b>2. Loan funds</b>			
Secured loans	C	901,516	1,984,480
<b>Total funds employed</b>		<b>380,089,326</b>	<b>371,389,352</b>
<b>II. APPLICATION OF FUNDS:</b>			
<b>1. Fixed assets</b>			
Gross block	D	146,790,759	144,926,566
Less: Depreciation		87,645,250	81,882,754
Net block		59,145,509	63,043,812
<b>2. Investments</b>			
	E	135,228,273	119,714,645
<b>3. Current assets, loans and advances</b>			
Inventories	F	59,265,807	45,311,469
Sundry debtors		18,318,952	10,962,311
Cash and bank balances		20,991,987	36,027,522
Other current assets		7,396,930	1,786,350
Loans and advances		91,285,769	102,838,645
		<b>197,259,445</b>	<b>196,926,297</b>
<b>Less: Current liabilities and provisions</b>			
Current liabilities	G	8,542,163	10,833,200
Provisions		3,001,738	2,516,382
		<b>11,543,901</b>	<b>13,349,582</b>
<b>Net current assets</b>		<b>185,715,544</b>	183,576,715
<b>4. Profit and loss account (debit balance)</b>		-	5,054,180
<b>Total funds utilised</b>		<b>380,089,326</b>	<b>371,389,352</b>
Significant accounting policies and notes to accounts	O		

Schedules referred to above form an integral part of Balance Sheet

As per our attached report of even date

For and on behalf of the Board

**FOR RUNGTA & ASSOCIATES**

Chartered Accountants

**MR. DUNGARMAL TAINWALA**

Chairman

**(PAWAN KUMAR RUNGTA)****Proprietor****MR. RAKESH TAINWALA**

Managing Director

Place : Mumbai

Dated : 25th May, 2011

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011**

	Schedule	Current Year 31/03/2011 (Rs.)	Previous year 31/03/2010 (Rs/)
<b>I. INCOME:</b>			
Sales and income from operations	H	107,502,394	76,089,854
Income from investments	I	17,530,076	27,153,336
Other income	J	12,050,030	10,758,111
Increase / (Decrease) in stocks	K	13,883,651	9,745,680
<b>TOTAL</b>		<b>150,966,151</b>	<b>123,746,981</b>
<b>II. EXPENDITURE:</b>			
Raw materials consumed	L	51,307,801	38,298,867
Purchase of shares for resale		43,501,509	29,261,601
Manufacturing and other expenses	M	33,605,470	30,620,322
Interest	N	521,059	1,325,751
Depreciation		7,058,170	7,263,378
<b>TOTAL</b>		<b>135,994,009</b>	<b>106,769,919</b>
<b>Profit before taxation</b>		<b>14,972,142</b>	<b>16,977,062</b>
Provision for wealth tax		60,000	–
Profit after tax		14,912,142	16,977,062
Tax Adjustments of earlier years		(75,024)	43,540
Net Profit		14,837,118	17,020,602
Balance of loss brought forward from previous year		(5,054,180)	(22,074,782)
Balance of Deficit carried to balance sheet		9,782,938	(5,054,180)
Basic and diluted earnings per share (Face Value Rs. 10 per share)		1.58	1.81
Significant accounting policies and notes to accounts Schedules referred to above form an integral part of Profit & Loss Account	O		

As per our attached report of even date

For and on behalf of the Board

**FOR RUNGTA & ASSOCIATES**

Chartered Accountants

**MR. DUNGARMAL TAINWALA**

Chairman

**(PAWAN KUMAR RUNGTA)****Proprietor****MR. RAKESH TAINWALA**

Managing Director

Place : Mumbai

Dated : 25th May, 2011

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2011**

	<b>Current Year Rs.</b>	<b>Previous Year Rs.</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>Net profit before tax</b>	<b>14,972,142</b>	16,977,062
Adjustments for:		
Depreciation	7,058,170	7,263,378
Excels provision for gratuity liability no longer required written back	-	(391,806)
Sundry Balances and provisions no longer required written back	(276,580)	(405,356)
Interest expense	521,059	1,325,751
Unrealised Gain/(Loss) on Foreign Exchange	-	191,813
(Profit) / loss on sale of investments (net)	(15,953)	(5,096,428)
Interest income	(10,069,633)	(8,597,002)
Dividend income on current investments	(629,822)	(567,795)
Dividend income from long term investments	(16,884,301)	(21,489,113)
(Profit) / loss on sale of fixed assets (net)	104,138	(115,206)
<b>Operating profit/(loss) before working capital changes</b>	<b>(5,220,780)</b>	(10,904,702)
Changes in Current assets and Current liabilities:		
Trade and other receivables	(8,728,522)	(2,182,729)
Inventories	(13,954,338)	(7,714,416)
Trade payables	(1,510,197)	1,222,673
<b>Cash generated from operations</b>	<b>(29,413,837)</b>	(19,579,174)
Direct taxes (paid)/ refund	(2,240,676)	(1,891,088)
<b>Net cash (used in) operating activities</b>	<b>(31,654,513)</b>	(21,470,262)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets	(4,060,585)	(705,020)
Sale of fixed assets	796,580	350,000
(Purchase) / sale of investments (Net)	(15,497,675)	31,748,290
Body Corporate Loans	15,000,000	(50,000,000)
Application money paid (Equity Shares / Mutual Fund)	-	21,800,000
Dividend income from current investments	629,822	567,795
Dividend income from long term investments	16,884,301	21,489,113
Interest received	4,461,462	7,372,266
<b>Net cash from investing activities</b>	<b>18,213,905</b>	32,622,444
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds/ (repayment) of borrowings	(1,082,964)	(1,104,676)
Interest paid	(529,963)	(1,333,916)
<b>Net cash (used in) financing activities</b>	<b>(1,612,927)</b>	(2,438,592)
<b>Net increase/(decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(15,053,535)</b>	8,713,590
Cash and cash equivalents at beginning of the year	35,164,522	26,450,932
Cash and cash equivalents at the end of the year	<b>20,110,987</b>	<b>35,164,522</b>
<b>Net increase/(decrease) as disclosed above</b>	<b>(15,053,535)</b>	8,713,590
<b>Cash and cash equivalents at the end of the year:</b>		
Cash on hand	2,533	47,783
Balances with scheduled banks in:		
Current accounts	1,108,454	3,616,739
Fixed deposits	19,000,000	31,500,000
	<b>20,110,987</b>	<b>35,164,522</b>

**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 8,81,000 (previous year 8,63,000)

As per our attached report of even date

**For and on behalf of the Board****FOR RUNGTA & ASSOCIATES**

Chartered Accountants

**(PAWAN KUMAR RUNGTA)****Proprietor**

Place : Mumbai

Dated : 25th May, 2011

**MR. DUNGARMAL TAINWALA**

Chairman

**MR. RAKESH TAINWALA**

Managing Director

**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2011**

	As at 31/03/2011 Rs.	As at 31/03/2010 Rs.
<b>SCHEDULE `A`</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised:</b>		
14,000,000 Equity shares of Rs. 10 each	<u>140,000,000</u>	<u>140,000,000</u>
<b>Issued, subscribed and paid-up:</b>		
9,363,863 Equity shares of Rs. 10 each fully paid up	<u>93,638,630</u>	<u>93,638,630</u>
	<u>93,638,630</u>	<u>93,638,630</u>
<b>SCHEDULE `B`</b>		
<b>RESERVES AND SURPLUS</b>		
<b>Capital reserve:</b>		
As per last balance sheet	<u>25,049,992</u>	<u>25,049,992</u>
(Arising on forfeiture of upfront payment received on convertible warrants)		
<b>Securities premium account:</b>		
As per last balance sheet	<u>250,716,250</u>	<u>250,716,250</u>
<b>Profit and Loss account:</b>		
Surplus as per annexed account	<u>9,782,938</u>	<u>-</u>
	<u>285,549,180</u>	<u>275,766,242</u>
<b>SCHEDULE `C`</b>		
<b>SECURED LOANS*</b>		
Vehicle loans#		
- from banks	<u>901,516</u>	<u>1,984,480</u>
(Repayable within one year Rs.9,01,516; as at 31/03/2010 Rs.10,82,964]		
<b>TOTAL</b>	<u>901,516</u>	<u>1,984,480</u>
*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 2011

SCHEDULE 'D'  
FIXED ASSETS

(In Rupees)

Particulars	Gross Block			Depreciation / Amortisation			Net Block	
	As at 01/04/2010	Addition	As at 31/03/2011	Upto 31/03/2010	For the year	Deductions	As on 31/03/2011	As on 31/03/2010
Freehold Land	3,292,015	-	3,292,015	-	-	-	3,292,015	3,292,015
Leasehold Land	215,400	-	215,400	46,517	2,169	-	166,714	168,883
Buildings	34,257,910	-	33,432,380	11,922,929	889,088	274,513	20,894,876	22,334,981
Plant & Machinery	67,400,368	3,737,496	71,137,864	45,281,453	4,048,386	-	21,808,025	22,118,915
Dies & Moulds	14,218,040	-	14,218,040	13,818,796	145,292	-	253,952	399,244
Laboratory Equipments	183,085	-	183,085	149,753	8,696	-	24,636	33,332
Office Equipments	1,912,269	25,750	1,938,019	1,017,987	91,645	-	828,387	894,282
Computers & Software	1,547,970	297,339	1,845,309	1,147,567	165,921	-	531,821	400,403
Furniture & Fixtures	4,186,842	-	4,186,842	3,314,367	147,384	-	725,091	872,475
Vehicles	17,712,667	-	16,341,805	5,183,385	1,559,589	1,021,161	10,619,992	12,529,282
<b>Total</b>	<b>144,926,566</b>	<b>4,060,585</b>	<b>146,790,759</b>	<b>81,882,754</b>	<b>7,058,170</b>	<b>1,295,674</b>	<b>59,145,509</b>	<b>63,043,812</b>
Previous Year	144,526,566	705,020	144,926,566	74,689,602	7,263,378	70,226	63,043,812	

**Notes:**

- 1) Freehold land costing 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.

**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2011****SCHEDULE 'E'****INVESTMENTS**

Particulars	Face Value (Rs.)	As on 01/04/2010 (Nos./Units)	Purchased/ acquired during the year (Nos./Units)	Sales during the year (Nos./Units)	As on 31/03/2011 (Nos./Units)	As at 31/03/2011 (Rs.)	As at 31/03/2010 (Rs.)
<b>Non Trade</b>							
<b>A. Long Term Investments:</b>							
<b>I. Quoted</b>							
<b>Equity Shares:</b>							
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	70	-	-	70	3,724	3,724
Yogi Sung Won Ltd., fully paid up	10	3,200	-	3,200	-	-	81,830
						22,335	104,165
Less: Provision for diminution in value of investments						(11,000)	(92,830)
						11,335	11,335
<b>II. Unquoted</b>							
<b>Equity Shares:</b>							
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	17,500	-	-	17,500	70,000,000	70,000,000
<b>Debentures: (Non Convertible)</b>							
11.40% Fully redeemable in Future Corporte Resources Ltd.	1,000,000	-	10	10	-	-	-
Prakaushali Investments India Pvt. Ltd. fully paid face value reduced to Rs. 807,636 from Rs. 1,000,000	807,636	10	-	-	10	8,076,360	10,000,000
<b>Units of Mutual Funds:</b>							
Kotak India Growth Fund II, Rs. 40,000 (previous year Rs. 28,000) paid up	100,000	250	-	-	250	9,500,000	6,500,000
India Advantage fund, Fully paid up	100	15,000	30,000	-	45,000	4,500,000	1,500,000
<b>B. Current Investments:</b>							
<b>Unquoted:</b>							
<b>Mutual Funds:</b>							
<b>HDFC cash Management Fund:</b>							
~ Saving Fund - Daily Dividend	10	47,756	62	47,818	-	-	507,952
~ Treasury Advantage-Daily Dividend	10	-	15,291,933	15,031,666	260,267	2,610,868	-
Birla Sunlife saving Fund - weekly dividend	10	34,374	56,471	84,479	6,368	-	344,051
Reliance Money Manager - weekly dividend	10	126,543	1,224	127,767	-	-	126,724
JM high liquidity Fimd - Weekly Dividend	10	2,416	323,881	252,107	74,190	800,103	25,853
LIC MF Income Plus Fund - Weekly Dividend	10	-	240,052	-	240,52	2,465,977	-
Principal Cash Management Institutional Premium	10	-	183,860	121,175	62,685	927,399	-
Anand Rathi-Yield Enhancer	112,750	-	50	-	50	5,637,500	-
Total						135,228,273	119,714,645
<b>Aggregate value of quoted investments</b>							
Book Value						11,335	11,335
Market Value						91,941	89,997
<b>Aggregate vale of unquoted investments</b>							
Book Value						135,216,938	119,703,310

**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2011**

Units of Mutual Funds Purchased and Sold During the year	Face Value	2010-2011		2009-2010	
		Total Nos. of units	Total Purchase Cost (Rs.)	Total Nos. of Units	Total Purchase Cost (Rs.)
HDFC Cash Management Fund-Retail Daily Dividend	10	–	–	–	–
HDFC Cash management Fund-Saving Plan-Wholesale-Growth	10	–	–	742,995	14,104,641
HDFC Equity Fund	10	–	–	10,954	500,00
HDFC Equity Fund Floating Rate Income Fund- Daily Dividend	10	–	–	4,336,429	43,715,108
ICICI Pru Institutional Growth Short term Cumulative Option	10	–	–	700,717	12,997,114
ICICI Prudential MIP Growth Cumulative	10	–	–	575,500	13,396,478
IDFC Imperial Equity-Plan B Dividend	10	–	–	163,706	2,000,000
IDFC Money Manager-Treasury-Wkly Dividend	10	–	–	1,090,939	10,979,339
IDFC Premier Equity-Plan B Dividend	10	–	–	156,078	2,494,804
Reliance Monthly Income-Growth	10	–	–	557,696	10,281,860
Axis equity Fund	10	–	–	110,000	1,100,000
Principal Cash management - (G) - Liquid option	10	162,258	2,942,000	–	–
LIC MF Income Plus Fund - Daily Dividend Option	10	252,131	2,521,596.80	–	–
ICICI Prudential Flexible Income Plan Premium - Growth	10	401	69,779.76	–	–
Morgan Stanley Short Term Bond Fund - Institutional Plus - Dividend - Weekly	10	5,685	57,132.27	–	–
			<b>5,590,509</b>		<b>111,569,345</b>

**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2011**

	As at 31/03/2011		As at 31/03/2010	
	Rs.	Rs.	Rs.	Rs.
<b>SCHEDULE 'F'</b>				
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>				
<b>CURRENT ASSETS</b>				
<b>Inventories</b>				
(As taken, valued and certified by the Managing Director)				
Shares	28,508,004		18,858,891	
Raw materials and components*	9,216,118		9,145,431	
Stock in process	10,757,077		8,132,547	
Finished goods	10,784,608		9,174,600	
		59,265,807		45,311,469
*Including Stock in transit Rs. Nil; previous year Rs. 5,525,180/-.				
<b>Sundry debtors</b>				
(Unsecured, Considered good)				
Outstanding for a period exceeding six months	2,368,739		392,643	
Others	15,950,213		10,569,668	
	18,318,952		10,962,311	
Less: Provision for doubtful debts	-		-	
		18,318,952		10,962,311
<b>Cash and bank balances</b>				
Cash on hand	2,533		47,783	
Balances with scheduled banks in:				
Current accounts	1,108,454		3,616,739	
Fixed / margin deposit accounts	19,881,000		32,363,000	
(Receipts of Rs. 881,000; as at 31-03-2010 Rs. 863,000 lodged with banks/ Government authorities as security against issue of letters of credit /guarantees)				
FMP	-		-	
		20,991,987		36,027,522
<b>Other current assets</b>				
Dividend receivable	2,409		-	
Accrued interest	7,394,521	7,396,930	1,786,350	1,786,350
<b>TOTAL (A)</b>		<b>105,973,676</b>		<b>94,087,652</b>
<b>LOANS AND ADVANCES</b>				
(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. Nil; previous year Rs. 1,057,066)		946,978		323,547
Share application money		-		-
Loans to bodies corporate (net of provision for doubtful loans Rs. 39,115,942; previous year Rs. 39,115,942)		75,188,604		90,188,604
VAT receivable		2,527,903		2,200,836
Deposits with:				
Government Authorities		93,629		93,629
Others*		1,020,200		1,020,200
Balances with central excise authority		511,106		110,133
Income Tax Deducted at Source and Payments (net of provision of Rs. 7,16,926; previous year Rs. 7,16,926)		10,997,349		8,901,696
<b>TOTAL (B)</b>		<b>91,285,769</b>		<b>102,838,645</b>
<b>TOTAL (A+B)</b>		<b>197,259,445</b>		<b>196,926,297</b>
*Includes Rs. 1,000,000 with a relative of Directors				



**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2011**

	As at 31/03/2011 Rs.	As at 31/03/2010 Rs.
<b>SCHEDULE `G'</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
Sundry creditors	-	-
- Outstanding dues of micro and small enterprises (Refer note no. 11 in Schedule 'O')		
- Others	5,351,846	8,445,364
Advance from customers	764,119	201,238
Interest accrued but not due on vehicle loans	6,985	15,889
Provision for excise duty on closing stock of finished goods	1,750,136	1,570,783
Security deposits	358,351	369,151
Statutory liabilities	310,726	230,775
<b>TOTAL (A)</b>	<b>8,542,163</b>	<b>10,833,200</b>
<b>PROVISIONS</b>		
Provision for fringe benefit tax (Net of advance fringe benefit tax Rs. Nil; previous year Rs. 320,856)	-	-
Provision for wealth tax	60,000	70,000
Provision for leave encashment	333,379	344,439
Provision for gratuity	2,608,359	2,101,943
<b>TOTAL (B)</b>	<b>3,001,738</b>	<b>2,516,382</b>
<b>TOTAL (A + B)</b>	<b>11,543,901</b>	<b>13,349,582</b>

**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH 2011**

	Current Year Rs.	Previous Year Rs.
<b>SCHEDULE 'H'</b>		
<b>SALES AND INCOME FROM OPERATIONS</b>		
Sale of finished products	82,710,781	62,818,447
Less : Excise duty	(7,572,940)	(4,921,554)
	75,137,841	57,896,893
Sale of trading products	-	-
	75,137,841	57,896,893
Sale of shares	32,032,615	18,071,998
Dividend on traded shares	331,938	120,963
	107,502,394	76,089,854
<b>SCHEDULE `I'</b>		
<b>INCOME FROM INVESTMENTS</b>		
Dividend Income On Investments:		
Current	629,822	567,795
Long Term	16,884,301	21,489,113
Income From Sales / Redemption Of Investments (net):		
Current	17,430	3,160,439
Long Term	-	1,560,658
Diminution in the value of Current Investments	(1,477)	1,692,447
Loss on equity derivative instruments	-	(1,317,116)
	17,530,076	27,153,336

**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH 2011**

	Current Year Rs.	Previous Year Rs.
<b>SCHEDULE `J'</b>		
<b>OTHER INCOME</b>		
Profit on sale of fixed assets	45,563	115,206
Rent income (Tax deducted at source Rs. 134,400; previous year Rs. 21,600)	1,344,000	226,500
<b>Interest received on:</b>		
-Income tax refund (FBT)		
-Fixed deposits with Banks (Tax deducted at source Rs. 39,243 previous year Rs. 137,645)	282,927	1,096,329
-Inter corporate loans (Tax deducted at source Rs. 7,58,190; previous year Rs. 1,465,033)	7,592,864	7,248,276
-Income Tax refund	146,126	184,869
-Debentures (Long Term Investment) Tax Deducted at Source Rs. 210,570; previous year Rs. 25,240)	2,193,842	252,397
-Customers and Others	74,672	7,349
Sales tax refund		
Insurance Claim Received	-	-
Sundry balances and provisions no longer required written back	276,580	405,356
Provisions no longer required written back	3,800	-
Exchange rate difference (net)	93,456	830,023
Excess provision for gratuity liability no longer required written back	-	391,806
	<u>12,050,030</u>	<u>10,758,111</u>
<b>SCHEDULE `K'</b>		
<b>INCREASE / (DECREASE) IN STOCKS</b>		
Closing stocks:		
Shares	28,508,004	18,858,891
Finished goods	10,784,608	9,174,600
Stock in process	10,757,077	8,132,547
Scrap		
	<u>50,049,689</u>	<u>36,166,038</u>
Less : Opening 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>	<u>26,420,358</u>
	<u>13,883,651</u>	<u>9,745,680</u>
<b>SCHEDULE `L'</b>		
<b>RAW MATERIALS CONSUMED</b>		
Opening stock	9,145,431	11,176,695
Less: Capitalised during the year	-	-
	<u>9,145,431</u>	<u>11,176,695</u>
Add: Purchases	51,378,488	36,267,603
	<u>60,523,919</u>	<u>47,444,298</u>
Less: Closing stock	(9,216,118)	(9,145,431)
	<u>51,307,801</u>	<u>38,298,867</u>

**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH 2011**

	Current Year	Previous Year
	Rs.	Rs.
<b>SCHEDULE `M'</b>		
<b>MANUFACTURING AND OTHER EXPENSES</b>		
Salaries, wages and Bonus	15,175,732	14,641,393
Contribution to provident and other funds	1,053,235	1,007,698
Staff welfare expenses	249,263	309,704
Labour charges	742,643	1,127,375
Power and fuel	3,731,819	3,941,048
Repairs and maintenance:		
Machinery	477,395	365,303
Buildings	378,362	134,208
Others	817,895	680,747
Rates and taxes	148,039	128,209
Rent	1,068,000	87,900
Insurance	383,566	227,734
Directors' sitting fees	27,000	29,000
Legal and professional	398,388	621,836
Syndication / Portfolio Management fees	473,168	925,643
Auditors' Remuneration	134,000	132,000
Rebates and discounts	1,436,380	862,657
Donations	9,251	7,001
Printing and stationery	188,093	198,708
Security charges	1,144,829	961,546
Bank charges and commission	-	-
Postage and telephone	528,484	470,826
Travelling and conveyance	2,953,703	2,063,090
Advertising and publicity	-	-
Sales commission	226,349	471,786
Sales Promotion	1,010,160	650,548
Sundry irrecoverable balances written off	1,057,386	-
Less: Provision for doubtful advances utilised	(1,057,386)	-
Fixed asset written off	-	-
Increase / (decrease) in excise duty on stocks of finished goods	179,353	138,397
Loss on car burnt in fire	-	-
Loss on sale of Vehicle	149,701	-
Loss on sale of building	-	-
Rent	-	-
Exchange rate difference (net)	-	-
Loss on sale of Debentures	59,138	-
Miscellaneous expenses	461,524	435,965
	<b>33,605,470</b>	<b>30,620,322</b>
<b>SCHEDULE `N'</b>		
<b>INTEREST PAID</b>		
On Fixed Loans	171,107	300,886
On Others	349,952	1,024,865
	<b>521,059</b>	<b>1,325,751</b>
<b>EXCISE DUTY ON STOCKS</b>		
EXCISE DUTY ON OPENING STOCK	1,570,783	1,432,386
EXCISE DUTY ON CLOSING STOCK	1,750,136	1,570,783
	<b>179,353</b>	<b>138,397</b>

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**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2011 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 under Companies (Accounting Standards) Rules, 2006 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 and 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 and deferred 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.

**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:**

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:**

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**

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

	As at 31/03/2011 Rs.	As at 31/03/2010 Rs.
i. Capital commitment in respect of long term investments	26,000,000	32,000,000
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)	18,969,901*	18,969,901
Rs. 33,30,219 adjusted against refund granted by the department and Rs. 5,00,000 Deposited		
c: 2006-2007	33,17,036*	33,17,036
iii. Disputed liabilities in respect of central excise and custom duty	92,368	92,368

\*Certain matters decided in favour of the company, impact whereof could not be considered in absence of receipt of appeal effect orders.

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 Nil, previous year 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. 'Stock in process' represents salvaged/ pelletised materials accumulated over a period of time valued at lower than cost of finished goods to be consumed in due course of time.
5. Loans and advances include due 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 31/03/2011 39,115,942 (as at 31/03/2010 39,115,942) and maximum amount outstanding during the year 39,115,942 (Previous year 39,115,942). The Company has given legal notices to Tainwala Holdings Pvt. Ltd.
  - Abhishri Packaging Pvt. Ltd.: Balance as at 31/03/2011 40,188,604 (as at 31/03/2010 40,188,604) and maximum amount outstanding during the year 40,188,604 (Previous year 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 have a value on realisation in the ordinary course of business at the amount at which they are stated and 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. Dungarmal Tainwala - Chairman Mr. Rakesh Tainwala - Managing Director
Relatives of Key management personnel:	Ms. Vandana Tainwala Mr. Rajkumar Tainwala
Enterprises in which Key management personnel and/ or their relatives have significant influence:	Tainwala Holdings Pvt Ltd Abhishri Polycontainers Abhishri Packaging Pvt. Ltd. Tainwala Personal Care Products 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	3,410,400 (4,166,400)	537,600 -537,600	- (-)	3,948,000 (4,704,600)
Rent income	- (-)	- (-)	444,000 (216,000)	444,000 (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	- (-)	- (-)	44,249,578 (44,021,578)	44,249,578 (44,021,578)
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 2,325,000 (Previous year 3,360,000); Mr. Dungarmal Tainwala 806,400 (Previous year 806,400); Ms. Vandana Tainwala 537,600 (Previous year 537,600);
  - Rent income is from Abhishri Polycontainers 300,000 (Previous year 216,000) and from Tainwala Personal Care Products Pvt Ltd 144,000 (Previous year Nil).
  - Interest income is from Abhishri Packaging Pvt. Ltd. 3,616,974 (Previous year 3,616,974).
  - Deposits outstanding as at year 1,000,000 (Previous Year 1,000,000 ) is given to Rajkumar Tainwala towards industrial Premises hired by the Company.
  - Debit Balance as at year end relates to Abhishri Packaging Pvt Ltd 43,805,578 (Previous Year 43,805,578), Abhishri Polycontainers 300,000 (Previous Year 216,000) and Tainwala Personal care products Pvt Ltd 144,000 (Previous Year NIL)
  - 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	31/03/2011			31/03/2010		
	Plastic Sheets	Securities Trading	Total	Plastic Sheets	Securities Trading	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>REVENUE:</b>						
External	75,137,841	32,364,553	107,502,394	57,896,893	18,192,961	76,089,854
Inter segment	-	-	-	-	-	-
<b>Total revenue</b>	<b>75,137,841</b>	<b>32,364,553</b>	<b>107,502,394</b>	<b>57,896,873</b>	<b>18,192,961</b>	<b>76,089,854</b>
<b>RESULT:</b>						
Segment results	(12,110,261)	(1,976,644)	(14,086,905)	(23,555,018)	1,583,107	(21,971,911)
Unallocable income/ (expense) (net)			19,289,675			31,485,504
Interest expenses			(521,059)			(1,325,751)
Interest income			10,290,431			8,789,220
<b>Profit before taxation</b>			<b>14,972,142</b>			<b>16,977,062</b>
Provision for wealth tax	-	-	60,000	-	-	-
Profit after tax			14,912,142			16,977,062
<b>OTHER INFORMATION:</b>						
Segment assets	113,162,862	28,667,222	141,830,084	104,166,450	18,899,487	123,065,937
Unallocable assets	-	-	249,803,143	-	-	261,672,997
<b>Total assets</b>			<b>391,633,227</b>			<b>384,738,934</b>
Segment liabilities	11,543,901	-	11,543,901	13,349,582	-	13,349,582
Unallocable liabilities	-	-	-	-	-	-
<b>Total liabilities</b>			<b>11,543,901</b>			<b>15,334,062</b>
Capital expenditure	3,159,897	-	3,159,897	470,226	-	470,226
Depreciation / amortisation	7,058,170	-	7,058,170	7,263,378	-	7,263,378

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 2010-11	Previous Year 2009-10
Profit after tax (Rs.)	14,837,118	17,020,602
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	1.58	1.81

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 31/03/2011 of 49,275,516 (31/03/2010 47,495,988) 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 2011 has not been recognised.

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

Particulars	As at 31/03/2011 Rs.	As at 31/03/2010 Rs.
Deferred tax assets on account of:		
Statutory payments under Section 43B of the Income-tax Act, 1961	935,571	753,137
Business loss	1,552,646	1,725,913
Unabsorbed capital losses	21,551,858	21,551,858
Unabsorbed depreciation	19,026,106	17,244,253
Provision for doubtful debts / Advances	12,086,826	12,413,459
Total (A)	<u>55,153,008</u>	<u>53,688,620</u>
Deferred tax liability on account of:		
Depreciation	5,877,492	6,192,632
Total (B)	<u>5,877,492</u>	<u>6,192,632</u>
Deferred tax asset / (liability) [Net]: [Total A – B]	<u>49,275,516</u>	<u>47,495,988</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 31/03/2011 Rs.	As at 31/03/2010 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)	
	2010-11	2009-10
<b>I</b> Components of employer expense		
1 Current service cost	201,983	177,002
2 Interest cost	173,410	220,148
3 Actuarial losses/(gains)	281,956	(788,956)
4 Total expense recognised in the statement of profit and loss Account	657,350	(391,806)
<b>II</b> Net asset / (liability) recognised in Balance Sheet as at year end		
1 Present value of defined benefit obligation	(2,608,359)	2,101,943
2 Fair value on plan assets	-	-
3 Status [surplus/(deficit)]	2,608,359	(2,101,943)
4 Unrecognised past service cost	-	-
5 Net asset / (liability) recognized in Balance Sheet	(2,608,359)	(2,101,943)
<b>III</b> Change in defined benefit obligations (DBO) during the year		
1 Present value of DBO at the beginning of period	2,101,943	2,668,460
2 Current service cost	201,983	177,002
3 Interest cost	173,410	220,148
4 Actuarial (gains)/ losses	281,956	(788,956)
5 Benefits paid	(150,934)	(174,711)
6 Present value of DBO at the end of the year	2,608,359	2,101,943
<b>IV</b> Actuarial assumptions		
1 Discount rate (%)	8.25%	8.25%
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 31st March, 2011.

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 @	
		2010-11	2009-10	2010-11	2009-10
Processed Plastic	MT.	6,000,000 KG	6,000,000 KG	576,799	386,052
	Mtrs. Nos. \$			–	–
				44,820	20,829

@ 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.	48,273	3,310,353	5,70,514	82,710,781	54,558	4,030,949
	Nos.	11,293	5,864,247	46,423		9,690	6,753,659
	Kgs.	(44,407)	(3,575,360)	(382,186)	(62,818,447)	(48,273)	(3,310,353)
	Nos.	(14,594)	(8,286,816)	(24,130)		(11,293)	(5,864,247)
Total Value			9,174,600 (11,862,176)				10,784,608 (9,174,600)

- 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. 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.
Aban Offshore Ltd	Nos	113	131,369	1	1,098	114	94,444	-	-
		-	-	(113)	(143,869)	-	-	(113)	(131,369)
Ackruti City Ltd	Nos	-	-	500	154,588	-	-	500	112,475
		-	-	-	-	-	-	-	-
Action Construction Equipment Ltd	Nos	1,482	59,531	-	-	1,482	77,691	-	-
		-	-	(1,482)	(59,531)	-	-	(1,482)	(59,531)
Adani Enterprises Limited	Nos	117	52,746	275	61,556	275	71,890	117	52,746
		-	-	(117)	(52,746)	-	-	(117)	(52,746)
Adhunik Metals Ltd	Nos	1,776	211,078	-	-	1,776	181,352	-	-
		-	-	(1,776)	(230,080)	-	-	(1,776)	(211,078)
Allahabad Bank	Nos	-	-	362	79,176	362	72,561	-	-
		-	-	-	-	-	-	-	-
Allcargo Global Logistics Ltd	Nos	398	74,207	-	-	398	64,547	-	-
		-	-	(398)	(77,629)	-	-	(398)	(74,207)
Allied Digital Services	Nos	359	75,893	-	-	359	83,124	-	-
		-	-	(359)	(85,982)	-	-	(359)	(75,893)
Alok Industries	Nos	-	-	10,000	202,331	10,000	221,779	-	-
		-	-	-	-	-	-	-	-
Alstom Projects Ltd	Nos	90	49,082	-	-	54	33,671	36	19,633
		-	-	(90)	(49,081)	-	-	(90)	(49,082)
Amara Raja batteries Ltd	Nos	371	60,918	-	-	371	66,130	-	-
		-	-	(371)	(61,980)	-	-	(371)	(60,918)
Ambuja Cement Ltd.	Nos	-	-	-	-	-	-	-	-
		-	-	(14,000)	(1,342,336)	(14,000)	(1,503,807)	-	-
Anant Raj Industries Ltd	Nos	425	56,546	-	-	425	54,939	-	-
		-	-	(425)	(57,589)	-	-	(425)	(56,546)
Ansal Infrass	Nos	-	-	10,000	943,824	-	-	10,000	375,000
		-	-	-	-	-	-	-	-
Areva T & D India Ltd	Nos	-	-	-	-	-	-	-	-
		-	-	(719)	(248,580)	(719)	(196,632)	-	-
Ashok Leyland Finance Ltd.	Nos	1,159	60,389	1,071	74,013	2,230	162,677	-	-
		(1,000)	(18,100)	(8,032)	(277,564)	(7,873)	(376,725)	(1,159)	(60,389)
Ashoka Buildcon Ltd	Nos	-	-	17	5,508	17	4,774	-	-
		-	-	-	-	-	-	-	-
Asian Paints (India) Ltd	Nos	-	-	18	54,022	18	44,302	-	-
		-	-	-	-	-	-	-	-
Associated Cement Companies Ltd (ACC LTD)	Nos	-	-	100	99,372	-	-	100	99,248
		-	-	-	-	-	-	-	-
Astral Poly texcnik Ltd	Nos	-	-	1,204	150,247	1,204	103,646	-	-
		-	-	-	-	-	-	-	-

Scrip	Unit	Opening stock		Purchase		Sales		Closing stock	
		Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.
ATUL LTD	Nos	-	-	-	-	-	-	-	-
		(4,000)	(172,000)	-	-	(4,000)	(363,833)	-	-
Aurobindo Pharma Ltd	Nos	91	83,825	89	87,728	180	187,352	-	-
		-	-	(91)	(83,825)	-	-	(91)	(83,825)
Axis Bank Ltd	Nos	191	190,077	242	205,775	240	208,629	193	246,712
		-	-	(191)	(190,077)	-	-	(191)	(190,077)
Bajaj Auto Finance	Nos	151	48,373	-	-	151	105,879	-	-
		-	-	(151)	(48,541)	-	-	(151)	(48,373)
Bajaj auto ltd	Nos	-	-	660	851,555	55	113,329	605	821,795
		-	-	-	-	-	-	-	-
Bajaj Electricals Ltd	Nos	-	-	202	47,137	-	-	202	47,078
		-	-	-	-	-	-	-	-
Bajaj Finserv Ltd	Nos	645	214,617	-	-	645	207,847	-	-
		-	-	(645)	(214,617)	-	-	(645)	(214,617)
Bank of Baroda	Nos	-	-	353	202,301	104	69,030	249	181,309
		-	-	-	-	-	-	-	-
Bank Of India	Nos	-	-	755	314,407	755	274,979	-	-
		-	-	-	-	-	-	-	-
Bank of Rajasthan	Nos	1,000	54,750	-	-	1,000	64,234	-	-
		-	-	(1,000)	(58,841)	-	-	(1,000)	(54,750)
Berger Paints (india) Ltd	Nos	-	-	784	66,145	784	63,674	-	-
		-	-	-	-	-	-	-	-
BF Utilities Ltd	Nos	-	-	72	55,668	72	63,161	-	-
		-	-	-	-	-	-	-	-
BGR Energy Systems Ltd.	Nos	-	-	55	38,971	-	-	55	26,230
		-	-	-	-	-	-	-	-
Bharat Forge	Nos	-	-	-	-	-	-	-	-
		-	-	(2,000)	(327,858)	(2,000)	(381,165)	-	-
Bharat Heavy Electricals Ltd	Nos	110	250,002	-	-	78	188,340	32	66,005
		-	-	(110)	(251,180)	-	-	(110)	(250,002)
Bharat Petroleum Corporation Ltd.	Nos	-	-	1,154	464,499	1,154	449,959	-	-
		-	-	-	-	-	-	-	-
Bharti Airtel Limited	Nos	2,000	623,800	590	80,029	1,090	234,072	1,500	498,255
		-	-	(2,500)	(876,156)	(500)	(224,020)	(2,000)	(623,800)
Bliss Chemicals & Pharmaceuticals India Ltd	Nos	-	-	1,677	73,972	1,677	52,777	-	-
		-	-	-	-	-	-	-	-
Bosch India Ltd	Nos	-	-	37	238,309	-	-	37	238,309
		-	-	-	-	-	-	-	-
Cable Corporation	Nos	-	-	4,826	167,562	-	-	4,826	112,687
		-	-	-	-	-	-	-	-
Cadila Healthcare Ltd	Nos	-	-	59	50,521	59	46,935	-	-
		-	-	-	-	-	-	-	-

Scrip	Unit	Opening stock		Purchase		Sales		Closing stock	
		Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.
Cairn India Ltd	Nos	-	-	259	81,261	259	88,503	-	-
Can fin homes ltd	Nos	-	-	507	51,452	507	71,535	-	-
Canara Bank	Nos	-	-	157	90,463	-	-	157	90,350
Central Bank of India	Nos	687 (687)	70,074 (23,324)	-	-	687	104,088	- (687)	- (70,074)
CESC	Nos	247	94,527	82 (247)	31,853 (98,831)	-	-	329 (247)	102,089 (94,527)
Chambal Fertilisers & Chemicals Ltd	Nos	-	-	977	82,554	11	794	966	76,566
Coal India Ltd.	Nos	-	-	539	132,055	539	177,039	-	-
Colgate Palmolive India Ltd	Nos	-	-	112	95,058	112	91,616	-	-
Conso Fibers & Chemicals Ltd.	Nos	75,451 (75,451)	119,967 (119,967)	-	-	-	-	75,451 (75,451)	313,876 (119,967)
Core projects and Technologies Ltd	Nos	316	73,818	- (316)	- (76,210)	316	76,854	- (316)	- (73,818)
Coromandel International	Nos	-	-	806	239,481	-	-	806	230,556
Crompton Greaves Ltd	Nos	385	94,037	- (385)	120,200 (94,037)	458	127,208	599 (385)	139,918 (94,037)
Cummins India Ltd	Nos	814	366,190	327 (814)	86,538 (366,190)	528	264,463	613 (814)	303,746 (366,190)
Dabur India Ltd	Nos	-	-	1,300	163,728	1,300	169,148	-	-
DB Corporation	Nos	151	36,225	- (151)	- (40,033)	151	36,134	- (151)	- (36,225)
Dhanalaxmi Bank Ltd	Nos	-	-	400	73,794	400	42,025	-	-
Dish TV India	Nos	1,918	70,295	203 (1,918)	12,326 (83,437)	2,121	126,952	- (1,918)	- (70,295)
Divis Laboratories Ltd	Nos	119	80,200	359 (119)	219,549 (80,200)	119	84,550	359 (119)	242,648 (80,200)
Dr Reddys Laboratories Ltd	Nos	-	-	778	154,977	71	93,085	707	161,320
Easun Reyroll Ltd	Nos	690	64,204	- (690)	- (74,776)	690	67,922	- (690)	- (64,204)
Educomp Solutions Limited	Nos	-	-	150	76,932	150	91,899	-	-

Scrip	Unit	Opening stock		Purchase		Sales		Closing stock	
		Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.
Eicher Motors Ltd	Nos	68	44,292	-	-	68	67,323	-	-
		-	-	(68)	(44,884)	-	-	(68)	(44,292)
Elecon engineering Co Ltd	Nos	-	-	3,195	180,470	2,348	51,969	847	57,511
		-	-	-	-	-	-	-	-
Emami Ltd	Nos	-	-	115	47,348	115	46,323	-	-
		-	-	-	-	-	-	-	-
Engineering India Ltd	Nos	-	-	386	33,005	386	26,719	-	-
		-	-	-	-	-	-	-	-
Ess De Alluminum Ltd.	Nos	-	-	420	213,865	-	-	420	175,350
		-	-	-	-	-	-	-	-
Essar Oil Limited	Nos	-	-	6,000	770,436	4,000	551,106	2,000	245,020
		-	-	-	-	-	-	-	-
Eveready Industries India Ltd.	Nos	0	0	0	0	0	0	0	0
		(2,000)	(35,600)	-	-	(2,000)	(78,071)	-	-
Exide Industries Ltd.	Nos	-	-	1,560	251,461	-	-	1,560	222,690
		-	-	-	-	-	-	-	-
Gail Ltd.	Nos	188	76,854	639	217,912	485	233,342	342	145,681
		-	-	(188)	(76,854)	-	-	(188)	(76,854)
Gammon India Ltd	Nos	346	79,061	367	72,473	346	74,050	367	43,508
		-	-	(346)	(79,061)	-	-	(346)	(79,061)
Gammon Infra Ltd	Nos	-	-	-	-	-	-	-	-
		-	-	(5,000)	(95,408)	(5,000)	(116,611)	-	-
Garware Offshore Services Ltd.	Nos	-	-	412	71,098	412	49,117	-	-
		-	-	-	-	-	-	-	-
Gokul Refoils and Solvent Ltd	Nos	-	-	10,000	993,648	-	-	10,000	982,250
		-	-	-	-	-	-	-	-
Grasim Industries Ltd	Nos	-	-	45	104,135	-	-	45	104,005
		-	-	(71)	(170,589)	(71)	(185,171)	-	-
Greaves Ltd.	Nos	-	-	2,940	743,620	519	46,617	2,421	204,962
		-	-	-	-	-	-	-	-
Gujarat Apollo Industries Limited	Nos	-	-	336	74,155	336	66,192	-	-
		-	-	-	-	-	-	-	-
Gujarat Siddhee Cement Ltd.	Nos	27,000	434,700	23,018	356,002	12,000	193,924	38,018	421,620
		(34,000)	(278,460)	-	-	(7,000)	(141,666)	(27,000)	(434,700)
Gujrat NRE Coke Ltd	Nos	1,278	111,760	127	-	1,405	84,447	-	-
		-	-	(1,278)	(114,313)	-	-	(1,278)	(111,760)
GVK Power & Infrastructure Ltd	Nos	5,674	234,599	-	-	5,674	224,577	-	-
		-	-	(5,674)	(234,599)	-	-	(5,674)	(234,599)
Havells India Ltd.	Nos	-	-	619	252,045	-	-	619	229,742
		-	-	-	-	-	-	-	-
HCL Technologies limited	Nos	-	-	735	210,008	453	97,854	282	134,782
		-	-	-	-	-	-	-	-



Scrip	Unit	Opening stock		Purchase		Sales		Closing stock	
		Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.
HDFC BANK LTD	Nos	-	-	816	410,390	426	187,640	390	250,766
Heilderberg Cement india Ltd	Nos	4,785	238,946	261	13,280	5,046	180,676	-	-
		-	-	(4,785)	(238,946)	-	-	(4,785)	(238,946)
Hero Honda Motors Ltd	Nos	-	-	62	66,028	62	63,788	-	-
Hexaware Technologies Ltd	Nos	-	-	-	-	-	-	-	-
		(6,000)	(156,300)	-	-	(6,000)	(430,465)	-	-
Himadri Chemicals & India Ltd.	Nos	-	-	3,230	150,495	-	-	3,230	140,990
Hindalco Industries Ltd	Nos	-	-	1,890	242,012	1,014	42,744	876	183,215
		(3,327)	(172,671)	(2,000)	(171,050)	(5,327)	(686,249)	-	-
Hindustan Construction Company Ltd	Nos	-	-	2,200	172,151	1,200	137,307	1,000	36,350
Hindustan Lever Ltd.	Nos	-	-	538	109,612	538	110,381	-	-
Hindustan petroleum Corporation Ltd	Nos	-	-	1,410	546,339	1,410	520,725	-	-
Hindustan Zinc Ltd	Nos	-	-	92	91,262	92	103,290	-	-
Hotel Leela Venture	Nos	1,280	62,720	-	-	1,280	62,160	-	-
		-	-	(1,280)	(65,688)	-	-	(1,280)	(62,720)
ICICI BANK LTD	Nos	269	240,384	56	259,622	-	-	325	300,676
		-	-	(499)	(411,158)	(230)	(189,847)	(269)	(240,384)
Idea Cellular Limited	Nos	-	-	2,769	195,792	2,769	194,101	-	-
ILFS Transportation Network Limited	Nos	25	6,450	500	147,035	224	61,535	301	70,464
		-	-	(25)	(6,450)	-	-	(25)	(6,450)
Ind Swift Ltd.	Nos	-	-	-	-	-	-	-	-
		(3,627)	(47,224)	-	-	(3,627)	(95,606)	-	-
Indian Bank Ltd	Nos	-	-	404	67,919	404	53,221	-	-
Indian Hotels co ltd	Nos	-	-	608	65,879	608	63,815	-	-
Indian Oil Corporation Ltd	Nos	-	-	2,481	771,477	2,481	776,816	-	-
Indian Overseas Bank	Nos	-	-	286	38,358	-	-	286	38,310
Indusind Bank Ltd	Nos	-	-	165	38,488	-	-	165	38,440
Industrial FCI Ltd.	Nos	11,000	508,322	1,000	52,215	12,000	586,555	-	-
		(11,000)	(212,300)	(10,000)	(468,354)	(10,000)	(534,079)	(11,000)	(508,322)

Scrip	Unit	Opening stock		Purchase		Sales		Closing stock	
		Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.
Infosys Technologies Ltd	Nos	103 (200)	230,901 (264,820)	143 (303)	216,965 (572,310)	156 (400)	222,658 (698,676)	90 (103)	278,168 (230,901)
Infrastructure Development Finance Co.	Nos	1,505 -	204,997 -	266 (1,505)	38,455 (204,997)	1,505 -	229,321 -	266 (1,505)	38,408 (204,997)
Insecticides India Limited	Nos	- -	- -	436 -	88,207 -	436 -	103,678 -	- -	- -
ITC LTD	Nos	- -	- -	1,121 -	106,716 -	60 -	9,733 -	1,061 -	140,975 -
IVRCL Infrastructure & Projects Ltd	Nos	834 -	138,444 -	- (834)	- (148,118)	834 -	97,645 -	- (834)	- (138,444)
J B Chemicals & Pharmaceuticals Ltd	Nos	- -	- -	834 -	90,644 -	834 -	97,665 -	- -	- -
J.Kumar infraprojects Limited	Nos	241 -	48,489 -	5,000 (10,242)	778,822 (954,395)	214 (10,001)	32,036 (1,165,916)	5,000 (241)	644,250 (48,489)
Jain Irrigations Systems Ltd	Nos	- -	- -	86 -	98,095 -	86 -	93,914 -	- -	- -
Jaiprak Asso	Nos	- -	- -	14,000 -	1,662,364 -	8,000 -	1,024,551 -	6,000 -	555,000 -
Jenson & Nics	Nos	- -	- -	- -	- -	- -	- -	- -	- -
Jet airways (india) Ltd	Nos	- -	- -	103 -	79,150 -	103 -	50,415 -	- -	- -
JMC Projects Ltd	Nos	- -	- -	135 -	27,596 -	135 -	27,945 -	- -	- -
Jyoti Structures Ltd	Nos	- -	- -	394 -	60,285 -	394 -	52,978 -	- -	- -
Kalpataru Power Transmission Ltd	Nos	- -	- -	245 -	49,676 -	- -	- -	245 -	33,038 -
Khaitan Chemicals and Fertilizers Ltd	Nos	- -	- -	472 -	52,522 -	472 -	58,592 -	- -	- -
KNR Constructins Limited	Nos	- -	- -	442 -	78,670 -	442 -	44,263 -	- -	- -
Kopran Ltd.	Nos	- (8,000)	- (57,520)	- -	- -	- (8,000)	- (225,687)	- -	- -
Kotak Mahindra bank Ltd	Nos	- -	- -	- (243)	- (195,202)	- (243)	- (176,928)	- -	- -
Lanco Infratech Ltd	Nos	1,692 -	76,319 -	- (1,692)	- (76,319)	1,692 -	108,190 -	- (1,692)	- (76,319)
Larsen & Toubro Ltd	Nos	420 (400)	646,507 (248,196)	959 (1,120)	1,324,450 (1,691,389)	1,124 (1,100)	1,586,393 (1,433,699)	255 (420)	408,515 (646,507)
Lovable Lingerie Ltd	Nos	- -	- -	992 -	203,360 -	- -	- -	992 -	203,360 -

Scrip	Unit	Opening stock		Purchase		Sales		Closing stock	
		Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.
Lupin Ltd.	Nos	-	-	1,016	494,992	135	149,518	881	344,256
		-	-	-	-	-	-	-	-
Maharashtra Seamless Ltd	Nos	181	64,201	-	-	181	70,896	-	-
		-	-	(181)	(66,421)	-	-	(181)	(64,201)
Mahindra & Mahindra Financial Services Ltd	Nos	-	-	107	77,753	1	707	106	76,931
		-	-	-	-	-	-	-	-
Mahindra & Mahindra Ltd.	Nos	462	250,104	401	215,116	863	542,079	-	-
		-	-	(643)	(382,217)	(181)	(150,975)	(462)	(250,104)
Maytas Infra Limited	Nos	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
MBL Infrastructure Ltd	Nos	352	73,794	-	-	80	14,178	272	47,790
		-	-	(352)	(73,794)	-	-	(352)	(73,794)
Moser Baer (India) Ltd.	Nos	-	-	12,000	485,445	3,000	105,203	9,000	369,900
		(3,000)	(159,300)	-	-	(3,000)	(182,601)	-	-
Motherson Sumi Systems	Nos	-	-	1,324	241,704	-	-	1,324	241,709
		-	-	-	-	-	-	-	-
Mphasis Ltd	Nos	87	53,979	353	174,473	440	153,539	-	-
		-	-	(87)	(63,589)	-	-	(87)	(53,979)
MSK Projects India Ltd	Nos	605	74,603	-	-	605	-	-	-
		-	-	(605)	(74,602)	-	-	(605)	(74,603)
Mundra Port and Special Economic Zone Ltd	Nos	45	25,281	2,832	298,672	2,652	296,357	225	25,286
		-	-	(45)	(25,285)	-	-	(45)	(25,281)
Nagarjun Construction Co. Ltd	Nos	689	112,066	-	-	689	73,798	-	-
		-	(689)	(114,442)	-	-	(689)	(112,066)	-
Natco Pharma Ltd	Nos	-	-	283	49,169	283	78,195	-	-
		-	-	-	-	-	-	-	-
National Organics Chemicals Industries Ltd.	Nos	-	-	-	-	-	-	-	-
		(1,000)	(11,530)	-	-	(1,000)	(27,784)	-	-
National Thermal Power Corp Ltd	Nos	238	49,326	-	-	-	-	238	45,958
		-	-	(238)	(56,099)	-	-	(238)	(49,326)
Nava Bharath Ventures Ltd	Nos	206	82,431	-	-	206	78,915	-	-
		-	-	(206)	(84,764)	-	-	(206)	(82,431)
Nestle India Ltd	Nos	-	-	88	169,740	42	71,362	46	147,140
		-	-	-	-	-	-	-	-
NHPC Shares	Nos	152,207	4,642,314	105,000	2,513,226	-	-	257,207	6,520,197
		-	-	(152,207)	(5,479,452)	-	-	(152,207)	(4,642,314)
Omaxe Ltd.	Nos	43	3,911	-	-	-	-	43	5,908
		(43)	(2,027)	-	-	-	-	(43)	(3,911)
Opto Circuits India Ltd.	Nos	-	-	827	240,244	-	-	827	228,045
		-	-	-	-	-	-	-	-

Scrip	Unit	Opening stock		Purchase		Sales		Closing stock	
		Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.
Pantaloon Retail (India) Ltd	Nos	561	197,255	-	-	561	213,148	-	-
		-	-	(561)	(197,255)	-	-	(561)	(197,255)
Patel Engineering Ltd	Nos	132	60,100	142	54,652	132	53,828	142	19,880
		-	-	(132)	(62,475)	-	-	(132)	(60,100)
Petronet LNG Ltd	Nos	-	-	548	72,069	-	-	548	66,746
		-	-	-	-	-	-	-	-
Pipavav Shipyard Ltd	Nos	914	52,422	6,500	577,350	914	76,549	6,500	513,500
		-	-	(914)	(52,422)	-	-	(914)	(52,422)
Piramal Healthcare Ltd	Nos	-	-	186	90,734	186	93,206	-	-
		-	-	-	-	-	-	-	-
Polaris Software Ltd	Nos	224	36,714	113	19,872	337	57,364	-	-
		-	-	(224)	(41,615)	-	-	(224)	(36,714)
Power Finance Corporation Ltd	Nos	-	-	525	69,877	525	42,525	-	-
		-	-	-	-	-	-	-	-
Power Grid Corporation of India Ltd	Nos	-	-	38,767	3,289,031	35,500	3,336,155	3,267	294,030
		-	-	-	-	-	-	-	-
Provogue	Nos	-	-	1,175	77,449	1,175	51,009	-	-
		-	-	-	-	-	-	-	-
Punj Lyod Ltd	Nos	680	120,564	1	156	681	96,462	-	-
		-	-	(680)	(142,523)	-	-	(680)	(120,564)
Punjab National Bank	Nos	-	-	167	132,772	167	123,405	-	-
		-	-	-	-	-	-	-	-
PVR Ltd	Nos	321	56,576	-	-	321	46,896	-	-
		-	-	(321)	(60,097)	-	-	(321)	(56,576)
Rallis India	Nos	-	-	142	205,884	-	-	142	187,511
		-	-	-	-	-	-	-	-
Rama News Print	Nos	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
Ramsarup Ind.	Nos	-	-	6,000	323,290	-	-	6,000	113,700
		-	-	-	-	-	-	-	-
Ranbaxy Laboratories Ltd	Nos	-	-	3,204	1,294,005	3,002	1,242,974	202	90,011
		(400)	(60,272)	(200)	(52,216)	(600)	(223,271)	-	-
Rashtriya Chemicals & Fertilizers Ltd.	Nos	-	-	2,000	172,452	2,000	192,997	-	-
		-	-	-	-	-	-	-	-
Rel Communication Ltd.	Nos	-	-	354	67,433	354	57,855	-	-
		-	-	(670)	(228,881)	(670)	(178,568)	-	-
Reliance Industries Ltd.	Nos	1,121	1,158,393	3,531	3,391,431	2,300	2,257,520	2,352	2,393,083
		-	-	(1,321)	(1,468,011)	(200)	(320,754)	(1,121)	(1,158,393)
Reliance Infrastructure Ltd	Nos	1,374	1,371,785	882	825,125	2,056	2,083,152	200	137,560
		(1,000)	(515,350)	(2,874)	(3,234,799)	(2,500)	(3,016,869)	(1,374)	(1,371,785)

Scrip	Unit	Opening stock		Purchase		Sales		Closing stock	
		Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.
Reliance Power	Nos	3,000	416,850	5,000	686,330	6,000	934,820	2,000	259,400
		-	-	(4,000)	(557,555)	(1,000)	(145,300)	(3,000)	(416,850)
Rural Electrification Corporation Ltd	Nos	-	-	664	198,121	664	176,739	-	-
		-	-	-	-	-	-	-	-
Sadbhav Engineering Ltd	Nos	103	125,307	1,332	20,758	-	-	1,435	153,689
		-	-	(103)	(125,307)	-	-	(103)	(125,307)
Sanghvi Movers Ltd	Nos	-	-	245	44,948	-	-	245	27,955
		-	-	-	-	-	-	-	-
Satyam Computers Services Ltd	Nos	14,077	1,204,576	5,500	348,960	1,577	107,659	18,000	1,183,500
		(7,500)	(287,625)	(7,077)	(710,853)	(500)	(59,751)	(14,077)	(1,204,576)
Sesa Goa Ltd	Nos	-	-	458	110,737	458	113,100	-	-
		-	-	-	-	-	-	-	-
Shasun Pharmaceuticals Ltd	Nos	-	-	1,158	83,162	1,158	72,649	-	-
		-	-	-	-	-	-	-	-
Shilpa Medicare Ltd	Nos	-	-	193	64,179	193	42,438	-	-
		-	-	-	-	-	-	-	-
Shreeram Transport Finance	Nos	-	-	477	263,117	146	48,940	331	249,541
		-	-	-	-	-	-	-	-
Siemens Ltd	Nos	82	52,638	-	-	-	-	82	52,638
		(500)	(115,645)	(82)	(52,638)	(500)	(242,869)	(82)	(52,638)
Sintex Industries Ltd	Nos	-	-	903	158,047	903	169,848	-	-
		-	-	-	-	-	-	-	-
SKS Microfinance. Ltd	Nos	-	-	633	504,295	359	273,034	274	142,987
		-	-	-	-	-	-	-	-
Spice Jet Ltd	Nos	1,142	62,782	-	-	1,142	64,514	-	-
		-	-	(1,142)	(62,782)	-	-	(1,142)	(62,782)
State Bank of India	Nos	-	-	63	141,785	47	78,037	16	43,348
		(200)	(195,910)	-	-	(200)	(226,059)	-	-
Steel Authority of India Ltd	Nos	-	-	(1,110)	(189,135)	(1,110)	(265,301)	-	-
		-	-	-	-	-	-	-	-
Sterlite Industries (i) Ltd	Nos	442	299,600	1,326	-	292	48,318	1,476	237,547
		(500)	(177,825)	(442)	(303,524)	(500)	(289,184)	(442)	(299,600)
Strides Arcolab Ltd	Nos	15	5,073	164	37,813	179	49,421	-	-
		-	-	(15)	(5,073)	-	-	(15)	(5,073)
Sun Pharmaceuticals Industries Ltd	Nos	-	-	589	198,652	89	74,568	500	202,830
		-	-	-	-	-	-	-	-
Sundaram Fasteners Ltd	Nos	1,090	56,244	-	-	1,090	49,956	-	-
		-	-	(1,090)	(61,876)	-	-	(1,090)	(56,244)
Suryala Co. M	Nos	-	-	3,000	361,453	-	-	3,000	390,000
		-	-	-	-	-	-	-	-
SUZLON ENERGY	Nos	-	-	1,500	55,407	1,500	58,402	-	-
		-	-	(1,632)	(202,055)	(1,632)	(150,993)	-	-

Scrip	Unit	Opening stock		Purchase		Sales		Closing stock	
		Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.
Tantia Construction Ltd	Nos	-	-	523	37,348	523	13,839	-	-
Tata Chemicals Ltd	Nos	-	-	214	62,628	214	48,198	-	-
Tata Consultancy Services Ltd	Nos	-	-	599	518,408	115	87,635	484	533,098
Tata Global Beverages Ltd	Nos	(600)	(324,000)	(1,000)	(276,143)	(1,600)	(820,790)	-	-
Tata Motors Ltd	Nos	-	-	616	81,937	616	59,355	-	-
Tata Power Co Ltd	Nos	-	-	565	340,506	424	220,562	141	172,571
Tata Steel Ltd	Nos	52	71,430	-	-	-	-	52	69,428
Tech Mahindra	Nos	-	-	(187)	(251,350)	(135)	(177,296)	(52)	(71,430)
Technofab Engineering Ltd	Nos	-	-	355	223,587	-	-	355	219,945
Tecpro Systems Ltd	Nos	(1,000)	(206,000)	(848)	(416,114)	(1,848)	(901,544)	-	-
Texmaco Ltd	Nos	200	170,700	100	74,316	-	-	300	202,755
Texmaco Rail & Engg Ltd	Nos	-	-	(200)	(210,872)	-	-	(200)	(170,700)
Thermax	Nos	-	-	7	1,680	7	7	-	-
Titan Industries Ltd	Nos	-	-	214	90,002	214	214	-	-
Torrent Power Ltd.	Nos	703	100,107	1,000	99,619	703	22,166	1,000	31,500
Transgeme Biotech Ltd.	Nos	-	-	(703)	(107,050)	-	-	(703)	(100,107)
TRF Ltd	Nos	-	-	1,703	70,379	-	-	1,703	119,245
Tulip Telecom Ltd.	Nos	80	51,574	188	150,795	-	-	268	161,483
TVS Motor Co Ltd	Nos	-	-	(80)	(51,574)	-	-	(80)	(51,574)
Ultratech Cement Ltd	Nos	112	203,979	116	233,917	70	137,187	158	371,122
Union Bank of India	Nos	-	-	(112)	(203,979)	-	-	(112)	(203,979)
	Nos	257	74,234	1,127	185,704	344	60,487	1,040	259,532
	Nos	-	-	(257)	(81,339)	-	-	(257)	(74,234)
	Nos	300	4,388	-	-	300	21,810	-	-
	Nos	(975)	(13,358)	-	-	(675)	(53,554)	(300)	(4,388)
	Nos	58	45,178	2	2,027	60	37,096	-	-
	Nos	-	-	(58)	(45,178)	-	-	(58)	(45,178)
	Nos	-	-	1,136	184,073	-	-	1,136	159,949
	Nos	-	-	-	-	-	-	-	-
	Nos	603	47,964	603	-	1,206	73,197	-	-
	Nos	-	-	(603)	(47,964)	-	-	(603)	(47,964)
	Nos	-	-	81	86,698	1	974	80	85,522
	Nos	-	-	(230)	(169,508)	(230)	(189,868)	-	-
	Nos	-	-	194	47,664	194	50,590	-	-
	Nos	-	-	(800)	(177,457)	(800)	(195,928)	-	-

Scrip	Unit	Opening stock		Purchase		Sales		Closing stock	
		Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.
Unitech Ltd	Nos	-	-	-	-	-	-	-	-
		-	-	(2,126)	(176,534)	(2,126)	(227,164)	-	-
United Bank of India	Nos	-	-	738	36,781	738	56,403	-	-
		-	-	-	-	-	-	-	-
United Breweries Holdings Ltd	Nos	-	-	296	54,430	296	42,160	-	-
		-	-	-	-	-	-	-	-
V-Guard Industries Ltd	Nos	-	-	709	79,557	709	114,415	-	-
		-	-	-	-	-	-	-	-
Vijaya Bank Ltd	Nos	-	-	2,613	196,639	1,498	112,310	1,115	88,587
		-	-	-	-	-	-	-	-
Voltamp Transformers Ltd	Nos	73	61,948	4	3,515	77	68,844	-	-
		-	-	(73)	(67,985)	-	-	(73)	(61,948)
Voltas Ltd	Nos	2,074	301,415	1,325	191,034	3,283	449,533	116	19,906
		-	-	(2,074)	(301,415)	-	-	(2,074)	(301,415)
VST Tillers Tractors Ltd	Nos	-	-	239	60,617	239	49,532	-	-
		-	-	-	-	-	-	-	-
WABCO -TVS India Ltd	Nos	143	80,451	-	-	143	135,722	-	-
		-	-	(143)	(80,451)	-	-	(143)	(80,451)
Welcorp	Nos	-	-	500	55,832	500	60,643	-	-
		-	-	-	-	-	-	-	-
Welspun Projects	Nos	-	-	605	-	-	-	605	40,838
		-	-	-	-	-	-	-	-
Whirlpool India Ltd	Nos	-	-	15	4,321	15	4,454	-	-
		-	-	-	-	-	-	-	-
Wipor Ltd	Nos	-	-	2,821	1,011,653	2,821	1,044,548	-	-
		(300)	(73,620)	-	-	(300)	(119,802)	-	-
Wockhardt Ltd	Nos	1,000	138,700	3,252	431,109	4,252	594,676	-	-
		-	-	(3,000)	(431,534)	(2,000)	(314,628)	(1,000)	(138,700)
Yes Bank Ltd.	Nos	194	47,449	1,304	402,862	694	191,485	804	249,160
		-	-	(1,804)	(261,537)	(1,610)	(376,185)	(194)	(47,449)
Zee Enterprises Ltd	Nos	-	-	286	61,514	286	57,682	-	-
		-	-	-	-	-	-	-	-
Zee News	Nos	-	-	3,000	49,931	1,000	14,826	2,000	24,190
		-	-	-	-	-	-	-	-
Zylog Systems Ltd	Nos	-	-	-	-	-	-	-	-
		(29)	(2,704)	-	-	(29)	(10,107)	-	-
Total		334,206	18,858,891	376,764	43,501,509	206,863	32,032,615	504,080	28,508,004
		(166,739)	(3,951,648)	(280,504)	(29,261,601)	(113,037)	(18,071,998)	(334,206)	(18,858,891)

## E. Raw materials consumed:

Items	Unit	Current year 2010 – 2011		Previous year 2009 – 2010	
		Quantity	Value (Rs.)	Quantity	Value (Rs.)
Chemicals	Kgs	221,228	34,874,019	167,535	95,56,998
Plastic powder	Kgs	643,044	15,742,618	626,739	27,925,529
Packing materials	Nos.	8,868	691,164	9,093	816,340
	Kgs.	5,880		6,908	
	Mtrs.	–		1,089	
	Ltrs.	485			
<b>TOTAL</b>			<b>51,307,801</b>		<b>38,298,867</b>

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

	2010 – 2011 Value		2009 – 2010 Value	
	%	(Rs.)	%	(Rs.)
Imported	16.85	8,643,244	37.76	14,462,862
Indigenous	83.15	42,664,557	62.24	23,836,005
<b>TOTAL</b>	<b>100</b>	<b>51,307,801</b>	<b>100</b>	<b>38,298,867</b>

	Current Year Rs.	Previous Year Rs.
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## G CIF value of imports:

Raw materials	7,798,183	18,652,309
Plant and Machinery	3,157,920	–

## H Expenses in foreign currency:

Travelling and others expenses	716,311	379,344
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I i Managerial remuneration  
(Managing Director and Whole time Director)

Salary	3,045,000	3,720,000
Contribution to provident fund	365,400	446,400
Provision for gratuity*	–	–

<b>TOTAL</b>	<b>3,410,400</b>	<b>4,166,400</b>
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\* 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 2011 are as follows:

Particulars	Foreign Currency	Amount in Foreign Currency	Equivalent INR
Sundry creditors	USD	–	–
		(1,18,770)	(5,525,180)

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

MR. DUNGARMAL TAINWALA	CHAIRMAN
MR. RAKESH TAINWALA	MANAGING DIRECTOR

Place : Mumbai  
Date : 25th May, 2011



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**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)

<b>I. Registration Details</b>	
Registration No.	: L24100MH1985PLC037387 State Code: 11
Balance Sheet Date	: 31/03/2011
<b>II. Capital raised during the year</b> : <b>(Amount in Rs. Thousands)</b>	
Public Issue	: Nil
Rights Issue	: Nil
Bonus Issue	: Nil
Private Placement	: Nil
<b>III. Position of Mobilisation and Deployment of Funds</b> : <b>(Amount in Rs. Thousands)</b>	
Total Liabilities	: 391,633
Total Assets	: 391,633
<b>Sources of Funds</b>	
Paid-up Capital	: 93,639
Reserves & Surplus	: 285,549
Secured Loans	: 901.52
<b>Application of Funds</b>	
Net Fixed Assets	: 59,146
Investments	: 135,228
Net Current Assets	: 185,716
<b>IV. Performance of Company</b> : <b>(Amount in Rs. Thousands)</b>	
Turnover	: 137,083
Total Expenditure	: 122,111
Profit / (Loss) before tax	: 14,972
Profit / (Loss) after tax	: 14,837
Earning per share in Rs. (Basic and diluted)	: 1.58 (Face value Rs.10)
Dividend rate	: Nil
<b>V. Generic Names of Three Principal Products / Services of the Company</b> : <b>(As per monetary terms)</b>	
Item Code No. (ITC CODE)	: 39.20
Product Description	: Plastic Sheets

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 For and on behalf of the Board

MR. DUNGARMAL TAINWALA	CHAIRMAN
MR. RAKESH TAINWALA	MANAGING DIRECTOR

Place : Mumbai  
Date : 25th May, 2011

**TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED**

Registered Office: Tainwala House, Road No. 18, M.I.D.C. Marol, Andheri (E), Mumbai - 400 093.

**ATTENDANCE SLIP**

(To be filled in and handed over at the entrance of the meeting hall)

Name of the attending Member .....  
(in block letters)

Member's Folio Number/or .....  
Client. ID & DP. ID

Name of Proxy .....  
(in block letters to be filled in if the Proxy attends instead of the Member)

No. of Shares held .....

- I hereby record my presence at the TWENTY SIXTH ANNUAL GENERAL MEETING of the Company being held at The All India Plastics Manufacturers Association, A-52, Street No. 1, M.I.D.C. Marol, Andheri (E), Mumbai - 400 093 at 11.00 a.m. Tuesday, 27th Day of September, 2011

\_\_\_\_\_ \* Member's/Proxy's signature

\* To be signed at the time of handing over this slip.

**TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED**

Registered Office: Tainwala House, Road No. 18, M.I.D.C. Marol, Andheri (E), Mumbai - 400 093.

**PROXY FORM**

L.F. No.	:
Or Client ID & DP ID	:
No. of Shares held	:

I/We .....

of ..... being a Member(s) of TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED, hereby appoint ..... of ..... or failing him

..... of ..... as my/our proxy to attend and vote for me/us, on my/our behalf at the TWENTY SIXTH ANNUAL GENERAL MEETING of the Company, to be held on Tuesday, the 27th day of September, 2011 at 11.00 a.m. and at any adjournment thereof.

Signed this ..... day of ..... 2011.

Signature .....

Affix One Rupee Revenue Stamp
--

Address .....

**Note:** The Proxy and the Power of Attorney (if any) under which it is signed or a notarially certified copy of the power must be deposited at the Registered Office of the Company at "Tainwala House", Road No. 18, M.I.D.C. Marol, Andheri (E), Mumbai - 400 093, not less than 48 hours before the time for holding the Meeting.