

# **62nd Annual Report 2008-2009**

**Bright Brothers Limited**

***Brite***

**Board of Directors****Chairman & Managing Director**

Mr. Suresh Bhojwani

**Whole Time Director**

Mrs. Hira T. Bhojwani

**Directors**

Mr. Byram Jeejeebhoy

Mr. K. P. Rao

Dr. T. S. Sethurathnam

**CFO & Company Secretary**

Mr. Tushar Naik

**Banker**

Bank of Baroda

**Auditors**

M/s. Dhody & Associates, Bhilai

Chartered Accountants

**Registered Office**

610-611, Nirman Kendra,

Famous Studio Lane,

Dr. E. Moses Road,

Mahalaxmi,

Mumbai-400 011.

Tel.: 022 24905323 / 2490 5324

Fax : 022 2490 5325

E-Mail: ho@brightbrothers.co.in

**Corporate Office**

B-54, Road No. 33,

Gynaeshwar Nagar,

Wagle Industrial Estate,

Thane-400 604.

Tel.: 022-2583 5158

**Website**

www.brightbrothers.co.in

**Registrars and Share Transfer Agents**

M/s. Sharepro Services (India) Private Limited

(Unit: Bright Brothers Ltd.)

Samhita Warehousing Complex

13AB, Gala No. 52, 2nd Floor

Near Sakinaka Telephone Exchange

Off. Kurla Andheri Road

Sakinaka, Mumbai 400 072

Tel: 022 67720300

Fax No.: 022-28375646

**Factories**

Plot No. 1/1 to 1/4,

Thirubhuvanai,

Mannadipet Commune,

Puducherry-605 107.

Plot No. 16-17, Sector 24,

Faridabad-121 005.

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## NOTICE

**NOTICE** is hereby given that the 62nd Annual General Meeting of the Shareholders of BRIGHT BROTHERS LIMITED will be held at M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001 on Friday, 26th June 2009 at 11.30 a.m. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Accounts of the Company for the period ended 31st March 2009 and the Report of Directors' and Auditors' thereon.
2. To declare dividend on Equity Shares for the period ended 31st March 2009.
3. To appoint a Director in place of Mr. K. P. Rao, who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint, M/s. Dhody & Associates, Chartered Accountants, as Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorise the Audit Committee of the Board of Directors to fix the remuneration of the said Auditors.

### SPECIAL BUSINESS:

Re-appointment of Mrs. Hira T. Bhojwani as Wholetime Director

5. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

**RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309, and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (the said Act) as amended from time to time and all the applicable guidelines for managerial remuneration issued by the Central Government from time to time, and such other consents and approvals as may be required, consent of the Company be and is hereby accorded for the re-appointment of Mrs. Hira T. Bhojwani, as a "Whole-time Director-Commercial" of the Company for a further period of 3 years with effect from 1st April 2010, whose term of office is not liable to retire by rotation, on terms and conditions and stipulation contained in an agreement to be entered into between the Company and Mrs. Hira T. Bhojwani, a draft whereof is placed before the meeting which, for the purpose of identification initialed by the Chairman of the meeting, with authority to the Board of Directors (which term shall be deemed to include the Remuneration Committee constituted by the Board), to alter and vary the terms and conditions as may be permissible under law in the best interest of the Company and on the terms as to remuneration and perquisites as set out below:

- |   |   |
|---|---|
| A. Basic Salary                           | Rs. 50,000/- p.m. (Fifty Thousand only) with such increment(s) as may be decided from time to time  |
| B. <u>Perquisites as under:</u>           |   |
| a. House Rent Allowance                   | Rs. 21,000/- p.m.   |
| b. Gas, Electricity, Water and Furnishing | The expenditure incurred shall be evaluated as per the applicable Income tax Rules. In the absence of any specific rule the same shall be valued on actual payment. |
| c. Medical Expenses                       | One month's basic or overall ceiling of three month's basic for a period of three years.  |
| d. Leave Travel Expenses                  | Once in a year for self subject to a ceiling of one month's basic salary.   |
| e. Club Fees                              | Membership of two clubs (excluding admission and life membership fee)   |

- |  |  |
|--|--|
| f. Entertainment, Travelling and Business Expenses | Reimbursement as per the rules of the Company  |
| g. Personal accident insurance                     | Amount not exceeding Rs. 10,000/- per annum  |
| h. Motor Car & Telephone Expenses                  | The Company shall provide Motor car with driver and telephone at the residence of Whole time Director, for Company's business.                 |
| i. Leave encashment                                | As per the rules of the Company.   |
| j. Provident fund                                  | Contribution to Provident Fund shall be as per the rules of the Company.   |
| k. Other allowances, benefits and perquisites      | Any other allowances, benefits and perquisites admissible to the senior Officers of the Company as per Rules of the Company from time to time. |

The aggregate of the Salary and perquisites as aforesaid in any financial year shall not exceed the limits prescribed from time to time under Section 198, 309, 310 and all other applicable provisions of the Companies Act, 1956 read with Schedule XIII of the said Act, or any statutory modification or re-enactment thereof for the time being in force or otherwise as may be permissible in law.

**RESOLVED FURTHER THAT** in the event of any loss or inadequate profit in the aforesaid period the Company will pay the foregoing amount of remuneration and benefit as specified above not exceeding the limits specified in accordance with the provisions of Schedule XIII of the Companies Act, 1956.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

By order of the Board of Directors  
For **BRIGHT BROTHERS LIMITED**

**TUSHAR NAIK**  
CFO & Company Secretary

Place : Mumbai,  
Date : 21st May, 2009

Registered Office:  
610-611, Nirman Kendra,  
Dr. E. Moses Road,  
Famous Studio Lane,  
Mahalaxmi,  
Mumbai 400 011.

## NOTES:

1. **A member entitled to attend and vote at the 62nd Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such a proxy need not be a member. The instrument appointing a proxy should, however, be received at the registered office of the Company not less than forty-eight hours before the commencement of this meeting.**
2. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, setting out the material facts in respect of the special business is annexed hereto.  
The relevant details in respect of Item Nos. 3 & 5 above, pursuant to Clause 49 of the Listing Agreement are annexed hereto.
3. Members/Proxies are requested to bring their Attendance Slip duly filled in along with their copy of Annual Report to the Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from June 19, 2009 to June 26, 2009 (both days inclusive). The dividend as recommended by the Board, if approved at the Annual General Meeting will be paid after June 26, 2009 as under:
  - a. To all beneficial owners in respect of shares held in electronic form per data made available by the National Security Depository Limited and Central Depository Services (India) Limited as of the close of business hours on June 18, 2009.
  - b. To all members in respect of shares held in physical form after giving effect to valid transfer requests lodged with the Company whose name appear in the Company's Register of Members as on close of the business hours on June 18, 2009.
5. Members holding shares in electronic form are hereby informed that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar will not entertain any direct request from Members for deletion of or change in such bank particulars. Members who wish to change bank account details are therefore requested to advise their respective Depository Participant.
6. In order to avail of the Electronic Clearing System (ECS) for receiving direct credit of the dividend to his/their respective account with the Bank(s), the members holding shares in physical form are requested to provide bank account details to the Company's Registrar and Share Transfer Agent, M/s. Sharepro Services (India) Pvt. Ltd.
7. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to write to the Company Secretary at the registered office of the Company at least seven days in advance so that information may be available at the meeting.
8. Members who have not encashed their interim dividend warrant in respect of the period 2006-07 are requested to make their claim immediately to the Company or to the Company's Registrar & Share Transfer Agent M/s. Sharepro Services (India) Pvt. Ltd.
9. Members holding shares in the same set of names under different Ledger Folios are requested to apply for consolidation of such folios along with relevant share certificates to M/s. Sharepro Services (India) Pvt. Ltd.
10. The facility of making nomination is available to the shareholders in respect of the shares held by them. Interested shareholders can obtain the Nomination form from the Company's Registrars and Share Transfer Agents.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF COMPANIES ACT, 1956.

### Item No 5: (Special Resolution)

Mrs. Hira T. Bhojwani was reappointed as Wholetime Director of the Company in terms of the resolution passed at the Annual General Meeting held on December 29, 2006 for a period of three years with effect from 1st April 2007. Her term expires on 31st March 2010. The Board of Directors at its meeting held on 21st May 2009 on the basis of the recommendation of the Remuneration committee, has renewed the terms of appointment of Mrs. Hira T. Bhojwani, as Wholetime Director of the Company for a period of three years with effect from 1st April, 2010 on the details as to remunerations and otherwise, as set out in the resolution under this item of the notice.

She has been associated with the Company from the year 1989 and has handled important assignments in the areas of Administration. Apart from her considerable experience in the industry, she is being associated with the Company for several years and is well conversant with the affairs of the Company. The Company is suitably utilizing her experience and expertise during her association with the Company in various capacities.

Considering her background, competence and experience as also her association with the Company for several years and compared to the remuneration packages of similarly placed personnel of other corporate bodies in the country, the terms of her remuneration as set out in the resolution are considered to be fair, just and reasonable.

The terms of the remuneration as set out in the resolution may be regarded as an abstract of the terms of contract and memorandum of interest for the purpose of Section 302 of the Companies, Act, 1956.

The Directors commend the Resolutions for acceptance by the Members.

### Memorandum of concern or interest:

Mrs. Hira T. Bhojwani is interested in this resolution since it relates to her appointment. Mr. Suresh Bhojwani may also be considered to be interested, being a relative of Mrs. Hira T. Bhojwani.

By order of the Board of Directors  
For **BRIGHT BROTHERS LIMITED**

**TUSHAR NAIK**  
CFO & Company Secretary

Place : Mumbai,  
Date : 21st May, 2009

Registered Office:  
610-611, Nirman Kendra,  
Dr. E. Moses Road,  
Famous Studio Lane,  
Mahalaxmi,  
Mumbai 400 011.

**Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting.  
(Pursuant to Clause 49(IV)(G)(i) of the Listing Agreement with the Stock Exchanges):**

<b>Name of Director</b>	<b>Mr. K. P. Rao</b>	<b>Mrs. Hira T. Bhojwani</b>
Date of Birth	11th September, 1927	3rd January, 1923
Date of Appointment	27th December, 2005	29th December, 2006
Qualifications	B.Com., F.C.A.	B.Sc. (Hons.) from Government College Lahore, stood first in the University and M.Sc. (Hons), from Government College Lahore, Stood 2nd in the University.
Experience	In areas of Audit, Finance & Taxation, Management Consultancy in Business Restructuring.	Wide Managerial experience
No of Equity shares held in the Company	Nil	370310
List of Public Companies in which outside Directorships held as on 31st March 2009	Nil	Nil
Chairman/Member of the Committees of the Board of the Companies in which he is a Director as on 31st March 2009	Nil	Nil

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in submitting their 62nd Annual Report and Audited Accounts for the period ended March 31, 2009.

### Financial Results and General Review:

(Rs. in lakhs)

Particulars	Period Jan. 08 to Mar, 09	Period July. 06 to Dec. 07
Net Sales and Operating Income	8865.86	28107.06
Other Income	344.34	141.19
Total Income	9210.20	28248.25
PROFIT BEFORE INTEREST, DEPRECIATION AND TAX	386.76	2081.53
Exceptional Items (Income)	—	8015.74
Prior Period Expenses	166.30	—
Depreciation	160.60	1237.30
Financial charges (Net)	84.91	1959.14
PROFIT/(LOSS) BEFORE TAX	(25.04)	6900.82
Less: Tax for earlier year	9.47	—
Less: Fringe Benefit Tax	9.86	23.81
Less: Provision for Taxation	—	1756.00
Less: Deferred Tax (Assets)/Liabilities	425.47	(429.70)
NET PROFIT/(LOSS) AFTER TAX	(469.84)	5550.72
Add: Balance brought forward	2175.68	(1501.89)
Balance available for appropriations	1705.84	4048.82
APPROPRIATIONS:		
General reserve	200.00	1000.00
Equity Dividend	119.51	587.43
Preference Dividend	—	158.87
Tax on distributed profit	20.31	126.83
Balance Carried forward	1366.02	2175.68

The financial results for the current year comprises of fifteen months operations as against eighteen months of the previous year. In view of this as also the sale of the Automotive Division in the previous year, the current year figures are not comparable.

### General Review:

#### Operations:

The Consumer Durable Components Division has fared reasonably well despite the slowdown in the economy. The sales of this division was affected in the September-December 08 quarter but have since recovered with most customers looking at 2009-2010 as the year of growth.

The Company has bagged orders from a leading manufacturer of Water Purifiers and Vacuum Cleaners in the country. In order to service this business effectively, the Company is considering the acquisition of an injection moulding unit in the North in order to grow the business inorganically.



The Brite Material Handling Division is being strengthened for better marketing and the Company expects to perform better in the current year. The Brite Consumer Products Division is being reorganized to take advantage of the increasing demand for quality household products. The new "Divo" range of Hair-Care products has been soft launched in Mumbai, Hyderabad and Chennai with a good initial response. Formal launch of the complete "Divo" range is planned for August/September 2009.

#### **Dividend:**

Considering the liquidity position and based on the confidence in the performance of your Company in the coming years, your Directors have decided to recommend a dividend of Rs. 2/- per Equity Share for the year (Previous year Rs. 10/- per Equity share). If approved by the Shareholders at the Annual General Meeting, the Dividend will absorb Rs. 119.51 lacs. The tax on distributed profit borne by the Company will amount to Rs. 20.31 lacs.

#### **Fixed Deposit:**

The Company has no unpaid/unclaimed deposits as on 31st March 2009. The amount of fixed deposits held by the Company as on 31st March 2009 was Rs. 455.72 lacs. Out of this the fixed deposits received from the Directors amounted to Rs. 140.55 lacs.

#### **Management Discussion and Analysis Report:**

The detailed Management Discussion and Analysis Report has been annexed to this report.

#### **Corporate Governance:**

The detailed Corporate Governance has been annexed to this report in compliance with Clause 49 of the Listing Agreement.

#### **Directors' Responsibility Statement:**

Pursuant to Section 217(2AA) of the Companies Act, 1956.

Your Directors confirm:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed.
2. That they have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March 2009 and of the loss of the Company for that year.
3. That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for prevention and detection of fraud and other irregularities.
4. That they have prepared the annual accounts on a going concern basis.

#### **Insurance:**

All the insurable interests and risks of your Company including inventories, building, plant & machinery are adequately insured against risk of fire and other risks.

#### **Directors:**

In accordance with the provisions of the Companies Act, 1956 and Articles of Associations of the Company, Mr. K. P. Rao, Director of the Company, retires by rotation at the ensuing Annual General meeting and being eligible offers himself for re-appointment. The resolution in respect of revised remuneration and reappointment of Mrs. Hira T. Bhojwani has been included in the notice.

**Auditors:**

Members are requested to re-appoint M/s Dhody & Associates, Chartered Accountants as the Auditors of the Company and authorize the Audit committee to fix their remuneration. The Company has received the certificate from the retiring auditors to the effect that the appointment if made, will be in accordance with the limits specified in Section 224(1B) of the Companies Act, 1956.

**Other Information:**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo required to be given 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 annexed hereto and forms part of this report. As per provisions of Section 219(1)(b)(iv) of the Act, the Directors' Report and Accounts are being sent to the shareholders excluding the statement giving particulars of employees under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended. Any Shareholder interested in obtaining a copy of the statement may write to the Company Secretary at the Registered Office of the Company. Management Discussion and Analysis report, as required under Clause 49 of the Listing Agreement is published separately in this Annual Report.

**Appreciation and Acknowledgement:**

The Directors express their appreciation made by the employees to the unstinting efforts of the employees which has enabled the Company to grow and show better performance and for the support received from all other stakeholders including shareholders, suppliers and business partners.

For and on behalf of the Board

**SURESH BHOJWANI**

*Chairman & Managing Director*

*Place : Mumbai*

*Date : 21st May, 2009*

*Registered Office:*

610-611, Nirman Kendra,

Dr. E. Moses Road,

Famous Studio Lane,

Mahalaxmi,

Mumbai 400 011.

## ANNEXURE TO DIRECTORS' REPORT

Information given as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules and forming part of the Directors' Report.

### A. Conservation of Energy:

The year 2009 was an extremely tough year from energy availability perspective. Extreme power shortage in industrial areas of Puducherry caused a lot of hardship and high cost of operations. The Company continues its endeavor to improve energy conservation and utilization. The Company's plant engineering team periodically reviews and monitors energy conservation and significant savings have been made during the year partially due to investment in energy saving equipments.

### B. Technology Absorption: Not applicable.

### C. Foreign Exchange Earnings and Outgo:

The Company has not earned any foreign exchange during the year under review. There has been a foreign exchange outgo of Rs. 322.94 lakhs..

## MANAGEMENT DISCUSSION AND ANALYSIS

### OVERVIEW OF THE ECONOMY:

The year 2008-09, which started on a positive note at the beginning of the year with a projected GDP growth rate between 8-9%, will end up with a lower growth rate closer to 6%. The slowdown was more severe in the later half of the year due to the effect of the global financial meltdown on the Indian economy. The manufacturing and service sectors were badly affected due to their dependency on global demand. The agricultural sector on the other hand has posted a positive growth.

This is the worst global recession in the last 80 years and the turmoil is so severe that in spite of a series of fiscal and monetary measures announced by the developed and developing economies, the global economy has still not been able to resurrect itself.

Due to global financial integration, the financial turmoil in the developed economies in the year 2008-09 has also affected the developing economies especially those heavily dependent on exports. However the impact on the Indian economy was minimal due to its higher exposure to the agricultural sector, strong domestic demand, low export to GDP ratio, moderately leveraged corporate sector, prudent monetary policy and stable banking and financial system.

The higher commodity prices especially in the petroleum and metal sectors prevalent upto Oct. 08 has resulted in a steep inflationary trend. This shifted the focus of monetary policy from growth to controlling inflation, which led to a high interest rate scenario. The non-availability of funds both in the international and domestic market has resulted in higher borrowing costs and has affected the expansion plans of corporates.

### REVIEW OF OPERATIONS:

The Board of Directors has decided to adopt a fifteen month period from 1st Jan., 2008 to 31st March, 2009 to align its financial year with the income tax act, as against closing of 30th June in the earlier years. The previous financial year was for a period of 18 months.

The two manufacturing units namely Faridabad and Puducherry are involved in manufacturing of injection moulded plastic parts for Washing machines, Refrigerators, Vacuum Cleaners, Air-conditioners, and Water Purifiers for OEMs (Original Equipment Manufacturers). Further, Brite branded plastic crates are also being manufactured at the Puducherry unit. The trading division includes Brite branded consumer household products and the newly launched Hair Care division, which markets Hairbrushes under the brand name "DIVO".

Total income for the year under review was at Rs. 92.10 Crs. The profit before interest and depreciation was Rs. 3.86 Crs. The profit/(loss) before tax is Rs. (0.25) Crs. after providing for Rs. 0.85 Crs. for Interest, Rs. 1.60 Crs for depreciation and Rs. 1.66 Crs. for prior period expenses.

The Company continues to be dependent upon its growth on OEM's with Whirlpool of India Ltd being its largest customer. The strong brand image, rural marketing strategy combined with strong focus on cost control has helped WOIL to post a positive growth in spite of the overall negative growth in the consumer durable industry.

In the Brite branded segment, the non-availability and volatility in the price of raw materials has impacted the performance of this division. The "DIVO" brand covering Hair Care products has been launched in the last quarter of the year and has met with a good initial response.

The high raw material prices and the initial cost of launching of the new brand "DIVO", for the hair care division has affected the performance of the Company during the year.

### OUTLOOK AND FUTURE STRATEGY:

A global financial crisis requires global efforts to revive credit markets and kick start the economic growth. Recognizing this, leaders of 20 major economies at the recently held G20 summit have agreed

to commit \$1.1 trillion to support the world economy. The news emanating from G-20 was greeted by markets world wide over with cheers.

With the real rate of interest still high compared to the global standard, there is a further scope to reduce the interest rate and the growth of the corporate sector will depend much upon the availability of credit at the right time and right price. Though it is expected that softening commodity prices and stimulus packages would have a positive impact on the industrial production in the months ahead, the economic recovery on a sustainable basis requires a revival of the global economy.

Your Company outlook is directly related to growth in GDP. The recently announced policy decision both on monetary and fiscal front will bring back on track the growth in the consumer durable industry which in turn will spur your Company's growth. Factors like declining interest scenario, strong rural demand and better infrastructure will help revive the consumer durable industry.

The outlook in respect of the Crates division is very positive and with factors like wider usage, better margin and strong demand there lies a huge opportunity to grow with a limited number of organized players. The Company continues to enjoy strong brand image and its brand still commands a premium in the market. The Company will keep its focus on niche product ranges and will expand cautiously in regions other than the south, based on better product pricing and working capital norms.

With the softening of raw material prices and better availability, the Consumer household division will give a positive result. The initial response to the launch of DIVO product is encouraging in the middle category segment and efforts will be made to push up the premium range product. With the plan in place to expand the size of the market the management is confident of reporting higher sales during this year.

The Company's future strategy will be on filling up the capacity during lean periods, growing the plastic crates division, expanding the consumer household division and a strong focus on cost control. The Company is exploring the opportunity for acquiring a medium size unit in order to widen its product portfolio, which will have synergy with the current business model for inorganic growth.

#### **RISK AND CONCERN:**

The existing business model of the Company is more dependent upon OEM's. The growth and earnings is interwoven with the OEM's growth. There is a consistent pressure from them for reducing the prices. The prevailing high interest rate scenario is a cause of concern as the growth of Consumer Durable industry is dependent upon the flow of credit.

Unlike the provision of escalation clause in the agreement with OEM's, the volatility in the prices of raw material will have a major impact on margin and turnover of MHD and Consumer division, as these sectors are price sensitive.

## ANNEXURE – II TO DIRECTORS' REPORT REPORT ON CORPORATE GOVERNANCE

### 1. Company's Philosophy on Code of Corporate Governance:

The Company accords utmost importance to the observance of the best corporate governance practice in all its activities. The philosophy of governance adopted by the board has at all times been based on transparency, integrity and fairness in all its dealings. The Company will continue to seek enhancement to shareholders value within the framework of business ethics, regulatory compliances and contribution to society.

### 2. Board of Directors:

#### (a) Composition of the Board:

The Board comprises of Five directors, two Executive Directors and three Non-Executive Independent Directors and is headed by our Executive Chairman. The composition and category, the attendance at Board Meetings and the last AGM, and number of Directorship and Chairmanship / Membership of committees in other Companies is as follows:

Name of Director	No. of Meetings held & attended during the year *(7)	Category of Directorship	Attendance at last AGM	No. of outside Directorship(s) in other Companies (excluding pvt. and foreign co.)		Number of Committee position held in other Companies	
				Chairman	Member	Chairman	Member
Mr. Suresh Bhojwani	7	Chairman Executive Non-Independent	Yes	Nil	Nil	Nil	Nil
Mrs. Hira T. Bhojwani	4	Executive Non-Independent	Yes	Nil	Nil	Nil	Nil
Mr. K. P. Rao	6	Non Executive Independent	No	Nil	Nil	Nil	Nil
Dr. T. S. Sethurathnam	6	Non Executive Independent	Yes	2	3	3	Nil
Mr. Byram Jeejeebhoy	3	Non Executive Independent	No	Nil	Nil	Nil	Nil

\* The figure mentioned in the bracket denotes the number of Board meetings held during the year 01/01/2008 to 31/03/2009.

#### Number of Board Meeting

The dates on which meetings were held are as follows:

Sr. No.	Date of Meeting
1	31-01-2008
2	30-04-2008
3	24-05-2008
4	27-06-2008
5	29-07-2008
6	24-10-2008
7	28-01-2009

**(b) Board Procedures:**

The Chairman of the Board, in consultation with other members of the Board, shall determine the timing of the meeting of the Board. In case of urgent business, the circular resolutions are passed as permitted under Companies Act, 1956 and the same is taken on record in the next board meeting.

The Chairman shall decide the agenda for each Board meeting. Each Director shall be entitled to suggest the inclusion of items on the agenda or raise the matter that are not on the agenda for that meeting.

Information provided to the Board includes amongst others quarterly results of the Company, operational and capital budgets, minutes of the Audit and other Committees, information on recruitment and remuneration of senior officers just below the Board, and statutory compliance report.

**3. Audit Committee:**

- Details of Composition of the Audit Committee and attendance of Members:

The Composition of the Audit Committee is properly constituted as per the statutory requirements.

All the members have sound financial and accounting knowledge. Mr. K. P. Rao, Chartered Accountant acts as the Chairman of the Audit Committee. The Company Secretary acts as the Secretary to the Audit Committee. At the invitation of the Committee, the Internal Auditor, the Head of Finance, and Statutory Auditors attend the Audit Committee meetings, to answer and clarify the queries that are raised at the Committee meetings.

During the year, six meetings were held – 31st January, 2008; 30th April, 2008; 24th May, 2008; 29th July, 2008; 24th October, 2008; 28th January, 2009.

The Composition of the Audit Committee and the number of meetings held and attended during the year under review are as follows:

Name of Member	Category	No. of Meetings held	No. of Meetings attended
Mr. K. P. Rao	Chairman Non-Executive Independent	6	6
Dr. T. S. Sethurathnam	Non-Executive Independent	6	5
Mr. Suresh Bhojwani	Executive Non-Independent	6	6

- **Objective, Terms of Reference & Role of Audit Committee:**

**Objective:**

The Audit Committee assists the Board of Directors in fulfilling its responsibility to ensure the quality and integrity of the accounting, auditing and reporting practices of the Company, and such other duties as directed by the Board.

**Role of Audit Committee:**

Recommending to the Board the appointment, re-appointment and if required the replacement or removal of Statutory auditors and fixation of audit fees.

Reviewing with the management, the financial statements before submission to the Board for the approval, with particular reference to:

- Matters required to be included in the Directors Responsibility Statement to be included in the Directors' report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.

- Changes if any, in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on the exercise of judgment by Management.
- Significant adjustments made in the financial statements arising out of audit.
- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of any related party transactions.
- Qualifications in the draft audit report.

Reviewing with the management performance of external and internal auditors, the adequacy of internal control systems and internal audit function.

Discussion with internal auditors any significant findings and follow up thereon.

Discussion with Statutory auditors regarding audit plan, as well as post-audit discussion to ascertain any area of concern.

Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

#### 4. Remuneration to Directors:

The Remuneration Committee decides the remuneration of Managing Director and Whole time director. The composition of the committee is given below:

Name of Member	Category	Designation
Mr. K. P. Rao	Non-Executive Independent	Chairman
Mr. Byram Jeejeebhoy	Non-Executive Independent	Member
Dr. T. S. Sethurathnam	Non-Executive Independent	Member

The Managing Director's and Whole time Director's remuneration is recorded in a service agreement with the Company.

They are paid by way of salary, perquisites and commission based on their agreements with the Company.

The Non-Executive directors draw remuneration in the form of sitting fees and commission if applicable, which will be shared between them based on the number of board meeting attended by them.

The terms of reference are as stated in the Code.

- (i) Details of remunerations paid/payable to Managing Director and Whole-time Director for the period ended 31st March, 2009 are given as follows:

Director	Position	*Salary	Perquisites & Allowance	Total
Mr. Suresh Bhojwani	Managing Director	18,48,000	3,37,193	21,85,193
Mrs. Hira T. Bhojwani	Whole-time Director	7,87,920	71,261	8,59,181

\* Salary includes basic salary and contribution to provident fund and excludes contribution to gratuity, superannuation and personal accident insurance premium and liability for leave encashment.

- Non-Executive Independent Directors are paid sitting fees. The Independent Director's sitting fees has been revised w.e.f. 01.04.2008 to Rs. 15000/- per Board Meeting; Rs. 5000/- per Audit Committee Meeting and Rs. 1000/- for every other Committee meeting.



- (ii) Details of Sitting fees paid to Non-Executive Independent Directors for attending Board/ Committee Meetings for the period 01/01/08 to 31/03/09 are as follows:

Sr. No.	Name of Director	Board Meetings	Committee Meetings
1.	Mr. K. P. Rao	79,000	29,000
2.	Dr. T. S. Sethurathnam	79,000	24,000
3.	Mr. Byram Jeejeebhoy	34,000	N.A

**Notes:**

- No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 1956 except for Mr. Suresh T. Bhojwani and Mrs. Hira T. Bhojwani.
- The appointment of Whole Time Director is subject to termination by six months notice in writing by either side.
- Presently the Company does not have a scheme for grant of its stock options either to the Executive directors or employees.

**Disclosure of Shareholding of Non Executive Director as required under clause 49(IV)(E)(iv).**

- Mr. Byram Jeejeebhoy – 12,500 shares
- Mr. K. P. Rao – Nil
- Dr. T. S. Sethurathnam – Nil

**5. Shareholders/Investors Grievances Committee:**

The Board has constituted a committee of Directors known as Company's Shareholders/Investors Grievances Committee comprising of three members as under:

Name of Member	Designation	Category
Mr. K. P. Rao	Chairman	Independent, Non Executive
Mr. Suresh Bhojwani	Member	Non-Independent, Executive
Mrs. Hira T. Bhojwani	Member	Non-Independent, Executive

Mr. Tushar Naik, Company Secretary acts as the Compliance officer.

The functioning of the Committee relates to redressal of shareholders grievances like:

- Delay in transfer/transmission of shares.
- Issue of duplicate share certificates/Annual Report/Balance Sheet/and Dividend warrants.
- Reviewing dematerialization of shares.

The Company has appointed M/s. Sharepro Services (India) Private Limited as its Registrar and Share Transfer Agents. The share transfers lodged are being processed within a period of 7 days except in case those are constrained by disputes or legal impediments. The Registrar and Share Transfer Agents generate the Memorandum of Transfers and the same is submitted to the Company on a fortnightly basis which is been taken on record by the committee members at its meeting.

Seven meetings of the committee members were held during the year ended 31st March, 2009.

During the year the Company received 46 complaints, which were promptly attended and resolved. As on 31st March, 2009 there were no complaints pending.

## 6. Annual General Meetings:

Details of the location, time and date of the last 3 Annual General Meetings and details of the resolution passed by Postal Ballot:

AGM	Year	Location of the Meeting	Date	Time	Special Resolution
61st AGM	2006-2007	Walchand Hiranand Hall IMC, 4th floor, IMC Marg, Churchgate, Mumbai - 400020	27/6/2008	11:30 a.m.	<ol style="list-style-type: none"> <li>1. For appointment of Ms. Ruchika Bhojwani as "Manager Hair Care Division."</li> <li>2. For payment of Commission to the Non-Executive Directors of the Company.</li> </ol>
60th AGM	2005-2006	Jai Hind College, 'A' Road, Churchgate, Mumbai - 400020	29/12/2006	11:30 a.m.	<ol style="list-style-type: none"> <li>1. For appointment of Mr. Karan Bhojwani as "Manager – Brite Branded Products."</li> <li>2. For appointment of Ms. Ruchika Bhojwani as "Executive – Corporate Communication."</li> <li>3. For re-appointment of Mrs. Hira T. Bhojwani as "Whole Time Director – Commercial."</li> <li>4. For Delisting of Equity shares from Delhi Stock Exchange.</li> </ol>
59th AGM	2004-2005	M. C. Ghia Hall, Bhogilal Hargovindas Bldg., 2nd Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001	27/12/2005	11:30 a.m.	No special resolution passed.

All the resolutions, including special resolutions set out in the respective notices were approved by the shareholders.

At the forthcoming AGM, there is no item on the agenda that needs approval by postal ballot.

## 7. Disclosures:

Related Party Transaction:

The Company has not entered into any transaction of a material nature, with its Promoters, Directors or Management or relatives that may have a conflict with the interest of the Company at large. Full disclosure of related party transaction is given under Note No. N of Schedule T of the notes to annual accounts. All the transaction covered under the related party transaction were fair, transparent and at arms length.

- The Company does not have any subsidiaries.

- **Compliance with Mandatory Requirements:**

The Company has complied with the requirements of Listing Agreement/Regulations/Guidelines/Rules of the Stock Exchanges/SEBI and other Statutory Authorities. Consequently there has been no strictures/penalties imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India or any other statutory authorities on any matter related to Capital market during the year.

- During the year under review all Directors and senior management personnel have confirmed their adherence to the provisions of the Code of Conduct. The Annual Report of the Company shall contain a declaration to this effect signed by the CEO.
- As required under clause 49 of the Listing Agreement, the Auditors certificate is given as annexure to the Director's Report.

- **Disclosure of risk Management:**

The Board has been acquainted with matters to Risk Management and Assessment. The risk minimization procedures have been put in place to ensure that risks are controlled through means of properly defined framework.

- **Compliance with Non-Mandatory requirements of Clause 49 of the Listing Agreement.**

Clause 49 states that Non-Mandatory requirements may be implemented as per Company's discretion and as such the Board shall consider adopting the same as and when it deems fit.

#### 8. Means of communication:

- The quarterly and half yearly and annual results are generally published in "The Free Press Journal" (English) and "Nav-Shakti" (Marathi) in Mumbai edition. These are not sent individually to the shareholders.
- In compliance with the Listing Agreement the Company's audited/unaudited/half yearly/annual results and Shareholding pattern are posted at the BSE website.

#### 9. General Shareholders Information:

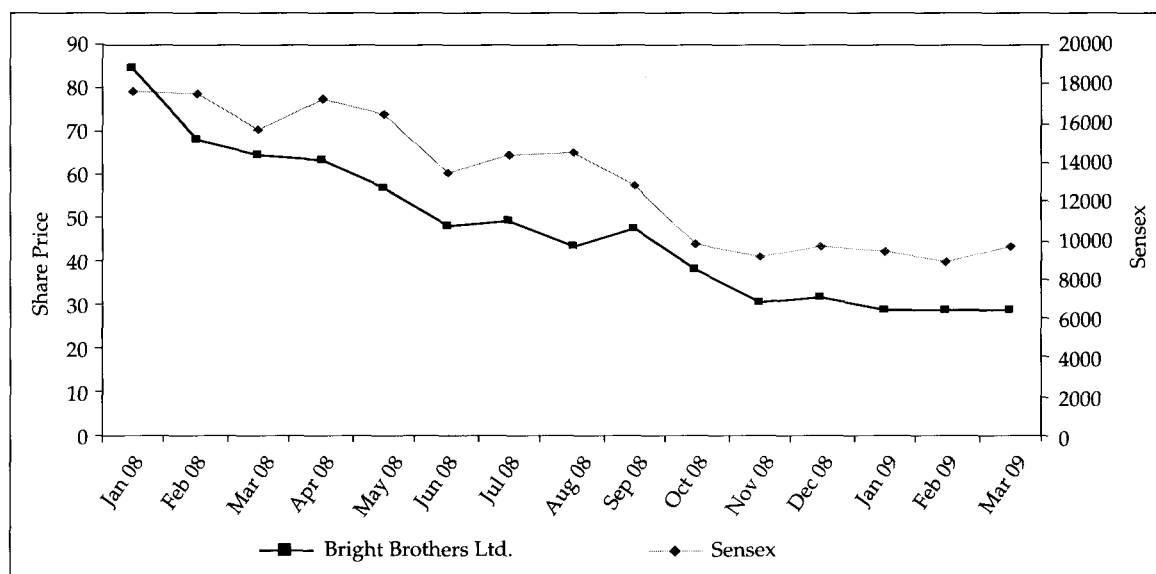
AGM: Date, Time and Venue	: 26th June, 2009 at 11.30 a.m. M.C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20, K. Dubash Marg, Mumbai 400 001
Financial Calendar (tentative)	: Financial reporting for the quarter ended June 30th 2009 — on or before 31st July 2009 September 30th 2009 — on or before 31st October 2009 December 31st 2009 — on or before 31st January 2010 March 31st 2010 — on or before 30th June 2010
Date of Book Closure	: June 19th 2009 to June 26th 2009 (both days inclusive)
Listing on Stock Exchanges	: Bombay Stock Exchange Limited *The Madhya Pradesh Stock Exchange *Company's application for delisting is pending with Madhya Pradesh Stock Exchange *The Company got its equity shares delisted from Delhi Stock Exchange w.e.f 31st March 2009.
Annual Listing fees	: The Company has paid annual listing fee to the above Stock Exchanges.
Stock Code	: 526731 on Bombay Stock Exchange Limited
ISIN No. for NSDL and CDSL	: INE630D01010
Group	: "S"
Scrip ID	: BRIGHTBR
Scrip Name	: BRIGHTBROTH

**Stock Market Data (BSE):**

Monthly high and low quotations of shares and volume of Equity Shares traded on Bombay Exchange Limited are as follows:

Month	High (in Rs.)	Low (in Rs.)	Volume (in Nos.)
January 2008	96.85	63.00	137926
February 2008	97.70	66.10	306050
March 2008	70.80	55.00	148716
April 2008	67.50	59.90	32651
May 2008	70.00	55.00	51444
June 2008	62.00	44.45	21929
July 2008	52.80	43.00	12716
August 2008	50.75	42.70	11863
September 2008	49.70	37.15	13376
October 2008	49.30	29.25	17862
November 2008	42.00	29.50	9239
December 2008	35.95	27.55	38669
January 2009	35.45	25.30	10267
February 2009	31.25	26.50	10155
March 2009	31.70	26.20	46555

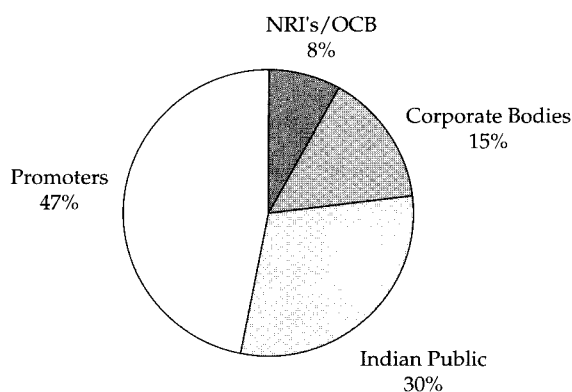
**Share Performance of the Company in Comparison to BSE Sensex**  
**BSE Sensex Vs. BBL Share Price.(Monthly Closing Price)**



**Shareholding Pattern as on 31st March 2009:**

Category	No. of Shares	% holding
Promoters Holdings	27,75,861	46.45
Non Promoters Holdings:	31,99,669	53.55
a. NRI/OCB's	4,99,683	8.36
b. Mutual Funds/UTI/Banks/Financial Institutions	350	0.01
c. Corporate Bodies	8,95,749	15.00
d. Public – resident individuals	18,03,887	30.18
<b>Grand Total</b>	<b>59,75,530</b>	<b>100.00</b>

Note: None of the Promoters have pledged their shares as on March 31, 2009

**Distribution of Shareholding as on 31st March 2009:**

Range of Shares held	No. of Shares held	% Total Shares
Less than 500	5,26,016	8.803
501-1000	1,15,224	1.928
1001-2000	98,330	1.646
2001-3000	66,909	1.120
3001-4000	39,286	0.657
4001-5000	96,863	1.621
5001-10000	90,507	1.515
10001 and above	49,42,395	82.711
<b>Total</b>	<b>59,75,530</b>	<b>100.000</b>

**Share Transfer System:**

All the transfers received are processed by the Registrars and Share Transfer Agents - M/s. Sharepro Services (India) Private Limited and are approved by the Share Transfer Committee which meets every fortnightly or more depending upon the number of transfers received.

Shares transfers in physical form are registered and dispatched by the Registrar and Share Transfer Agent within 15 days of receipt of the documents, if documents are found to be in order. Share under objection are returned within 15 days.

All requests for dematerialization of shares, which are in order, are processed within 15 days and the confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL)

The Board has delegated the authority of approving the transfers, transmissions etc to the chairman of the shareholders committee. A summary of transfer/transmission of the securities so approved is placed at every Board meeting. The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under clause 47(c) of the Listing Agreement with the Stock Exchanges and files a copy of the same with the Stock Exchanges.

#### **Dematerialisation and Liquidity:**

The shares of the Company are compulsorily traded in dematerialised form. 50,91,307 Equity Shares representing 85.20% of the total Equity Capital of the Company are held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on 31st March 2009.

#### **Secretarial Audit Report:**

As stipulated by the Securities and Exchange Board of India a qualified Practicing Company Secretary carries out the Secretarial Audit to reconcile the total admitted Capital with National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and the Listed Capital. The Audit is carried out every quarter and the Report thereon is submitted to the Stock Exchange and is also placed before the Board of Directors. The Report inter alia confirms that the total listed and paid up share capital of the Company is in agreement with the aggregate of the total dematerialized shares and those in the physical mode.

#### **Outstanding GDRs/ADRs/Warrants or any convertible instrument, conversion date and likely impact on equity:**

The Company has not issued any of these instruments so far.

#### **Registrars and Share Transfer Agents:**

M/s. Sharepro Services (India ) Private Limited  
(Unit: Bright Brothers Ltd.),  
Samhita Warehousing Complex,  
13AB, Gala No. 52, 2nd Floor,  
Near Sakinaka Telephone Exchange,  
Off. Kurla Andheri Road,  
Sakinaka, Mumbai 400 072  
Tel: 022 67720300  
Fax No.: 022-28375646

#### **Plant locations:**

<b>Puducherry:</b> Plot No. 1/1 to 1/4, Thirubhuvanai, Mannadipet Commune, Puducherry – 605 107. Phone No: 0413 2640105 0413 2640368	<b>Faridabad :</b> Plot No. 16-17, Sector 24, Faridabad – 121 005 Phone No: 0219 2232049 0219 5021455
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**Address for investors correspondence:**

For all matters relating to shares, dividends, Annual Reports	M/s. Sharepro Services (India) Pvt. Ltd. Samhita Warehousing Complex, 13AB, Gala No. 52, 2nd Floor, Nr. Sakinaka Telephone Exchange, Off. Kurla Andheri Road, Sakinaka, Mumbai 400 072	Phone : 022 6772 0300 Fax : 022 2837 5646 Email : sharepro@vsnl.com
For Fixed Deposits	Bright Brothers Limited Legal & Secretarial Department, B-54, Road No. 33, Wagle Industrial Estate, Thane-400 604.	Phone : 022 2582 8486 Fax : 022 2583 7051 Email : ho@brightbrothers.co.in
For any other general matters or in case of any difficulty/ grievance	Company Secretary Bright Brothers Limited 610/611, Nirman Kendra, Famous Studio Lane, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011	Phone : 022 2490 5323 / 022 2490 5324 Fax : 022 2490 5325 Email : ho@brightbrothers.co.in

Shareholders holding shares in electronic mode should address all their correspondence to the respective Depository Participant.

**10. CEO/CFO Certification:**

The Managing Director and Chief Financial Officer (CFO) have in respect of the financial period ended 31st March, 2009 submitted to the Board at the meeting held on 21st May, 2009 certificate regarding compliances of covenants contained in clause 49(V) of the Listing Agreement.

**11. Declaration by the Chairman & Managing Director under revised Clause 49 of the Listing Agreement regarding compliance with the Code of Conduct:**

As provided under Clause 49 1(D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the Code of conduct for the year ended 31st March 2009.

For and on behalf of the Board

**SURESH BHOJWANI**

*Chairman & Managing Director*

**CERTIFICATE OF COMPLIANCE WITH CORPORATE REQUIREMENTS  
UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

TO THE MEMBERS OF  
BRIGHT BROTHERS LIMITED

We have examined the compliance of conditions of Corporate Governance by BRIGHT BROTHERS LIMITED, for the period ended 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s) in India.

The Compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination has been limited to the review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of 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 the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement except for the absence of Chairman of the Audit Committee in the last Annual General Meeting.

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

For **DHODY & ASSOCIATES**  
*Chartered Accountants*

**RAKESH DHODY**  
*Partner*  
Membership No. 72621

Place : Mumbai  
Date : 21st May, 2009



## Auditors' Report To The Members of Bright Brothers Limited

- (1) We have audited the attached Balance Sheet of BRIGHT BROTHERS LIMITED, as at 31st March, 2009, the Profit and Loss Account and also the Cash Flow Statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
- (2) We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of any material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- (3) As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the Order) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the Act) and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- (4) Further to our comments in the Annexure referred in paragraph 3 above, we report that:
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The balance sheet, profit and loss account and 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 comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2009, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2009 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 gives 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, 2009;
    - (ii) in the case of the Profit and Loss Account, of the loss for the period ended on that date; and
    - (iii) in the case of Cash Flow Statement, of the cash flows for the period ended on that date.

For **DHODY AND ASSOCIATES**  
Chartered Accountants

**(RAKESH DHODY)**  
Partner  
Membership No.: 72621

Place : Mumbai  
Date : 21st May, 2009

## Annexure To Auditor's Report:

Annexure referred to in paragraph 3 of our report of even date to the members of Bright Brothers Limited for the period ended 31st March, 2009.

- (i) (a) The Company has maintained proper records, showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the management has physically verified most of the fixed assets during the year, other than moulds lying with third parties and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification of fixed assets is reasonable having regard to the size of the Company and the nature of the assets.
- (c) The fixed assets disposed off during the period are not substantial and hence it has not affected the going concern assumption.
- (ii) (a) Inventories have been physically verified during the period by the management. In respect of inventories lying with third parties confirmations have been obtained for a major portion of inventories. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, 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 has maintained proper records of inventory. The discrepancies noticed on verification between physical stocks and book stocks were not material having regard to the size of the operations of the Company and have been properly dealt with in the books of accounts.
- (iii) (a) The Company has not granted any loans secured/unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly clause (iii)(b) to (iii)(d) of paragraph 4 of the Order are not applicable to the Company.
- (b) There is one Company covered under the register maintained under Section 301 of the Companies Act, 1956 from whom the Company has taken loan. The maximum amount outstanding during the year was Rs. 4.00 Cr and year-end balance was Rs. Nil.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, nothing had come to our notice that may suggest a major weakness in the internal control system of the Company except in respect of finished goods where stock records maintenance needs to be strengthened in compliance with the need of the plant.
- (v) (a) The particulars of contracts and arrangements referred to under section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under the said Act.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market price at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under, with regard to the deposits accepted from the public. No order has been passed by the Company Law Board.
- (vii) During the course of our audit we found the internal audit systems are commensurate with the size of the business in relation to activities at the plant. However the Internal audit system at head office needs to be strengthened.
- (viii) The Central Government has not prescribed for the maintenance of cost record under clause (d) of sub section (1) of Section 209 of the Companies Act, 1956.

- (ix) (a) According to the information and explanations given to us and records of the Company examined by us, in our opinion the Company is generally regular in depositing, undisputed statutory dues in respect of provident fund, investor education and protection fund, employee's state insurance, service-tax, custom duty, excise duty, cess, sales-tax and income-tax with the appropriate authorities.
- (b) According to the records of the Company and information and explanation given to us, no undisputed amount payable in respect of provident fund, investor education and protection fund, employee's state insurance, income-tax, wealth-tax, service-tax, were outstanding at the balance sheet date, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company and information and explanation given to us the following are the particulars of the disputed amount payable in respect of Sales Tax, Excise Duty, Entry Tax, Service Tax as at 31st March, 2009, which have not been deposited on account of disputes are as follows:

Sr. No.	Name of the Statute	Nature of Dispute	Period to which the amount relates	Amount (Rs. in lacs)	Forum where Dispute is pending
1.	Central Excise Act, 1944	Valuation	1993-97	3.04	CESTAT
2.	Central Excise Act, 1944	Audit objection for Disallowance of Cenvat	1997-2003	64.76	COMM. of Central Excise (Appeals)
3.	Central Excise Act, 1944	Disallowance of Cenvat	1996-1999	64.50	CESTAT
4.	Central Excise Act, 1944	Valuation	1995-2000	17.65	CESTAT
5.	Central Excise Act, 1944	Valuation	1994-97	3.05	Commissioner Appeal-Chennai
6.	Central Excise Act, 1944	Duty demand against goods destroyed in fire	2006-2007	3.85	Commissioner Appeal-Chennai
7.	Central Excise Act, 1944	Valuation	Mar. 08-Oct. 08	0.69	Commissioner Appeal-Chennai
8.	Service Tax	Audit objection for availment of credit	2008-2009	19.76	Commissioner-Faridabad
9.	Bombay Sales Tax Act, 1959	Disallowance of claim arising out of relief from Government of Maharashtra and Non Submission of Declaration form	1987-1989	22.56	Sales Tax Tribunal
10.	Bombay Sales Tax Act, 1959	Disallowance of credit note	1992-1993	1.21	Assistant Commisioner-Mumbai
11.	Bombay Sales Tax Act, 1959	Non Submission of Declaration form	1992-1993	3.52	Assistant Commisioner-Thane
12.	Bombay Sales Tax Act, 1959	Non Submission of Declaration form	1999-2000	8.18	Maharashtra Sales Tax Tribunal
13.	Bombay Sales Tax Act, 1959	Disallowance of Credit Notes and claim for material rejection	1998-1999	6.09	Maharashtra Sales Tax D.C. Appeal
14.	Bombay Sales Tax Act, 1959	Non Submission of Declaration form	1998-1999	0.67	Maharashtra Sales Tax D.C. Appeal

Sr. No.	Name of the Statute	Nature of Dispute	Period to which the amount relates	Amount (Rs. in lacs)	Forum where Dispute is pending
15.	Bombay Sales Tax Act, 1959	Appeal against interest and penalty	1998-1999	8.73	Sales Tax Tribunal-Mumbai
16.	Bombay Sales Tax Act, 1959	Non Submission of Declaration form	2000-2001	7.23	Assessing Officer
17.	MP Commercial Tax Act, 1994	Levy of Tax on plant and machinery	1995-1996	0.65	A.C. (S.T Appeal)
18.	MP Commercial Tax Act, 1994	Appeal against interest	1997-1998	1.53	A.C. (S.T Appeal)
19.	MP Commercial Tax Act, 1994	Non Submission of Declaration form	2004-05	5.19	A.C. (S.T Appeal)

- (x) The Company has no accumulated losses as at 31st March, 2009 and has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- (xi) Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution/bank/debentureholders.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
- (xiv) The Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) The Company has not given guarantee for loans taken by others from banks or financial institutions.
- (xvi) The Company has not taken any term loans during the year.
- (xvii) The funds raised on short-term basis have not been used for long term investment.
- (xviii) The Company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the year and therefore the question of disclosing the end use of money does not arise.
- (xx) The Company has not raised any money by public issues during the year.
- (xxi) Based on the audit procedure performed and the information and explanations given by the management we report that no fraud on or by the Company has been noticed or reported during the year.

For **DHODY AND ASSOCIATES**  
Chartered Accountants

**(RAKESH DHODY)**  
Partner  
Membership No.: 72621

Place : Mumbai  
Date : 21st May, 2009

## Balance Sheet as at 31st March, 2009

	Schedule	As at 31st Mar., 2009 Rs.	As at 31st Dec., 2007 Rs.
<b>I. SOURCES OF FUNDS</b>			
<b>1. SHAREHOLDERS' FUNDS</b>			
(a) Capital	A	59,710,300	69,710,300
(b) Reserves and Surplus	B	521,983,675	582,950,227
<b>2. LOAN FUNDS</b>			
(a) Secured Loans	C	7,252,576	741,393
(b) Unsecured Loans	D	45,572,000	90,841,200
<b>3. DEFERRED TAX LIABILITY</b>		9,007,866	—
<b>Total</b>		<u>643,526,417</u>	<u>744,243,120</u>
<b>II. APPLICATION OF FUNDS</b>			
<b>1. FIXED ASSETS</b>	E		
(a) Gross Block		711,636,796	663,386,520
(b) Less: Depreciation		575,981,933	567,048,170
(c) Net Block		135,654,863	96,338,350
(d) Capital work-in-progress		959,731	1,717,368
		136,614,594	98,055,718
<b>2. DEFERRED TAX ASSET</b>		—	33,538,657
<b>3. INVESTMENTS</b>	F	350,020,644	1,314,800
<b>4. CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
(a) Inventories	G	81,677,185	63,241,186
(b) Sundry Debtors	H	37,307,429	26,633,395
(c) Cash and Bank Balances	I	114,281,386	912,195,073
(d) Other Current assets, Loans and advances	J	36,853,832	25,176,520
		270,119,832	1,027,246,174
Less: Current Liabilities and Provisions	K	113,228,653	416,377,949
<b>Net Current Assets</b>		156,891,179	610,868,225
<b>5. MISCELLANEOUS EXPENDITURE</b>	L	—	465,720
(to the extent not written off or adjusted)			
<b>Total</b>		<u>643,526,417</u>	<u>744,243,120</u>

Notes to the Financial Statements

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

This is the Balance sheet referred to in our report of even date  
As per our Report attached  
For Dhody & Associates  
Chartered Accountants

Rakesh Dhody  
Partner

Membership No. 72621

Tushar B. Naik  
CFO & Company Secretary

Mumbai, 21st May, 2009

For and on behalf of the Board

Mr. Suresh Bhojwani Chairman &  
Managing Director

Mrs. Hira T. Bhojwani Whole time Director

Mr. K. P. Rao  
Dr. T. S. Sethurathnam } Directors

## Profit and Loss Account for the period ended 31st March, 2009

	Schedule	Period Ended 31st Mar., 2009 Rs.	Period Ended 31st Dec., 2007 Rs.
<b>INCOME</b>			
Gross Sales and Operating Income	M	1,009,731,969	3,283,378,425
Less: Excise Duty		(123,145,138)	(472,672,069)
Net Sales and Operating Income		886,586,831	2,810,706,356
Other Income	N	34,434,179	14,119,170
		921,021,010	2,824,825,526
<b>EXPENDITURE</b>			
Materials	O	643,868,529	1,881,635,236
Personnel Cost	P	66,974,360	171,437,985
Operating and other expenses	Q	171,035,671	560,645,528
Miscellaneous Expenditure written off	R	465,720	2,953,304
<b>PROFIT BEFORE INTEREST, DEPRECIATION &amp; TAXATION</b>		38,676,730	208,153,473
Financial Charges	S	8,490,850	195,914,795
<b>PROFIT BEFORE DEPRECIATION &amp; TAXATION</b>		30,185,880	12,238,678
Depreciation		16,060,569	123,730,225
<b>PROFIT/(LOSS) BEFORE EXCEPTIONAL/PRIOR PERIOD ITEMS</b>		14,125,311	(111,491,547)
Prior Period items (Refer Note No. E of Schedule T)		(16,630,032)	—
Exceptional items		—	801,574,522
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		(2,504,721)	690,082,975
Fringe benefit tax		985,986	2,381,241
Deferred tax		42,546,523	(42,970,539)
Tax for earlier year		947,180	175,600,000
<b>PROFIT/(LOSS) AFTER TAXATION</b>		(46,984,410)	555,072,273
Balance brought forward from Previous year		217,568,578	(150,189,293)
<b>BALANCE AVAILABLE FOR APPROPRIATIONS</b>		170,584,168	404,882,980
<b>APPROPRIATIONS:</b>			
Interim equity dividend		—	58,743,634
Proposed equity dividend		11,951,060	—
Dividend – Preference shares (arrears)		—	15,887,249
Tax on distributed profit		2,031,082	12,683,519
Transfer to general reserve		20,000,000	100,000,000
Balance carried forward		136,602,026	217,568,578
<b>Basic and diluted earning per share before Exceptional/Prior Period Items (Ref Note No. P of Schedule T)</b>		2.37	(19.26)
<b>Basic and diluted earning per share (Ref. Note No. P of Schedule T)</b>		(7.86)	92.38
<b>Notes to the Financial Statements</b>	T		
The schedules referred to above form an integral part of the Profit and Loss Account.			

This is the Profit and loss referred to in our report of even date  
As per our Report attached  
For Dhody & Associates  
Chartered Accountants

Rakesh Dhody  
Partner  
Membership No. 72621

Tushar B. Naik  
CFO & Company Secretary

For and on behalf of the Board

Mr. Suresh Bhojwani	Chairman & Managing Director
Mrs. Hira T. Bhojwani	Whole time Director
Mr. K. P. Rao	} Directors
Dr. T. S. Sethurathnam	

Mumbai, 21st May, 2009

## Cash Flow Statement for the period ended 31st March, 2009

(Rs. in lacs)

	For the period ended 31-03-2009	For the period ended 31-12-2007
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit/(Loss) before Tax	(25.05)	6,900.83
Adjustments for:		
Depreciation	160.61	1,237.30
Financial Charges (Net)	84.91	1,959.15
Profit on Sale of Fixed Assets/Undertaking	2.85	(11,368.53)
Dividend Income on Mutual Fund units	(301.13)	—
Profit on Redemption of Mutual Fund units	(0.45)	—
Financial Lease	—	2.24
Miscellaneous Expenditure Written off	4.66	29.53
<b>Operating Profit before Working Capital Changes</b>	<b>(73.60)</b>	<b>(1,239.48)</b>
Adjustments for:		
Sundry debtors, Loans and Advances	(223.51)	4,507.67
Inventories	(184.36)	836.60
Trade and other payables	(912.27)	105.02
<b>Cash Generated from Operations</b>	<b>(1,393.74)</b>	<b>4,209.81</b>
Income Tax paid	(765.47)	(1,000.00)
Fringe benefit tax paid	(6.68)	(17.13)
<b>Net Cash Flow before Exceptional Items</b>	<b>(2,165.89)</b>	<b>3,192.68</b>
Exceptional Item		
Payment for completion covenants for sale of the undertaking	(633.08)	—
<b>Net Cash Flow after Exceptional Items</b>	<b>(A) (2,798.97)</b>	<b>3,192.68</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(559.45)	(938.76)
Sale of Fixed Assets	10.39	—
Sale of an Undertaking	—	14,072.84
Investments	(3,487.06)	(5.00)
Dividend Income on Mutual Fund units	301.13	—
Profit on Redemption of Mutual Fund units	0.45	—
<b>Net Cash from Investing Activities</b>	<b>(B) (3,734.54)</b>	<b>13,129.08</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Financial Charges (Net)	(84.91)	(1,959.15)
Increase in Equity Share Capital	—	150.00
Redemption of Preference Shares	(100.00)	(135.00)
Dividend Paid	(746.31)	—
Tax on distributed profit	(126.83)	—
Decrease in Loans (Net)	(387.58)	(5,423.66)
Financial Lease	—	(2.24)
<b>Net Cash used in Financing Activities</b>	<b>(C) (1,445.63)</b>	<b>(7,370.05)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(7,979.14)</b>	<b>8,951.71</b>
<b>Cash &amp; Cash Equivalents at the beginning of year (01/01/2008)</b>	<b>9,121.95</b>	<b>170.24</b>
<b>Cash &amp; Cash Equivalents at the end of the year (31/03/2009)</b>	<b>1,142.81</b>	<b>9,121.95</b>

This is the Cash Flow Statement referred to in our report of even date.

As per our Report attached  
For Dhody & Associates  
Chartered Accountants

Rakesh Dhody  
Partner  
Membership No. 72621

Mumbai, 21st May, 2009

Tushar B. Naik  
CFO & Company Secretary

For and on behalf of the Board

Mr. Suresh Bhojwani      Chairman &  
Managing Director

Mrs. Hira T. Bhojwani      Whole time Director

Mr. K. P. Rao  
Dr. T. S. Sethurathnam      Directors

## Schedules

### Forming Part of Balance Sheet

	As at 31st Mar., 2009 Rs.	As at 31st Dec., 2007 Rs.
<b>SCHEDULE - A</b>		
<b>CAPITAL</b>		
<b>AUTHORISED</b>		
7,000,000 Equity Shares of Rs. 10/- each	70,000,000	70,000,000
3,000,000 Cumulative Redeemable Preference Shares of Rs. 10/- each	30,000,000	30,000,000
<b>ISSUED AND SUBSCRIBED</b>		
5,975,530 Equity Shares of Rs. 10/- each fully paid up		
1,000,000 6% Cumulative Redeemable Preference Shares of Rs. 10/- each		
<b>PAID UP</b>		
5,975,530 Equity Shares of Rs. 10/- each fully paid up	59,755,300	59,755,300
Less: Calls in Arrears	(45,000)	(45,000)
(Previous Year 5,975,530 Equity shares of Rs. 10/- each)	59,710,300	59,710,300
1,000,000 6% Cumulative Redeemable Preference Shares of Rs. 10/- each fully paid-up	—	10,000,000
<b>Notes: Of the above shares</b>		
(1) 16,05,000 Equity shares of Rs. 10/- each were allotted as fully paid up bonus shares by Capitalisation of General reserves and Revaluation reserves.		
(2) 4,000 Equity shares, of Rs. 10/- each were allotted for consideration without payment received in cash.		
(3) 13,20,025 Equity shares were allotted as fully paid up pursuant to Scheme of Amalgamation Brite Automotive and Plastics Ltd. with the Company.		
	<u>59,710,300</u>	<u>69,710,300</u>

## SCHEDULE - B

### RESERVES AND SURPLUS

Capital Reserve	2,014,804	2,014,804
Capital Investment Subsidy	2,500,000	2,500,000
Capital Redemption Reserve	10,000,000	10,000,000
Share Premium Account	110,926,450	110,926,450
Revaluation Reserve	8,478,581	8,478,581
General Reserve		
Opening Balance	217,561,564	107,211,564
Add: Transferred from Profit and Loss Account	20,000,000	110,350,000
	<u>237,561,564</u>	<u>217,561,564</u>
Amalgamation Reserve	13,900,250	13,900,250
Profit and Loss Account – Surplus	136,602,026	217,568,578
	<u>521,983,675</u>	<u>582,950,227</u>



**Schedules**  
**Forming Part of Balance Sheet (Contd.)**

	As at 31st Mar., 2009 Rs.	As at 31st Dec., 2007 Rs.
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**SCHEDULE - C**

**SECURED LOANS**

Hire Purchase Finance	7,252,576	741,393
	<u>7,252,576</u>	<u>741,393</u>

Note: Secured against hypothecation of Vehicles.

**SCHEDULE - D**

**UNSECURED LOANS**

Fixed Deposits (Includes Rs. 140.55 Lacs from Directors) (Previous Year Rs. 140.55 Lacs)	45,572,000	50,877,000
Inter Corporate Deposits	—	35,000,000
Loan – Machinery	—	4,964,200
	<u>45,572,000</u>	<u>90,841,200</u>

## Schedules Forming Part of Balance Sheet (Contd.)

### SCHEDULE - E

#### FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.01.2008	Additions	Deduction	As at 31.03.2009	As at 01.01.2008	Deduction	Depreciation for the Year	As at 31.03.2009	As at 31.03.2009	As at 31.12.2007
<b>Intangible Assets</b>										
Trade Marks	—	2,195,755	—	2,195,755	—	—	—	—	2,195,755	—
<b>Tangible Assets</b>										
Land Freehold	20,968,818	—	—	20,968,818	—	—	—	—	20,968,818	20,968,818
Buildings	30,149,790	1,721,534	155,245	31,716,079	11,770,059	—	1,251,750	13,021,809	18,694,270	18,379,731
Plant & Machinery	317,890,649	44,548,315	3,948,282	358,490,682	281,874,116	3,779,265	10,763,197	288,858,048	69,632,634	36,016,533
Moulds	232,498,536	249,600	—	232,748,136	231,218,611	—	365,957	231,584,568	1,163,568	1,279,925
Electrical Installations	19,714,076	101,200	—	19,815,276	17,871,343	—	393,727	18,265,070	1,550,206	1,842,733
Furniture & Fixtures	18,223,064	231,932	—	18,454,996	9,358,533	—	1,048,286	10,406,819	8,048,177	8,864,531
Office Equipments	6,009,289	227,542	—	6,236,831	4,710,654	—	107,227	4,817,881	1,371,417	1,298,635
Vehicles	10,430,123	6,728,563	4,347,475	12,811,211	4,597,267	3,347,541	1,422,027	2,671,753	10,186,990	5,832,856
Computers	7,502,175	696,837	—	8,199,012	5,647,587	—	708,398	6,355,985	1,843,028	1,854,588
<b>Total</b>	<b>663,386,520</b>	<b>56,701,278</b>	<b>8,451,002</b>	<b>711,636,796</b>	<b>567,048,170</b>	<b>7,126,806</b>	<b>16,060,569</b>	<b>575,981,933</b>	<b>135,654,863</b>	<b>96,338,350</b>
Previous Year Total	1,329,134,697	152,954,373	(818,702,550)	663,386,520	991,589,922	(548,271,975)	123,730,223	567,048,170	96,338,350	337,544,775

Notes: 1. Capital W.I.P. Rs. 959,731 (Previous Year Rs. 1,717,368).

2. Deduction for the previous year include fixed assets transferred pursuant to sale of the Automotive division.

## Schedules

### Forming Part of Balance Sheet (Contd.)

		As at 31st Mar., 2009 Rs.	As at 31st Dec., 2007 Rs.
<b>SCHEDULE - F</b>			
<b>INVESTMENTS</b>			
<b>Trade</b>			
<b>Quoted:</b>			
2,100	Equity Shares of Rs. 10/- each of Indusind Bank Ltd. (Value Rs. 67,830/- at Market Price)	105,000	105,000
<b>Non-Trade</b>			
<b>Unquoted</b>			
1,000	Equity Shares of Rs. 10/- each of The Saraswat Co-op. Bank Ltd.	10,000	10,000
2,000	Equity Shares of Rs. 100/- each of Indusind Enterprises & Finance Ltd.	200,000	200,000
1,666	Equity Shares of Rs. 300/- each of Shalimar Infotech Ltd.	499,800	499,800
1,189	Ambit Pragma Fund Scheme I Units of Rs. 1000/- each	1,189,000	—
50,000	Units of Rs. 10/- each of UTI - Infrastructure Advantage Fund Fair Market Value Rs. 2,91,500/- (NAV Rs. 5.83)	500,000	500,000
2,558,031	Birla Sun Life Short Term Fund - Institutional Growth (NAV Rs. 10.4360)	26,695,606	—
10,000,000	UTI-Liquid Fixed Term Maturity Plan (NAV Rs. 10/-)	100,000,000	—
220,757	UTI Treasury Advantage Fund - Daily Dividend Institutional Plan (NAV Rs. 1000.2929)	220,821,238	—
		<b>350,020,644</b>	<b>1,314,800</b>
<b>SCHEDULE - G</b>			
<b>INVENTORIES</b>			
	Finished Goods	6,121,605	10,234,236
	Work in Process	8,899,109	3,483,493
	Raw Materials	28,287,225	27,363,232
	Finished Goods – Traded	28,749,488	14,732,085
	Moulds	1,700,000	1,423,636
	Stores, Components and Packing Materials	7,919,758	6,004,504
		<b>81,677,185</b>	<b>63,241,186</b>
<b>SCHEDULE - H</b>			
<b>SUNDRY DEBTORS</b>			
<b>(Unsecured)</b>			
	Considered Good		
(a)	Outstanding for a period exceeding six months	9,086,140	1,730,104
(b)	Others	28,221,289	24,903,291
		<b>37,307,429</b>	<b>26,633,395</b>

## Schedules

### Forming Part of Balance Sheet (Contd.)

	As at 31st Mar., 2009 Rs.	As at 31st Dec., 2007 Rs.
<b>SCHEDULE - I</b>		
<b>CASH AND BANK BALANCES</b>		
Cash on hand	332,962	1,015,080
With Scheduled banks (on Current/FD Account) (Includes Rs. 10 cr. in Escrow Account)	112,976,914	911,179,993
Dividend Accounts	971,510	—
	<u>114,281,386</u>	<u>912,195,073</u>

### SCHEDULE - J

#### OTHER CURRENT ASSETS, LOANS AND ADVANCES (Unsecured Considered good unless otherwise stated)

Deposits	5,794,754	4,172,806
Balance with Central Excise and Service Tax Authorities	5,256,571	1,182,343
Advances recoverable in Cash or in Kind or for value to be received	25,802,507	19,821,371
	<u>36,853,832</u>	<u>25,176,520</u>

### SCHEDULE - K

#### CURRENT LIABILITIES AND PROVISIONS

Sundry Creditors for Materials, Expenses and Capital goods	70,383,502	146,582,891
Advance from Customers	422,464	5,144,978
Unclaimed Dividend**	971,510	—
Directors' Current Accounts	463,058	443,807
Proposed equity dividend	11,951,060	74,630,883
Tax on distributed profits	2,031,082	12,683,519
Other Liabilities	27,005,977	176,891,871
	<u>113,228,653</u>	<u>416,377,949</u>

\*\*Note : Out of the above, nothing is due and outstanding to be credited to Investor Education and Protection Fund.

### SCHEDULE - L

#### MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

Voluntary Retirement Compensation	—	465,720
	<u>—</u>	<u>465,720</u>

## Schedules

### Forming Part of Profit & Loss Account

	Year ended 31st Mar., 2009 Rs.	Year ended 31st Dec., 2007 Rs.
<b>SCHEDULE - M</b>		
<b>GROSS SALES AND OPERATING INCOME</b>		
Sales		
Manufacturing	963,502,488	3,156,533,230
Finished Goods – Traded	19,053,218	97,854,318
Moulds	18,890,838	21,946,574
Job Work	8,031,223	6,578,909
Royalty	254,202	465,394
	<u>1,009,731,969</u>	<u>3,283,378,425</u>
<b>SCHEDULE - N</b>		
<b>OTHER INCOME</b>		
Dividend income on mutual fund units	30,113,065	—
Profit on redemption of mutual fund units	45,004	—
Miscellaneous Income	4,276,110	14,119,170
	<u>34,434,179</u>	<u>14,119,170</u>
<b>SCHEDULE - O</b>		
<b>MATERIALS</b>		
(a) Raw Materials Consumption		
Opening Stock	27,363,232	68,939,457
Add: Purchase	528,434,654	1,340,832,348
	<u>555,797,886</u>	<u>1,409,771,805</u>
Less: Transfer of Stock Pursuant to Sale of an Undertakings	—	22,701,944
Less: Closing Stock	28,287,225	27,363,232
	<u>(A) 527,510,661</u>	<u>1,359,706,629</u>
(b) Purchase of Traded Goods	(B) 31,667,124	84,030,815
(c) Mould Development Cost	(C) 13,710,643	29,498,247
(d) Net (Increase)/Decrease in Inventory	(D) (15,750,291)	(862,602)
(e) Consumption of Packing, Components, Paints	(E) 86,730,392	409,262,147
	<u>(A+B+C+D+E) 643,868,529</u>	<u>1,881,635,236</u>

## Schedules

### Forming Part of Profit & Loss Account (Contd.)

	Year ended 31st Mar., 2009 Rs.	Year ended 31st Dec., 2007 Rs.
<b>SCHEDULE - P</b>		
<b>PERSONNEL COST</b>		
Salaries, Wages, Bonus, Contribution to PF, FPF and Superannuation Fund	60,451,283	160,372,703
Staff Welfare	1,969,400	7,289,010
Managerial Remuneration	4,553,677	3,776,272
	<u>66,974,360</u>	<u>171,437,985</u>
<b>SCHEDULE - Q</b>		
<b>OPERATING AND OTHER EXPENSES</b>		
Consumption of Spares and Consumables	9,303,611	24,798,420
Power, Fuel and Water charges	45,543,055	141,312,774
Jobwork Charges and Contract labour	40,592,442	157,765,787
Repairs and Maintenance – Building	711,923	4,089,863
Repairs and Maintenance – Plant & Machinery, Moulds & others	11,106,417	52,789,332
Rent, Rates and Taxes	10,183,164	24,250,129
Insurance	542,627	7,766,678
Legal and Professional fees	3,907,259	10,322,166
Audit and other Certification fees	400,000	600,000
Directors' Sitting fees	245,000	148,000
Sales commission and discount	1,520,539	1,853,412
Freight and forwarding charges	13,269,967	52,069,838
Travelling and Conveyance	8,139,287	22,710,263
Advertisement, Publicity and Business Promotion	4,680,581	4,166,262
Entry Tax	—	1,689,392
(Profit)/Loss on Sale of Assets	284,964	(1,485,651)
Bad debts written off	2,977,089	—
Other expenses	17,627,746	55,798,863
	<u>171,035,671</u>	<u>560,645,528</u>
<b>SCHEDULE - R</b>		
<b>MISCELLANEOUS EXPENDITURE WRITTEN OFF</b>		
Voluntary Retirement Compensation	465,720	2,953,304
	<u>465,720</u>	<u>2,953,304</u>
<b>SCHEDULE - S</b>		
<b>FINANCIAL CHARGES</b>		
Term Loan	—	68,793,130
Bank	405,730	25,270,757
Others	8,085,120	101,850,908
	<u>8,490,850</u>	<u>195,914,795</u>

**SCHEDULE T:****SIGNIFICANT ACCOUNTING POLICIES AND NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2009 AND PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED ON THAT DATE.****1. ACCOUNTING STANDARDS:****(A) DISCLOSURE OF ACCOUNTING POLICIES (AS-1):**

The financial statements are prepared under the historical cost convention and comply in all material aspects with the applicable accounting standards and according to standards notified under sub-section (3c) of section 211 of the Companies Act, 1956 and the other relevant provisions of the Companies Act, 1956.

**(B) VALUATION OF INVENTORIES (AS-2):**

Inventories are valued at lower of cost and net realisable value. The general practice adopted by the Company for valuation of inventory is as follows:

- (a) Raw Material : At cost (FIFO)
- (b) Work-in-Progress : At cost and net realisable value whichever is lower.
- (c) Finished Goods : At cost and net realisable value whichever is lower.
- (d) Trading Goods/Moulds : At cost and net realisable value whichever is lower (FIFO).
- (e) Stores & Spares : At cost (FIFO).
- (f) Packing Material : At cost (FIFO).

Provision for obsolescence is made wherever considered necessary based on the age of the stocks.

**(C) CASH FLOW STATEMENT (AS-3)**

Cash flow statement is prepared under "Indirect Method".

**(D) CONTINGENT LIABILITIES (AS-4)**

Contingent Liabilities not provided for are disclosed in the accounts by way of notes giving the nature and quantum of such liabilities.

	(Rs. in Lacs)	
	2008-2009	2006-2007
1. Estimated amount of Contracts remaining to be executed on Capital Account not provided for (net of advance)	NIL	93.41
2. (a) Other Claims against the Company not acknowledged as debts	74.17	74.17
(b) Tax Matters against which appeals are pending		
(i) Excise	177.30	406.07
(ii) Sales Tax	65.56	52.99
(iii) ESIC	4.64	NIL
3. Stamp duty in respect of Amalgamation for which appeal is pending with Board of Revenue, Gwalior	36.75	36.75

**SCHEDULE T: (Contd.)****(E) NET PROFIT AND LOSS FOR THE PERIOD, PRIOR PERIOD ITEMS AND CHANGES IN ACCOUNTING POLICIES (AS-5)****Prior period items:**

- (a) Rs. 81.41 lacs represents post financial audit adjustment as per Business transfer agreement in respect of slump sales effected during last year.
- (b) Rs. 37.13 lacs represents fees payable to Merchant bankers on account of slump sale settled during the year.
- (c) Rs. 47.76 lacs has been paid on account of closure of lease transaction pertaining to assets transferred in slump sale.

**(F) DEPRECIATION ACCOUNTING (AS-6)**

- (i) Depreciation is provided on Straight Line Method at the rate prescribed in Schedule XIV of the Companies Act, 1956.
- (ii) Obsolete assets and asset costing less than Rs. 5,000 have been fully depreciated during the year.
- (iii) Depreciation on sale/disposal of assets is provided pro rata up to the end of the month of sale/disposal.

**(G) REVENUE RECOGNITION (AS-9)**

Sales are recognized upon dispatch and are recorded inclusive of excise duty but are net of trade discount and VAT.

**(H) ACCOUNTING FOR FIXED ASSETS (AS-10)**

Fixed Assets are stated at cost of acquisition including any attributable cost for bringing the assets to its working condition for intended use, less accumulated depreciation and net of CENVAT and VAT. Interest on borrowed funds attributable to acquisition of fixed assets and certain project related expenditure at site and overheads up to the date of commencement of production/construction are allocated to concerned assets are capitalized. The Cost incurred on Fixed Assets, construction/installation/acquisition which are not completed is included under the head Capital Works in Progress.

Fixed Assets acquired under Hire Purchase Scheme are capitalized at their present value and hire charges are expensed.

**(I) ACCOUNTING FOR THE EFFECT IN FOREIGN EXCHANGE RATE (AS-11)**

Foreign Currency transactions are accounted at the exchange rate prevailing at the date of the transaction. Gains or losses resulting from the translation of monetary asset and liabilities denominated in foreign currency are recognized in the Profit and Loss Account.

**(J) ACCOUNTING FOR INVESTMENT (AS-13)**

Investments are stated at Cost except where there is a diminution in value other than temporary in which case the carrying value is reduced to recognize the decline.

The investment in Ambit pragma fund scheme-1 represents investment in Domestic Venture Capital Fund duly registered with SEBI. The capital commitment given by the company is to the extent of Rs. 100 lacs.



**SCHEDULE -T: (Contd.)****(K) ACCOUNTING FOR RETIREMENT BENEFITS (AS-15)****Short term employees benefits:**

All employees benefits payable wholly within twelve months are classified as short-term employees benefits. Benefits such as salaries, wages, performance incentives etc. are recognized at actual amount due in the period in which the employees rendered the related service.

**Post employment benefits:***Defined Contribution plan:*

Provident Fund: Contribution to Provident Fund is made to Employees Provident Fund administered by Regional Provident Fund Commissioner.

Superannuation fund: The Company makes contribution to a scheme administered by the Life Insurance Corporation of India (LIC) to discharge superannuating liabilities to the employees. The Company has no liabilities other than its annual contribution.

*Defined Benefits Plan:*

Gratuity: The Company makes contribution to a scheme administered by Life Insurance Corporation of India (LIC) to discharge gratuity liabilities to the employees. Company's contribution to the scheme is charged to profit & loss account.

Leave Encashment: The Company provides for the encashment of leave with pay subject to certain rules. Employees are entitled to accumulate leave subject to certain limits, for future encashment/availment. The liability provided based on the number of days of unutilized leave at each balance sheet date.

**(L) BORROWING COST (AS-16)**

The borrowing cost has been treated in accordance with the Accounting Standards on borrowing cost (AS-16) issued by ICAI. During the year, there were no borrowings attributable to qualifying assets and hence, no borrowing cost has been capitalized.

**(M) SEGMENT REPORTING (AS-17)**

The Company operates in one Business Segment of Processed Plastics Products and accordingly there is no separate reportable segment as per Accounting Standard AS-17.

**(N) RELATED PARTY DISCLOSURE. (AS-18)**

Information on Related Party Transactions furnished in this report was complied based on the guidelines issued by The Institute of Chartered Accountants of India, under Accounting Standard on Related Party Transactions (AS-18).

The following are the related parties with whom transactions have been entered into during the year:

**Key Management Personnel**

Mrs. Hira T. Bhojwani - Whole Time Director

Mr. Suresh Bhojwani - Chairman & Managing Director

**Relatives of Key Management Personnel**

Mrs. Devika S. Bhojwani

Mr. Karan S. Bhojwani

Ms. Ruchika S. Bhojwani

M/s. T. W. Bhojwani HUF

Mr. V. W. Bhojwani

**SCHEDULE -T: (Contd.)****Enterprises in which Key Management Personnel have significant influence**

M/s. T. W. Bhojwani Leasing Pvt. Ltd.

M/s. Quality Plastic

**Summary of the monetary value of the Transaction with related parties are as follows:**

	(Rs. in Lacs)	
	2008-09	2006-07
<b>(i) Rent Paid</b>		
— Key Management Personnel	NIL	NIL
— Relatives of Key Management Personnel	NIL	NIL
— Enterprises in which Key Management Personnel have significant influence	18.00	20.70
<b>(ii) Financial Expenses</b>		
— Key Management Personnel	19.92	15.70
— Relatives of Key Management Personnel	37.71	47.54
— Enterprises in which Key Management Personnel have significant influence	0.07	8.08
<b>(iii) Labour Charges</b>		
— Key Management Personnel	NIL	NIL
— Relatives of Key Management Personnel	NIL	NIL
— Enterprises in which Key Management Personnel have significant influence	NIL	NIL
<b>(iv) Remuneration Paid</b>		
— Key Management Personnel	48.17	42.18
— Relatives of Key Management Personnel	13.94	9.39
— Enterprises in which Key Management Personnel have significant influence	NIL	NIL
<b>(v) Royalty received</b>		
— Key Management Personnel	NIL	NIL
— Relatives of Key Management Personnel	NIL	NIL
— Enterprises in which Key Management Personnel have significant influence	2.54	3.24

**SCHEDULE -T: (Contd.)**

	(Rs. in Lacs)	
	2008-09	2006-07
<b>(vi) Bills Accepted</b>		
— Key Management Personnel	NIL	NIL
— Relatives of Key Management Personnel	NIL	10.02
— Enterprises in which Key Management Personnel have significant influence	NIL	30.39
<b>(vii) Loans Accepted/(Repaid)</b>		
— Key Management Personnel	NIL	105.00
— Relatives of Key Management Personnel	2.65	10.00
— Enterprises in which Key Management Personnel have significant influence	(0.75)	120.00
<b>(viii) Outstanding Balance</b>		
<b>Payable by the Company</b>		
— Key Management Personnel	145.18	145.18
— Relatives of Key Management Personnel	256.05	263.42
— Enterprises in which Key Management Personnel have significant influence	NIL	51.14
<b>Due to the Company</b>		
— Key Management Personnel	NIL	NIL
— Relatives of Key Management Personnel	NIL	NIL
— Enterprises in which Key Management Personnel have significant influence	NIL	NIL

**(O) ACCOUNTING FOR LEASE (AS-19)**

Disclosure as required by Accounting Standard-19, "Leases", issued by The Institute of Chartered Accountants of India, are given below:

- (1) The Company has taken Office and Godown premises under operating lease or leave and licence agreements. These are generally not non-cancellable and period range between 11 months and 3 years under leave and licence, or longer for other leases and are renewable by mutual consent on mutually agreeable terms. The Company has given refundable interest free security deposits under certain agreements.
- (2) Lease payments are recognized in the profit & loss accounts under rent, rates and taxes in Schedule Q.
- (3) The future minimum lease payments under non-cancellable operating lease not later than one year Rs. 73.32 lacs later than one year and not later than five years Rs. 100.04 lacs

**SCHEDULE -T: (Contd.)****(P) EARNING PER SHARE (AS-20)**

The ICAI has issued Accounting Standard-20 (AS-20) for working of Earning Per Share and accordingly the working is given below :

(Rs. in Lacs)

	2008-09	2006-07
Net Profit/(Loss) before tax and Prior Period/Exceptional Items	141.25	(1,114.92)
Net Profit/(Loss) after tax	(469.84)	5550.72
Less: Preference Dividend for the year & Tax on Dividend	0.00	34.91
Net Profit/(Loss) before tax, Prior Period/Exceptional Items & after Preference Dividend	141.25	(1,149.83)
Net Profit/(Loss) after tax and Preference Dividend	(469.84)	5,515.81
Paid up Equity Share ( in Nos.)	5,971,030	5,971,030
Basic and diluted earning per share Rs. 10/- each (in Rs.) Before Prior Period/Exceptional Items	2.37	(19.26)
Basic and diluted earning per share Rs. 10/- each (in Rs.)	(7.86)	92.38

**(Q) ACCOUNTING FOR TAXES ON INCOME (AS-22)**

Current tax is determined on the profit of the year in accordance with the provisions of Income tax Act, 1961. Deferred tax is calculated at tax rates and the laws that have been enacted or substantially enacted by the Balance Sheet date and is recognized on timing difference that originates in one period and capable of reversal in one or more subsequent periods. Deferred tax assets, is recognized subject to consideration of prudence, are recognized and carried forward only to the extent that they can be realized. Fringe benefit tax is calculated in accordance with the provisions of the Income Tax Act, 1961.

The Company has recognised Deferred Tax Liability of Rs. 90.08 lacs as on 31st March, 2009. Deferred tax liability/(asset) representing tax arising out of timing difference on account of:

(Rs. in Lacs)

Deferred Tax Liability	2008-09	2006-07
Depreciation	90.08	388.43
<b>Total (A)</b>	<b>90.08</b>	<b>388.43</b>
<b>Deferred tax asset:</b>		
Unabsorbed Depreciation	0.00	470.50
Share Issue Expenses	0.00	0.00
Expenses allowable on payment basis	0.00	253.31
<b>Total (B)</b>	<b>0.00</b>	<b>723.81</b>
<b>Deferred Tax Liability/(Asset) (A – B)</b>	<b>90.08</b>	<b>(335.38)</b>

**SCHEDULE -T: (Contd.)****(R) FINANCIAL REPORTING (AS-25)**

The Quarterly financial results are published in accordance with the requirements of Listing Agreement with stock Exchanges.

**(S) INTANGIBLE ASSETS (AS-26)**

During the year sum of Rs. 21.95 lacs has being capitalised on account of development of new trademark for haircare products.

**(T) IMPAIRMENT OF ASSETS (AS-28)**

The cash generating units are evaluated at the Balance Sheet date to ascertain the estimated recoverable amounts /value in use as against the Written Down Value. Impairment loss, if any, is recognized whenever the Written Down Value exceeds estimated recoverable amounts value in use.

**(U) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (AS-29)**

- (a) Provisions are recognized based on the best estimates of product outflow of resources, which would be required to settle obligations arising out of past events.
- (b) Contingent Liabilities not provided for as per (a) above are disclosed in the notes to the accounts and Contingent assets are not recognized.

**2. MANAGERIAL REMUNERATION:**

	(Rs. in Lacs)	
Particulars	2008-2009	2006-2007
Managerial Remuneration included in the Profit and Loss Account		
Salaries	43.20	36.24
Perquisites	1.43	3.20
Contribution to P.F.	3.54	2.74
	48.17	42.18

Note: Due to inadequate profit, no commission is payable to Managing Director and other non-executive directors.

**3. AUDITORS REMUNERATION:**

	(Rs. in Lacs)	
Particulars	2008-2009	2006-2007
Audit Fees	3.25	4.50
Tax Audit	0.50	1.00
Certification Charges	0.25	0.50
	4.00	6.00

**SCHEDULE T: (Contd.)****4. ADDITIONAL INFORMATION**

Additional information pursuant to the provisions of Paragraph 3, 4C and 4D of Part II of Schedule VI of the Companies Act, 1956. (as Certified by the Management)

**(a) Turnover [Para 3 (i) (a)]**

Items	Quantity (Nos.)		Gross Value (Rupees)	
	2008-2009	2006-2007	2008-2009	2006-2007
Injection Moulded Products	24,977,867	49,452,054	963,502,488	3,156,533,230
Finished Goods – Traded	1,431,049	807,728	19,053,218	97,854,318
Moulds	—	—	18,890,838	21,946,574
Job Work	—	—	8,031,223	6,578,909
Total	26,408,916	50,259,782	1,009,477,767	3,282,913,031

**(b) Consumption of Raw Materials [Para 3 (ii) (a) (1)]**

Items	Quantity (Tons)		Value (Rupees)	
	2008-2009	2006-2007	2008-2009	2006-2007
HDPE, LLDPE & Others	3,347.32	5,520.55	255,100,194	470,247,744
PP/HIPS/GPPS	4,000.52	12,541.25	272,410,417	889,458,885
Total	7,347.84	18,061.80	527,510,611	1,359,706,629

Note: Production includes materials processed outside.

**(c) Stock of Finished Goods and Traded Goods [Para 3 (ii) (a) (2)]**

Items	Quantity (Nos.)	
	2008-2009	2006-2007
<b>Opening Stock of:</b>		
Injection Moulded Product	613,444	522,112
Finished Goods – Traded	390,974	263,356
<b>Closing Stock of:</b>		
Injection Moulded Product	181,826	613,444
Finished Goods – Traded	370,985	390,974

Note: Though production for Injection Moulded Plastics goods are expressed in tons, their opening and closing stock, turnover are shown in pieces as it is not practicable to disclose it in tons.

**(d) Information of each class of goods manufactured [Para 4C (a) (b) & (c)]**

Class of Goods	Production 2008-2009 (M.T.)	Production 2006-2007 (M.T.)
Injection Moulded Goods	7,252.97	17,479.76

**SCHEDULE T: (Contd.)****(e) C. I. F. Value of Imports [Para 4D (a)]**

	(Rs. in Lacs)	
	2008-2009	2006-2007
Raw Materials	190.10	553.55
Traded Goods	124.03	265.74
Components	0.00	67.07
Machinery & Spares	0.00	35.99
Mould	0.00	280.36

**(f) Expenditure in Foreign Currency [Para 4 (D) (b)]**

Foreign Travel	8.81	26.00
Others	0.00	6.69

**(g) Raw Materials Consumed:**

Items	Raw Materials	
	2008-2009	2006-2007
Imported	24,087,727	55,355,255
Percentage to Total Consumption	4.57%	4.07%
Indigenous	503,422,884	1,304,351,374
Percentage to Total Consumption	95.43%	95.93%
Total	527,755,334	1,359,706,629
	100%	100%

**(h) Remittance in foreign currency on account of Dividend**

Description	Current Year	Previous Year
Year to which dividend relates	2006-2007	2005-2006
Number of non-resident shareholders	3	NIL
Number of equity shares held by them	516,307	NIL
Amount remitted (Rs. in lacs)	49.94	NIL

- The Company is in the process of compiling relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006. As the Company has not received any information from its suppliers as on date regarding their status under the above said Act, no disclosure has been made.
- In the opinion of the Board, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business. The provisions for all the known and determined liabilities are adequate and not in excess of the amounts reasonably required.
- Capital work-in-progress includes capital advances of Rs. 9.60 lacs.
- The unsold portion of Freehold land at Bhandup was revalued on 30th June, 1993 on the Market Value/Replacement basis using the standard indices as assessed by the approved valuer. The revalued amount of freehold land remains substituted for the historical cost in the gross block of fixed assets amounting to Rs. 150.39 lacs.

## SCHEDULE T: (Contd.)

## 9. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Additional information as required under Part IV of Schedule VI to the Companies Act, 1956

## I. Registration Details:

Registration No. 

		0	0	5	0	5	6
--	--	---	---	---	---	---	---

State Code 

1	1
---	---

Balance Sheet Date 

3	1
---	---

0	3
---	---

0	9
---	---

  
Date Month Year

## II. Capital raised during the year (Amount in Rs. Thousands)

Public Issue  

				N	I	L
--	--	--	--	---	---	---

Rights Issue  

				N	I	L
--	--	--	--	---	---	---

Bonus Issue  

				N	I	L
--	--	--	--	---	---	---

Private Placement  

				N	I	L
--	--	--	--	---	---	---

## III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities  

	7	5	6	7	5	4
--	---	---	---	---	---	---

Total Assets  

	7	5	6	7	5	4
--	---	---	---	---	---	---

## Sources of Funds

Paid Capital  

		5	9	7	1	0
--	--	---	---	---	---	---

Reserves & Surplus  

	5	2	1	9	8	3
--	---	---	---	---	---	---

Secured Loans  

			7	2	5	3
--	--	--	---	---	---	---

Unsecured Loans  

		4	5	5	7	2
--	--	---	---	---	---	---

Deferred Tax Liabilities  

			9	0	0	8
--	--	--	---	---	---	---

Current Liabilities & Provisions  

	1	1	3	2	2	8
--	---	---	---	---	---	---

## Application of Funds

Net Fixed Assets  

	1	3	6	6	1	4
--	---	---	---	---	---	---

Investments  

	3	5	0	0	2	1
--	---	---	---	---	---	---

Current Assets, Loans & Advances  

	2	7	0	1	1	9
--	---	---	---	---	---	---

Miscellaneous Expenditure  

				N	I	L
--	--	--	--	---	---	---

## IV. Performance of Company (Amount in Rs. Thousands)

Turnover (Sales & Other Income)  

	9	2	1	0	2	1
--	---	---	---	---	---	---

Total Expenditure  

	8	8	2	3	4	4
--	---	---	---	---	---	---

Profit/(Loss) Before Tax  

			(2	5	0	5)
--	--	--	----	---	---	----

Prov. for Deferred Tax  

		4	2	5	4	7
--	--	---	---	---	---	---

Profit/(Loss) After Tax  

		(4	6	9	8	4)
--	--	----	---	---	---	----

Earnings per Share before Exceptional/Prior Period Items (Rs.)  

			2	.	3	7
--	--	--	---	---	---	---

Dividend per Equity Share (Rs.)  

						2
--	--	--	--	--	--	---

Earnings per Share (Rs.)  

			(7	.	8	6)
--	--	--	----	---	---	----



**SCHEDULE T: (Contd.)****V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)**

Item Code No. 

8	4	5	0	.	9	0	1	0										
---	---	---	---	---	---	---	---	---	--	--	--	--	--	--	--	--	--	--

Product 

P	A	R	T	S		O	F		W	A	S	H	I	N	G			
---	---	---	---	---	--	---	---	--	---	---	---	---	---	---	---	--	--	--

Description 

M	A	C	H	I	N	E												
---	---	---	---	---	---	---	--	--	--	--	--	--	--	--	--	--	--	--

Item Code No. 

8	4	1	8	.	9	9	0	0										
---	---	---	---	---	---	---	---	---	--	--	--	--	--	--	--	--	--	--

Product 

P	A	R	T	S		O	F											
---	---	---	---	---	--	---	---	--	--	--	--	--	--	--	--	--	--	--

Description 

R	E	F	R	I	G	E	R	A	T	O	R							
---	---	---	---	---	---	---	---	---	---	---	---	--	--	--	--	--	--	--

Item Code No. 

3	9	2	4	.	9	0	9	0										
---	---	---	---	---	---	---	---	---	--	--	--	--	--	--	--	--	--	--

Product 

O	T	H	E	R		H	O	U	S	E	H	O	L	D				
---	---	---	---	---	--	---	---	---	---	---	---	---	---	---	--	--	--	--

Description 

A	R	T	I	C	L	E	S											
---	---	---	---	---	---	---	---	--	--	--	--	--	--	--	--	--	--	--

10. Previous years figures have been regrouped/rearranged wherever necessary.

11. Figures for the current period are for 15 months, so the same are not comparable with previous year.

As per our Report attached  
For Dhody & Associates  
*Chartered Accountants*

Rakesh Dhody  
*Partner*

Membership No. 72621

Mumbai, 21st May, 2009

Tushar B. Naik  
*CFO & Company Secretary*

For and on behalf of the Board

Mr. Suresh Bhojwani

*Chairman &  
Managing Director*

Mrs. Hira T. Bhojwani

*Wholetime Director*

Mr. K. P. Rao

Dr. T. S. Sethurathnam

*Directors*

**BRIGHT BROTHERS LIMITED**

Regd. Office : 610-611, Nirman Kendra, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011

**ATTENDANCE SLIP****SIXTY SECOND ANNUAL GENERAL MEETING**

D. P. ID*	
-----------	--

Master Folio No.	
------------------	--

Client ID*	
------------	--

No. of share(s) held	
----------------------	--

I certify that I am a registered member/proxy for the registered member of the Company.

I hereby record my presence at the 62nd Annual General Meeting of the Company held on Friday, the 26th day of June, 2009 at 11.30 a.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001 .

Member's/Proxy's name in Block letter \_\_\_\_\_

\_\_\_\_\_  
Signature of Member/Proxy

**Note :** Please fill this attendance slip and hand it over at the ENTRANCE OF THE MEETING HALL

\* Applicable for investors holding share(s) in electronic form.



-----TEAR HERE-----

**BRIGHT BROTHERS LIMITED**

Regd. Office : 610-611, Nirman Kendra, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011

**PROXY FORM**

D. P. ID*	
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Master Folio No.	
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Client ID*	
------------	--

No. of share(s) held	
----------------------	--

I/We \_\_\_\_\_ of \_\_\_\_\_ of \_\_\_\_\_  
being a member/members of BRIGHT BROTHERS LIMITED, hereby appoint

Mr./Mrs. \_\_\_\_\_ of \_\_\_\_\_ or failing  
him/her \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to  
attend and vote for me/us on my/our behalf at the 62nd Annual General Meeting of the Company to be held on Friday,  
the 26th day of June, 2009 at 11.30 a.m. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2009

For Office use	
Proxy No.	
Date of receipt	
No. of shares	

Affix a Re. 1/- Revenue Stamp
--

**Note :** The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the schedule time of the meeting.

\* Applicable for investors holding share(s) in electronic form.