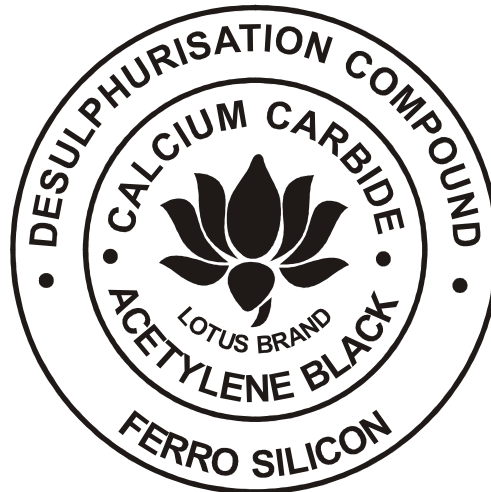


65TH ANNUAL REPORT
31ST MARCH, 2010



**TECIL CHEMICALS AND
HYDRO POWER LIMITED**

BOARD OF DIRECTORS

SHRI. SHRINIWAS B. SOMANI
CHAIRMAN & MANAGING DIRECTOR

SHRI. G. R. BANG

DR. R. S. SARDA

SHRI. P.C. JAIN

SHRI. GHANSHYAM K. JOSHI

BANKERS

AXIS BANK LTD.
HDFC BANK LTD.

STATUTORY AUDITORS

VMD AND COMPANY
MUMBAI

REGISTERED OFFICE & WORKS

P.O.CHINGAVANAM – 686 531
DIST. KOTTAYAM (KERALA)

ADMINISTRATIVE OFFICE

EMPIRE HOUSE, 3RD FLOOR,
214, DR. D. N. ROAD, FORT,
- MUMBAI – 400 001.

NOTICE

Notice is hereby given that the **SIXTY-FIFTH ANNUAL GENERAL MEETING** of the Company will be held on Wednesday the 29th September, 2010 at 11.00 A.M., at its Registered Office at Tecil Premises, PO. Chingavanam – 686 531, Dist-Kottayam, Kerala, to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Directors Report, Auditors Report and audited Profit and Loss Account of the Company for the year ended 31st March, 2010 and Balance Sheet as at that date and Cash Flow Statement for the year ended 31st March, 2010.
2. To appoint a Director in place of Shri. R. S. Sarda, who retires by rotation and being eligible offer himself for re-appointment for the year ended 31st March, 2010.
3. To appoint Auditors of the Company to hold Office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting, and to fix their remuneration and if thought fit to pass with or without modification the following Resolution as an Ordinary Resolution.

“RESOLVED THAT M/s. VMD & Co., Chartered Accountants, Mumbai be and are hereby appointed as Auditors of the Company to hold Office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors in connection with the Audit of the Accounts of the Company.”

SPECIAL BUSINESS

4. To Pass with or without modification the following resolution as Special Resolution.

RESOLVED THAT pursuant to provisions of Sections 198, 269, 309 and all other applicable provisions of the Companies Act, 1956, if any, including Schedule XIII thereof, as amended to date and other necessary approvals, if any, Shri S. B. Somani be and is hereby reappointed as the Managing Director of the Company for a period of 3 years w.e.f. 01/02/2010 on terms and conditions set out in the Explanatory Statement annexed hereto with liberty to the Board of Directors to alter or vary the same so as not to exceed the limits set out in Sections 198 and 309 read with Schedule XIII to the Companies Act, 1956 or any amendment thereto as may be agreed to between the Board of Directors and Shri. S. B. Somani.

NOTES:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must be received by the company not later than 48 hours before the meeting.
2. Members are requested to notify immediately any change in their address.
3. The Register of Members & Share Transfer Book of the Company will remain closed from 22nd September, 2010 to 29th September, 2010 (Both days inclusive).
4. Members desiring to submit mandates, to lodge transfer deed for shares are requested to forward the same so as to reach the Company's Registrars M/s System Support Services at 209, Shivai Industrial Estate, Next to Parke Davis Ltd., Saki Naka, Mumbai – 400 072 on or before 22nd September, 2010. The Company will not be in a position to act upon any document, which is incomplete or received after 22nd September, 2010.
5. The information required to be provided under the Listing Agreement entered into by the Company with the Stock Exchanges regarding the Directors who are proposed to be reappointed is given in the Corporate Governance report.
6. Members are requested to quote their Registered Folio Nos. on all correspondence with the Company.
7. Members are requested to send their queries to the Company, if any on Accounts at least 10 days before the Meeting

PLACE : MUMBAI
DATE : 6TH JULY, 2010

BY ORDER OF THE BOARD,
For TECIL CHEMICALS AND HYDRO POWER LTD.
sd/-
S. B. SOMANI
CHAIRMAN & MANAGING DIRECTOR

ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT AS REQUIRED U/S 173(2) OF THE COMPANIES ACT,1956

ITEM NO.4

Shri. S. B. Somani was reappointed as Managing Director of the Company for a period of 5 (Five) years w.e.f. 01st February, 2005 by the members by passing a Special Resolution in their meeting held on 30th September, 2005 and accordingly, tenure of Shri. S. B. Somani as the Managing director of the Company expired on 31/01/2010

Your Director at their Meeting held on 29/01/2010 have reappointed Shri. S. B. Somani as the Managing Director of the Company effective from 01/02/2010 for a period of 3 (Three) years on the Remuneration and Terms and Conditions, interalia as under:

1. Salary: Rs.60,000/- per month (including Dearness allowance)
2. Perquisites: Shri. S. B. Somani will be entitled to the following perquisites in addition to the salary

Category A

- A. Housing (i) The Expenditure by the Company on hiring furnished accomodation for the Managing director will be subject to the following ceiling:
60% of Salary over and above 10% payable by the Managing Director
Housing (ii) In case the accommodation is owned by the Company.
10% of Salary of the Managing Director shall be deducted by the Company.
Housing (iii) In case no accommodation is provided by the Company, the Managing director shall be entitled to House rent allowance, subject to the ceiling laid down in housing (i) above. The Expenditure incurred on gas, Electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962. This shall, however be subject to a ceiling of 10% of Salary of the Managing Director.
- b. Medical Expenses incurred by the Managing Director and his family reimbursement subject to ceiling of 1 month's salary in a year or 3 months salary over a period of 3 years.
- c. Leave Travel Concession: For the Managing Director and his family once a year incurred in accordance with the rules specified by the Company.
- d. Club Fees: Fees of Clubs, Subject to a maximum of two clubs. This will not include admission and life membership fees.
- e. Personal Accident Insurance : Premium not to exceed Rs. 40,000/-

Category "B" :

- a. Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent that these either singly or put together are not taxable under the Income Tax Act. Gratuity payable should not exceed half-a-month's salary for each completed year of service.,
- b. Encashment of leave at the end of tenure will not be included in the computation of the ceiling on perquisites.

Category "C"

Provision of car for use on company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.

The aggregate to the perquisites shall be restricted to Rs. 4,20,000/- per annum.

In case, the Company has no profits or the profits are inadequate in any financial year, Shri. S. B. Somani will be entitled to receive above remuneration and perquisites as minimum remuneration provided that such remuneration shall not exceed the limit as provided in Schedule XIII of the Act, as amended from time to time or any statutory enactment thereof.

Aforesaid Remuneration and Terms and Conditions applicable to Shri S. B. Somani are commensurate to his qualification, experience, status, positions held in the industrial arena.

Since the age of Shri. S. B. Somani is 74 years, the Resolution as setout in the Notice is to be passed as a Special Resolution and your Directors recommend passing of the same.

None of the Directors other than Shri S. B. Somani is concerned or interested in passing of the proposed Special Resolution.

Explanatory Statement and Notice may kindly be treated as an abstract as referred to in Section 302 read with Schedule XIII of the Act.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**THE PRESENT STATUS OF THE COMPANY**

At present the manufacturing plants at Chingavanam are not in operation.

The Board of Directors are of the opinion that on satisfactory resolution of the pending issues, the Company can commence manufacturing operations partially to begin with. Since the manufacture of Calcium Carbide and Acetylene Black are not viable due to high cost of production only Ferro Silicon plant may be re-opened. The Techno- Economic viability study shows that Ferro Silicon has enough demand in domestic as well as overseas markets and the manufacturing operations are also viable. However till such time the pending issues with Kerala State Government, KSEB, Labour Unions and other concerned authorities are settled. The reopening of Ferro Silicon plant may be delayed further. regarding their outstanding dues, issues relating to workmen who have attained age of super annuation etc.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Due to cheap imports, high labour and power cost the prices of Calcium Carbide and Acetylene Black continue to remain un-remunerative. However the prices of Ferro Silicon, inspite of cost escalation, still provides some margin.

OUTLOOK, OPPORTUNITIES AND THREATS

The Board of Directors have made strenuous efforts to reduce administrative and other costs significantly. The Company has become a debt- free Company due to settlement of liabilities with the Financial Institutions and Banks and repayment of redemption liabilities towards Tecil Power Bonds. Hence on satisfactory resolution of the pending issues, the manufacturing operations can be partially taken up and the outlook of the Company looks better.

There are five major Silicon producers in the world: - China, Russia, Ukraine, Brazil and Norway. The major consumers are China, Japan, USA and Russia. Ferro Silicon is mainly used in Steel production and also used by Magnesium smelters.

The US Economy has shown distinct sign of recovery. However the turmoil in several European countries poses a threat and may impact the export to these countries. However the company is in better position to withstand any such threats due to its debt free status and other cost advantages.

FINANCIAL PERFORMANCE

During the year under report the Company has carried out trading activities in chemicals. After providing for Interest and Depreciation loss for the year Rs. 4.34 Lacs as against the loss of Rs.55.76 Lacs in the previous year.

HUMAN RESOURCES

Material development in human resources/ industrial relations front has been dealt with in the Directors' Report, under the head 'Operations' and 'Industrial Relations', which should be treated as forming part of this Management Discussion and Analysis as at 31st March, 2010

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on these forward looking statements that speak only as of their dates.

DIRECTORS REPORT

To
The Members,

Your Directors hereby present the **SIXTY-FIFTH ANNUAL REPORT** together with the audited accounts for the year ended 31st March, 2010.

I. FINANCIAL RESULTS

The results for the year ended 31st March, 2010 are summarized herein below:

Year ended 31 st March	Rs. in Lakhs	
	2010	2009
Net Sale	0.02	225.50
Other Income	38.66	36.95
Profit/(Loss) before interest, depreciation & Tax	(99.61)	(42.74)
Less/Add: Interest	0.99	0.35
Depreciation	13.20	13.92
Tax / VAT Paid	0.14	9.66
(Loss) / Profit for the year before tax	(113.94)	(66.67)
Provision for Taxation	—	—
Less : Transferred from Revaluation Reserve	109.60	10.91
(Loss) / Profit after tax and adjustments	(4.34)	(55.76)
(Loss) b/f from previous year	(3511.21)	(3455.45)
(Loss) carried forward to Balance Sheet	(3515.55)	(3511.21)

II. DIVIDEND

Due to Loss incurred by the Company, the Board of Directors do not recommend dividend for the year.

III. OPERATIONS

At present the manufacturing plants at Chingavanam are not in operation. They were re-opened for maintenance, however, the work had to be discontinued for the time being. Your Board of Directors had appointed an agency to study Techno-Economic viability for manufacturing Ferro Silicon .However, the resumption of manufacturing activity could not be taken up due to various issues yet to be sorted out with state Government, Labour Unions and other concerned Authorities.

The process of the payment of retirement benefits to the employees who have resigned / retired from the services of the Company is still continuing. This has paved the way to engage the services of need based employees on resumption of manufacturing activities.

IV. DEPOSITS

The Company does not have any deposits as on 31.03.2010

V. INDUSTRIAL RELATIONS

The industrial relations by and large are satisfactory

VI. PARTICULARS OF EMPLOYEES

There was no employee drawing remuneration in excess of the limit prescribed and hence requirement of attaching a statement as required by section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 is not applicable to this report

VII. DIRECTORS

Shri R. S. Sarda, Director of the Company who retires by rotation, but being eligible, have offered themselves for re-appointment.

VIII. AUDITORS

M/s. VMD & Co., Chartered Accountants, Mumbai retire at the forthcoming Annual General Meeting and are eligible for reappointment. The Company has received confirmation that the appointment, if made, would be within the limits prescribed u/s. 224(1B) of the Companies Act, 1956

IX. AUDITORS OBSERVATIONS ON ACCOUNTS

As regards the observations of the Auditors in para No.4 f (i) of their Report the Directors state that since various statutory demands as referred to in Note Nos.2.2.1 & 2.2.2 are under appeal and have not crystallized yet, hence no provision has been made in the accounts.

As regards the observations of the Auditors in para No.4 f (ii) of their report, the Directors state that no provision has been made in the accounts as no demand has been made and liability has not crystallized.

X DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirements u/s.217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company confirm:

- i. That in the preparation of the Annual Accounts for the Financial Year ended 31st March 2010, the applicable Accounting Standards have been followed and there has been no material departure except to the extent noted by the auditors in their report.
- ii. that the selected accounting policies were applied consistently and the directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2010 and of the Profit of the Company for the year ended as on date.
- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 or the safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. that the annual accounts have been prepared on a "going concern" basis, though the Company does not have any manufacturing activity during the year.

XI. PARTICULARS REGARDING CONSERVATION OF ENERGY ETC.

As required in terms of section 217(1) of the Companies Act, 1956 and the Companies (Disclosure of Particulars in the Report of Board of Directors) rules 1988, the Report on Conservation of Energy, Technology absorption and Foreign Exchange Earnings and outgo etc. is given in Annexure I forming part of this Report.

XII. CORPORATE GOVERNANCE

Report on corporate governance and a certificate from the Practicing Company Secretary regarding compliance of the conditions of corporate governance as stipulated under clause 49 of the listing agreement with the Stock Exchange is given as Annexure II forming part of this Report.

XV. GENERAL

The Balance Sheet and Profit and Loss Account of the Company have been signed as per the provisions of section 215 (1) (ii) of the Companies Act, 1956. Your Directors place on record their sincere appreciation for the continued co-operation, guidance and support provided during the year under report by various institutions concerned as also the employees of the company for their sincere and dedicated service in pursuing the corporate objectives of the company.

PLACE : MUMBAI
DATE : 6TH JULY, 2010

FOR AND ON BEHALF OF THE BOARD
sd/-
S. B. SOMANI
CHAIRMAN & MANAGING DIRECTOR

ANNEXURE I**THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988****A. CONSERVATION OF ENGERY:**

Ours is a power intensive process. Energy conservation programs were undertaken in the Company on a continuous basis, but due to lockout throughout the year, no measures in this regard have been undertaken.

Total energy consumption and energy consumption per unit of production are as per Form A hereunder.

	Current Year	Previous Year
i) Power and Fuel Consumption:	NIL	(NIL)
ii) Consumption per Tonne of Production (Kwh)	NIL	(NIL)
iii) Technology Absorption: Due to LOCKOUT in the Company since last Ten years, the ongoing energy conservation programs had been stalled.		
iv) Foreign Exchange Earnings and Outgo: The total expenditure in foreign currency: (in Rs.'000)	48	856

REPORT ON CORPORATE GOVERNANCE**1. Company's Philosophy on Code of Governance:**

Your Company is fully committed to the principles of transparency, integrity and accountability in all spheres of its operations and has been practicing the principles of good corporate governance over the years. In keeping with this commitment, your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings and continuously endeavours to review, strengthen and upgrade its systems and procedures so as to bring in transparency and efficiency in its various business segments.

Your Board of Directors present the Corporate Governance Report for the year 2009-10 based on the disclosure requirements under Clause 49 of the Listing Agreement existing as on 31st March 2010.

2. Board of Directors:

The Board is headed by Executive Chairman, Mr. S. B. Somani and is composed of committed and eminent persons with considerable professional experience in varied fields and comprises a majority of Non-Executive Directors. The Board is properly constituted as per Clause 49 of the Listing Agreement and comprised of One Executive Chairman, one non- Executive Director and three Independent Directors

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he is a Director. Necessary Disclosures regarding Committee positions in other Public Companies as on March 31, 2010 have been made by the Directors.

Name of Director	Category	No. of Board Meetings attended during 2009-10	Whether attended last AGM	No of other directorship	No of membership of audit committee and Share Holders & Investors Grievance Committee in other Companies	Chairmanship of audit committee and Share Holders & Investors Grievance Committee in other Companies
Mr. S.B. Somani	Executive Chairman	5	No	2	Nil	Nil
Mr. G.R. Bang	Non-Executive Director	2	Yes	Nil	Nil	Nil
Mr. P. C. Jain	Independent Director	4	No	Nil	Nil	Nil
Mr. R. S. Sarda	Independent Director	5	No	Nil	Nil	Nil
Mr. G. K. Joshi	Independent Director	5	No	3	Nil	3

(details are as on 31st March, 2010)

DATES AND NUMBER OF BOARD MEETINGS HELD

During the financial year ended 31st March, 2010, 5 Meetings of the Board of Directors were held as on 20/04/2009, 27/07/2009, 04/09/2009, 30/10/2009, and 29/01/2010.

The Board periodically reviews compliance reports of all the laws applicable to the Company and has put in place procedures to review steps to be taken by the Company to rectify instances of non-compliance, if any.

In terms of the provisions of Clause 49 of the Listing Agreement and contemporary practices of good Corporate Governance, the Board has laid down a Code of Conduct for all Board members and senior management of the Company. All the Board members and senior management personnel have affirmed compliance with the said Code.

Particulars of Re-appointed Directors:

Name	: Radheshyam Sarda
Designation	: Director
Age	: 62 years
Experience	: A Graduate in Science and Arts and also has a Master Degree in Dental Surgery. He has having wide experience in different spheres of life.
Other Directorship	: NIL

Board Committees

The Board has constituted the following Committees of Directors:

(a) Audit Committee :**i. Terms of Reference**

The role and terms of reference of Audit Committee covers areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms as may be referred by the Board of Directors.

ii. Composition

The Audit Committee comprises of the following members:

Shri. P.C. Jain, Chairman

Shri. G. K. Joshi, Member

Shri. G.R. Bang, Member

The Audit Committee has 2 Independent Directors. The Composition of Audit Committee is in conformity with Clause 49 II (A) of the Listing Agreement. All the three members of the Audit Committee are financially literate and Shri G. R. Bang has accounting and management related expertise.

A brief description of the terms of reference of the Audit Committee is as follows:

To review Internal Audit Reports, Statutory Auditors' Report on the financial statements, to generally interact with the Internal Auditors and Statutory Auditors, to review the adequacy of internal control systems, to select and establish accounting policies, to review financial statements before submission to the Board, to recommend the appointment and removal of external auditor and fixation of audit fees and other matters specified under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

During 2009-10 under review 4 meetings of the Audit Committee were held, on 20.04.2009, 27.07.2009, 30.10.2009 and 29.01.2010. The attendance of members are as follows:

Name	Category	Meetings during 2009-10	
		Held	Attended
Shri P. C. Jain	Independent Director	4	4
Shri G. R. Bang	Non-Executive Director	4	4
Shri G. K. Joshi	Independent Director	4	4

(a) Share Transfer & Shareholders' / Investors' Grievance Committee :**(i) Terms of references:**

- To scrutinize and approve registration of transfer of shares / debentures / warrants issued / to be issued by the company.
- To exercise all power conferred on the Board of Directors under Article 43 of the Article of Association.
- To decide all questions and matters that may arise in regard to transmission of shares / debentures / warrants issued / to be issued by the Company.
- To approve and issue duplicate shares / debentures / warrants certificates in lieu of those reported lost,
- To refer to the Board and any proposal of refusal of registration of transfer of shares / debentures / warrants for their consideration.
- To look into shareholders and investors complaints like transfer of shares, non-receipt of declared dividends, etc., and
- To delegate all or any of its power of Officers / Authorized Signatories of the Company.

(ii) Composition

The Share Transfer & Shareholders' / Investors' Grievance Committee comprises following Members:

Shri. R. S. Sarda	Chairman
Shri. P. C. Jain	Member
Shri. G. K. Joshi	Member

The constitution and terms of reference of the Share Transfer & Shareholders'/ Investors' Grievance Committee is in agreement with the guidelines prescribed under Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

This committee (i) approves and monitors transfers, transmission, splitting and consolidation of securities and issue of duplicate Certificates by the Company; (ii) looks into various issues relating to shareholders, including the redressal of shareholders' and investors' complaints like transfer of shares, non-receipt of Balance Sheet, dividend etc.; and (iii) carries out the functions envisaged under the Code of Conduct for Prevention of Insider Trading adopted in terms of Regulation 12(1) of the SEBI (Prohibition of Insider Trading) Regulations, 1992.

The Share Transfer & Shareholders' / Investors' Grievance Committee met 4 times during the 2009-10 on 20.04.2009, 27.07.2009, 30.10.2009 and 29.01.2010. The attendance of the members are as follows:

Name	Category	Meetings during 2009-10	
		Held	Attended
Shri R. S. Sarda	Independent Director	4	4
Shri P. C. Jain	Independent Director	4	4
Shri G. K. Joshi	Independent Director	4	4

Name and designation of Compliance officer:

- Shri Ashok Somani, Compliance Officer.

Details of Complaints:

- No. of Shareholders' Complaints received during the year : Two
- No. of Complaints not resolved to the satisfaction of shareholders : Nil
- No. of pending share transfers : Nil

3. General Body Meetings:

- (a) Location and time where last three Annual General Meetings were held:

Financial Year	Date	Time	Location
2008-2009	29/09/2009	4.30 p.m.	Tecil Premises, Chingavanam
2007-2008	29/09/2008	11.00 a. m.	Tecil Premises, Chingavanam
2006-2007	26/09/2007	11.00 a. m.	Tecil Premises, Chingavanam

- (b) Whether Special Resolutions were put through postal ballot last year: No
(c) Are votes proposed to be conducted through postal ballot this year : No

4. Other disclosures:

- (a) **Related Party Transactions**
Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large: None of the transactions with any of the related parties were in conflict with the interest of the Company at large.
- (b) **Disclosure of Accounting Treatment**
In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable. The Company has not complied with Revised Accounting Standard AS-15 for Gratuity and Leave Encashment as the same are being accounted for on Cash Basis.
- (c) **Disclosures on Risk Management**
During the year under review, a detailed exercise on Business Risk Management was carried out covering the entire spectrum of business operations and the Board has been informed about the risk assessment and minimization procedures as required under Clause 49 of the Listing Agreement. The Company has framed the Risk Assessment and Minimization+ Procedure which will be periodically reviewed by the Board.
- (d) **Code of Conduct**
The Board of Directors has adopted the Code of Ethics and Business Principles for the Non-executive Directors as also for the employees including Executive Director. The said Code has been communicated to all the Directors. However, being a sick Company, the Company does not have any website of its own; therefore, the Company is unable to post the Code of Conduct on a website as required under Clause 49 of the Listing Agreement.
- (e) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:—None

REMUNERATION OF DIRECTORS**Details of remuneration paid to Directors****A. Details of remuneration paid to the Company's Managing Director during the year 2009-10:**

The Company's Managing Director was paid Rs. 12,00,000/- towards remuneration during the year 2009-2010. Presently the Company does not have a scheme for grant of stock options either to the working directors or employees.

B. Details of payments made to Non-Executive Director during the financial year 2009-2010

The Non-Executive Director has not been paid any remuneration towards Sitting Fees during the Financial Year 2009-2010.

5. CEO/CFO Certification

A certificate from the Managing Director on the financial statements of the Company was placed before the Board, as required by Clause 49(V) of the Listing Agreement.

Means of communication:

- (a) Quarterly Results: The unaudited quarterly results are announced within 30 days from the end of the quarter and the audited annual results within three months from the end of the last quarter, as stipulated under the listing agreement with the Bombay Stock Exchange Limited.
- (b) Newspapers wherein normally published : No
- (c) Any Website, wherein displayed : No
- (d) Whether Website also displays official news releases : No
- (e) Whether presentations made to institutional investors or to the analysts : No
- (f) Whether Management Discussion & Analysis Report is a part of Annual Report : Yes

6. General Shareholder information:

(a) AGM date, time and venue: Next Annual General Meeting will be held on 29th September, 2010, Wednesday at 11.00 a.m. at its Regd. Office at Chingavanam, Kottayam, Kerala

(b) Financial Year: The Financial Year is from 1st April to 31st March.

Tentative Schedule

Unaudited Results for quarter ending June 30, 2010	:	15 th August, 2010
Unaudited Results for quarter ending September 30, 2010	:	15 th November, 2010
Unaudited Results for quarter ending December 31, 2010	:	15 th February, 2011
Unaudited Results for year ending March 31, 2011	:	15 th May, 2011
Audited Annual Accounts for year ending March 31, 2011	:	End May, 2011

(c) **Book Closure period:** 22nd day, September, 2010 to 29th day, September, 2010, both days inclusive.

(d) **Dividend payment date:** Not Applicable

(e) Stock Exchanges where securities are listed.

The Company's securities are listed at:

- Bombay Stock Exchange Limited (BSE)
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
- National Stock Exchange of India Limited (NSE)
"Exchange Plaza", Bandra Kurla Complex, Bandra (E), Mumbai – 400051.
- Cochin Stock Exchange Limited.
MES Dr. P. K. Abdul Gafoor Memorial Cultural Complex,
36/1565, 4th Floor, Judges Avenue, Kaloor, Kochi- 682017.
- Madras Stock Exchange Limited
Exchange Building, P. B. No. 183, 11, Second Line Beach,
Chennai – 600 001.
- Delhi Stock Exchange Limited
DSE House, 3/1 Asaf Ali Road, New Delhi – 110002

SUBSIDIARY COMPANIES

The revised Clause 49 defines a "material non listed Indian subsidiary" as an unlisted subsidiary, incorporated in India, whose Turnover or Net Worth (Paid up Capital & Free Reserves) exceeds 20% of the Consolidated Turnover or Net Worth respectively, of the Listed Holding Company and its subsidiaries in the immediately preceding Accounting year.

Under this definition, the Company does not have any "material non listed Indian subsidiary" during the Year under review

STOCK MARKET DATA :

Since the trading in shares has been suspended from trading in Stock Exchanges the Stock Market Data is not available. The Company however has already approached BSE Ltd. for revocation of suspension in trading of shares.

Presently the trading in shares is suspended. The company has already approached BSE Ltd. for revocation of suspension in trading of shares and compliances for this purpose has been substantially made and the Company's Application for revocation of suspension in trading of shares is pending consideration by the BSE Ltd.

(f) **Stock Code :** 506680

(g) **Registrar and Transfer Agent:**
M/s System Support Services

209, Shivai Industrial Estate, Next to Parke Davis Ltd.
Saki Naka, Mumbai-400072
Tel. No 022 – 28500835
E-mail id : sysss72@yahoo.com

(h) **Share transfer system with number of Shares Transferred:**

Share transfers in physical form are registered and returned within a period of 15-20 days from the date of receipt, in case documents are complete in all respects. The Share Transfer & Shareholders' / Investors' Grievance Committee meets periodically. The total number of shares transferred during the financial year under review were as below:

	No. of transfers	No. of Shares
Transfers	80	36391
Other cases :	-	-
Total:	80	36391

(i) **Dematerialization of shares and liquidity:**

Outstanding GDRs/ Warrants, Convertible Bonds,
conversion date and its impact on equity.

Nil

(j) **Distribution of Shareholding and Shareholding Pattern as on 31.03.2010**

Distribution of Shareholding as on 31st March, 2010:

No. of Shares	No. of Shareholders	% of holding
Up to 500	21030	91.96
501-1000	1101	4.81
1001-2000	424	1.85
2001-3000	94	0.41
3001-4000	38	0.17
4001-5000	33	0.14
5001-10000	58	0.25
10001-50000	56	0.25
50001-100000	18	0.08
Above 100000	19	0.08
Total	22871	100

(ii) Shareholding pattern as at 31st March, 2010:

	No. of Shares held	% of Total Shares
Promoter Group	6458667	34.05
Mutual Funds and UTI	382530	2.02
Banks, FIs & Insurance Companies	1872170	9.87
Corporate Bodies	1372355	7.24
General Public	7732738	40.78
NRIs/ OCBs	1145240	6.04
TOTAL	18963700	100

(k) Plant Location:

The Company's Manufacturing Plants are located at Chingavanam, Dist. Kottayam (Kerala).

(l) Address for Correspondence:

The Company's Registered Office is situated at Chingavanam, Dist. Kottayam, Kerala Pin. 686 531. Correspondence by the shareholders should be addressed either to Registered Office or Registrar Share Transfer Agents or its administrative Office at following address-

Tecil Chemicals & Hydro Power Limited
Empire House, 3rd Floor, 214, Dr. D. N. Road,
Fort, Mumbai 400 001

Non-Mandatory Requirements:**(a) Office of the Chairman of the Board:**

The Company does not defray the secretarial expenses of the Chairman's office.

(b) Remuneration Committee:

Remuneration Committee has been constituted. The Remuneration Committee comprises of the following members:

Shri. P.C. Jain, Chairman
Shri. G. K. Joshi, Member
Shri. G.R. Bang, Member

Only one meeting was held on 29th January, 2010 for reappointment of S. B. Somani as Managing Director of the Company.

(c) Shareholder rights- furnishing of half yearly results:

The Company's Quarterly results are not been published in news papers and are, therefore, not sent to the shareholders.

Postal Ballot :

The Company will comply with the requirements of postal ballot as and when such matter arises requiring approval of the shareholders by such process in terms of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

Adoption of other non-mandatory requirements under Clause 49 of the Listing Agreement is being reviewed by the Board from time to time.

DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, this is to confirm that all the Members of the Board have affirmed compliance with the Code of Conduct for the year ended 31st March, 2010.

Place : Mumbai
Date : 6th July, 2010

sd/-
S. B. SOMANI
CHAIRMAN & MANAGING DIRECTOR

CEO/ CFO CERTIFICATE

I, S.B. Somani, CEO and Managing Director of Tecil Chemicals & Hydro Power Ltd. appointed in terms of the Companies Act, 1956 certify to the Board that:

1. I have reviewed the Balance Sheet and Profit & Loss account for the year ended 31st March, 2010 (consolidated and unconsolidated), and all its schedules and notes to accounts, as well as the cash flow statement:
2. Based on my knowledge, information and belief, these statements do not contain any untrue statement of a material fact or omit to state a material fact that might be misleading with respect to the statements made:
3. Based on my knowledge, information and belief, the financial statements and other financial information included in this report present a true and fair view of the company's affairs for the period presented in this report and are in compliance with the existing accounting standards, applicable laws and regulations:
4. To the best of my knowledge, information and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the Company's Code Of Conduct:
5. I am responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting;
6. I have disclosed, based on their most recent evaluation, wherever applicable, to the Company's Auditors and the Audit Committee of the Company's Board of Directors all significant deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps taken or proposed to be taken to rectify the deficiencies;

I have indicated to the Auditors and the Audit Committee:

- a) Significant changes in the Company's internal control over financial reporting during the year;
- b) All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements;

Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.

sd/-

S. B. Somani
CEO & Managing Director

Mumbai, 6th July, 2010

CERTIFICATE OF CORPORATE GOVERNANCE REPORT

To The Members of
Tecil Chemicals and Hydro Power Limited
Empire House, 3rd Floor, 214 Dr. D. N. Road,
Fort, Mumbai – 400 001

We have examined the compliance of conditions of Corporate Governance by **TECIL CHEMICALS AND HYDRO POWER LIMITED** for the year ended 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing Agreement(s), except the following :

- 1) Company has not complied with Revised Accounting Standards AS-15 for Gratuity and Leave Encashment as the same are being accounted for on Cash Basis.
- 2) CEO/CFO certificate has been only signed by Shri. S. B. Somani, the CEO and Managing Director of the Company and not by CFO, hence Company has not complied with Clause 49 of the Listing Agreement.
- 3) The Company has not published Unaudited Quarterly Financial Results in the newspapers.

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 S. K. JAIN & COMPANY
PRACTICING COMPANY SECRETARIES
Sd/-
(S. K. JAIN)
Partner
C.P. NO. 3076

PLACE : MUMBAI
DATED : 4TH JULY, 2010

AUDITORS REPORT

To ,
The Members of
TECIL CHEMICALS AND HYDRO POWER LIMITED

We have audited the attached Balance Sheet of TECIL CHEMICALS AND HYDRO POWER LIMITED as at 31st March 2010 and the Profit and Loss Account of the Company for the year ended on that date, annexed thereto. These Financial Statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these Financial Statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

2. As required by the Companies (Auditor's Report) Order 2003, issued by the Central Government of India, in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956 we enclose in the Annexure hereto the statement on the matters specified in paragraph 4 and 5 of the said order
3. Further to our comments in the Annexure referred to in Paragraph (2) above, attention is invited to the following observation.

The Company incurred a Net Loss of Rs. 4.34 Lakhs during the year-ended 31.03.2010 and as on that date, the Company's Current Liabilities exceeded its Current Assets by Rs.50.83 Lakhs. The accumulated loss as on 31.03.2010 is Rs 3515.55 Lakhs as against the balance of Rs 3868.50 Lakhs in the Share Capital and Free Reserves other than Revaluation Reserve.

- 4 We further 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 these 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 accounts;
 - d. In our opinion, the Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report, are prepared in compliance with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 to the extent applicable except as stated in Para 4 (f)
 - e. On the basis of written representation received from the Directors and taken on record by the Board of Directors, and as per our observations in Note No. 2.17, we report that, none of the Directors is disqualified as on 31/3/2010 from being appointed as a Director in terms Section 274(1)(g) of Companies Act, 1956.
 - f. No provision has been made towards:-
 - i) Recovery suits filed by creditors for supplies of goods along with interest Rs. 12,35,770/-

Subject to the above observations and remarks, in our opinion and to the best of our information and according to the explanation given to us, the said Balance Sheet and the Profit and Loss Account read together with the significant accounting policies and other notes thereon give the information required by the Companies Act, 1956 in the manner so required and present a true and fair view in conformity with the generally accepted accounting principles in India

- i) In so far as it relates to the Balance Sheet of the State of affairs of the Company as at 31st March, 2010 and:
- ii) In so far as it relates to the Profit & Loss Account of the Loss of the Company for the year ended on that date.
- iii) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

No.: A/01/0710
6th July, 2010 Mumbai

For VMD & CO.
CHARTERED ACCOUNTANTS
Sd/-
V. M. DESAI, Partner
Membership No.F/9219

ANNEXURE REFERRED TO PARAGRAPH 2 OF OUR REPORT TO SHAREHOLDERS OF TECIL CHEMICALS AND HYDRO POWER LTD., CHINGAVANAM OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2010

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
(b) Fixed Assets were physically verified by the Management during the current year. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its Fixed Assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account..
2. (a) During the year, the Inventories have been physically verified by the Management
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) On the basis of our examination of the records of inventories, we are of the opinion that the Company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
3. The Company has taken unsecured loans from Companies, Firms and other parties listed in the register maintained u/s.301 of the Companies Act, 1956. The rate of interest and other terms and conditions of such loans are prima facie not prejudicial to the interests of the company in terms of sub section (1B) of section 370 of the Companies Act, 1956.
4. The Company has granted unsecured loans to Companies, firms or other parties listed in the register maintained u/s.301 of the Companies Act, 1956. The rate of interest is prima facie not prejudicial to the interests of the Company.
5. In case of over due amounts for more than Rupees One Lac reasonable steps has been taken by the Company for recovery / payment of the principal and Interest.
6. Due to lay off / lock out of the factory during the most part of the year and on account of only few transactions for the whole of the year, the company has not implemented adequate internal control procedure commensurate with the size of the company and the nature of its business for the purchase of stores, raw materials; including components, plant and machinery, equipments and other assets and for the sale of goods.

TRANSACTION WITH PARTIES AS REFERRED U/S 301 OF COMPANIES ACT 1956

7. There are no transactions of purchase / sale of goods and materials and services in value, aggregating during the year to Rs.5,00,000/- or more in respect of each party made in pursuance of contracts or arrangements entered in the register maintained u/s.301 of the Companies Act, 1956.
8. Due to lay off/ lock out the Company has not determined the unserviceable or damaged stores during the year and accordingly no provision is made for the loss, if any, in the accounts during the year.
9. Due to Lay Off / Lock Out, the Company has not accepted any deposits from the public during the year.
10. Internal Audit was not carried out during the year due to lay off / lock out.
11. As informed, the Central Government has not prescribed maintenance of cost records u/s.209 (i)(d) of the Companies Act, 1956 for the products dealt by the Company.
12. The Company is generally regular in making the payment towards Provident Fund and ESIC
13. The Company had submitted as application before the Board for Industrial & Financial Reconstruction for the revival U/s.15(1) of Sick Industrial Companies (Special Provision Act) 1985 and Company is registered for consideration for revival under scheme. The Company has also received permission from the Hon'ble BIFR to sale its Power Projects and Surplus Land.
14. According to the information and explanations given to us, accumulated losses at the end of the year are more than 50% of the Net Worth and the Company has incurred a Cash Loss of Rs.7.18 Lacs (Rs.77.77 Lacs)
15. The Company has maintained adequate records in case of advances given by ways of proper security
16. The Company is not a chit fund / nidhi / mutual funds / society.
17. Based on our examination of records and information and explanations given to us, the company has not dealt / traded in shares, securities, debentures and other securities during the year.
18. On the basis of explanations and information given to us the Company has not given any guarantee for loans taken by others from Banks / Financial Institutions.
19. To the best of our knowledge and belief and according to the information and explanations given to us, the term loan availed by the company was prima facie applied for the purpose for which the loan was obtained.
20. According to the Cash Flow Statement and other statements examined by us and the information and explanation given to us on an over all basis, fund raised on short term basis prima-facie, has not been used during the year for long term investment and vice versa.
21. The Company has not made any preferential allotment of Shares to parties and Companies covered in the Register maintained U/s 301 of the Act.
22. The Company has not raised any money by public issues during the year.
23. According to the information and explanations given to us, no material fraud has been noticed or reported during the year.

No.: A/01/0710
6th July, 2010 Mumbai

For VMD & CO.
CHARTERED ACCOUNTANTS
Sd/-
V. M. DESAI, Partner
Membership No.F/9219

BALANCE SHEET AS AT 31.03.2010

SI. No.	PARTICULARS	SCHEDULES	CURRENT YEAR Rs. (000's)	PREVIOUS YEAR Rs. (000's)
	<u>SOURCES OF FUNDS</u>			
I	<u>SHARE HOLDERS FUNDS</u>			
	a) Share Capital	(A)	206,117	206,117
	b) Reserves and Surplus	(B)	297,522	308,481
			503,639	514,598
II	<u>LOAN FUNDS</u>			
	Unsecured Loans	(C)	8,205	11,166
			8,205	11,166
	TOTAL		511,844	525,764
	<u>APPLICATION OF FUNDS</u>			
III	<u>FIXED ASSETS</u>	(D)		
	a) Gross Block		893,657	904,414
	b) Less: Depreciation		712,344	711,024
	c) Net Block		181,313	193,390
	d) Capital Work-in-Progress	(E)	20,949	20,949
			202,262	214,339
IV	<u>INVESTMENTS</u>	(F)	8,861	13,903
V	<u>CURRENT ASSETS, LOANS AND ADVANCES</u>			
	a) Inventories	(G)	11,535	11,535
	b) Sundry Debtors	(H)	17,265	24,566
	c) Cash and Bank Balance	(I)	7,540	248
	d) Loans and Advances	(J)	3,548	2,245
			39,888	38,594
VI	<u>Less: CURRENT LIABILITIES AND PROVISIONS</u>			
	a) Liabilities	(K)	89,242	90,533
	b) Provisions	(L)	1,480	1,660
			90,722	92,193
	NET CURRENT ASSETS		(50,834)	(53,599)
VII	Profit and Loss account		351,555	351,121
			511,844	525,764
			-	-

This is the Balance sheet referred to in our report of even date
Schedules referred to above form an integral part of the Balance Sheet

For VMD & CO. Chartered Accountants

sd/-

V. M. Desai, Partner

Membership No.F/9219

No. A/01/0710

Mumbai, 6th July, 2010

For & on behalf of Board of Directors

sd/-

S. B. Somani

Chairman & Managing Director

sd/-

G. K. Joshi, Director

Mumbai, 6th July, 2010

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2010

SI. No.	PARTICULARS	SCHEDULES	CURRENT YEAR Rs. (000's)	PREVIOUS YEAR Rs. (000's)
	INCOME			
1	Sales	(M)	2	22,550
2	Other Income	(N)	3,866	3,695
3	Sales Tax / Vat Realised	(O)	-	902
4	Increase/(Decrease) in Stock	(P)	-	-
			3,868	27,147
	EXPENDITURE			
4	Purchases		-	22,289
5	Payments to and Provisions for Employees	(Q)	4,348	3,487
6	Excise Duty		-	-
7	Sales Tax / Vat Paid		14	902
8	Other Expenses	(R)	9,411	5,576
9	Provision for Bad and Doubtful Debts		-	-
10	Distribution and Selling Expenses	(S)	69	69
11	Interest	(T)	99	35
12	Fixed Assets Written Off		-	-
13	Depreciation 1,320			
	Less: Transfer to Revaluation Reserve towards			
	Additional Depreciation 1,036		284	301
14	Provision for Income Tax for Earlier Years		-	64
			14,225	32,723
15	Total		(10,357)	(5,576)
16	Less: Transfer to Revaluation Reserve from P & L A/c		9,923	-
17	Profit / (Loss) for the Year		(434)	(5,576)
18	(Loss) brought forward from Previous Year		(351,121)	(345,545)
19	(Loss) carried to Balance Sheet		(351,555)	(351,121)

This is the Balance sheet referred to in our report of even date
Schedules referred to above form an integral part of the Balance Sheet

For VMD & CO.
Chartered Accountants

sd/-
V. M. Desai, Partner
Membership No.F/9219

For & on behalf of Board of Directors

sd/-
S. B. Somani
Chairman & Managing Director

sd/-
G. K. Joshi, Director

No. A/01/0710
Mumbai, 6th July, 2010

Mumbai, 6th July, 2010

SCHEDULES FORMING PART OF THE ACCOUNTS AS ON 31.03.2010

	RS. ('000) Current Year	RS. ('000) Previous Year
SCHEDULE A		
Share capital		
Authorized		
2,00,00,000 Equity Shares of rupees 10/- each	200,000	200,000
10,00,000 Cumulative Preference Shares of rupees 100/- each	100,000	100,000
	<u>300,000</u>	<u>300,000</u>
Issued, Subscribed and Paid-up		
18963700 Equity Shares of rupees 10/- each Fully Paid Up (of the above 10,000 shares were allotted as fully paid up pursuant to a contract without payment being received in cash and 8166000 shares were allotted as fully paid up Bonus shares by capitalizing General Reserves)	189,637	189,637
Add: Shares Forfeited (to the extent originally paid up including excess share application money adjusted on allotment Rs.1202)	16,480	16,480
	<u>206,117</u>	<u>206,117</u>
SCHEDULE B		
RESERVES AND SURPLUS		
Capital Redemption Reserve (As per Last Balance Sheet)	5,814	5,814
Investment Allowance Reserve (As per Last Balance Sheet)	2,629	2,629
Securities Premium (As per Last Balance Sheet)	139,330	139,330
Securities Premium Forfeited (As per Last Balance Sheet)	32,960	32,960
Fixed Assets Revaluation Reserve (As per Last Balance Sheet) 127,748		
Less: Adjustments during Current Year -		
Transfer to Depreciation A/c. 1,036		
Transfer to Profit & Loss A/c. 9,923		
	<u>116,789</u>	<u>127,748</u>
	<u>297,522</u>	<u>308,481</u>
SCHEDULE - C		
UNSECURED LOANS		
From Others	8,205	11,166
	<u>8,205</u>	<u>11,166</u>
SCHEDULE - D		
FIXED ASSETS		

Rs. in (000)

Particulars	GROSS BLOCK			DEPRECIATION					NET BLOCK	
	As on 1.4.2009	Additions	Deductions	As on 31.3.2010	Upto 31.3.2009	For the Year	On Deductions	Upto 31.3.2010	As on 31.3.2010	As on 31.3.2009
Land (Freehold)	38,799	-	10,786	28,013	-	-	-	-	28,013	38,799
Buildings	158,506	-	-	158,506	111,736	1,206	-	112,942	45,564	46,770
Plant & Machinery	688,091	-	-	688,091	580,822	29	-	580,851	107,241	107,269
Furniture and Office Equipments	7,114	29	-	7,143	6,730	85	-	6,814	330	384
Motor Vehicles	11,904	-	-	11,904	11,736	1	-	11,737	167	168
TOTAL	904,414	29	10,786	893,657	711,024	1,320	-	712,344	181,313	193,390
Previous year	886,235	-	-	886,235	699,475	43,764	-	743,239	228,707	228,707

Note: -

- Land, buildings and Plant and Machinery were revalued as on 31.03.1995 by an approved Chartered Engineer and based on the same, the values have been reinstated as on 01.04.1995 at Rs 6,96,900 as against the book value of Rs 86,800 resulting in an increase of Rs.6,10,100.
- The Gross Block as on 31.03.2005 includes an amount of Rs. 6,01,916 on account of revaluation of Fixed Assets
- Depreciation is not provided for the assets not put to use during the year

SCHEDULES FORMING PART OF THE ACCOUNTS AS ON 31.03.2010

			RS. ('000) Current Year	RS. ('000) Previous Year
SCHEDULE - E				
CAPITAL WORK IN PROGRESS				
Capital Work in Progress (incl. Advance Payment Rs.1875)			21,099	21,099
Less: Provision for Doubtful Debts			150	150
			<u>20,949</u>	<u>20,949</u>
SCHEDULE - F				
INVESTMENTS (LONG TERM)				
	NO. OF SHARES	FACE VALUE		
UNQUOTED				
Greater Bombay Co-op Bank Ltd.	100	25	<u>3</u>	<u>3</u>
			3	3
QUOTED (FULLY PAID UP)				
B.O.C. INDIA LTD	265	10	6	6
Birla Corp. Ltd	300	10	3	3
Bombay Oxygen Corp Ltd	5	100	1	1
Chemo Pharma Labs Ltd	404500	10	991	991
Citric India Ltd	1673755	10	3,766	3,766
DCM Ltd	31	10	-	-
DCM Shriram Conso. Ltd	690	2	3	3
DCM Shriram Ind. Ltd	31	10	-	-
Eveready Industries Ltd.	100	5	1	1
McLEOD Russel India Ltd.	100	10	1	1
HDFC Bank Ltd.	200	10	2	5
Housing Dev. Finance Corp.ltd.	1350	10	18	32
Indian Infotech and Software Ltd	300000	10	-	3,015
Glory Polyfilms Ltd.	20000	10	-	2,010
J K Lakshmi Cement Ltd.	368	10	12	12
Punjab Anand Batteries Ltd	50	10	1	1
Mawana Sugar Ltd.	40	10	2	2
Reliance Power Ltd.	88	10	25	25
Reliance Industries Ltd.	2250	10	4,024	4,024
Bangal & Asam Co. Ltd.	7		<u>2</u>	<u>2</u>
			8,858	13,900
Aggregate amount of Quoted Investments (Market value Rs. 11344 (Rs.8858)			8,858	13,900
Aggregate amount of Unquoted Investments			<u>3</u>	<u>3</u>
TOTAL			<u>8,861</u>	<u>13,903</u>
SCHEDULE -G				
INVENTORIES (At Cost or Realisable Value)				
Raw Materials			640	640
Stores and Spares			10,858	10,858
Packing materials			37	37
			<u>11,535</u>	<u>11,535</u>

SCHEDULES FORMING PART OF THE ACCOUNTS AS ON 31.03.2010

	RS. ('000) Current Year	RS. ('000) Previous Year
<u>SCHEDULE - H</u>		
<u>SUNDRY DEBTORS</u>		
(Unsecured - Considered good) (Less than 6 Months)		
(Outstanding for a period exceeding six months)	14597	
Other Debts	17966	39,864
Less: Provision for Bad and Doubtful Debts	<u>15,298</u>	15,298
	<u>17,265</u>	<u>24,566</u>
<u>SCHEDULE - I</u>		
<u>CASH AND BANK BALANCES</u>		
Cash, Cheques and stamps in hand	94	81
With Scheduled Banks		
in Current Accounts	7,383	104
in Unclaimed Interest Account	63	63
	<u>7,540</u>	<u>248</u>
<u>SCHEDULE - J</u>		
<u>LOANS AND ADVANCES</u>		
Advances recoverable in cash or kind pr for value to be recd	3,605	2,343
(Unsecured - Considered Good)	3,242	3,201
Income Tax paid pending adjustments	498	498
Other Deposits	7,345	6,042
	3,797	3,797
Less: Provision for Bad and Doubtful Advances	<u>3,548</u>	<u>2,245</u>
<u>SCHEDULE - K</u>		
<u>CURRENT LIABILITIES</u>		
Sundry Creditors and Other Liabilities	89,242	90,533
(Refer Note No 2.9.4 of the Notes Forming Part of Accounts)	<u>89,242</u>	<u>90,533</u>
<u>SCHEDULE - L</u>		
<u>PROVISIONS</u>		
For Taxation	1,480	1,660
	<u>1,480</u>	<u>1,660</u>
<u>SCHEDULE - M</u>		
<u>SALES</u>		
Sundries & Scrap	2	-
Chemicals	-	22,550
	<u>2</u>	<u>22,550</u>

SCHEDULES FORMING PART OF THE ACCOUNTS AS ON 31.03.2010

	RS. ('000) Current Year	RS. ('000) Previous Year
<u>SCHEDULE - N</u>		
<u>OTHER INCOME</u>		
Dividend (From Long Term Investments)		
Interest	62	67
Service Charges Received	1,072	1,089
Sundry Balance Written Back	37	37
Profit on Sale of Investment	36	11
Provision Written Back	2,659	-
	-	2,491
	<u>3,866</u>	<u>3,695</u>
<u>SCHEDULE - O</u>		
<u>SALES TAX / VAT RELEASED</u>		
General Sales Tax / Vat	-	902
	<u>-</u>	<u>902</u>
<u>SCHEDULE - P</u>		
<u>INCREASE (DECREASE) IN STOCKS</u>		
<u>Opening Stock</u>		
Finished Goods	-	-
Shares	-	-
<u>Closing Stock</u>		
Finished Goods	-	-
Shares	-	-
	<u>-</u>	<u>-</u>
<u>SCHEDULE - Q</u>		
<u>PAYMENT TO & PROVISIONS FOR EMPLOYEES</u>		
Salaries, Wages and Bonus		
Welfare Expenses	3,955	3,139
Contribution to Provident Fund	142	81
Contribution to ESI Scheme	218	225
	33	42
Less: Transferred to Capital Work in Progress	<u>4,348</u>	<u>3,487</u>
	-	-
	<u>4,348</u>	<u>3,487</u>
<u>SCHEDULE - R</u>		

SCHEDULES FORMING PART OF THE ACCOUNTS AS ON 31.03.2010

	RS. ('000) Current Year	RS. ('000) Previous Year
<u>OTHER EXPENSES</u>		
Rent		
Rates and Taxes	593	566
Fringe Benefit Tax Paid	200	184
Repairs and Maintenance	13	95
Travelling and Conveyance	394	113
Motor Car Expenses	926	1,581
Legal & Professional Charges	44	11
Pooja Expenses	844	428
Director's Sitting Fees	-	66
Audit Fees	17	19
Electricity Expenses	18	13
Bank Charges	1,183	1,557
Telephone and Telex	10	11
Postage & Telegram Charges	121	128
Printing & Stationary	116	109
Annual Listing Fees	61	141
Filing Fees	171	168
Share Transfer Expenses	1	2
Office Maintenance Expenses	97	106
Books, Magazines & Periodicals	113	68
Loss on sale of Assets	1	3
ESIC Penalty Paid	3,449	-
Labour Welfare Fund	284	-
Compensation	5	-
Subscription Charges	663	53
Profession Tax - Firm	49	115
General Charges	11	-
Service Tax Paid	3	21
	24	18
<u>SCHEDULE - S</u>	<u>9,411</u>	<u>5,576</u>
<u>DISTRIBUTION AND SELLING EXPENSES</u>		
Advertisement & Publicity Charges	69	69
<u>SCHEDULE - T</u>	<u>69</u>	<u>69</u>
<u>INTEREST</u>		
On Others	99	35
	<u>99</u>	<u>35</u>

SCHEDULE U**1. SIGNIFICANT ACCOUNTING POLICIES:****a) Basis of Preparation of Financial Statements :-**

The accompanying financial statements for the fiscal period have been prepared under historical cost convention, in compliance with Indian Generally Accepted Accounting Principles ("GAAP") with mandatory and relevant Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and in compliance with the provisions of Companies Act, 1956.

b) Revenue and Expenditure Recognition :-

Revenue is recognized and expenditure is accounted for on accrual basis.

c) Fixed Assets :-

Fixed Assets are stated at cost as increased by revaluation in case of land, building and Plant and Machinery less accumulated depreciation thereon in respect of assets acquired up to 31/03/95. Fixed assets were revalued as on 31.3.95.

d) Depreciation :-

Depreciation on fixed assets (including revalued assets) is provided for at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956, to the extent specified in section 205(2)(b) as per straight line method in respect of Plant and Machinery and in section 205(2)(a) as per written down value method in respect of other assets.

Additional depreciation representing the difference between depreciation on revalued amount and original cost of the assets has been withdrawn from revaluation reserve.

Depreciation on addition to and deduction from fixed assets is provided for on pro-rata basis from/up to the month of addition / deduction.

During the year there was no manufacturing activity, hence no depreciation has been provided to the extent of Rs.1,00,65,805/- (Nil) on machineries not put to use.

e) Retirement benefits :-

Employer's Contributions to Provident Fund and gratuity are charged as expenditure.

f) Investments :-

Long Term Investments made by the Company in shares are valued as per the Accounting Standards issued by The Institute of Chartered Accountants of India. Provision has been made for permanent diminution in the value of Long Term investments.

g) Inventories :-

Inventories are valued at lower of cost or estimated net realisable value as certified by the Managing Director of the company. Cost of inventories is computed on a weighted average basis. The value of finished goods and work in progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Proceeds in respect of sale of raw materials or stores will be credited to the respective heads. The closing stock of scrap, waste products such as lime sludge are not valued and shown in the balance sheet as in the opinion of the management these items do not have a ready market.

h) Sales :-

Sales include recovery of Excise Duty, Sales tax and shown net of the adjustment against transporting and forwarding expenses incurred.

i) Excise Duty :-

Excise duty on finished goods is accounted for at the time of clearance of goods.

j) Treatment of contingent Liabilities :-

Contingent liabilities not provided for, are disclosed by way of Notes to accounts with particulars of the nature and quantum, wherever possible, of such liabilities.

k) Segment Reporting :-

The Company has carried out no trading activity and hence there is no separate segment as per AS-17 issued by ICAI.

l) Earnings per Share :-

The Company reports basic earning per share in accordance with AS-20 for "Earnings per Share" issued by the ICAI. Basic earning per share has been computed by dividing net profit by the weighted average number of equity shares outstanding for the year.

m) Accounting for taxes on Income : -

Income tax expense is recognized in accordance with AS-22- "Accounting for Taxes on Income" which includes current taxes and deferred taxes.

Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax assets are not recognised in the absence of reasonable/virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

2. NOTES TO ACCOUNTS:**2.1 Contingent Liabilities :**

DLF Universal Limited (Formerly known as DLF Industries Limited) (here in referred to as DLF) had filed a claim of Rs. 500 Lacs and the matter has been under Arbitration. During 2006-07, the Company had entered into a Memorandum of Understanding with the DLF in the terms of which DLF has agreed to sale/ transfer the machineries to the Company and/or its nominees which are in its possession or to be dispatched by the foreign supplier. The Company has agreed to make payment of Rs. 250 Lacs exclusive of Sales Tax, Freight and Insurance to be borne by the Company for the machineries which are in possession of DLF. The Company has also agreed to open confirmed Letter of Credit in favour of KONCAR for shipment of the remaining machineries. The Company has made the payment of Rs.50 Lacs to DLF.

DLF has filed Statement of Claim before the Arbitral Forum inter alia for breach of terms of Memorandum of Understanding on the part of the Company. The Company has made a counter claim for financial losses, damages, costs and claims against DLF for non fulfillment of contractual obligations. The matter is pending for hearing.

2.2 Disputed liabilities not provided for:

2.2.1 The Company has filed an appeal before Hon'ble High Court of Kerala against order of Sub-Court Kottayam awarding additional compensation of Rs. 12,38,087/- (Rs.12,38,087/-) on land acquired by the company in prior years. The company has made a deposit of Rs. 5000/- against this in the court and included under the head "Loans and Advances".

2.2.2 ESIC Kerala had made a demand of Rs.9.21 Lacs and the same has been stayed by Hon'ble High Court. This has been charged to revenue Rs.2.84 Lacs after adjusting the provision available.

2.3 Other liabilities not provided :

Recovery Suits filed by some Creditors for supplies of goods, claiming Rs. 45,23,240/- together with interest are pending before various Courts against which a sum of Rs. 32,87,470/- has been provided in the books.

2.4 Central excise Refund

As per the order of the Asst. Commissioner of Central Excise, Kottayam Division, Kottayam dated 23.12.1998 holding that Calcium Carbide manufactured and used captive consumption in the manufacture of acetylene black within the factory is not liable for levy of excise duty, the company is entitled to a refund of excise duty of Rs.82,89,691/- in respect of the period from April 1978 to July, 1983.

This was confirmed by the Hon'ble CEGAT, New Delhi as per the order No.A/1076/02 NB (D) dated 24.10.2002. Based on the above order the company filed a refund claim for Rs.82,86,691/- before the Deputy Commissioner of Central Excise, Kottayam Division on 30.01.2003. However the Deputy Commissioner allowed only Rs.37,99,198/- as refund and the same was recognized as income in the Profit & Loss account in the year 2002-2003. The claim for the balance amount of Rs.44,86,993/- was rejected by the Excise authorities for want of proof for payment of duty.

Against this order the company had filed an appeal before the Commissioner of Central Excise and Customs (Appeals) Cochin on 22-10-2003 and the appeal was disposed of in favour of the Company.

The Department has gone in Appeal. In view of the above, the claim for the refund of the balance amount of Rs. 44,86,993/- has not been recognized in the accounts. Company has also filed appeal before CEGAT, New Delhi for release of balance amount, which is pending for disposal.

2.3 Managerial Remuneration :

Paid to Shri. S. B. Somani, Chairman and Managing Director :

Particulars	Amount (In Rupees)
Salary	780000 (720000)
Perquisites Rs.448000 Limited to Rs.420000	420000 (594098)
Contribution to Provident Fund	93600 (86400)
Total	1293600 (1400498)

2.6 Computation of loss in accordance with Section 349 of the Companies Act, 1956 :

(Rs. in '000)

March 31 st of ->	2010	2009
Profit as per Profit and Loss Account	(434)	(5577)
Less: i. Depreciation charged to A/cs	(9639)	301
ii. Directors Sitting fees	17	19
iii. Remuneration to MD	1294	1400
Business Profit	(8762)	(3857)
Less /Add: Depreciation as per Section 350	4388	4454
Total Profit for the year	(4374)	(8311)
Add: C/f (Losses) from earlier years	(407390)	(399079)
(Losses) under section 198	(411764)	(407390)

2.7 During the year the Company has made payment of Rs. 10.9 Lacs in aggregate to 18 employees who have either resigned or had attained superannuation age and provision has been made for remaining employees towards Gratuity and Leave Encashment on accrual basis.

2.8 Due to Small Scale Industrial undertakings.

On verification of invoices issued by the suppliers of the company there is no Small Scale industry as defined under the Interest on Delayed Payments of Small Scale and Ancillary Industrial Undertaking Act, 1933 and section 3(i) of the Industrial (Development and Regulation) Act, 1951, having total amount outstanding exceeding Rs1,00,000 to each unit.

2.9 Fixed Assets

2.9.1 After reopening of the plants at Chingavanam (Dist – Kottayam) for maintenance the Management of the Company has physically verified the machineries, equipments and other installations and no discrepancies have been found.

2.10 Current Assets

2.10.1 Loans and Advances includes dues of Rs. 100,35,000/- (Rs.1,35,00,000/-) from Associate Concern.

2.10.2 As the Company has been under Lock -out since July 1999 years, dues under the heads Sundry Debtors, Loans and Advances and Current Liabilities including Sundry Creditors are subject to confirmation / reconciliation.

2.10.3 Sundry Debtors include an amount of Rs.1,35,31,446/- (Rs.1,35,31,446/-) due for a period exceeding three years against which full Provision of Rs.1,35,31,446/- has been made towards Doubtful Debts. The Company has filed suits before different judicial authorities against certain debtors for recovery of dues amounting to Rs.42,91,787/- (Rs.42,91,787/-).

Against some of these suits decrees were awarded in favour of the Company for an amount of Rs.23,11,610/- (Rs.2311610/-), which are in process of execution.

2.10.4 Advance against purchases include an amount of Rs.8,36,990/- (Rs.8,36,990/-) due for a period exceeding three years for which provision for doubtful advance has been made.

Fundamental accounting assumption regarding Going Concern.

2.11 As pending issues inter alia resumption of power supply, grant of Financial Assistance and other incentives from State Government and other concerned Authorities remain unresolved, the chances of early resumption of manufacturing activities of viable plants receded. The Management is however hopeful that the pending issues will receive due consideration from all concerned Authorities to pave way for resumption of manufacturing operations of plants at Chingavanam. The accounts have been prepared on Going Concern basis.

Quantitative Details

2.12 Information pursuant to Para 3, 4C and 4D of Schedule VI, Part II to the Companies Act, 1956 are given below

Particulars	Calcium Carbide	Ferro Silicon	Acetylene Black	D.S. Compound	Others	Duties and Taxes recovered
Licensed Capacity (MT)	40,000	7,500	1,000	10,000	-	-
Installed Capacity (M.T.)	30,000	7,500	2,000	10,000	-	-
Opening stock Qty (M.T.)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	-	-
Amount (Rs.)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	-	-
Production Qty.(M.T.)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	-	-
Turnover Qty. (M. T.)	Nil(Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Value in Rs.('000)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	2 (Nil)	Nil (Nil)
Closing Stock Qty. (M.T.)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Amount in Rs.	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)

Traded Goods –

A. CHEMICALS	QTY. (Kg.)	VALUE (Rs. in '000)
Opening Stock	Nil (Nil)	Nil (Nil)
Purchases	Nil (175800)	Nil (23181)
Sales	Nil (175800)	Nil (23452)
Closing Stock	Nil (Nil)	Nil (Nil)

2.13 Raw Materials Consumed	2010	2009
	NIL	NIL

2.13.1 Percentage of consumption of indigenous / imported raw materials, packing materials, spare parts and components

NIL NIL

2.14 Expenditure in Foreign Currency

48

Traveling Expenses (Rs. In '000)

280

856

2.15 CIF value of Imports – Raw materials

NIL

NIL

2.16 Capital Commitments

Estimated amount of contracts remaining to be executed on capital accounts Rs.86,64,839/- (Rs. 86,64,839/-).

2.17 The Companies in which the Directors are associated have filed the Annual Returns and did not make any default in the repayment of deposits if any fallen out. On the basis of representations received from the Directors, none of the Directors attract disqualifications under section 274(1)(g) of the Companies Act, 1956.

2.18 The Company had no full time Company Secretary as required u/s 383A of the Companies Act, 1956 during the year under report due to lay off / lock out.

2.19 Others

2.19.1 In view of the accumulated losses, the Management has not provided deferred tax assets as well as deferred tax liabilities. Hence the disclosure in respect of accounting of taxes on income as required under Accounting Standard 22 issued by ICAI is not applicable.

2.19.2 The manufacturing plant at Chingavanam was re-opened for maintenance however the maintenance work is discontinued for the time being.

2.19.3 Basic earning per Equity Share and Diluted earning per Equity Share have been computed by dividing net profit by the weighted average number of equity shares outstanding for the year.

Calculation of basic Earnings per Share

Sl. No.	Particulars	Equivalent number of shares for the year	
		2009-10	2008-09
1	Opening No of Shares	18963700	18963700
2	Total Shares Outstanding	18963700	18963700
3	Profit after Taxes in Rs. (000)	(434)	(5576)
4	Nominal value of Shares	Rs. 10.00	Rs. 10.00
5	Earning per Share	(0.02)	(0.29)

2.19 Disclosure of transactions with Related parties, as required by Accounting Standard 18 as defined under clause 3 of the Accounting Standard have been identified on the basis of representations made by key managerial personnel and information available with the Company.

Relationship Entities where control exist

Nil

I. Associate and Group Companies

Citric India Ltd.
Chemo Pharma Labs Ltd.
India Energen Ltd.
B D Somani & Co
S.H Khatod & Sons
Vindhyachal Hydro Power Ltd.

II. Key Management Personnel: Shri S B Somani, Chairman & Managing Director

Related Party Transactions

Transactions	Associates and Group Co. Rs.	Key Management Personnel Rs.	Total Rs.
Finance Provided including loans given	3231033	4121833	7352866
Amount received	2939000	NIL	2939000
Outstanding Balance receivable	10035000	NIL	10035000
Outstanding Balance payable	4425000	3800786	8225786
Remuneration paid including perquisites	NIL	1293600	1293600

2.21 Figures are given in thousands unless otherwise stated

2.22 Figures for the previous year have been regrouped / rearranged wherever necessary and are given in bracket unless otherwise specified.

As per attached report of even date

For and behalf of Board of Directors

For VMD & Co.
CHARTERED ACCOUNTANTS
sd/-
VIJAY KUMAR DESAI
Membership No. F/9219
No. A/01/0710

sd/-
S. B. SOMANI
CHAIRMAN & MANAGING DIRECTOR

Place : Mumbai
Date : 6th July, 2010

sd/-
G. K. JOSHI
DIRECTOR

**ANNEXURE TO CLAUSE 32 OF THE LISTING AGREEMENT
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2010**

	As on 31.3.2010	As on 31.3.2009
<u>A. CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Net Profit / (Loss) before extraordinary items	(434)	(5,576)
<u>Adjustments for :</u>		
Depreciation	284	301
Transferred from Revaluation Reserves	(9,923)	-
Provision Written Back	(36)	(2,502)
Interest Income	(1,072)	(1,089)
Dividend Income	(62)	(67)
Profit on Sale of Investment	(2,659)	-
Interest Expense	99	35
Operating Profit before Working Capital changes	(13,803)	(8,898)
<u>Adjustments for :</u>		
Trade and other receivables	(7,301)	1,994
Inventories	-	-
Purchase of Investments	-	-
Loans and Advances	1,303	65
Trade payables and Provisions	(1,435)	(6,304)
Cash generated from operations	9,240	17,261
Direct Taxes (paid) / Collected (TDS Collected)	186	-
NET CASH FROM OPERATING ACTIVITIES	9,054	17,261
<u>B. CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Increase in Capital & Reserves on account of Redemption of Bonds	-	-
Increase in fixed assets	(29)	-
Sale of fixed assets	10,786	-
Increase in value of Capital Work in Progress	-	(1,482)
Sale of investments	5,042	500
Interest received	1,072	1,089
Dividend received	62	67
NET CASH FROM / (USED IN) INVESTING ACTIVITIES	16,933	174
<u>C. CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Loss on Sale of Assets	(3,449)	-
Proceed for of short term liabilities	2,961	8,016
Interest Paid	(99)	(35)
NET CASH FROM / (USED IN) FINANCING ACTIVITIES	(587)	7,981
NET INCREASE IN CASH AND CASH EQUIVALENTS	7,292	(9,106)
Cash And Cash Equivalents at the Beginning Of The Year	248	9,354
Cash And Cash Equivalents at the End Of The Year	7,540	248

Notes :

1. The above cash flow statements has been prepared under the indirect method as set out in the AS-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India
2. Previous year's figures have been rearranged/regrouped wherever necessary.
This is the Cash Flow Statement referred in our report of even date.

BALANCE SHEET ABSTRACT**I. REGISTRATION DETAILS**

Registration No:	01206	STATE CODE	09
Balance Sheet Date:	31.03.2010		

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Issue	NIL

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount Rs. Thousands)

Total Liabilities	511844	Total Assets	511844
-------------------	--------	--------------	--------

Source of Funds

Paid up Capital	206117	Reserve & Surplus	297522
Secured Loan	NIL	Unsecured Loan	8205

Application of Funds

Net Fixed Assets	202262	Investments	8861
Net Current Assets	(50834)	Misc Expenditure	NIL
Accumulated Losses	351555		

IV. PERFORMANCE OF COMPANY

Turnover	3868	Total expenditure	14225
----------	------	-------------------	-------

PROFIT/LOSS BEFORE TAX	(10357)	PROFIT/LOSS AFTER TAX	(10357)
Earnings Per Share (inRs.)	(0.26)	Dividend @ %	NIL

V. GENERIC NAME OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (As per monetary terms)

Item Code No. (ITC Code No)	284910-00
Product Description	CALCIUM CARBIDE

Item Code No. (ITC Code No)	284910-00
Product Description	DESULPHURISATION COMPOUND

Item Code No. (ITC Code No)	280300-01
Product Description	ACETYLENE BLACK

As per our attached reports of even date

FOR VMD & CO.

sd/-

**V. M. DESAI
(PARTNER)**Membership No. F/9219
No.A/01/0710

Mumbai, 6th July, 2010

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

sd/-

**S. B. SOMANI
CHAIRMAN & MANAGING DIRECTOR**

sd/-

G. K. JOSHI, DIRECTOR

Mumbai, 6th July, 2010

TECIL CHEMICALS & HYDRO POWER LTD.

Regd. Office : Chingavanam P.O. Dist. Kottayam, Kerala – 686 531

PROXY FORM

I/We of _____
In the district of _____ being a member/members of the above named
Company hereby appoint _____
of _____ in the district of _____
or failing him _____ of _____
in the district of _____
as my/our proxy to vote for me/us on my/our behalf at the 64th Annual General Meeting of the Company
to be held on 29th September, 2010 at 11.00 A.M. and / or at any adjournment thereof.

Signed this _____ day of _____ 2010

Signature

**Affix
Re.1.00
Revenue
Stamp**

Note: The form duly completed and signed must be deposited at the Registered Office of
the Company not less than 48 hours before the meeting.

TEAR HERE

TECIL CHEMICALS & HYDRO POWER LTD.

Regd. Office : Chingavanam P.O. Dist. Kottayam, Kerala – 686 531

ATTENDANCE SLIP

TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL

Full name of the member _____

Full name of the First Joint Holder _____

(To be filled in if first named joint holder does not attend the meeting)

Name of Proxy _____

(To be filled in if Proxy Form has been duly deposited with the Company)

I, hereby record my presence at Annual General Meeting of the Company held at the Registered
Office of the Company on 29th September, 2010 at 11.00 A.M.

Registered Folio No. _____

No. of Shares held _____

Member's/Proxy's Signature
(To be signed at the time of handing over the slip)

Book Post

If undelivered please return to :
TECIL CHEMICALS & HYDRO POWER LTD.
P.O. Chingavanam – 686 531
Dist. Kottayam (Kerala)