





**BOARD OF DIRECTORS**

Raghu Mody	Chairman
P. K. Choudhary	Managing Director
Vinay Sarin	Executive Director (ceased from directorship w.e.f.25th May, 2011)
V. D. Ingle	Executive Director (ceased from directorship w.e.f.25th May, 2011)
Varunn Mody	
K. M. Robinson	
D. L. Lyon	(ceased from directorship w.e.f.25th May, 2011)
V. B. Haribhakti	
A. B. Vaidya	
Lt. Gen. (Retd.) K.S.Brar	
Haigreve Khaitan	Alternative Director to Mr. K. M. Robinson (ceased from directorship w.e.f.7th September, 2010)
Amit Goenka	G. M. Finance & Company Secretary

**AUDITORS**

Lodha & Co.

**SOLICITORS**

Khaitan & Co.

**BANKERS**

Bank of Baroda  
Union Bank of India

**REGISTERED OFFICE**

B-11, Paragon Condominium,  
Pandurang Budhkar Marg, Worli,  
Mumbai - 400 013.

**REGISTRAR & TRANSFER AGENTS**

Link Intime India Pvt. Ltd.  
C-13, Pannalal Silk Mills Compound,  
LBS Marg, Bhandup (W), Mumbai - 400 076.

**WORKS**

Paithan : D-2/1, MIDC Industrial Area.  
Bhandara : C-10/1, Bhandara Indl. Area, Gadegaon.

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Forty Seventh Annual General Meeting of the Company will be held at Hall of Culture, Nehru Center, Dr. Annie Besant Road, Worli, Mumbai 400 018 at 11.00 A.M. on Tuesday, 9<sup>th</sup> day of August 2011 to transact the following business:

### ORDINARY BUSINESS

1. To consider, approve and adopt the Audited Balance Sheet as at 31st March 2011 and Profit and Loss Account for the year ended 31st March 2011 together with the reports of the Directors and Auditors thereon.
2. To declare dividend for the year ended 31st March, 2011.
3. To take on record the cession of Mr. V.B. Haribhakti from the directorship of the Company, who retires by rotation and has expressed his unwillingness for reappointment as Director of the Company.
4. To appoint a Director in place of Mr. A.B. Vaidya, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Lt. Gen. (Retd.) K.S. Brar, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS:

7. To consider and, if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, the re-appointment of Mr. Vinay Sarin as Executive Director - Marketing of the Company for a further period of 1 (one) year w.e.f. 9th August 2010, on the terms and conditions as set out in the Explanatory Statement attached to this Notice, be and is hereby approved.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year during the currency of tenure of Mr. Vinay Sarin as Executive Director - Marketing of the Company, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration to him.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts and deeds as may be necessary to give effect to the above resolution.”

8. To consider and, if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, the appointment of Mr. Varunn Mody as Executive Director of the Company for a period of 5 (five) years w.e.f. 17th January 2011, on the terms and conditions as set out in the Explanatory Statement attached to this Notice, be and is hereby approved, with the liberty to the Board of Directors to revise the terms with regard to remuneration from time to time, within the limits provided for in the said Schedule XIII or any amendment thereto for the time being in force.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year during the currency of tenure of Mr. Varunn Mody as Executive Director of the Company, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration to him.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts and deeds as may be necessary to give effect to the above resolution.”

9. To consider and, if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, the re-appointment of Mr. P.K. Choudhary as Managing Director of the Company for a further period of 2 (Two) years w.e.f. 18th March 2011, on the terms and conditions as set out in the Explanatory Statement attached to this Notice, be and is hereby approved, with the liberty to the Board of Directors to revise the terms with regard to remuneration from time to time, within the limits provided for in the said Schedule XIII or any amendment thereto for the time being in force.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year during the currency of tenure

of Mr. P.K. Choudhary as Managing Director of the Company, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration to him.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts and deeds as may be necessary to give effect to the above resolution.”

10. To consider and, if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, the re-appointment of Mr. V. D. Ingle as Executive Director - Manufacturing of the Company for a further period of 2 (Two) year w.e.f. 1st April 2011, on the terms and conditions as set out in the Explanatory Statement attached to this Notice, be and is hereby approved.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year during the currency of tenure of Mr. V. D. Ingle as Executive Director - Manufacturing of the Company, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration to him.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts and deeds as may be necessary to give effect to the above resolution.”

11. To consider and, if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (the Act) (including any statutory modification or re-enactment thereof for the time being in force) the revision in remuneration payable to Mr. Varunn Mody, Executive Director of the Company by way of payment of commission of such amount, as may be decided by the Board from time to time, provided that the total remuneration paid to him including commission shall not exceed 5% of net profits of the Company in any financial year during remaining period of his tenure with effect from 1st April, 2011, as more particularly described in the Explanatory Statement attached to this Notice, be and is hereby approved, with the liberty to the Board of Directors to revise the terms with regard to remuneration from time to time, within the limits provided in the Schedule XIII to the Act or any amendment thereto for the time being in force.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year during the currency of tenure of Mr. Varunn Mody as Executive Director of the Company, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration to him.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts and deeds as may be necessary to give effect to the above resolution.”

12. To consider and, if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 314(1)(b) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), the appointment of Mrs. Sakshi Mody, a relative of directors of the Company, as General Manager Corporate for a period of 5 (five) years w. e. f. 1st June 2011 on a total remuneration of Rs. 50,000/- p.m. with a liberty to the Board of Directors of the Company to revise the terms of her appointment with regard to remuneration as may be decided by the Board from time to time, subject to a limit of Rs. 1,25,000/- p.m. inclusive of all amenities and perquisites payable to her, be and is hereby approved.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts and deeds as may be necessary to give effect to the above resolution.”

13. To consider and, if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 293(1)(e) of the Companies Act, 1956, the Board of Directors of the Company be and is hereby authorized on behalf of the Company to contribute and / or subscribe from time to time to any body, institute, society, person, trust or fund for any charitable or other purposes not directly related to the business of the Company or to the welfare of its employees up to a total amount of Rs. 5,00,00,000/- (Rupees Five Crore only) or 5% (five) of the average net profits as determined in accordance with the provisions of Section 349 and 350 of the Companies Act, 1956, during the three financial years immediately preceding, whichever is greater.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts and deeds as may be necessary to give effect to the above resolution.”

14. To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby amended as follows :

(I) by insertion of the following Articles as Article Nos. 24A to 24S after the existing Article 24

24A	Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing securities, rematerialise its securities held in the Depositories and / or offer its fresh securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.	Dematerialisation of Securities
24B	Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository.	Option to receive Securities certificates or hold Securities with Depository
24C	If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allottees as the Beneficial Owner of the security.	
24D	All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act, shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owner.	Securities in Depositories
24E	Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of security on behalf of the Beneficial Owner.	Rights of Depositories and Beneficial Owners
24F	Save as otherwise provided here in above, the Depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the security held by it.	
24G	Every person holding securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a member of the Company. The Beneficial Owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a Depository.	
24H	Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the Beneficial Owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has express or implied notice thereof, but the Board shall be entitled at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	Beneficial Owner deemed as absolute owner
24I	Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the by-laws and the Company in that behalf.	Depository to furnish information
24J	Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a Participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly	Cancellation of certificates upon surrender by a person
24K	If a Beneficial Owner seeks to opt out of a Depository in respect of any security, the Beneficial Owner shall inform the Depository accordingly.	Option to opt out in respect of any security
24L	The Depository shall, on receipt of information as above, make appropriate entries in its records and subsequently inform the Company.	
24M	The Company shall within thirty (30) days of the receipt of the intimation from the Depository and on fulfillment of such conditions and payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.	

24N	Notwithstanding anything in the Act, or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.	Service of Documents
24O	Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares in physical form subject to the provisions of the Depository Act.	Provisions of Articles to apply to shares held in Depository
24P	Notwithstanding anything in the Act, or these Articles where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.	Allotment of Securities dealt with in a Depository
24Q	The shares in the capital shall be numbered progressively according to their several denominations provided, however, that the provision relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.	Distinctive number of securities held in a Depository
24R	The Company shall cause to keep a Register and Index of Members and a Register and Index of Debenture holders in accordance with Section 151 and 152 of the Act, respectively, and the Depositories Act, with details of shares and debentures held in material/physical and dematerialised form in any media as may be permitted by law including in any form of electronic media. The Register and Index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall be deemed to be Register and Index of Members and Register and Index of Debenture holders, as the case may be, for the purpose of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Members resident in that state or country.	Register and Index of Beneficial Owners
24S	The Company shall keep a Register of Transfers and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share held in material form.	

(II) by substituting the existing Article No. 75 (b) with the following new Article 75 (b):

65A	Every Member of the Company shall be entitled to attend either in person or by proxy or to participate through video conferencing or other audio visual electronic modes and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as a Auditor.	Annual General Meeting Annual Summary
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(III) by inserting following para at the end of the existing Article 80 (b):

<p>Notice and other documents of General meeting of the company can be given to shareholders even by email provided every shareholder should be given advanced opportunity to register their email address and changes therein from time to time with the company. In case any member has not registered his email address with the company, the service of notice and documents should be in accordance with the provisions of section 53 of the Companies Act, 1956. The Notice of the General Meeting must inform the shareholders regarding availability of participation in the meeting through Video Conferencing and must provide necessary information to shareholders to access the available facility of video conferencing.</p>	
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(IV) by inserting following para at the end of the existing Article 83:

<p>The Quorum for the meeting shall be as provided in Section 174 of the Act. Members attending the meeting through the Video conferencing will not be counted for the purpose of ascertaining the quorum of the meeting.</p>	
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(V) by substituting the existing Article No. 136 with the following new Article 136:

136	<p>The Directors may meet either in person or through video conferencing, capable of recording and recognizing the participation of the directors, for the dispatch of business from time to time and shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings, as they think fit.</p> <p>The provisions relating to notice, agenda, quorum and minutes stated hereinafter shall mutates mutandis apply to the meetings held through such video conferencing.</p>	Meeting of Directors
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(VI) by substituting the existing Article No. 137 with the following new Article 137 :

137	<p>Notice of every meeting of the Board shall be given in writing to every Director whether in or outside India or through written communication sent electronically, and otherwise regulate their meetings, as they think fit.</p> <p>Notice of the Board Meeting must inform directors regarding availability of participation through video conferencing and should also provide necessary information to enable the directors to access the available facility of Video conferencing. Notice of the meeting shall also seek confirmation from the Director as to whether he will attend the meeting physically or through electronic mode and shall also contain contact number (s), email addresses of the Secretary / designated officer to whom the director shall confirm in this regard.</p>	Notice of the Meeting
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(VII) by substituting the existing Article No. 138 with the following new Article 138 :

138	<p>Subject to Section 287 of the Act the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one third being rounded off as one) or two directors, present in person or attending through video-conferencing, whichever is higher, provided that where at any time the number of interested directors exceeds or is equal to two thirds of the total strength the number of the remaining director that is to say, the number of directors who are not interested shall be the quorum during such time provided such number is not less than two.</p> <p>Provided that any Director participating through video conferencing shall attend in person at least one Board Meeting held every year.</p>	Quorum
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**By Order of the Board of Directors**

Place : Mumbai  
Date : 25<sup>th</sup> May, 2011

Amit Goenka  
G. M. Finance & Company Secretary

**Regd. Office :**  
B-11, Paragon Condominium,  
P. B. Marg, Worli, Mumbai 400 013

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXY FORM SHOULD BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE TIME OF COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 5th August, 2011 to Tuesday, 9th August, 2011 (both days inclusive).
3. The shares of the Company are listed on Bombay Stock Exchange Ltd., National Stock Exchange of India Ltd., and The Kolkata Stock Exchange Association Limited. Listing fees for the financial year 2011-12 has been paid to all the stock exchanges except The Kolkata Stock Exchange Association Limited, where the company has applied for de-listing.
4. Members are requested to bring their copies of the Annual Report to the Meeting.
5. Members who hold shares in dematerialized form are requested to bring their client ID and DPID numbers for easier identification of attendance at the meeting.
6. As required under Section 205A and 205C of the Companies Act 1956, unclaimed dividend for the financial year ended upto 31st March 2003 has been transferred to the Investor Education and Protection Fund (IEPF). The balance amount in unpaid dividend account for the financial year 2003-2004 is due for transfer to the Investors Education and Protection Fund by 5th October 2011. The shareholders whose dividend is unclaimed for the aforesaid financial year are requested to claim it immediately from the Company, otherwise no claim shall lie against the said Fund or the Company in respect of any amounts which remained unclaimed for a period of seven years from the date it becomes first due for payment and no payment shall be made in respect of any such claim.
7. Queries on accounts and operations of the Company, if any, may please be sent to the Company seven days in advance of the meeting so that the answers can be made available at the Meeting.
8. Dividend on equity shares as recommended by the Board of Directors for the year ended 31st March 2011, if approved by the members at the Annual General Meeting, will be paid to those members whose names stand registered in the Register of Members as on 9th August, 2011

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

**Information of Directors being proposed for re-appointment (as required under Clause 49(VI)(A) of the Listing Agreement)**

**Mr. A. B. Vaidya**, aged 71 years, possesses 48 years of rich experience in Banking, Insurance & Realty Sector. He does not hold any shares in the company.

**Lt. Gen. (Retd.) K.S. Brar**, aged 77 years, has a rich and varied management experience He does not hold any shares in the Company.

**Mr. Varunn Mody**, aged 27 years, is a young entrepreneur. He holds 150 shares in the Company.

**Mr. P.K. Choudhary**, aged 56 years is a Chartered Accountant and a company secretary is associated with the company since last 20 years. He has rich experience of 31 years in the field of finance, Manufacturing and administration. He holds 100 shares in the company.

**Item No. 7**

Mr. Vinay Sarin was re-appointed as Executive Director- Marketing of the Company for a further period w.e.f. 9<sup>th</sup> August, 2010 on the following terms and conditions:

1.	Salary	Rs. 41,000/- per month and special allowance of Rs. 40,000/- per month with an increase which may be decided by the Board of Directors from time to time within the limits, as specified in Schedule XIII to the Companies Act, 1956.
2.	Accommodation	Free furnished accommodation with reimbursement of the cost of electricity, water, gas and maintenance in the premises etc. not exceeding Rs. 3,600/- per month. In case no accommodation is provided, the payment of HRA subject to the ceiling of sixty percent of the salary.
3.	Conveyance/ Motor Car	Provision of motor car with driver or Rs. 20,000/- per month.
4.	Medical	Reimbursement of medical expenses and insurance premium for self, spouse and dependant children, not exceeding Rs. 15,000/- per annum.
5.	Leave Travel Concession	As per rules of the Company, not exceeding Rs. 70,000/- per annum.
6.	Provident and other funds including superannuation and gratuity	As per rules of the Company's Scheme.
7.	Personal accident insurance	As per rules of the Company's Scheme.
8.	Club subscription	Reimbursement of club subscription fees of one club.
9.	Leave encashment	Encashment of leave accumulation as per the rules of the Company.

Mr. Vinay Sarin has resigned from the directorship of the company w.e.f. 25<sup>th</sup> May 2011.

Your Directors recommend the Ordinary Resolution for approval of the members.

None of the Directors are interested in this resolution.

**Item No. 8**

Mr. Varunn Mody was appointed as Executive Director of the Company for a period of 5 (Five) years from 17<sup>th</sup> January 2011 on the following terms and conditions:

1.	Salary	Rs. 3,50,000/- per month and special allowance of Rs. 75,000/- per month with an increase which may be decided by the Board of Directors from time to time within the limits, as specified in Schedule XIII to the Companies Act, 1956.
2.	Commission	As may be decided by the Board of Directors of the Company, but shall not exceed 50% of salary.
3.	Accommodation	Free furnished accommodation with reimbursement of the cost of electricity, water, gas and maintenance in the premises etc. not exceeding Rs. 21,000/- per month. In case no accommodation is provided, the payment of HRA subject to the ceiling of sixty percent of the salary.
4.	Conveyance/ Motor Car	Provision of motor car with driver.
5.	Medical	Reimbursement of medical expenses and insurance premium for self, spouse and dependant children, not exceeding Rs. 50,000/- per annum.
6.	Leave Travel Concession	As per rules of the Company, not exceeding Rs. 1,00,000/- per annum.
7.	Provident and other funds including superannuation and gratuity	As per rules of the Company's Scheme.
8.	Personal accident insurance	As per rules of the Company's Scheme.
9.	Club subscription	Reimbursement of club subscription fees of two clubs.

The above remuneration to be paid as minimum remuneration in the absence or inadequacy of profits, subject to the provision of Part II of Schedule XIII of the Companies Act, 1956.

In view of considerable gain to the Company by the appointment of Mr. P.K. Choudhary through his expertise and experience, the Directors recommend the Ordinary Resolution for approval of the members.

Except Mr. Raghu Mody and Mr. Varunn Mody, none of the Directors are interested in this resolution.

**Item No. 9**

Mr. P.K. Choudhary was re-appointed as Managing Director of the Company for a further period of 2 (Two) years from 18<sup>th</sup> March 2011 on the following terms and conditions:

1.	Salary	Rs. 1,30,000/- per month, and Special Allowance of Rs. 1,00,000/- per month with an increase which may be decided by the Board of Directors from time to time within limits, specified in Schedule XIII of the Companies Act, 1956.
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2.	Accommodation	Free furnished accommodation with reimbursement of the cost of electricity, water, gas and maintenance in the premises etc., not exceeding Rs.14,000/- per month. In case no accommodation is provided, the payment of HRA subject to the ceiling of sixty percent of salary.
3.	Conveyance/ Motor Car	Provision of motor car with driver or Rs. 40,000/- per month.
4.	Medical	Reimbursement of medical expenses and insurance premium for self, spouse and dependant children, not exceeding Rs. 65,000/- per annum.
5.	Leave Travel Concession	As per rules of the Company's Scheme not exceeding Rs. 96,000 /- per annum.
6.	Provident and other funds including superannuation and gratuity	As per rules of the Company's Scheme.
7.	Personal accident insurance	As per rules of the Company's Scheme.
8.	Club subscription	Reimbursement of club subscription fee of one club.
9.	Leave encashment	Encashment of leave accumulation as per the rules of the Company.

The above remuneration to be paid as minimum remuneration in the absence or inadequacy of profits, subject to the provision of Part II of Schedule XIII of the Companies Act, 1956.

In view of considerable gain to the Company by the re-appointment of Mr. P.K. Choudhary through his expertise and experience, the Directors recommend the Ordinary Resolution for approval of the members.

Except Mr. P.K. Choudhary, none of the Directors are interested in this resolution.

**Item No. 10**

Mr. V. D. Ingle was re-appointed as Executive Director - Manufacturing of the Company for a further period of 2 (Two) years from 1st April 2011 on the following terms and conditions:

1.	Salary	Rs. 45,000/- per month, and Special Allowance of Rs. 40,000/- per month with an increase which may be decided by the Board of Directors from time to time within limits, specified in Schedule XIII of the Companies Act, 1956.
2.	Accommodation	Free furnished accommodation with reimbursement of the cost of electricity, water, gas and maintenance in the premises etc., not exceeding Rs.4,000/- per month. In case no accommodation is provided, the payment of HRA subject to the ceiling of sixty percent of salary.
3.	Conveyance/ Motor Car	Provision of motor car with driver or Rs. 23,100/- per month.
4.	Medical	Reimbursement of medical expenses and insurance premium for self, spouse and dependant children, not exceeding Rs. 15,000/- per annum.
5.	Leave Travel Concession	As per rules of the Company's Scheme not exceeding Rs. 75,000/- per annum.

6.	Provident and other funds including superannuation and gratuity	As per rules of the Company's Scheme.
7.	Personal accident insurance	As per rules of the Company's Scheme.
8.	Club subscription	Reimbursement of club subscription fee of one club.
9.	Leave encashment	Encashment of leave accumulation as per the rules of the Company.

Mr. V. D. Ingle has resigned from the directorship of the company w.e.f. 25th May 2011.

Your Directors recommend the Ordinary Resolution for approval of the members.

None of the Directors are interested in this resolution.

**Item No. 11**

Considering the performance of Mr. Varunn Mody, Executive Director the Company, as recommended by the Remuneration Committee, the Board of Directors revised the remuneration payable to him by revision in payment of commission of such amount as may be decided by the Board from time to time, subject to that the total remuneration paid to him shall not exceed 5% of net profits of the Company in any financial year during his tenure as computed under Section 349 and 359 of the Companies Act, 1956.

In view of considerable gain to the Company by the contribution made by Mr. Varunn Mody through his expertise and experience, the Directors recommend the Ordinary Resolution for approval of the members.

Except Mr. R. N. Mody, Chairman and Mr. Varunn Mody, Executive Director, none of the Directors are interested in this resolution.

**Item No. 12**

The Board of Directors of the Company has appointed Mrs. Sakshi Mody, relative directors of the Company as General Manager Corporate for a period of 5 (five) years w. e. f. 1st June 2011 on a total remuneration of Rs. 50,000/- p.m., with a liberty to the Board of Directors of the Company to revise the terms of her appointment with regard to remuneration as may be decided by the it from time to time, subject to a limit of Rs. 1,25,000/- p.m. inclusive of all amenities and perquisites payable to her.

As per the provision of section 314 (1) (b) of the companies Act, 1956, no relative of Director should hold office and place of profit in the company, which carries a remuneration exceeding Rs. 10,000/- per month, except with the consent of the company accorded by passing resolution. The Board is the opinion that appointment of the above person would aid the overall achievements of the company.

The directors recommend the Special Resolution for approval of the members.

Except Mr. R. N. Mody, Chairman and Mr. Varunn Mody, Executive Director, none of the Directors are interested in this resolution.

**Item No. 13**

Section 293(1)(e) of the Companies Act, 1956, inter alia, provides that any amount contributed to any charitable or other funds not directly relating to the business of the Company or the welfare of the employees, the aggregate of which exceeds Rs. 50,000/- (Rupees

Fifty Thousand) or 5% (five) of the Company's average net profits as determined in accordance with the provisions of Section 349 and 350 of the Companies Act, 1956 during the three financial years immediately preceding the year in which the contribution has been made needs the approval of the members of the Company.

The Board of Directors considers that keeping in view of Company's obligations to the society at large, it should contribute and / or subscribe from time to time to any body, institute, society, person, trust or fund for any charitable or other purposes not directly related to the business of the Company. It is therefore necessary to obtain approval of the members of the Company for the contributions to be made by the Company in excess of the limits prescribed under said section.

Approval of the members is sought from making such contributions from time to time as may be decided by the Board.

None of directors of the Company are concerned or interested in this resolution.

**Item No. 14**

(I)

To have provisions in Articles of Association of the Company in tendum with applicable provisions regarding holding of shares of the Company in dematerialized form, it is proposed to insert new Articles 24A to 24S after the existing Article 24 of the Articles of Association of the Company.

(II), (III) & (IV)

The Ministry of Corporate Affairs, as a matter of Green Initiative has come out with General Circular nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 to allow the companies to serve copies of Balance sheets and Auditors Report etc. as required under section 219 of the Companies Act, 1956 and other requisite documents to its members through e-mode in pursuance to Section 53 of the Companies Act, 1956.

Further, the Ministry of Corporate Affairs has come out with another General Circular No. 27/2011 dated May 20, 2011 whereby participation by shareholders in general meeting under the Companies Act, 1956 is allowed through electronic mode.

In view of availing the said facilities, it is necessary to make suitable alterations in the existing provisions of the Articles of Association of the Company.

Therefore it is proposed to substitute existing Article 75 (b) and to insert the suitable para after the existing Article 80 (b) & 83, as set out at Item No. 14(II), 14(III) & 14(IV) to enable the Company to allow the shareholders to participate in General meetings through video conferencing or such other audio-visual electronic modes and sending the requisite documents to shareholders through e-mode.

(V), (VI) & (VII)

The Ministry of Corporate Affairs, as a matter of Green Initiative has come out with the another General Circular No. 28/2011 dated May 20, 2011 whereby participation by directors in meeting of Board / Committees is also allowed through electronic mode. In view of availing the said facility it is necessary to make the suitable alteration in the existing provisions of the Articles of Association of the Company.

Therefore it is proposed to substitute existing Article 136, Article 137 and Article 138 with the new Article 136, Article 137 & Article 138 respectively, as Set out at Item No. 14(V), 14(VI) and 14(VII) to enable the Company to allow the directors of the Company to participate in the Board/ Committee meetings through electronic mode.

Consent of the Members by way of Special Resolution is required to carry out the proposed alterations in the Articles of Association of the Company.

Your Directors recommend passing the Special Resolution as set out at Item No. 14 of the Notice.

None of the directors of the Company are concerned or interested in the above said resolution.

A copy of the Articles of Association of the Company together with the proposed alterations would be available for inspection by the member at the Registered Office of the Company during business hours on any working days.

By order of the Board of Directors

Place: Mumbai  
Date: 25th May 2011

**Amit Goenka**  
G. M. Finance & Company Secretary

**Regd. Office :**  
B-11, Paragon Condominium,  
P. B. Marg, Worli, Mumbai 400 013

## DIRECTORS' REPORT

### DIRECTORS' REPORT

Your Directors present their Forty Seventh Annual Report together with the Audited Accounts for the year ended 31st March 2011.

#### 1. FINANCIAL RESULTS

	Rs./Lacs	Rs./Lacs
	Year ended	Year ended
	31st March	31st March
	2011	2010
Net Sales and Income from Investments	12394	9504
Other Operating Income	87	35
Profit before Interest, Depreciation and Exceptional item	2980	1471
Interest	(131)	(193)
Depreciation (Net)	(444)	(382)
Profit before Exceptional items and tax	2405	896
Profit on sale of Fixed Assets	261	56703
Expenses on Buy-back of Shares	(13)	-
Employees separation / other cost	(20)	(309)
Profit before tax	2633	57290
Provision for Taxes	628	9769
Profit after taxation	2005	47521
Profit available for appropriation	2123	47562

#### Appropriations

Proposed Dividend	98	550
Corporate Dividend Tax	16	93
Transfer to General Reserve	1500	46800
Surplus carried to Balance Sheet	509	119

#### 2. DIVIDEND

The Directors are pleased to recommend a dividend of Rs. 2 per share being 20% of the paid-up equity capital of the company for the year ended 31st March, 2011. Corporate Dividend Tax of Rs. 16 Lacs will be payable on the total dividend amount of Rs. 98 Lacs.

#### 3. PERFORMANCE

During the year 2010-11, the Company posted improved results with higher sales and increased investment income.

The turnover of the Company increased by 7% to Rs. 96.59 Crores from Rs. 90.25 Crores in the previous year, despite the discontinuation of business from the Jalna Unit in the later part of the year. Investment income of the Company also increased substantially to Rs. 28.22 Crores from Rs. 5.14 Crores.

The gross profit of the Company increased to Rs. 29.80 Crores from Rs. 14.71 Crores. There was one time profit of Rs. 2.61 Crores on the sale of Jalna fixed assets. After considering this and other extra-ordinary cost of Rs. 0.33 Crores, profit before tax was Rs. 26.33 Crores. Net profit after providing tax of Rs. 6.28 Crores, was Rs. 20.05 Crores.

Although, the Company's manufacturing turnover increased, the operating margin remained under pressure, primarily on account of major cost escalation in raw material and other inputs, which could not be passed on to customers due to

annual rate contracts with a few of the Government / Institutional customers and competitive market conditions. Higher than normal expenses, necessitated on account of the company's focus on Asbestos-free business, was an additional factor adversely impacting profitability.

Prudent and judicious investments made by the Company during the year have yielded better results on account of optimizing the investments in various asset classes.

As reported, in earlier years, the working of the Company's Jalna Unit has continued to under-perform and remained below expectations. Having exhausted all efforts to revive, the Unit was ultimately sold in March, 2011, after taking requisite approvals.

With the sale of the Jalna facility, the Company will now focus on its Automotive & Industrial Friction Material business. Simultaneously, the surplus funds in the Company continue to be judiciously deployed to maximise its returns in an efficient manner.

The Company participated at the Automechanika Fair at Frankfurt, Germany in September, 2010, thus improving its exposure to new products and global markets.

#### 4. SHARE CAPITAL

Pursuant to the Board approval dated 24th January, 2011 and various other approvals, the Company successfully bought back 5,77,000 Nos. of its Equity Shares. Accordingly, the Share Capital of the Company reduced from Rs. 550 Lacs to Rs. 492 Lacs, divided into 49,23,000 Equity Shares of Rs. 10 each.

#### 5. PUBLIC DEPOSITS

There were no deposits at the beginning of the year and the Company did not accept any deposits from the public during the year.

#### 6. PARTICULARS OF EMPLOYEES

The particulars required pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, are in given in Annexure II to this report.

However, in terms of the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Directors' Report (excluding Annexure II) is being sent to all the shareholders of the Company. Any shareholder interested in obtaining a copy of the said annexure may write to the Company Secretary at the registered office of the Company.

#### 7. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Particulars required under Section 217 (1)(e) of the Companies Act, 1956 relating to conservation of energy and technology absorption are given in an Annexure to this Report

## 8. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange earnings from exports amounted to Rs. 954 Lacs, of FOB value whilst the outgo for raw materials, components and spares amounted to Rs. 1178 Lacs.

## 9. DIRECTORS

The Board of Directors appointed Mr. Varunn Mody as an Executive Director for a period of five years w.e.f. 17th January, 2011, re-appointed Mr. P.K. Choudhary, as Managing Director for a period of two years w.e.f. 18.03.2011 and Mr. V.D. Ingle as Executive Director Manufacturing, for a period of one year w.e.f. 1st April, 2011, subject-to approval at the forthcoming Annual General Meeting.

Lt. Gen. (Retd.) K.S. Brar & Mr. A.B. Vaidya, Directors, retire by rotation and, being eligible, offer themselves for re-appointment.

Mr. V.B. Haribhakti, retire by rotation, but not offers himself for re-appointment.

Your Directors have placed on record their appreciation of the services rendered by him to the Company during his tenure as Director.

## 10. AUDITORS

M/s Lodha & Co., the Auditors of your Company who hold office until the conclusion of the forthcoming Annual General Meeting, being eligible, offer themselves for re-appointment.

## 11. CORPORATE GOVERNANCE

As required by the Listing Agreement, the Corporate Governance Report, including Management Discussion and

Analysis Report and the Certificate of Compliance from the Auditors, is attached and forms part of this Report.

## 12. DIRECTORS' RESPONSIBILITY STATEMENT

On the basis of information placed before them, the Directors state that

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) appropriate accounting policies have been selected and applied consistently and they have 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 at the end of the financial year and of the profit or loss of the Company for that period;
- (iii) proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) the annual accounts have been prepared on a going concern basis.

## 12. ACKNOWLEDGEMENT

The Directors gratefully acknowledges the support and co-operation given by all dealers, distributors, employees, shareholders and bankers and look forward to their continued support.

**By order of the Board of Directors**

Place: Mumbai  
Date: 25th May, 2011

**Chairman**

## ANNEXURE TO DIRECTORS' REPORT

### CONSERVATION OF ENERGY

- (1) Splitting of centralized Dust Collector System into Multiple Units, resulted into substantial power saving.
- (2) Development of energy efficient Moulding Dies for HCV Liners.
- (3) Increase the capacitor band to maintain power factor to unity at all the Plants.

### R & D

- (1) Specific areas where R & D being carried out by the Company.
  - High performance Non-Asbestos Brake Lining for HLP Brake Systems of Buses and Trucks.
  - LL Friction type Railway Brake Blocks for Freight and Loco.
  - GMPD Brakes for Tractor Segments.
- (2) Benefit of the above:
 

Additional Business in Export, OEM & Railway Segments.

### (3) Future Plan of Action:

- Solvent-free Technology for Clutch Facing
- Sintered Technology for Clutch Buttons
- High Performance Low Noise Non-Asbestos Brake Lining for Bus application.

### (4) Expenditure:

4.1 Capital	-	Rs. Nil Lacs
4.2 Recurring	-	Rs. 78 Lacs
4.3 Total	-	Rs. 78 Lacs
4.4 Total as a % of Turnover	-	0.81%

### TECHNICAL ABSORPTION, ADAPTATION & INNOVATION

Association with the overseas consultancy firm for technical know-how continues.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### OVERALL REVIEW

The Indian economy continued to show impressive gains during 2010-11. The manufacturing sector in general and the Automobile/ Auto-Component segment in particular has been witnessing a sustained demand. However, cost increase in essential raw material, mainly because of high inflation are causing serious pressure on the margins.

### PRODUCTION RANGE

Our Company is engaged in the manufacturing & marketing of fibre based Friction Materials, consisting of Brake Liners, Roll Linings, Clutch Facings, Disc Brake Pads used in Heavy and Light Trucks, Passenger Cars, 2 / 3 wheelers, off-road-vehicles, and construction & Mining equipment. Composition Brake Blocks are also used by the Railways.

### OPPORTUNITIES AND THREATS

With increased demand from the automotive sector in both the O.E.M. and Trade segments, the company foresees better business opportunities. However, high inflation, both in food and other commodities is posing a threat towards increase in production cost. Recent hikes in interest rates may dampen the demand for automobiles. On the other hand, the company foresees opportunities of generating higher investment income in the current high interest regime.

### BUSINESS OUTLOOK

Although, market conditions remained competitive during the current year, the company expects improved results with a better order-book position. The company also expects better earnings from its investment activity, which will considerably improve the overall profitability of the Company.

### RISKS AND CONCERNS

Asbestos based products are being replaced with Asbestos-Free products internationally as well as by major customers in India. The Government is also putting stricter control on manufacture and usage of Asbestos based products. While the Company is systematically displacing Asbestos based production with Asbestos-free Production, a complete transition can only be in a phased manner.

### INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company believes that Internal Control is a necessary concomitant of governance. The Company has effective internal control systems under which Management Reports on key performance indicators and variance analysis are made. Regular Management Committee Meetings are held, where these reports and variance analysis are discussed and action plan initiated with proper follow-up. The Internal Audit function also reviews the execution of all operations to ensure controls are adequate. Operational Reports are tabled at Board Meetings after being discussed in Audit Committee Meetings.

### HRD / INDUSTRIAL RELATIONS

The thrust of the Company's human resource development is to create a responsive and market-driven organization with emphasis on performance. Continuous appraisal of the competencies of the personnel in line with job requirements, are carried out to provide for necessary training to personnel thereby facilitating higher levels of output and productivity. The relations at Paithan & Bhandara are satisfactory.

### COMPANY'S FINANCIAL PERFORMANCE AND ANALYSIS

The Company's financial performance and analysis is already discussed in detail in the Directors' Report which forms a part of the Annual Report.

### CAUTIONARY STATEMENT

The statement in the Management Discussion and Analysis Report cannot be construed as holding out any forecasts, projections, expectations, invitations, offers, etc. within the meaning of applicable securities laws and regulations. This Report basically seeks to furnish information, as laid down within the different headings to meet the Listing Agreement requirements.

## REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

### 1. A brief statement on Company's philosophy on code of governance.

The Company believes in transparency, professionalism and accountability, which are basic principles of corporate governance and would constantly endeavor to improve on these aspects.

### 2. Corporate Ethics.

The Company adheres to the highest standards of business ethics, compliance with statutory and legal requirements and commitment to transparency in business dealings.

#### 2.1 Code of Conduct of Board Members and Senior Management.

The Board of Directors of the Company adopted the Code of Conduct for its members and Senior Management at their meeting held on 5th September 2005 and it is reviewed periodically. The Code highlights Corporate Governance as the cornerstone for sustained management performance and for serving all the stakeholders and for instilling pride of association. The code has been posted on the website of the Company i.e www.hindcompo.com.

#### 2.2 Code of Conduct for Prevention of Insider Trading.

The Company has adopted a Code of Conduct for Prevention of Insider Trading for its management, staff and directors. The Code lays down guidelines and procedures to be followed and disclosures to be made by directors, top level executives and staff whilst dealing in shares. The Company Secretary has been appointed as the Compliance Officer and is responsible for adherence to the Code.

#### 2.3 Whistle Blower Mechanism.

The Company encourages all employees, officers and directors to report any suspected violations promptly and intend to investigate any good faith report of violations.

#### 2.4 SHE (Safety, Health & Environment) System.

The Company has adopted Safety, Health and Environment (SHE) System with a commitment to provide a safe and healthy working environment.

### 3. Secretary's Responsibility Statement.

The Company Secretary confirms that the Company has:

- Maintained all the Statutory Registers required to be maintained under the Companies Act, 1956 ("the Act") and the rules made thereunder.
- Filed all the forms and returns and furnished necessary particulars in time to the Registrar of Companies (ROC), Ministry of Company Affairs (MCA) and/ or Authorities as required under the Act.
- Issued all notices as required to be given for convening the meeting of the Board of Directors and General Meetings of the shareholders within the time limit prescribed by law.
- Conducted the meetings of the Board of Directors and Annual General Meeting as per the provisions of the Act.
- Complied with all the requirements relating to the minutes of the proceedings of the meeting of the Directors and the shareholders.
- Made due disclosures under the requirements of the Act including the requirements in pursuance to the disclosures made by the Directors.
- Obtained necessary approvals of the directors, shareholders, Central Government and other authorities as per the statutory requirements.
- Given loans and made investments in accordance with the requirements of the Act.
- Not exceeded the borrowing powers of the Company.
- Registered all the particulars relating to the creation, modification and satisfaction of the charges with the Registrar of Companies.
- Effected share transfers and despatched the certificates within the time prescribed under the Act and the rules made thereunder.
- Complied with all the requirements of the Listing Agreement entered into with the Stock Exchanges wherever the Company's shares are listed.

The Company has also complied with the requirements prescribed by Securities and Exchange Board of India (SEBI) and other statutory authorities and also the requirements under the Act and related statutes in force.



#### 4. Board of Directors

- Composition:

The Board of Directors as on 31st March 2011 consists of ten Directors. The composition of the Board, attendance at Board Meetings held during the year and at the last Annual General Meeting, number of directorships in other companies and committees are given below:

Name of Director	Category	No. of Board Meetings held	Attendance particulars		No. of other Directorships	Committee Positions	
			Board	Last AGM		Memberships	Chairman
Mr. Raghu Mody	Non- Executive Chairman, Promoter	8	7	Yes	4	1	1
Mr. Varunn Mody	Executive Director Promoter	8	7	Yes	2	-	-
Mr. V. B. Haribhakti	Independent	8	8	Yes	7	4	4
Mr. A. B. Vaidya	Independent	8	8	Yes	-	-	-
Mr. D. L. Lyon	Independent	8	2	Yes	1	-	-
Mr. K. M. Robinson	Independent	8	2	Yes	-	-	-
Lt.Gen.(Retd.) K.S. Brar	Independent	8	7	Yes	1	1	1
Mr. P. K. Choudhary	Managing Director	8	8	Yes	1	-	-
Mr. V. D. Ingle	Executive Director	8	8	Yes	-	-	-
Mr. Vinay Sarin	Executive Director	8	7	Yes	-	-	-
Mr. Haigreve Khaitan *	Alternate Director to Mr. K. M. Robinson	2	0	N.A	N.A.	N.A.	N.A.

\* Ceased to be director w.e.f 7th September 2010

Mr. Haigreve Khaitan has ceased from the directorship of the Company, hence the details of chairmanship, membership and directorship of other companies are not available.

- Number, date & of Board Meetings held:

Eight Board Meetings were held during the year 2010 -11. The dates on which the meetings were held are as follows:

Date of Board Meeting	Strength of the Board	No. of Directors' present
20 <sup>th</sup> May 2010	10	8
24 <sup>th</sup> July 2010	10	7
7 <sup>th</sup> September 2010	10	10
22 <sup>nd</sup> October 2010	10	8
3 <sup>rd</sup> November 2010	10	5
17 <sup>th</sup> January 2011	10	8
12 <sup>th</sup> February 2011	10	8
5 <sup>th</sup> March 2011	10	10

- Details of the directors being proposed for re-appointment at the forthcoming Annual General Meeting (pursuant to Clause 49(VI)(A) of the Listing Agreement).

**Mr. A.B. Vaidya**, aged 71 years, possesses 48 years of rich experience in Banking, Insurance & Realty Sector. He does not hold any shares in the company.

**Lt. Gen. (Retd.) K.S. Brar**, aged 77 years, has a rich and varied management experience He does not hold any shares in the Company.

**Mr. Vinay Sarin**, aged 63 years, a Post Graduate in Management from Jamnalal Bajaj Institute of Management Studies, Mumbai is associated with the Company for the last 23 years having a total business experience of 40 years in Automobile Industry. He does not hold directorship in any other company. He holds 10 Shares in the Company.

**Mr. Varunn Mody**, aged 27 years, is a young entrepreneur. He holds 150 shares in the Company.

**Mr. P.K. Choudhary**, aged 56 years is a Chartered Accountant and a company secretary is associated with the company since last 20 years. He has rich experience of 31 years in the field of finance, Manufacturing and administration. He holds 100 shares in the company.

**Mr. V. D. Ingle**, aged 64 years, is a Science Graduate, associated with the Company for the last 37 years and has considerable experience in the manufacturing function of the Company. He does not hold directorship in any other company. He holds 10 Shares in the Company.

#### 5. Audit Committee

- Composition:

The Audit Committee comprises of Mr. V. B. Haribhakti, Mr. Raghu Mody, Mr. A.B.Vaidya and Lt. Gen. (Retd.) K. S.

Brar. Mr. V. B. Haribhakti is Chairman of the Committee

The Company Secretary acts as the Secretary to the Committee.

• **Brief description of terms of reference:**

The Broad terms and reference of Audit Committee are to review the financial statements before submission to Board, to review reports of the Concurrent Auditors and Internal Audit department and to review the weakness in internal controls reported by Concurrent, Internal and Statutory Auditors and to review the remuneration of Internal Auditor. In addition, the powers and role of the Audit Committee are as laid down under clause 49(II)C & 49(II)D of the Listing Agreement and Section 292A of the companies Act, 1956.

• **Meetings and attendance during the year:**

During the year 2010 - 11 the Audit Committee met four times on 20th May 2010, 24th July 2010, 3rd November 2010 & 12th February 2011. The attendance at the Committee meetings was as follows:

Sl. No.	Name of Directors	Status	No. of meetings attended
1	Mr. V. B. Haribhakti	Chairman	4
2	Mr. Raghu Mody	Member	3
3	Mr. A. B. Vaidya	Member	4
4	Lt. Gen. (Retd.) K.S. Brar	Member	3

**6. Remuneration Committee**

• **Composition:**

The Remuneration Committee comprises of Mr. V. B. Haribhakti and Mr. A.B.Vaidya. Mr. V. B. Haribhakti is Chairman of the Committee.

The Company Secretary acts as the Secretary to the Committee.

• **Brief description of terms of reference:**

The terms of reference of this committee are wide enough covering the matters specified for Remuneration to the Directors under Clause-49 of the Listing Agreement.

• **Meetings and attendance during the year:**

During the year 2010 - 11 the Remuneration Committee met 3 times on 20th May 2010, 17th January 2011 and 5th March, 2011. The attendance at the Committee meetings was as follows:

Sl. No.	Name of Directors	Status	No. of meetings attended
1	Mr. V. B. Haribhakti	Chairman	3
2	Mr. A. B. Vaidya	Member	3
3	Mr. Haigreve Khaitan*	Member	-

\* Ceased to be director w.e.f. 7th September 2010

• **Remuneration policy:**

The remuneration policy is directed towards rewarding performance based on review of achievements on a periodical basis.

Details of remuneration / fees paid / payable to the Directors are as under:

(Amount in Rs.)

Name	Salary	Perquisites or Allowances	Contribution to PF & others	Commission	Sitting fees	Total
Mr. Raghu Mody	-	-	-	-	55,000	55,000
Mr. Varunn Mody	8,69,355	3,89,552	1,04,323	21,00,000	25,000	34,88,230
Mr. K. M. Robinson	-	-	-	-	10,000	10,000
Mr. D. L. Lyon	-	-	-	-	10,000	10,000
Mr. V. B. Haribhakti	-	-	-	-	80,000	80,000
Mr. A. B. Vaidya	-	-	-	-	75,000	75,000
Lt. Gen. (Retd.) K.S. Brar	-	-	-	-	50,000	50,000
Mr. P. K. Choudhary	8,40,000	14,34,827	2,26,800	-	-	25,01,627
Mr. Vinay Sarin	4,83,467	8,77,627	58,016	-	-	14,19,110
Mr. V. D. Ingle	4,92,000	9,22,000	59,040	-	-	14,73,040
Mr. Haigreve Khaitan*	-	-	-	-	-	-

\* Ceased to be director w.e.f. 7th September 2010

The Non-Executive Directors did not draw any remuneration from the Company. Sitting fees to Non-executive Independent Directors is being paid at the rate of Rs.5,000/- for each meeting of the Board and Committees attended by them.

• **Shareholding of Non-Executives Director(s).**

As on 31st March 2011 there were no Non-Executive director(s) holds any share in the Company.

**7. Shareholders' / Investors' Grievance Committee**

The Shareholders' / Investors' Grievance Committee comprises of Mr. Raghu Mody and Mr. V. B. Haribhakti. The Company Secretary acts as Secretary to the Committee.

Mr. Amit Goenka G.M Finance & Company Secretary is the Compliance Officer of the Company. His address and contact details are given below:

Address : B-11-Paragon Condominium, Pandurang Budhkar  
Marg, Worli, Mumbai-400013  
Phone : 66530101-04  
Fax : 66530105  
Email : amitgoenka@hindcompo.com

During the year 2010-11 the Shareholders' / Investor Grievance Committee met once on 12th February 2011. The attendance at the Committee meeting was as follows:

Sl. No.	Name of Directors	Status	No. of meetings attended
1	Mr. V. B. Haribhakti	Chairman	1
2	Mr. R. N. Mody	Member	1

Status of investors' complaints / service requests:

Opening balance at the beginning of the year : Nil  
Received and disposed during the year : 65  
Closing balance at the end of the year : Nil

There were no share transfers pending for registration for more than 15 days on the said date.

## 8. General Body Meetings

- Location and time, where last three Annual General Meetings held:

Financial year	Time	Date	Location
2007-08	4.00 p.m.	September 30, 2008	Baba Saheb Dahanukar Hall, MCCI & A, Oricon House, 6th Floor, 12 K Dubhash Road, Fort, Mumbai – 400 001
2008-09	4.00 p.m.	September 10, 2009	Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018
2009-10	4.00 p.m.	September 7, 2010	Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018

- Special resolutions at last three AGMs

AGM	Particulars of Special Resolutions
September 7, 2010	Nil
September 10, 2009	For payment of commission to the Non-Executive Directors of the Company upto 1% of the net profit of the Company for 5 financial years commencing from 1st April, 2009.
September 30, 2008	Nil

- Postal Ballot

The Company issued Postal Ballot Notice to its shareholders on 8th November 2010 to accord their consent for the following matters:

Ordinary Resolution u/s 293 (1) (a) of the Companies Act, 1956 for giving authority to the Board of Directors of the

Company to sell, transfer, lease or otherwise dispose off of the Jalna unit of the Company.

The postal ballot process was undertaken in accordance with the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001. Mr. Manish L. Ghia, Practicing Company Secretary was appointed as Scrutinizer for conducting the Postal Ballot process. The result of the Postal Ballot process was announced on 10th December 2010.

The details of resolutions passed through postal ballot and the voting pattern for the same are as follows:

Sr. No.	Business	Postal Ballot forms received		Valid Votes Casted		
		Total	Valid	Total	In favour	Against
1	Ordinary Resolution u/s 293 (1) (a) of the Companies Act, 1956 for giving authority to the Board of Directors of the Company to sell, transfer, lease or otherwise dispose off of the Jalna unit of the Company on such terms and conditions as the Board may deem fit.	54	48	3694813	3694141 (99.98%)	672 (0.02%)

The above resolution was passed with requisite majority.

## 9. Disclosures

### i. Related Party Transactions

None of the related party transactions was in conflict with the interests of the Company. Details on materially significant related party transactions are given in the appended financial statement under notes to the accounts.

### ii. Code of Conduct

The Board of Directors has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel of the Company. All Board members have affirmed their compliance with the Code of Conduct. A declaration by the Managing Director of the Company affirming the compliance of the same in respect of the financial year ended on March 31, 2011 by the members of the Board, as applicable to them, is also annexed separately in this Annual Report.

### iii. Compliance by the Company

The Company has complied with the requirements of the Stock Exchange, SEBI and other statutory authorities on all matters relating to capital market during the last three years.

### iv. 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.

**v. Whistle Blower policy and affirmation that no personnel have been denied access to the audit committee**

The Company has established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of code of conduct or ethics policy. The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the audit committee in the exceptional cases. We affirm that during the financial year 2010-11, no employee was denied access to the audit committee.

**vi. Risk Management**

The company has laid down procedures to inform Board members about the risk assessment and minimisation procedures. The Company has framed the risk assessment and minimisation procedure, which is periodically reviewed by the Board.

**vii. CEO / CFO Certification**

A certificate from Mr. P. K. Choudhary, Managing Director of the Company on the financial statements of the company was placed before the Board.

**viii. Review of Directors' Responsibility Statement**

The Board in its report has confirmed that the annual accounts for the year ended 31st March 2011 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

**ix. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.**

Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement. The details of these compliances along with the non-mandatory requirements adopted by the Company have been given in the relevant sections of this report.

**9. Means of communication**

The Company has published its Quarterly Results in or 'The Free Press Journal' (English) and 'Navshakti' (Marathi) as per the details mentioned below;

News Paper	Date of Board Meeting	Date of Publishing
Free Press Journal & Navshakti	20/05/2010	21/05/2010
Free Press Journal & Navshakti	24/07/2010	25/07/2010
Free Press Journal & Navshakti	03/11/2010	04/11/2010
Free Press Journal & Navshakti	12/02/2011	13/02/2011

**11. General Shareholder information**

**1) Annual General Meeting :** 9th day of August 2011, at Hall of Culture, Nehru Center, Dr. Annie Besant Road, Worli, Mumbai 400 018

**2) Financial Calendar 2011-12**

Result for the quarter ending June 30th 2011 - by August 14<sup>th</sup> 2011  
 Result for the quarter ending September 2011 - by November 14<sup>th</sup> 2011  
 Result for the quarter ending December 2011 - by February 14<sup>th</sup> 2012  
 Audited Result for the year ending March 31, 2012 - by May 30<sup>th</sup> 2012

**3) Date of Book closure :** 5th August 2011 to 9th August 2011 (both days inclusive)

**4) Listing on Stock Exchanges**

- a) Bombay Stock Exchange
- b) National Stock Exchange
- c) The Kolkata Stock Exchange Association Ltd. (Applied for delisting)

**• Stock Code**

BSE : 509635  
 NSE : HINDCOMPOS  
 ISIN : INE310C01011

**• Listing Fees**

The Company has paid the listing fees for the year 2011-12 to all the stock exchanges where the shares are listed, except The Kolkata Stock Exchange Association Ltd., where the Company has applied for delisting.

**• Market Price Data : High/low during each month in last financial year:**

Month	Share price of the Company on BSE		BSE Sensex	
	(Rs.)	(Rs.)	(Points)	
	High	Low	High	Low
April 2010	434.00	385.05	18,047.86	17,276.80
May 2010	474.90	400.00	17,536.86	15,960.15
June 2010	474.00	405.00	17,919.62	16,318.39
July 2010	495.00	426.70	18,237.56	17,395.58
August 2010	509.95	433.00	18,475.27	17,819.99
September 2010	550.00	448.00	20,267.98	18,027.12
October 2010	625.00	452.05	20,854.55	19,768.96
November 2010	639.00	484.10	21,108.64	18,954.82
December 2010	519.75	486.00	20,552.03	19,074.57
January 2011	548.00	430.00	20,664.80	18,038.48
February 2011	560.00	494.30	18,690.97	17,295.62
March 2011	598.00	492.50	19,575.16	17,792.17

• **Registrar and Transfer Agents:**

Link Intime India Pvt. Ltd  
C-13, Pannalal Silk Mills Compound,  
LBS Marg, Bhandup (w), Mumbai-400 078.  
e-mail : rnt.helpdesk@linkintime.co.in

• **Share Transfer System:**

Shares sent for physical transfer are generally registered and returned within a period of 30 days from the date of receipt, if the documents are clear in all respects.

• **Distribution of Shareholding as on 31st March, 2011**

Range of ordinary shares	No. of holders	%	No. of shares	%
1-500	11969	98.7380	582477	11.8320
501 – 1000	82	0.6760	63706	1.2940
1001-2000	36	0.2970	48346	0.9820
2001-3000	7	0.0580	17653	0.3590
3001-4000	2	0.0160	7253	0.1470
4001-5000	1	0.0080	4864	0.0990
5001-10000	4	0.0330	28316	0.5750
10001 and above	21	0.1730	4170385	84.7120
<b>TOTAL</b>	<b>12122</b>	<b>100.00</b>	<b>4923000</b>	<b>100.00</b>

• **Categories of Shareholders on March 31, 2011**

Category	No. of shares of Rs.10 each	%
Promoters		
- Indian	3691010	74.97
- Persons acting in concert	250	0.01
Indian Institutional Investors / Mutual Funds	798	0.02
Bodies Corporate	450760	9.16
Indian Public	766564	15.57
NRIs	11531	0.23
Clearing Members	2067	0.04
Directors / Relatives	20	0.00
<b>Total</b>	<b>4923000</b>	<b>100.00</b>

• **Dematerialization of Shares:**

As on March 31, 2011, 91.58 % of the total shares of the Company are dematerialised.

- The Company has not issued any Global Depository Receipt/American Depository Receipt/warrants or any convertible instrument, which is likely to have impact on the company's equity.

• **Plant Locations :**

Paitha :D-2/1, MIDC Industrial Area,  
Aurangabad  
Bhandara:C-10/1, Bhandara Indl.Area, Gadegaon,  
Nagpur

• **Regd. Office & Address for Correspondence**

Hindustan Composites Limited  
B-11, Paragon Condominium,  
Pandurang Budhkar Marg,  
Worli, Mumbai 400 013.  
telephone: 66530101/2/3/4  
Fax: 66530105  
e-mail: investor@hindcompo.com

• **Compliance Certificate by Auditors:**

The Company has obtained a certificate from the statutory auditors regarding compliance of conditions of corporate governance as stipulated in clause-49, which is annexed herewith.

• **Compliance Certificate for Code of Conduct**

The declaration by Managing Director and CEO affirming compliance of Board and Senior Management Personnel to the Code is also annexed herewith.

## AUDITOR'S CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

### To the Members of Hindustan Composites Limited

We have examined the compliance of the conditions of Corporate Governance by Hindustan Composites Limited for the year ended 31st March, 2011 as stipulated in clause-49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the 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 explanations given to us representations made by 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.

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 **LODHA & Co.,**  
Chartered Accountants

**(A. M. Hariharan)**  
Partner  
Member No: 38323

Place: Mumbai  
Dated: 25.5.2011

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## DECLARATION

As provided under Clause 49 of the Listing Agreement entered into with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct during the year ended 31st March, 2011.

For **Hindustan Composites Ltd.,**

Place : Mumbai  
Date : 25<sup>th</sup> May 2011

**P. K.Choudhary**  
Managing Director

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## AUDITORS' REPORT

To  
The Members,  
Hindustan Composites Limited.

1. We have audited the attached Balance Sheet of **Hindustan Composites Limited** as at 31st March, 2011, the Profit & Loss Account and also the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material 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 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 (hereinafter referred to as the 'Act'), we enclose 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 to in paragraph (3) above, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 211(3C) of the Act, to the extent applicable;
  - e) On the basis of written representations received from the Directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of Section 274 (1)(g) of the Act;
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with "Significant Accounting Policies and notes to accounts" appearing in Schedule 18 and those appearing elsewhere in the financial statements, give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles accepted in India:
    - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
    - ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
    - iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**For LODHA & COMPANY**  
Chartered Accountants

**A. M. Hariharan**  
Partner  
Membership No. 38323  
Firm Registration No 301051E

## ANNEXURE TO THE AUDITORS' REPORT

**Annexure referred to in paragraph 3 of our report of even date to the Members of HINDUSTAN COMPOSITES LIMITED on the financial statements as at and for the year ended 31st March, 2011**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we state that:

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. There is a phased programme of physical verification of all fixed assets over a period of three years, based on which physical verification of certain fixed assets was carried out during the year which, in our opinion, is reasonable considering the size of the Company and nature of its fixed assets. The discrepancies noticed on such physical verification were not material and the same have been properly dealt with in the books of account. Substantial part of fixed assets viz. Land & Building at Jalna was disposed off during the year, which has not affected the going concern status of the Company.
2.
  - a) The inventory has been physically verified by the management at reasonable intervals during the year. Inventory lying with third parties and in - transit is being verified by the management with reference to confirmations or statements of account or subsequent receipt of goods.
  - b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
  - c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification of inventory between the physical stock and book records were not material and have been properly dealt with in the books of account.
3.
  - (a) During the year, the Company has given unsecured loan, to companies, covered in the register maintained under Section 301 of the Act. The maximum amount outstanding during the year was Rs. 1204.5 lacs and the year end balance is Rs. 404.5 lacs. The rate of interest and other terms and conditions of loan given, prima facie, are not prejudicial to the interest of the Company.
  - (b) The Company has not taken any unsecured loan from a Company covered in the register maintained under Section 301 of the Act.
4. In our opinion and explanations given to us, having regard to the explanation that some of the items purchased / sold are of special nature and suitable alternative sources do not exist for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventories and fixed assets and for the sale of goods. During the course of our audit, no major weaknesses have been noticed in the internal control system.
5.
  - (a) According to the information and explanations given to us, we are of the opinion that particulars of contracts or arrangements that need to be entered in the register maintained under section 301 of the Act have been so entered.
  - (b) In our opinion and according to the information and explanations given to us, the transactions have been made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act and exceeding Rupees five lacs or more in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits within the meaning of Section 58A, 58AA or any other relevant provisions of the Act and Rules framed thereunder.
7. The Company has an internal audit system commensurate with the size of the company and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1) (d) of the Act in respect of Automotive parts and are of the opinion that, prima facie, the prescribed records have been made and maintained. However, we are not required to make a detailed examination of the records with a view to determine whether they are accurate or complete.
9.
  - a) According to the information and explanations given to us and according to the books and records as produced and examined by us, the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues as applicable have generally been regularly deposited by the Company during the year with the appropriate authorities and there were no arrears as at 31st March, 2011 for a period of more than six months from the date they became payable.
  - b) According to the records of the Company and the information and explanations given to us by the management, there are no dues of Sales tax/ Income tax/ Excise duty/ Wealth tax/ Custom duty/ Cess which have not been deposited on account of disputes except: :



Name of the Statutes	Nature of Dues	Amount (Rs. in lacs)	Period to which amount relates	Forum Where Disputed
Income Tax Act, 1961	Income tax	18.26	2003-04 to 2007-08	C.I.T. (Appeals), Mumbai.
Central Sales Tax Act, 1956	Sales tax	2.22	1997-98 to 2003-04	Deputy Commissioner of Sales Tax (Appeal), Nagpur.
Central Sales Tax Act, 1956	Sales tax	7.00	2001-02 to 2004-05	Appellate Tribunal, Mumbai.

10. The Company does not have accumulated losses as at 31st March, 2011 and has not incurred a cash loss during the financial year ended on that date. The Company had not incurred cash loss in the immediate preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks.
12. In respect of loans granted against securities, the Company has maintained adequate documents and records.
13. In our opinion, the Company is not a chit fund or a nidhi /mutual benefit fund / society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. In our opinion, during the year, the Company is not a dealer or trader in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. According to the information and explanations given to us, the term loans were applied for the purposes for which the loans were obtained.
17. According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the Company, in our opinion, the funds raised on short-term basis have, prima facie, not been used for long-term investment.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
19. The Company has not issued any debentures during the year or in the recent past.
20. The Company has not raised any money by way of public issue during the year or in the recent past.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

**For LODHA & COMPANY**  
Chartered Accountants

Place: Mumbai  
Date: 25th May 2011

**A. M. Hariharan**  
Partner  
Membership No. 38323  
Firm Registration No 301051E

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2011

	Schedule No.	As at 31 <sup>st</sup> March 2011 Rupees	As at 31 <sup>st</sup> March 2010 Rupees
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds :</b>			
(a) Share Capital	1	49,230,000	55,000,000
(b) Reserves and Surplus	2	<u>4,736,260,964</u>	<u>4,864,564,862</u>
		<u>4,785,490,964</u>	<u>4,919,564,862</u>
<b>Loan Funds :</b>			
(a) Secured Loans	3	106,333,361	171,527,314
(b) Unsecured Loans	4	<u>47,613,885</u>	<u>47,613,885</u>
		<u>153,947,246</u>	<u>219,141,199</u>
<b>Deferred Tax Liabilities (Net)</b>		<u>76,243,851</u>	<u>74,559,166</u>
<b>Total</b>		<u><u>5,015,682,061</u></u>	<u><u>5,213,265,227</u></u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets:</b>			
(a) Gross Block	5	737,685,866	662,473,852
(b) Less: Depreciation		<u>288,219,018</u>	<u>288,670,536</u>
(c) Net Block		<u>449,466,848</u>	<u>373,803,316</u>
(d) Capital work-in-progress (Building)		<u>396,694,931</u>	<u>-</u>
		<u>846,161,779</u>	<u>373,803,316</u>
<b>Investments</b>	6	<u>2,798,997,395</u>	<u>3,536,956,631</u>
<b>Current Assets, Loans and Advances :</b>			
(a) Inventories	7	109,937,884	104,063,506
(b) Sundry Debtors	8	170,227,280	184,352,167
(c) Cash and Bank Balances	9	77,238,186	891,586,420
(d) Other Current Assets	10	56,430,014	18,411,460
(e) Loans and Advances	11	<u>1,129,303,236</u>	<u>334,818,695</u>
		<u>1,543,136,600</u>	<u>1,533,232,248</u>
<b>Less : Current Liabilities and Provisions:</b>			
(a) Current Liabilities	12	157,962,732	161,316,484
(b) Provisions	13	<u>14,650,982</u>	<u>69,410,484</u>
		<u>172,613,714</u>	<u>230,726,968</u>
<b>Net Current Assets</b>		<u>1,370,522,886</u>	<u>1,302,505,280</u>
<b>Miscellaneous Expenditure</b>			
(to the extent not written off or adjusted)			
Early Voluntary Retirement Scheme Compensation		<u>-</u>	<u>-</u>
<b>Total</b>		<u><u>5,015,682,061</u></u>	<u><u>5,213,265,227</u></u>

**Significant Accounting Policies and Notes to the Financial Statements** 19

Schedules referred to above form an integral part of the Financial Statements

As per our attached report of even date  
**For LODHA & COMPANY**  
 Chartered Accountants

**A.M. HARIHARAN**  
 Partner  
 Membership No. 38323  
 Firm Registration No. 301051E  
 Mumbai, 25th May 2011

**Amit Goenka**  
 G.M. Finance & Company Secretary

**For and on behalf of the Board of Directors**  
**Raghu Mody** Chairman

**P. K. Choudhary** Managing Director

**Varunn Mody** Executive Director

Mumbai, 25th May 2011

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011**

	Year ended March 31 <sup>st</sup> 2011 Rupees	Year ended March 31 <sup>st</sup> 2010 Rupees
<b>INCOME</b>		
Sales	1,044,199,531	1,007,541,730
Less : Excise Duty	87,005,131	108,535,510
Net Sales	<u>957,194,400</u>	899,006,220
Other Operating and Investment Income	14 290,936,689	54,870,175
Increase/(Decrease) in Stocks	15 (2,233,121)	(717,091)
	<u>1,245,897,967</u>	<u>953,159,304</u>
<b>EXPENDITURE</b>		
Consumption of Raw Materials and Components	467,991,716	404,231,551
Power and Fuel	63,779,707	58,819,663
Stores and Spare parts consumed	18,942,388	19,865,431
Employees' cost	16 114,048,049	98,371,285
Other Expenses	17 283,125,065	224,704,840
Interest Expenses	18 13,054,634	19,310,877
Depreciation	44,437,700	38,475,009
Less : Transfer from Revaluation Reserve	-	(232,435)
	<u>1,005,379,258</u>	<u>863,546,221</u>
<b>PROFIT BEFORE EXCEPTIONAL ITEMS AND TAXATION</b>	<u>240,518,710</u>	89,613,084
Exceptional Items		
- Profit on sale of Fixed Assets	26,095,290	5,670,316,325
- Profit on sale of Jalna Fixed Assets	-	-
- Expenditure on Buy Back of Equity Shares	(1,292,689)	-
- Employees' Separation / Other Cost	(2,025,238)	(30,926,749)
<b>PROFIT BEFORE TAXATION</b>	<u>263,296,072</u>	5,729,002,660
<b>Provision for Taxes</b>		
Current Tax	61,160,000	962,015,000
Deferred Tax	1,684,685	14,859,107
	<u>200,451,387</u>	4,752,128,552
Surplus brought forward	11,854,913	4,073,610
<b>BALANCE AVAILABLE FOR APPROPRIATION</b>	<u>212,306,300</u>	<u>4,756,202,163</u>
<b>APPROPRIATIONS</b>		
Proposed Dividend	9,846,000	55,000,000
Corporate Dividend Tax	1,597,268	9,347,250
General Reserve	150,000,000	4,680,000,000
Balance carried to Balance Sheet	50,863,032	11,854,913
	<u>212,306,300</u>	<u>4,756,202,163</u>
Basic and diluted earnings per equity share before Exceptional Items	32.64	14.82
Basic and diluted earnings per equity share after Exceptional Items	36.82	864.02
Significant Accounting policies and Notes to the Financial Statements	19	
Schedules referred to above form an integral part of the Financial Statements		

As per our attached report of even date  
**For LODHA & COMPANY**  
Chartered Accountants

**A.M. HARIHARAN**

Partner  
Membership No. 38323  
Firm Registration No. 301051E  
Mumbai, 25th May 2011

**Amit Goenka**  
G.M. Finance & Company Secretary

**For and on behalf of the Board of Directors**  
**Raghu Mody** Chairman

**P. K. Choudhary** Managing Director

**Varunn Mody** Executive Director

Mumbai, 25th May 2011

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011**

	2010-2011 ( Rs. In Lacs)	2009-2010 ( Rs. In Lacs)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>NET PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX</b>	<b>2,405.19</b>	<b>896.13</b>
Adjustment for		
Depreciation	444.38	382.43
Loss on sale of Investment (Net)	-	5.70
Dividend Income	(471.49)	(305.65)
Interest Income	(2,077.17)	(211.57)
Profit on Sale of Investments	(273.42)	-
Amortisation of Premium on Investment	37.29	
Excess Provision & Unclaimed Balance W/Back	(4.83)	(2.33)
Interest expenditure	130.55	193.10
	<u>(2,214.69)</u>	<u>61.68</u>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>190.50</b>	<b>957.81</b>
Adjustment for		
(Increase)Decrease in Trade and other receivable	103.42	(257.07)
(Increase)Decrease in Inventories	(58.74)	(96.93)
(Decrease)Increase in Trade and other payables	(41.19)	9.62
	<u>3.49</u>	<u>(344.38)</u>
<b>Cash Generated from operations</b>	<b>193.99</b>	<b>613.43</b>
Direct Taxed Paid	(1.08)	(80.54)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES BEFORE EXCEPTIONAL ITEMS</b>	<b>192.91</b>	<b>532.89</b>
Proceeds from Exceptional Items	499.62	47,256.16
<b>NET CASH FLOW FROM OPERATING ACTIVITIES AND EXCEPTIONAL ITEMS (A)</b>	<b>692.53</b>	<b>47,789.05</b>
<b>B CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Fixed Assets	(7,200.38)	(1,088.60)
Purchase of Investments (Net)	6,764.83	(35,572.66)
Buy Back of Equity Shares	(3,160.51)	
(Increase)/Decrease in Inter- Corporate Deposits	(5,044.26)	(2,910.00)
Dividend Income	471.49	305.65
Interest Income	2,077.17	211.57
Direct Taxed Paid	(800.84)	-
<b>NET CASH FLOW (USED IN)/ FROM INVESTING ACTIVITIES (B)</b>	<b>(6,892.50)</b>	<b>(39,054.04)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Borrowings ( Net)		
(Decrease)/Increase in Long Term borrowings	(79.89)	(457.09)
Increase/(Decrease) in Short Term borrowings	(572.05)	162.22
Dividend Paid ( including Corporate Dividend Tax)	(627.24)	(0.74)
Interest paid	(130.85)	(198.03)
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>	<b>(1,410.03)</b>	<b>(493.64)</b>
<b>Net Increase/ Decrease in cash and cash equivalent ( A+B+C)</b>	<b>(7,610.00)</b>	<b>8,241.37</b>
<b>Cash and Cash equivalents</b>		
Opening Balance	<b>8,333.50</b>	<b>92.14</b>
Closing Balance	<b>723.50</b>	<b>8,333.50</b>

**Notes:-**

- The above cash flow statement has been prepared by using indirect method as per Accounting Standards 3- Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- Cash and cash equivalents exclude balance in margin money deposit, dividend accounts and fixed deposits pledge for temporary over draft aggregating to Rs. 48.88 Lacs (previous year Rs.582 Lacs)
- Previous year's figures have been regrouped / rearranged wherever necessary to confirm to current year's classification.

**As per our attached report of even date**

**For LODHA & CO.**  
Chartered Accountants

**A.M. Hariharan**  
Partner  
Membership No.38323  
Firm Registration No. 301051E  
Mumbai , 25th May 2011

**Amit Goenka**  
G.M. Finance & Company Secretary

**For and on behalf of Board of Directors**

**Raghu Mody** Chairman

**P. K. Choudhary** Managing Director

**Varunn Mody** Executive Director

Mumbai , 25th May 2011

**SCHEDULES TO THE FINANCIAL STATEMENTS**

	As at 31 <sup>st</sup> March 2011 Rupees	As at 31 <sup>st</sup> March 2010 Rupees
<b>1. SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
5,500,000 Equity Shares of Rs. 10 each	55,000,000	55,000,000
500,000 Unclassified Shares of Rs.10 each	5,000,000	5,000,000
	<u>60,000,000</u>	<u>60,000,000</u>
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>		
4,923,000 Equity Shares of Rs.10 each, fully paid-up (2010: 5,500,000 Equity Shares of Rs.10 each, fully paid-up)	<u>49,230,000</u>	<u>55,000,000</u>
(i) Of the above :		
(a) 1,449,992 Equity Shares were allotted as fully paid-up pursuant to a contract without payment having been received in cash.		
(b) 1,985,362 Equity Shares were allotted as fully paid-up bonus shares by capitalisation of Securities Premium and General reserve.		
(ii) During the year, the Company bought back and extinguished 5,77,000 equity shares. (Refer Note No.10 a in Schedule 19)		
<b>2. RESERVES AND SURPLUS</b>		
<b>CAPITAL RESERVE</b>		
As per last Balance Sheet	65,455	65,455
Less : Transferred to General Reserve	65,455	-
	<u>-</u>	<u>65,455</u>
<b>SECURITIES PREMIUM ACCOUNT</b>		
As per last Balance Sheet	2,492,830	2,492,830
Less : Premium on Buy Back of Equity Shares	2,492,830	-
	<u>-</u>	<u>2,492,830</u>
<b>REVALUATION RESERVE</b>		
As per last Balance Sheet	7,031,155	7,263,590
Less : Adjusted towards re-instatment (Refer Note No. 6 in Schedule No. 19)	7,031,155	232,435
	<u>-</u>	<u>7,031,155</u>
<b>CAPITAL REDEMPTION RESERVE</b>		
As per last Balance Sheet	-	-
Add : Transferred from General Reserve on buyback of Equity Shares	5,770,000	-
	<u>5,770,000</u>	<u>-</u>
<b>GENERAL RESERVE</b>		
As per last Balance Sheet	4,843,120,509	163,120,509
Add : Transferred from Profit & Loss Account	150,000,000	4,680,000,000
Add : Transferred from Capital Reserve	65,455	-
Less : Premium on Buy Back of Equity Shares	307,788,031	-
Less : Transferred to Capital Redemption Reserve	5,770,000	-
	<u>4,679,627,933</u>	<u>4,843,120,509</u>
<b>PROFIT &amp; LOSS ACCOUNT</b>		
Surplus as per annexed account	50,863,032	11,854,913
	<u>4,736,260,965</u>	<u>4,864,564,862</u>

## SCHEDULES TO THE FINANCIAL STATEMENTS

	<b>As at 31<sup>st</sup> March 2011 Rupees</b>	<b>As at 31<sup>st</sup> March 2010 Rupees</b>
<b>3. SECURED LOANS</b>		
(For nature of security Refer Note 3 in Schedule 19)		
a) Term Loans		
From Bank		
- Housing Loan	-	10,376,361
- Vehicle Loans	<b>4,601,341</b>	2,214,197
From Others		
- Rupee Loan	<b>50,000,000</b>	-
b) Working Capital Loans		
From Bank		
- Rupee Loans	<b>51,732,020</b>	108,926,872
- Temporary Over Draft	-	50,009,884
	<b>106,333,361</b>	<b>171,527,314</b>
<b>4. UNSECURED LOANS</b>		
From SICOM Ltd. by way of deferral of sales tax liability (Payable within one year Rs. Nil)	<b>47,613,885</b>	47,613,885
	<b>47,613,885</b>	47,613,885

**SCHEDULES TO THE FINANCIAL STATEMENTS AS ON 31<sup>ST</sup> MARCH, 2011**

**5. FIXED ASSETS**

Description	GROSS BLOCK (AT COST/BOOK VALUE)				DEPRECIATION				NET BLOCK	
	As at 1st April, 2010 Rs.	Additions Rs.	Adjustments/ Deductions Rs.	As at 31st March, 2011 Rs.	As at 1st April, 2010	Additions Rs.	Adjustments/ Deductions Rs.	As at 31st March, 2011 Rs.	As at 31st March, 2010 Rs.	As at 31st March, 2011 Rs.
Land:										
-Freehold	-	41,020,559	-	41,020,559	-	-	-	-	-	41,020,559
-Leasehold-long term	546,153	-	103,000	443,153	308,956	8,432	55,554	261,834	237,197	181,319
Buildings @	217,999,741	56,972,564	21,383,537	253,588,768	31,428,015	7,528,637	5,511,312	33,445,340	186,571,726	220,143,428
Plant & Machinery	419,204,624	47,276,733	57,422,535	409,058,822	246,509,757	34,340,206	39,132,765	241,717,198	172,694,867	167,341,624
Furniture & Fixtures	8,349,078	1,156,900	195,572	9,310,406	5,035,512	430,207	189,587	5,276,132	3,313,566	4,034,274
Motor Vehicles #	11,070,044	7,889,902	-	18,959,946	3,155,065	1,578,739	-	4,733,804	7,914,979	14,226,142
Technical Know-How	5,304,212	-	-	5,304,212	2,233,231	551,479	-	2,784,710	3,070,981	2,519,502
<b>Total</b>	<b>662,473,852</b>	<b>154,316,658</b>	<b>79,104,644</b>	<b>737,685,866</b>	<b>288,670,536</b>	<b>44,437,700</b>	<b>44,889,218</b>	<b>288,219,018</b>	<b>373,803,316</b>	<b>449,466,848</b>
AS AT 31ST MARCH 2010	589,042,199	89,780,776	16,349,123	662,473,852	262,284,264	38,475,009	12,088,737	288,670,536	373,803,316	373,803,316

@ Building includes one flats, the title to which is evidenced by 5 shares of Rs. 50 each, fully paid in a Co-operative Housing Society.

# Motor Vehicles include Rs 46,01,091 (previous year March 10 Rs 50,37,312) being assets acquired on hire purchase basis.

\* includes cost Rs. 77,478,314 and accumulated depreciation of Rs. 716,674 being reversal of difference on account of revaluation done in earlier year. (Refer Note 6 in schedule 19)

## SCHEDULES TO THE FINANCIAL STATEMENTS

	<b>As at 31<sup>st</sup> March 2011 Rupees</b>	<b>As at 31<sup>st</sup> March 2010 Rupees</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>6. INVESTMENTS</b>		
(Refer Note No.19 in Schedule 19)		
<b>NON - TRADE, LONG TERM</b>		
<b>- EQUITY SHARES</b>		
- Quoted	515,769,921	139,153,107
- Unquoted	25,631,317	10,625,077
<b>- INDEX FUND</b>		
- Quoted	10,962,582	4,982,754
<b>- MUTUAL FUNDS</b>		
- Quoted	150,000,000	20,000,000
- Unquoted	790,114,039	852,223,136
<b>- GOVERNMENT BONDS</b>		
<b>- Quoted</b>		
- Secured	285,357,955	201,786,993
<b>- Unquoted</b>		
- Secured	-	55,074,354
<b>- OTHER BONDS &amp; DEBENTURES</b>		
<b>- Quoted</b>		
- Secured	288,600,226	136,477,720
- Unsecured	213,154,110	450,005,500
<b>- Unquoted</b>		
- Secured	308,888,264	76,023,597
<b>- BULLIONS</b>		
- Gold Bees (Quoted)	13,359,846	-
- Gold Bars (Unquoted)	3,809,064	1,711,748
<b>- PRIVATE EQUITY (Unquoted)</b>	154,495,378	-
<b>NON - TRADE, CURRENT</b>		
<b>- MUTUAL FUNDS</b>		
- Quoted	1,603,567	-
- Unquoted	37,251,126	1,574,462,423
- ARBITRAGE FUND (Unquoted)	-	14,430,221
<b>AGGREGATE COST :</b>	<b>2,798,997,395</b>	<b>3,536,956,631</b>
<b>AGGREGATE COST OF QUOTED INVESTMENTS :</b>	<b>1,478,808,208</b>	<b>952,406,074</b>
<b>AGGREGATE COST OF UNQUOTED INVESTMENTS :</b>	<b>1,320,189,187</b>	<b>2,584,550,557</b>
<b>AGGREGATE MARKET VALUE OF QUOTED INVESTMENTS :</b>	<b>1,552,748,618</b>	<b>953,866,735</b>



## SCHEDULES TO THE FINANCIAL STATEMENTS

	<b>As at 31<sup>st</sup> March 2011 Rupees</b>	<b>As at 31<sup>st</sup> March 2010 Rupees</b>
<b>7. INVENTORIES</b>		
(As taken, valued and certified by the Management)		
Stores and spare parts	8,617,916	9,612,484
Raw materials including components	65,153,212	56,051,145
Work-in-progress	24,242,102	22,535,381
Finished goods	11,924,654	15,864,496
	<b>109,937,884</b>	<b>104,063,506</b>
<b>8. DEBTORS - Unsecured</b>		
Considered good -		
Outstanding over six months	5,366,412	6,163,511
Others	164,860,868	178,188,656
	<b>170,227,280</b>	<b>184,352,167</b>
<b>9. CASH AND BANK BALANCES</b>		
Cash in hand	187,070	125,618
Cheques in hand	9,013,544	8,449,943
Balances with Scheduled Banks		
- in Current Accounts	33,349,219	29,774,554
- in Fixed Deposit Accounts	29,800,000	850,000,000
- in Margin Deposit Accounts *	2,868,207	2,626,691
- In Dividend Accounts	2,020,146	609,614
	<b>77,238,186</b>	<b>891,586,420</b>
* Against letters of credit and guarantees issued by Bank		
<b>10. OTHER CURRENT ASSETS</b>		
Interest accrued on investments	48,165,180	9,664,458
Interest receivable on fixed deposit	8,264,835	8,747,002
	<b>56,430,015</b>	<b>18,411,460</b>
<b>11. LOANS AND ADVANCES</b>		
(Unsecured and considered good, except otherwise stated)		
Advances recoverable in cash or in kind or for value to be received	247,664,766	34,357,513
Inter-Corporate Deposits		
- Secured (against shares)	293,475,000	25,000,000
- Unsecured	501,950,000	266,000,000
Deposits	67,106,814	7,069,681
Balances with Central Excise, Cenvat Credit & Service Tax Receivable	2,274,918	2,391,501
Advance payments of Taxation (net of provision Rs. 1,031,461,342)	16,831,738	-
	<b>1,129,303,236</b>	<b>334,818,695</b>

## SCHEDULES TO THE FINANCIAL STATEMENTS

	As at 31 <sup>st</sup> March 2011 <u>Rupees</u>	As at 31 <sup>st</sup> March 2010 <u>Rupees</u>
<b>12. CURRENT LIABILITIES</b>		
Sundry Creditors		
- Due to Micro and Small Enterprises (Refer Note No.21 in Schedule 19)	1,792,366	899,099
- Others	97,071,461	103,497,975
Liabilities towards Employees' Separation Cost	-	-
Other Liabilities	57,078,759	56,253,341
Interest accrued but not due on Loans	-	56,455
Investor Education and Protection Fund shall be credited by the following amount - Unpaid Dividend*	2,020,146	609,614
	<u>157,962,732</u>	<u>161,316,484</u>
* There is no amount due as at the Balance Sheet date		
<b>13. PROVISIONS</b>		
Provision for Gratuity	875,192	893,654
Provision for Leave Entitlement	2,332,522	2,181,472
Proposed Dividend	9,846,000	55,000,000
Provision for Corporate dividend tax	1,597,268	9,347,250
Provision for taxation (net of Advance Tax for previous year Rs. 967,358,378)	-	1,988,108
	<u>14,650,982</u>	<u>69,410,484</u>
	<u>Year ended 31<sup>st</sup> March 2011 Rupees</u>	<u>Year ended 31<sup>st</sup> March 2010 Rupees</u>
<b>14. OTHER OPERATING AND INVESTMENT INCOME</b>		
a) Income from Investment		
i) Income from Long Term Investments		
- Dividend	7,946,811	11,952,540
- Interest	109,179,695	5,346,835
- Profit/(Loss) on sale	24,176,101	136,113
ii) Income from Current Investments		
- Dividend	39,201,812	18,612,542
- Interest	98,536,995	15,810,243
- Profit/(Loss) on sale	3,166,021	(706,148)
(Tax deducted at source on interest Rs. 12,916,340, Previous Year Rs. 1,598,954)	282,207,435	51,152,125
b) Other Operating Income	8,729,254	3,718,051
	<u>290,936,689</u>	<u>54,870,175</u>

## SCHEDULES TO THE FINANCIAL STATEMENTS

	Year ended 31 <sup>st</sup> March 2011 Rupees	Year ended 31 <sup>st</sup> March 2010 Rupees
<b>15. INCREASE/(DECREASE) IN STOCKS</b>		
<b>Opening Stock :-</b>		
Work-in-progress	22,535,382	20,932,882
Finished goods	15,864,496	18,184,087
	<u>38,399,878</u>	<u>39,116,969</u>
<b>Closing Stock :-</b>		
Work-in-progress	24,242,102	22,535,382
Finished goods	11,924,654	15,864,496
	<u>36,166,756</u>	<u>38,399,878</u>
Increase/(Decrease) in stocks	<u>(2,233,122)</u>	<u>(717,091)</u>
<b>16. EMPLOYEES' COST</b>		
Salaries, Wages and Bonus	99,259,837	85,488,723
Gratuity	1,480,248	3,267,629
Contribution to Provident and other Funds	5,546,926	5,003,547
Staff Welfare	7,761,038	4,611,386
	<u>114,048,049</u>	<u>98,371,285</u>
<b>17. OTHER EXPENSES</b>		
Packing materials consumed	18,920,743	16,934,345
Rent (including lease rent)	2,962,802	3,227,574
Rates and taxes	3,223,950	4,636,305
Insurance(including transit insurance)	854,359	996,007
Freight and delivery	35,166,738	29,978,613
Repairs & Maintenance:		
Plant & Machinery	6,918,754	7,340,595
Buildings	3,665,787	2,880,048
Others	-	-
Job charges	46,017,077	45,501,260
Increase / (Decrease) in Excise Duty on Closing Stock	(433,060)	14,487
Travelling & Conveyance	44,083,368	23,998,155
Postage,Printing,Stationery & Telephones	8,607,350	7,505,050
Rebates, Discounts, etc.	46,752,330	41,857,098
Loss on sale of Fixed Assets(net)	-	290,528
Management & Professional Fees etc.	22,786,036	6,454,325
Miscellaneous Expenses	43,598,831	33,090,451
	<u>283,125,065</u>	<u>224,704,840</u>
<b>18. INTEREST</b>		
Interest :		
On loans for fixed periods	8,613,591	6,900,765
On Others	4,441,043	12,410,112
	<u>13,054,634</u>	<u>19,310,877</u>

**SCHEDULE 19**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2011**

**A SIGNIFICANT ACCOUNTING POLICIES:**

a) General:

- i) The financial statements are prepared on the basis of historical cost convention, in accordance with the applicable accounting standards and on the accounting principles of a going concern. All expenses and income to the extent ascertainable with reasonable certainty are accounted for on accrual basis.
- ii) Export benefit in terms of duty free imports of raw materials is accounted for in the year of exports.

b) Use of estimates :

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

c) Revenue recognition :

- i) Revenue from sale of goods is recognized when significant risks and rewards of ownership are transferred to the customers and their logistics. Sales are net of sales returns and trade discounts.
- ii) Interest is accrued over the period of loan /investment.
- iii) Dividend is accrued in the year in which it is declared, whereby right to receive is established.

d) Fixed assets:

- i) Fixed assets are stated at cost less accumulated depreciation. Costs comprise the purchase price, related pre-operational expenses, borrowing cost and any attributable cost of bringing the assets to its working condition for its intended use.
- ii) Impairment of Assets:

The Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such asset is reduced to its recoverable amount and the impairment loss is charged to profit and loss account. If at the Balance Sheet date there is any deduction that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

e) Depreciation:

Depreciation on fixed assets is provided on straight line method at the rates (except for the following) and in the manner specified in Schedule XIV to the Companies Act, 1956:

Buildings:	Rate applied	Rates prescribed under Schedule XIV
a) Factory	3.5%	3.34%
b) Office	3.0%	1.63%
c) Residential	3.0%	1.63%

Depreciation on the fixed assets added/disposed off/discarded during the year is provided on pro-rata basis with reference to the month of addition/disposal/discarding.

Depreciation on spares purchased for specific machinery and having irregular use is provided prospectively over the residual life of the specific machinery.

Leasehold Land-long term is being amortized at the rate of 2.5% per annum on the original cost.

Intangible Assets :- Technical Know-How is depreciated, over a period of ten years in accordance with the requirements of Accounting Standard 26.

f) Investments:

- i) Long term investments are stated at cost less amortised premium. No adjustment is made in the carrying cost for temporary decline in the value of long term investments.
- ii) Current investments are carried at the lower of the cost and fair value.

g) Inventories:

Inventories are valued at the lower of the cost (computed on weighted average basis) and estimated net realizable value after providing for obsolescence and other anticipated losses, if any. Finished goods and work-in-progress include costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

h) Employee benefits:

- i) Provident Fund and Superannuation Fund:

Retirement benefits in the form of Provident fund / Superannuation fund is a defined contribution scheme and the contributions are charged to the Profit & Loss Account of the year when the contributions to the respective funds are due.

ii) Gratuity:

Gratuity liability is defined benefit obligation. The company has taken an Insurance policy under the Group Gratuity Scheme with the Life Insurance Corporation of India to cover the gratuity liability of all its employee up to the sixty years of age and the amount paid /payable in respect of present value of liability of past services is provided for, on the actuarial valuation at the year end.

iii) Leave Entitlement:

Liability for leave entitlement is provided on the basis of the actuarial valuation at the year end.

iv) Deferred Revenue Expenditure:

Compensation paid to employees who retire under the Early Voluntary Retirement Scheme is amortized over a period of 36 months from the month following the end of the scheme.

i) Research and Development Expenditure:

Revenue expenditure is charged to the Profit & Loss Account and Capital expenditure is added to the cost of Fixed Assets in the year in which it is incurred.

j) Translation of foreign currency:

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction. Current assets and Current liabilities are stated at the rate of exchange prevailing at the year end and resultant gains/losses are recognised in the profit and loss account.

In case of forward contracts, the exchange differences are dealt with in the profit and loss account over the period of the contracts.

k) Borrowing costs :

Borrowing costs attributable to acquisition or construction of qualifying assets are capitalized as part of the cost of such assets upto the date when such asset is ready for its intended use. Other borrowing costs are charged to the Profit and Loss Account.

l) Accounting for Taxes on Income :

i) Income Tax expenses comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year).

ii) Deferred tax assets are recognized only to the extent that there is reasonable certainty that the assets can be realized in future; however where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain as the case may be to be realized.

iii) Credit Entitlement in respect of Minimum Alternate Tax ( MAT ) is considered on management estimation of regular taxation in future.

m) Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made. Contingent Assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

## B NOTES TO ACCOUNTS:

1. Contingent Liabilities not provided for in respect of :

(a) Certain Sales tax matters, mainly on account of pending concessional forms (excluding interest): Rs. 902,199 ( Rs.1,237,750 ).

(b) Disputed Income Tax matters: Rs. 982,094 ( Rs. 598,443 )

(c) Disputed demand of arrear wages related to ex-workmen amount unascertainable.

2. Estimated amount of contracts remaining to be executed and not provided for [Net of advances, unsecured, considered good], on capital account are Rs. 17,414,569 [(Net of advance Rs. 47,372,409), (Previous Year Rs. 65,845,278 ( Net of advances Rs. 2,34,03,812))]

3. Secured Loans:

a) Working Capital Loans and non fund based limit utilized amount Rs.33,794,937 ( Previous year Rs. 37 784,164 ) are secured by hypothecation of stocks & debtors and charge on immovable properties of Bhandara Unit.

b) Vehicle Loans are secured by way of hypothecation of motor vehicles purchased there against.

c) Rupee Term loan is secured by lien over Investment in 625 Bonds of 6.85% 22 JN 14 IIFCL of aggregate value Rs.63,594,358.

4. a) In the opinion of the Board, current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.  
 b) The accounts of Sundry Debtors, Sundry Creditors and Loans and advances are, subject to confirmations/reconciliation and adjustments, if any. The management does not expect any material difference affecting the current year's financial statements.
5. The amount of exchange difference (net) credited to the Profit and Loss Account is Rs.7, 56,162 (Previous year Rs.1,063,135).
6. During the year the company has reinstated the value of a residential premises at its original cost, which was revalued in an earlier year. It does not have any impact on the profit for the year.
7. "Rebates, discounts, etc." under "Other Expenses" in the profit and loss account includes:

	Rs.	Rs.
Commission to selling agents :	686,238	(608,320)
Brokerage and cash discount :	11,899,063	(12,667,641)

**8. Miscellaneous Expenses include:**

Audit fees :	450,000	(450,000)
Certification fees :	32,500	-
Reimbursement of out of pocket expense :	66,466	(45,950)
Including Service Tax Rs. 6,206 ( Rs. 2,404 )		

9. (a) Managerial Remuneration (exclusive of provision for incremental liability for gratuity and Leave entitlement on actuarial valuation determined on an overall basis for the Company as a whole):

Salaries :	2,684,822	(1,575,466)
Allowances and Perquisites :	3,624,006	(2,214,264)
Contribution to Provident Fund and Superannuation Fund :	448,179	(286,256)
Sitting Fees :	305,000	(375,000)
Commission :	<u>2,100,000</u>	<u>(7,00,000)</u>
	<b><u>9,162,007</u></b>	<b><u>(5,150,986)</u></b>

- (b) Computation of Net Profit in accordance with section 198 (1) read with the Section 309 (5) Of the Companies Act, 1956.

Particulars	Current Year RS.	Previous Year Rs.
Profit before Tax as per Profit & Loss Accounts	263,296,072	(5,729,002,660)
<b>Add: -</b>		
Loss of Sale of Fixed Assets	-	(290,528)
Depreciation under sec 350 of the Companies Act.1956	44,437,700	(38,242,574)
Profit on sale of assets to the extent of entitlement	44,162,543	(8,337,618)
<b>Less: -</b>		
Profit on Sale of Fixed Assets	26,095,280	(5,670,316,325)
Depreciation under sec 350 of the Companies act 1956	41,861,200	(38,242,574)
Profit on sale long term investment.	-	(136,113)
<b>Net Profit under Section 349 of the Companies Act,1956</b>	<b>283,939,835</b>	<b>(67,178,368)</b>
Add: Directors Remuneration (Including Commisison)	9,162,007	(5,150,986)
<b>Net Profit under section 198 of the Companies Act.1956</b>	<b>293,101,842</b>	<b>(72,329,354)</b>
Maximum Permissible Commission to Non Executive Directors U/s 198 of the Act, @ 1%	2,931,018	(723,294)
Commission Payable to a Director	2,100,000	(700,000)

(c) The remunerations paid as under are subject to the approval of the shareholders in the forthcoming Annual General Meeting.

Directors	Period	Remuneration ( Rs. )
Mr. Vinay Sarin, Executive Director Marketing	09.08.2010 to 31.03.2011	901,730
Mr. Varunn Mody, Executive Director	18.01.2011 to 31.03.2011	1,673,177
Mr. Pawan Choudhary, Managing Director	18.03.2011 to 31.03.2011	153,424

10. a) During the year the Company has bought-back 5,77,000 Equity Shares for a total consideration of Rs. 316,050,861 . Consequently a sum of Rs.5,770,000 being an aggregate face value of bought back shares has been transferred to Capital Redemption Reserve from the General Reserve and the premium of Rs. 310,280,861 on buy back of shares has been adjusted against Securities Premium and General Reserve. Expenditure of Rs.1,296,689 for such buy back has been disclosed as an exceptional item.

b) During the year, The company has sold entire fixed assets of its Jalna Unit and resulted profit of Rs. 261 lacs has been shown as an exceptional item.

**11. Earning Per Share:**

	Current Year RS.	Previous Year Rs.
Net Profit as per Profit & Loss Account	200,451,387	(4,752,128,553)
Weighted average number of equity shares outstanding	5,443,693	(5,500,000)
Basic and Diluted EPS before Exceptional Items (Net of Tax Expenses)	32.64	(14.82)
Basic and Diluted EPS after Exceptional Items (Net of Tax Expenses)	36.82	(864.02)

**12. a) The Break up of the net Deferred Tax Assets/Liabilities is as under:-**

**Deferred Tax Liabilities**

Depreciation/ Amortisation	82,864,849	(81,340,416)
Voluntary Retirement	(6,330,281)	6,477,497

**Deferred Tax Assets**

Gratuity /Others	290,717	(303,753)
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<b>NET Deferred Tax Liability</b>	<b><u>76,243,851</u></b>	<b><u>(74,559,166)</u></b>
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b) Provision for current tax includes Rs. 160,000 (Rs.15, 000) in respect of wealth Tax.

c) Provision for current tax is net of MAT credit for the year of Rs. NIL (Rs. 64, 49,466)

**13. Research and Development expenditure:**

Fixed Assets	-	(217,280)
Profit & Loss A/c (Debited to respective expenses heads in the Profit & Loss A/c)	7,752,128	(5,680,377)

**14. a) Value of imports on C.I.F. basis:-**

Raw Materials	117,705,915	(96,155,960)
Components and Spare Parts	75,097	-

Note: Where items have been invoiced by suppliers on F.O.B. or C & F basis, the freight and insurance paid aggregating to Rs. 11,756,357. (Rs.10,280,163. ) in local currency has been included in the above figures.

**(b) Expenditure in foreign currency (on actual payment basis)**

Travelling & Other Expenses	7,190,385	(3,084,960)
Commission	758,599	(156,167)
Interest on Foreign Currency Loans	-	(3,447,069)

**c) Earnings in foreign currency on account of:**

Export on FOB Basis	92,929,265	(77,232,304)
Others (Freight, Insurance Etc)	2,519,034	(1,775,533)

(d) Foreign Exchange Currency exposures not covered by derivative instruments as on 31st March, 2011

Type of Instruments	Currency Type	As on 31 <sup>st</sup> March, 2011 Amount (In Rs.)		As on 31 <sup>st</sup> March, 2010 Amount (In Rs.)	
		Foreign Currency	Indian Currency	Foreign Currency	Indian Currency
Debtors	Dollar	226,353	10,046,761	184,498	8,238,800
Commission Payable	Dollar	1,366	61,463	3,347	150,807
Creditors for Goods	Dollar	204	10,933	49,485	2,301,439
Creditors for Goods	CAD	95,950	4,476,989	331,800	14,860,866

15. Raw Material and Components Consumed:-

	Unit	Qty		Qty	Rs.
Rubber	Tonnes	290	47,492,338	(356)	(40,597,869)
Chemicals & Solvents	Tonnes	3,866	178,863,490	(3,868)	(148,710,377)
Fibres	Tonnes	3,650	130,975,579	(3,740)	(121,004,648)
Ferrous Materials	Tonnes	1,142	60,382,096	(1,013)	(51,168,104)
Yarn/Intermediate Prodcut	Tonnes	124	7,485,208	(208)	(20,371,527)
Rivets/Ceramic Spares	Nos'000	24,149	42,793,005	(22,181)	(22,379,027)
			467,991,716		(404,231,551)
		%	Rs.	%	Rs.
Imported Materials		22.54	105,497,003	(19.36)	(78,243,626)
Indigenous Materials		77.46	362,494,713	(80.64)	(325,987,925)
		100	467,991,716	(100)	(404,231,551)

The above figures have been arrived at after adjustments for excesses/shortages ascertained on physical count, write off of unserviceable items, etc.

16. Stores and Spare parts consumed:

	%	Rs.	%	Rs.
Imported Materials	0.40	75,097	-	-
Indigenous Materials	99.60	18,867,291	(100)	(19,865,431)
	100.00	18,942,388	100	(19,865,431)

17. Capacity / Production of Finished Goods:

UOM	Installed Capacity		Production*	
			Per annum	
Brake Linings	Tonnes	5,850 (5,100)	5,403	(5,034)
Clutch Facings	Nos'000	3,600 (3,000)	3,438	(2,751)
Industrial Textile **	Tonnes	120 (576)	199	(314)
Jointings / Limpet Sheets**	Tonnes	- (1,490)	772	(963)
Compestos	Tonnes	50 (50)	22	(39)
Others	Tonnes	180 (180)	178	(161)

Notes :

- Licensed Capacity: De licensed
- The installed capacities have been certified by the management and relied upon by the Auditors without verification, this being a technical matter.

\* Including production for inter-unit use.

\*\* Consequent to sale of Jalna unit in March.2011, the installed capacity have been shown as Nil / reduced.



18. Turnover and Stocks.

(a) **Goods Manufactured by the Company**

Class of Finished Goods*	UOM	Net Turn Over **		Stocks (Inclusive of Excise)			
		Quantity	Rs.	Opening Quantity	Closing Quantity	Opening Rs.	Closing Rs.
Brake Linings	Metres	<b>608</b>	<b>55,306,399</b>	<b>4</b>	<b>3</b>	<b>201,573</b>	<b>1,418,578</b>
	'000	(833)	(74,817,862)	0	(4)	(1,035)	(201,573)
Brake Liners	Nos.	<b>5,975</b>	<b>552,683,030</b>	<b>201</b>	<b>172</b>	<b>(7,720,729)</b>	<b>5,072,007</b>
	'000	(5,541)	(506,562,579)	(212)	(201)	(11,645,378)	(7,720,729)
Clutch Facings	Nos.	<b>3,352</b>	<b>155,047,035</b>	<b>49</b>	<b>85</b>	<b>(2,577,214)</b>	<b>3,529,157</b>
	'000	(2,748)	(125,962,518)	(46)	(49)	(2,157,519)	(2,577,214)
Asbestos Textiles	Tonnes	<b>216</b>	<b>53,795,528</b>	<b>12</b>	<b>0</b>	<b>(2,048,371)</b>	<b>-</b>
		(310)	(68,110,231)	(8)	(12)	(1,371,192)	(2,048,371)
Jointings / Limpet Sheets	Tonnes	<b>811</b>	<b>63,534,207</b>	<b>30</b>	<b>0</b>	<b>(2,515,423)</b>	<b>41,492</b>
		(959)	(75,772,097)	(35)	(39)	(2,015,993)	(2,515,423)
Compestos	Nos.	<b>5,404</b>	<b>12,303,488</b>	<b>16</b>	<b>18</b>	<b>(490,660)</b>	<b>261,013</b>
		(6,133)	(11,685,752)	(21)	(16)	(754,219)	(490,660)
Others	-	<b>314</b>	<b>28,136,560</b>	<b>4</b>	<b>9</b>	<b>(126,329)</b>	<b>399,931</b>
		(165)	(14,712,740)	(8)	(4)	(238,751)	(126,329)
<b>(b) Goods Traded -in by the Company</b>							
Ceramic Spares	Nos	<b>408</b>	<b>36,388,154</b>	<b>2</b>	<b>14</b>	<b>184,197</b>	<b>1,202,476</b>
	'000	(260)	(21,382,441)	0	(2)	-	(184,197)
<b>TOTAL</b>			<b>957,194,400</b>			<b>(15,092,956)</b>	<b>11,924,654</b>
			(899,006,220)			(18,184,087)	(15,864,496)

\* Various types/sizes

\*\* Scrap has been excluded in terms of quantity and included in terms of value.

19. Detail of Investments.

	Face Value Rupees	As on 31/03/2011 Nos.	Rupees	As on 31/03/2010 Nos.	Rupees
<b>NON - TRADE, LONG TERM EQUITY SHARES - QUOTED</b>					
Aban Offshore Ltd.				339	414,074
Action Construction Equipment Ltd.	2	17,555	805,775	4593	193,427
Adani Enterprises Limited	10	1,491	829,413	339	163,127
Aditya Biral Nuvo Ltd.	10	-	-	920	795,483
Allcargo Global Log. Ltd.	2	10,400	1,532,128	1229	227,645
Allied Digital Services Ltd.	5	-	-	1108	246,376
Alstom Projects India Ltd	10	1,874	1,148,219	266	156,528
Ambuja Cements Ltd	2	10,117	1,392,403	5204	611,109
Amra Raja Batteries Ltd.	2	-	-	1146	190,306
Anant Raj Industires Ltd.	2	-	-	1312	178,835
Andhra Bank Ltd	10	6,000	975,293	-	-
Apar Industries Ltd.	10	3,471	822,939	-	-
Apollo Hospitals Enter. Ltd	10	439	202,230	-	-
Apollo Tyres Ltd	1	30,000	2,478,393	-	-
Areva T&d India Limited	10	1,181	359,000	-	-
Arshiya International Ltd	10	1,780	439,408	-	-
Ashok Leyland Ltd	1	35,000	2,475,006	3,593	193,608

	Face Value Rupees		As on 31/03/2011 Nos.	Rupees	As on 31/03/2010 Nos.	Rupees
Asian Paints Limited	10		315	891,425	-	-
Associated Cement Companies Ltd.	10		-	-	778	729,561
Astral Poly Tech Ltd	10		15,420	2,474,293	-	-
Aurobindo Pharma Ltd	5		4,065	1,045,884	278	261,664
Axis Bank Limited	10		4,950	6,396,523	-	-
Bajaj Auto Finance Ltd.	10		-	-	464	149,159
Bajaj Auto Limited	10		8,850	10,022,738	2,550	4,979,825
Bajaj Elect.ltd	2		19,043	4,208,383	-	-
Bajaj Finance Limited	10		1,299	972,224	-	-
Balmer Lawrie & Co Ltd	10		4,000	2,562,181	-	-
Bank Of Baroda	10		3,107	3,173,883	1,313	798,451
Bata India Ltd	10		2,824	1,033,047	-	-
Bgr Energy Systems Ltd	10		1,812	1,077,814	-	-
Bhel	10		758	1,663,681	94	223,916
Biocon Limited.	5		10,000	3,518,151	-	-
Cadila Healthcare Limited	10		1,398	1,122,356	-	-
Canara Bank	10		3,600	2,469,335	-	-
Cairn India Limited	10		2,155	761,599	4,645	1,261,394
Castrol India Ltd	10		442	200,116	-	-
Ccl Products (i) Ltd	10		10,250	2,652,983	-	-
Central Bank Of India	10		16,875	3,176,388	-	-
Cesc Ltd	10		6,000	2,460,511	737	294,047
Chambal Fertilizers Ltd	10		1,886	144,637	-	-
Cholamandalam In & Fin Co	10		2,122	391,636	-	-
Cipla Ltd	2		-	-	4,085	1,432,325
City Union Bank Ltd	2		23,145	1,048,020	-	-
Core Proj. & Tech. Ltd.	2		-	-	941	237,848
Coromandel Interntl. Ltd	2		20,744	5,002,416	-	-
Corporation Bank	10		4,500	2,592,395	897	406,733
Cox & Kings Limited	10		4,700	2,396,718	-	-
Crompton Greaves Ltd	10		4,570	1,157,078	1,147	280,843
Cummins India Ltd	2		5,699	3,461,244	897	446,195
Dabur India Ltd	1		12,614	1,194,041	-	-
Daewoo Motors India Ltd.	10		-	-	10	-
D.b.corp Ltd	10		3,500	806,808	463	117,645
Dewan Housing Fin Corp Lt	10		3,126	977,094	-	-
Dhunseri Petroc & Tea Ltd	10		4,326	-	-	-
Diamond Power Infra Ltd	10		5,541	1,078,944	-	-
Dish Tv India Ltd.	1		7,069	445,648	31,415	1,229,886
Divi's Laboratories Ltd	2		7,992	5,933,660	365	232,422
Dr. Reddy's Laboratories	5		2,504	3,521,644	-	-
Easun Reyrolle Ltd	2		-	-	2,139	196,241
Edelweiss Cap Ltd	1		20,553	1,184,264	-	-
Educomp Solutions Ltd	2		4,000	2,500,962	-	-
Eicher Motors Ltd	10		165	194,941	207	129,492
Electrosteel Steels Ltd	10		2,00,000	2,370,000	-	-
Emkay Global Fin Serv Ltd	10		3,904	410,584	-	-
Engineers India Ltd	5		604	197,665	-	-
Eros Intl Media Ltd	10		1,478	222,513	-	-
Escorts India Ltd	10		1,205	196,174	-	-
Ess Dee Alum Ltd	10		9,364	4,847,836	-	-

	Face Value Rupees	As on 31/03/2011 Nos.	As on 31/03/2011 Rupees	As on 31/03/2010 Nos.	As on 31/03/2010 Rupees
Everest Kanto Cylinderltd	2	31,017	3,487,930	-	-
Exide Industries Ltd	1	74,678	9,916,069	43,100	5,111,470
Federal Bank Ltd	10	1,872	804,436	-	-
Firstsource Solu. Ltd.	10	2,00,000	5,836,275	-	-
Gail (india) Ltd	10	2,173	984,412	4,103	1,667,308
Gammon India Ltd	2	-	-	1,070	242,461
Gei Ind Systems Ltd	10	2,973	561,600	-	-
Geojit Bnp P. Fin Ser Ltd	1	15,802	602,056	-	-
Gic Housing Finance Ltd	10	6,123	809,216	-	-
Glaxosmithkline Consumer	10	363	778,599	-	-
Glenmark Pharmaceuticals	1	565	199,812	-	-
Grasim Industries Ltd	10	1,350	2,458,535	-	-
Greaves Cotton Ltd.	2	70,090	5,233,620	-	-
Gujarat Gas Co. Ltd	10	1,541	545,267	-	-
Gujarat N R E Coke Ltd	10	-	-	3,951	317,192
Gujarat State Petro Ltd	10	50,000	4,589,069	-	-
Havells India Limited	5	20,292	7,541,891	-	-
Hcl Technologies Ltd	2	8,812	4,098,585	-	-
Hdfc Bank Ltd	10	2,369	4,939,104	619	1,191,774
Hero Honda Motors Ltd	2	-	-	462	913,447
Hexaware Technologies Ltd	2	63,500	2,502,085	13,900	989,788
Himachal Fut Com Ltd	10	2,255	139,408	2,255	139,408
Hindalco Industries Ltd	1	7,646	1,748,258	11,343	1,982,912
Hindustan Dorr Oliver Ltd	2	9,000	1,012,935	-	-
Hindustan Unilever Ltd.	1	-	-	4,375	994,833
Hotel Leela Ventures Ltd	2	-	-	3,967	192,500
Ht Media Limited	2	12,500	1,936,276	-	-
Idbi Bank Ltd.	5	3,329	3,653,747	-	-
Idbi Bank Limited	10	10,000	1,766,049	-	-
Ifci Ltd	10	22,000	1,497,348	-	-
Il&fs Trans Net Ltd	10	4,874	1,288,978	-	-
India Infoline Limited	2	29,195	3,009,946	-	-
Indian Bank	10	7,227	1,923,142	-	-
Indian Overseas Bank	10	-	-	11,000	996,394
Indo Borax & Chemicals Ltd.	10	1,16,413	9,478,352	-	-
Indusind Bank Limited	10	19,650	4,972,232	-	-
Info Edge (i) Ltd	10	-	-	339	293,682
Infosys Technologies Ltd	5	1,069	3,152,993	697	1,972,901
Infra. Dev. Fin. Co. Ltd	10	11,276	1,734,700	6,104	986,956
Ing Vysya Bank Ltd	10	15,518	5,215,515	-	-
Ipca Laboratories Ltd	2	3,183	937,139	-	-
Itc Ltd	1	22,267	3,624,474	-	-
IvrcI Infrac & Proj Ltd.	2	23,500	3,961,270	7,340	1,238,679
J & K Bank Ltd.	10	3,500	2,549,598	-	-
J B Chemicals And Pharma	10	11,377	1,286,966	-	-
Jk Cement Limited	10	8,000	1,491,760	8,000	1,493,620
Jk Paper Limited	10	3,119	176,274	-	-
J Kumar Infr.ltd.	10	-	-	716	150,027
J.I.morison (india) Ltd.	10	2,42,849	42,953,620	2,33,849	36,504,049
Jaiprakash Associates Ltd	2	7,500	992,331	6,739	976,201
Jsw Steel Limited	10	717	796,243	-	-

	Face Value Rupees	As on 31/03/2011 Nos.	As on 31/03/2011 Rupees	As on 31/03/2010 Nos.	As on 31/03/2010 Rupees
Jyoti Structures Ltd	2	13,546	1,932,535	-	-
Karur Vysya Bank Ltd	10	2,940	1,095,555	-	-
Kec Ntl. Limited	2	13,409	1,323,671	-	-
Kiri Industries Limited	10	663	276,398	-	-
Kirloskar Brothers Ltd	2	6,700	1,909,768	-	-
Kotak Mahindra Bank Ltd	5	3,500	1,333,325	-	-
Lic Housing Finance Ltd	10	-	-	1,850	1,504,129
Lanco Infratech Ltd.	1	-	-	4,959	264,600
Larsen & Toubro Ltd.	2	4,023	6,502,564	232	374,949
Lic Housing Finance Ltd	2	10,932	2,287,125	-	-
Lupin Limited	2	21,726	8,008,798	-	-
M&m Fin. Services Ltd	5	530	363,697	-	-
Maharashtra Seamless Ltd	5	-	-	555	198,599
Mahindra & Mahindra Ltd	10	3,759	2,571,640	-	-
Mahindra Holidays Ltd	10	9,395	4,289,920	-	-
Manappuram Gen Fin	2	24,749	3,045,968	-	-
Maruti Suzuki India Ltd.	5	6,300	8,070,979	-	-
Mbl Infrastructures Ltd	10	-	-	1,054	228,913
Mercator Lines Limited	1	35,800	2,007,793	-	-
Mic Electronics Limited	2	-	-	12,458	572,516
Mindtree Limited	10	2,260	1,072,551	1,084	603,280
Moil Limited	10	1,892	709,500	-	-
Motherson Sumi Systems Lt	1	29,467	4,809,014	-	-
Motilal Oswal Fin Ltd	1	4,206	773,273	-	-
Mphasis Limited	10	6,000	3,840,495	267	179,400
Msk Projects India Ltd.	10	-	-	1,816	261,952
Mundra Port & Sez Ltd	10	16,030	2,219,834	127	91,631
Ncc Limited	2	-	-	5,539	876,930
Ntpc Ltd	10	-	-	699	141,859
Nava Bharat Ventures Limi	2	-	-	635	252,056
Oberoi Realty Limited	10	10,610	2,758,600	-	-
Oil And Natural Gas Corp.	5	7,400	2,485,038	-	-
Opto Circuits (i) Ltd.	10	46,593	11,943,568	-	-
Oracle Fin Serv Soft Ltd.	5	750	1,732,508	650	1,520,775
Orient Paper And Inds Ltd	1	18,000	984,397	-	-
Page Industries Ltd	10	369	572,094	-	-
Pantaloon Retail (i) Ltd	2	5,561	2,008,878	2,044	807,854
Patel Engineering Ltd.	1	-	-	405	182,136
Patni Computer System Ltd	2	4,450	2,507,204	-	-
Pidilite Industries Ltd	1	23,500	3,521,005	-	-
Pipavav Shipyard Ltd	10	-	-	2,703	161,842
Piramal Healthcare Ltd	2	14,757	7,510,231	-	-
Polaris Software Lab Ltd	5	-	-	691	119,985
Power Grid Corp. Ltd.	10	52,577	4,894,863	-	-
Psl Limited	10	10,072	1,555,890	-	-
Punj Lloyd Limited	2	-	-	2,026	352,668
Punjab National Bank	10	4,250	4,382,754	2435	2,440,333
Pvr Limited	10	-	-	990	175,288
Rallis India Ltd	10	3,150	3,629,241	-	-
Ranbaxy Labs Ltd	5	-	-	6,946	3,267,050
Rasoi Ltd.	10	1,75,068	23,061,636	1,75,068	23,061,636

	Face Value Rupees	As on 31/03/2011 Nos. Rupees		As on 31/03/2010 Nos. Rupees	
Reliance Capital Ltd.	10	-	-	746	599,222
Reliance Industries Ltd	10	8,544	8,951,056		
Reliance Infrastructure Ltd	10		-	2,023	2,032,664
Rural Elec. Corp. Ltd.	10	5,000	1,586,413		
S Kumars Nationwide Ltd	10	42,087	2,736,995	27,800	1,565,978
Sadbhav Engineering Ltd	10	19,229	2,205,566	304	393,925
Satyam Computer Services	2	-	-	1,782	174,242
Savita Oil Technolo. Ltd	10	1,500	786,210		
Shilpa Medicare Ltd	2	489	128,499		
Shriram Cityuni Fin.ltd.	10	284	195,065		
Shriram Transport Fin Co.	10	8,389	5,389,288		
Siemens Ltd	2	1,025	787,887	236	173,593
Sintex Industries Ltd	1	2,656	442,729		
Sobha Developers Ltd	10	3,093	1,030,804		
Spice Jet Ltd.	10	-	-	3,535	206,956
Standard Chartered Plc		96,985	10,086,440		
State Bank Of India	10	1,230	3,473,734		
Steel Authority Of India	10	-	-	9,767	2,370,824
Sterlite Inds (ind) Ltd	2	-	-	1,657	1,354,027
Strides Arcolab Limited	10	-	-	414	145,252
Sun Pharmaceuticals Ind.	5	5,701	1,952,364	1,681	2,891,429
Sun Tv Network Limited	5	4,000	2,038,980		
Sundaram Finance Ltd	10	916	604,377		
Sundram Fasteners Ltd	1			3,375	178,438
Talwalkar Fitness Ltd	10	8,100	1,737,531		
Tata Consultancy Serv Lt	1	3,480	3,673,556	3,313	2,748,922
Tata Motors Dvr 'a' Ord	10	3,189	2,822,499		
Tata Motors Limited	10	1,403	1,418,166	1,058	767,940
Tata Power Co Ltd	10	1,985	2,649,499	151	206,146
Tata Steel Limited	10	1,599	1,022,305	1,902	1,176,814
Tata Global Beverages Ltd	10	9,750	965,976	1,050	1,010,069
Techno Ele. & Eng. Co Ltd	2	2,958	824,690		
Texmaco Limited	1	-	-	2,110	300,161
The Phoenix Mills Ltd	2	8,992	1,823,586	5050	993,716
Thermax Ltd	2	9,117	6,711,156	235	160,215
Titan Industries Ltd	10	1,141	3,562,232		
Torrent Pharmaceuticals L	5	4,300	2,375,389		
Torrent Power Ltd	10	17,439	5,827,591	757	230,703
Trans & Recti. Ltd	10	1,771	745,733		
Trf Limited	10	-	-	172	160,637
Tulip Telecom Limited	2	38,860	7,051,641		
Tvs Motor Company Ltd	1	28,684	1,384,845	1,874	149,061
Uco Bank	10	1,793	199,682		
Union Bank Of India	10	6,975	1,986,897	3,750	987,353
Unitech Ltd	2	-	-	18,500	1,443,888
United Phosphorus Limited	2	11,981	1,982,942		
United Spirits Limited	10	1,800	2,251,866		
Voltamp Transformers Ltd	10	-	-	222	196,617
Voltas Ltd	1	29,695	5,735,870	1,272	224,425
Vst Tillers Tractors	10	3,287	1,508,864		
Wabco-tvs (india) Ltd	5	1,256	1,083,024	432	316,611

	Face Value Rupees		As on 31/03/2011 Nos. Rupees		As on 31/03/2010 Nos. Rupees
Welspun Corp Limited	5	13,300	2,766,267		
West Coast Paper Mills Lt	2	25,000	2,568,470		
Wipro Ltd	2	5,871	2,531,616	3,098	2,238,244
Yes Bank Limited	10	33,264	9,357,803	3,879	978,138
ZF Steering Gear (i) Ltd.	10	100	2,749	100	2,749
			<b>515,769,921</b>		<b>139,153,107</b>
<b>Unquoted</b>					
Bosch Chassis System India Ltd.	10	20	1,077	20	1,077
Mode Enterprises Pvt. Ltd.	10	4,900	9,450,000	4,900	49,000
Leaders Healthcare Pvt. Ltd.	10	1,57,500	49,000	1,57,500	9,450,000
Rasoi Finance Ltd.	10	22,500	1,125,000	22,500	1,125,000
Arch Pharma Labs Ltd		36,780	15,006,240	-	-
			<b>25,631,317</b>		<b>10,625,077</b>
<b>- INDEX FUND (Quoted)</b>					
Nifty Benchmark Exchange Trade Scheme	10	13,375	6,965,234	9,525	4,982,754
Nifty Jr Benchmark Etf	1.25	36,900	3,997,348		
			<b>10,962,582</b>		<b>4,982,754</b>
<b>- MUTUAL FUNDS</b>					
<b>- Quoted</b>					
ICICI Prudential Fixed Maturity Plan Series 53 - F.M.P		10,00,000	10,000,000	-	-
Kotak Fmp 13M Series 6 - Growth	10	20,00,000	20,000,000	20,00,000	20,000,000
KTK Fmp 370Days Series 9 - Growth	10	10,00,000	10,000,000	-	-
KTK Fmp 370Days Series 28 - Growth	10	10,00,000	10,000,000	-	-
Reliance 6 Horizon Fund Xvi Series 7	10	10,00,000	10,000,000	-	-
Reliance Fixed Horizon Fund Xvi - Series 6 - Fmp	10	10,00,000	10,000,000	-	-
Reliance Fixed Horizon Fund Xix Series 9 -Fmp	10	2,00,000	20,000,000		
BNP Paribus Fixed Term Fund- Series 21 E -Fmp	10	3,00,000	30,000,000		
J M Fixed Maturity Fund - Series Xix- Plan D - Fmp	10	2,00,000	20,000,000		
DWS Fixed Term Fund - Series 77 - F.M.P.	10	10,00,000	10,000,000	-	-
			<b>150,000,000</b>		<b>20,000,000</b>
<b>- Unquoted</b>					
ICICI Prudential Long Term Plan - Regular – Cumulative	10	-	-	15,32,379	30,000,000
HDFC Mf Monthly Income Plan - Long Term - Growth	10	23,53,556	50,000,000	14,29,566	30,000,000
ICICI Prudential Mip - Cumulative	10	18,65,243	45,000,000	12,47,164	30,000,000
Birla Sun Life B63 Birla Sun Life Monthly Income - Growth	10	13,19,372	45,000,000	8,81,521	30,000,000
Birla Sunlife Govt Securities Long Term Fund-Growth	10	8,38,556	23,000,000	-	-
Kotak Credit Opportunities Fund- Growth	10	54,81,492	55,000,000	-	-
Reliance Regular Savings Fund- Debt Plan-Institutional Growth	10	7,79,843	9,898,489	23,71,519	30,000,000
Reliance Mf Monthly Income Plan - Long Term - Growth	10	24,61,046	50,000,000		

	Face Value Rupees	As on 31/03/2011 Nos. Rupees		As on 31/03/2010 Nos. Rupees	
Templeton India Income Opportunities Fund - Dividend	10	-	-	19,60,419	20,000,000
Templeton India Income Opportunities Fund - Growth	10	1,71,34,670	175,499,416	1,51,74,251	155,000,000
Templeton India Short Term Income Retail Plan - Growth	1000	-	-	13,638	25,000,000
Templeton India Short Term Income Retail Plan - Monthly	1000	-	-	45,097	50,219,633
Templeton India Short Term Income Retail Plan - Weekly	1000	-	-	14,068	15,097,402
B251G Birla Sun Life Midcap Fund -Plan A - Dividend Reinvest	10	91,340	2,329,107	-	-
B91 Burlap Sunlife Frontline Equity Fund- Plan A - Dividend	10	9,24,609	19,619,208	12,94,290	27,500,000
B91 Burlap Sunlife Frontline Equity Fund- Plan A - Dividend	10	6,55,162	14,000,000	-	-
DSP Black Rock India T.I.G.E.R. Fund - Regular Plan - Growth	10	91,190	4,000,000	91,190	4,000,000
DSP Black Rock India T.I.G.E.R. Fund - Regular Plan - Dividend	10	84,424	1,600,000	-	-
DSP Blackrock Balanced Fund - Dividend	10	3,50,660	8,121,942	2,36,479	5,621,942
DSP Blackrock Small And Mid Cap Fund - Regular Plan -	10	1,80,685	2,707,091	1,80,685	2,707,091
DSP Blackrock Top 100 Equity Fund - Regular Plan - Dividend	10	18,34,853	37,000,000	15,18,460	30,500,000
DSP Blackrock Focus 25 Fund - Dividend	10	30,00,000	30,000,000	-	-
HDFC Equity Fund - Dividend * ,Option : Payout	10	2,06,707	9,343,487	93,870	4,343,487
HDFC High Interest Fund - Short Term Plan - Dividend*	10			61,73,784	65,479,470
HDFC Prudence Fund - Dividend* . Option: Payout	10	2,49,435	7,500,000	1,62,327	5,000,000
HDFC Top 200 Fund - Dividend*,Option:Payout	10	7,30,918	33,189,126	5,91,053	27,033,595
HDFC Top 200 Fund - Growth *	10	41,832	7,500,000	41,832	7,500,000
ICICI Prudential Floating Rate Plan C - Weekly Dividend	100			1,16,091	11,620,198
ICICI Prudential Focused Equity Fund Retail Dividend	10	16,22,648	22,700,000	10,12,951	14,000,000
ICICI Prudential Focused Equity Fund Retail Growth	10	3,99,373	5,500,000	3,99,373	5,500,000
IDFC Imperial Equity Fund - Plan A Dividend	10	7,67,980	11,500,000	4,38,653	6,500,000
IDFC Money Manager Fund - Treasury Plan - Super Inst Plan C -	10			3,49,696	3,502,691
IDFC Small And Midcap Equity (Sme) Fund - Dividend	10	3,52,821	5,276,552	1,72,844	2,500,000
IDFC-SSIF - Medium Term - Plan A - Growth	10			16,09,249	25,000,000
Morgan Stanley A.C.E. Fund-Dividend Plan	10	7,95,548	11,000,000	2,96,605	4,000,000
Morgan Stanley A.C.E. Fund- Growth Plan	10	3,73,713	5,000,000	3,73,713	5,000,000
Reliance Banking Fund-Growth Plan - Growth Option	10	64,858	5,000,000	64,858	5,000,000
Reliance Banking Fund-Dividend Option	10	59,608	2,000,000	-	-

	Face Value Rupees		As on 31/03/2011 Nos. Rupees	As on 31/03/2010 Nos. Rupees	
Reliance Diversified Power Sector Fund-Retail Growth Plan -	10	64,380	5,000,000	64,380	5,000,000
Reliance Diversified Power Sector Fund-Retail Dividend Pay	10	41,575	2,000,000	-	-
Reliance Growth Fund-Retail Plan - Dividend Plan	10	3,57,834	19,618,777	3,31,626	18,292,274
Reliance Medium Term Fund - Weekly Dividend	10			9,66,386	16,525,200
Reliance Money Manager fund Institutional Plan -Weekly Div.		-	-	397	398,076
Reliance Monthly Income Plan - Growth Plan	10			14,90,349	30,000,000
Reliance Pharma Fund-Dividend Plan	10	37,426	1,250,000	37,426	1,250,000
Reliance Regular Savings Fund - Equity Plan – Dividend Plan	10	4,88,749	11,000,000	1,81,401	4,000,000
Reliance Regular Savings Fund - Equity Plan - Growth Option	10	1,77,473	5,000,000	1,77,473	5,000,000
Reliance Small Cap Fund-Growth Option	10	20,00,000	20,000,000		
Reliance Short Term Fund-Retail Plan-Dividend Plan	10			37,63,011	40,160,415
Reliance Short Term Fund-Retail Plan-Growth Plan	10			14,45,128	25,000,000
S04 Sbnpp Select Midcap- Appreciation	10	55,942	7,500,000	55,942	7,500,000
S04 Sbnpp Select Midcap- Dividend Pay Out	10	1,74,223	3,000,000	-	-
S71 Sbnpp Smile - Dividend	10	7,53,513	10,518,251	6,32,878	9,018,251
S81 Sbnpp Capex Opportunities - Dividend	10	97,052	1,453,411	97,052	1,453,411
			<b>790,114,039</b>		<b>852,223,136</b>
<b>Total Mutual Funds</b>			<b>940,114,039</b>		<b>872,223,136</b>
<b>- GOVERNMENT BONDS</b>					
<b>- Quoted</b>					
Nabard Zero Coupon Bond	8450	7,300	72,667,850	10,000	99,414,255
6.85% 22 Jn14 IIFC L	10000	1,500	152,626,461	1,000	102,372,738
Rural Electrification Corporation Ltd. 54 Ec Bonds	10000	1,000	10,000,000		
6.30 % IRFC Bonds	10000	500	50,063,644		
			<b>285,357,955</b>		<b>201,786,993</b>
<b>- Unquoted</b>					
Rural Electrification Corporation Ltd. 54 Ec Bonds	10000		500		5,000,000
6.30 % IRFC Bonds	10000		500		50,074,354
			-		<b>55,074,354</b>
<b>- OTHER BONDS &amp; DEBENTURES</b>					
<b>- Quoted</b>					
<b>- Secured</b>					
Abk Cons 10% Red.Ncd 301014	10000000	2	2,841,505	2	21,014,460
Barclays Index Linked Pp Debentures	1000000	25	25,330,900	250	25,330,900
Principal Procted Secured Guaranteed Redeemable (Ncds)-S4		300	30,000,000	300	30,000,000
Principal Procted Secured Guaranteed Redeemable (Ncds)- S3	100000	300	30,000,000	300	30,000,000
RBS Fin Services (India) Pvt. Ltd. 240210 125%F26	100000	300	30,132,360	300	30,132,360
Principal Procted Secured Guaranteed Deutsche Investments India Private Limited	100000	500	50,000,000		
Principal Procted Secured Guaranteed Deutsche Investments India Private Limited	100000	400	40,000,000		



	Face Value Rupees		As on 31/03/2011 Nos. Rupees		As on 31/03/2010 Nos. Rupees
Morgan Stanley India Capital Private Ltd.	100000	35	35,000,000		
150 Series 25 Secured Redeemable Guranteed, Ncd Equity Linked Morgan Stanley	1000000	25	25,000,000		
Bilcare Ltd	10000000	2	20,295,461		
			<b>288,600,226</b>		<b>136,477,720</b>
<b>- Unsecured</b>					
10.90% Tata Motors Fin. Ltd. 20/01/2020	500000	-	-	200	100,000,000
9.35% GE Shipping Bonds 08/02/2019	1000000	-	-	100	100,000,000
9.55% IFCI 2025 Bond	1000000	-	-	200	200,005,500
9.65% Yes Bank 2020 Bonds	1000000	-	-	50	50,000,000
10.75% Shriram Transport Finance Ltd 2020	100000	280	28,000,000	-	-
9.70% IFCI 2030	1000000	10	10,154,110	-	-
9.75% IFCI 2030	1000000	75	75,000,000	-	-
9.93% Sundaram Finance Limited	1000000	100	100,000,000	-	-
			<b>213,154,110</b>		<b>450,005,500</b>
<b>- Unquoted</b>					
<b>- Secured</b>					
Debentures Of Sky Deck Properties (Face Value Rs. 1,000,000)		50	50,625,190	50	51,023,597
Debentures Of Churu Trading Company Pvt. Ltd.	-			5	25,000,000
Solaris Holding Limited	10000000	1	102,623,074		
Premier Finance And Trading Co Ltd	5000000	13	65,000,000		
Sri Khodiar Realtech Syndication Pvt Ltd	88000	500	44,000,000		
Vijay Associates (Wadhwa)					
Constructions Private Ltd (Vacpl)- Debentures	93280	500	46,640,000		
			<b>308,888,264</b>		<b>76,023,597</b>
<b>PRIVATE EQUITY</b>					
IDEF Private Equity			46,500,000	-	-
II & Fs Milestone Fund II	10	20,00,000	20,000,000	-	-
IDFC Hybrid Fund			17,996,098		
Multiples Private Equity Fund Scheme I			5,000,000	-	-
Tikona Private Equity			19,999,280	-	-
Zephyr Peacock India II Fund			20,000,000	-	-
Milestone Bullion Series -I		1,920	20,000,000	-	-
Aditya Birla Real Estate Fund			5,000,000		
			<b>154,495,378</b>		<b>-</b>
<b>NON - TRADE, CURRENT &amp; UNQUOTED</b>					
<b>- MUTUAL FUNDS</b>					
<b>- Quoted</b>					
Liquid Banchmark With Morgan			1,994		
Liquid Banchmark With Morgan Capital Pms	1000	1,602	1,601,573		
			<b>1,603,567</b>		<b>-</b>

	Face Value Rupees	As on 31/03/2011 Nos. Rupees		As on 31/03/2010 Nos. Rupees	
<b>- Unquoted</b>					
Birla Sun Life Savings Fund - Insti- Weekly Dividend - Reinvestment	10			1,02,557	1,026,300
Birla Sun Life Savings Fund - Insti- Weekly Dividend - Reinvestment	10	91,540	916,069	10,03,26,925	1,006,279,816
IDFC Money Manager Fund - Investment Plan - Inst Plan B-Daily Div.	10			3,00,22,350	300,673,837
Kotak Bond (Short Term)-Monthly Dividend	10			14,96,737	15,053,839
UTI - Fixed Income Interval Fund - Series li - Quarterly Interval Plan	10			2,51,40,859	251,428,632
Dws Insta Cash - Bonus Plan - Liquid Mutual Fund	10	3,54,550	3,484,723	-	-
Principal Cash Mgmt Inst Premium	10	14,09,157	20,862,194		
Reliance Liquid Fund - Treasury Plan- Institutional Option - Weekly Dividend Option	10	2,89,049	4,426,504		
Reliance Money Manager Fund -Institutional Plan - Weekly Dividend	1000	1,403	1,406,736	-	-
HDFC Cash Management Fund Treasury Advantage - Wholesale Plan Weekly Dividend	10	6,13,807	6,154,901		
			<u>37,251,127</u>		<u>1,574,462,424</u>
<b>- ARBITRAGE FUND</b>					
<b>- Unquoted</b>					
Motilal Oswal Arbitrage Fund				-	14,430,221
<b>Total Current Investment</b>			<u>-</u>		<u>14,430,221</u>
<b>- BULLION</b>					
GOLD BEES (Quoted)		8,125	13,359,846		
GOLD 24 K 99.999% (Unquoted)	-		3,809,064	-	1,711,748
			<u>17,168,910</u>		<u>1,711,748</u>
<b>GRAND TOTAL</b>			<u>2,798,997,396</u>		<u>3,536,956,631</u>
			<u>2,798,997,396</u>		<u>3,53,695,6631</u>

**20. Detail of investments Purchased / Sold during the year**

PARTICULARS	Face Value Rs.	No. of Units
<b>Mutual Fund</b>		
AIG Equity mutual fund (Rathi)	10	409,816
AIG India Liquid Fund-Institutional Plan-Daily Div.	1000	19,981
AIG India Treasury Fund-Institutional Plan-Weekly Div.	10	2,002,585
Baroda Pioneer Liquid Fund - Institutional Growth Plan	10	72,089,535
Baroda Pioneer PSU Bond Fund	10	9,951,421
Birla Sun Life Dynamic Bond Fund	10	5,384,502
Birla Sun Life Savings Fund-Institutional Plan- Weekly Div.	10	772,464
Birla Sunlife Cash Plus - Instl Daily Dividend - Reinvestment	10	6,794,849
Canera Robeco Gilt Fund - Growth	10	515,670
DSP Black rock Liquidity Fund- Inst. Plan- Daily Div.	1,000	34,989
DSP Black rock Microcap fund (Morgan)	10	1,316,602
DSP Black rock Small & Midcap fund (Morgan)	10	684,229

PARTICULARS	Face Value Rs.	No. of Units
<b>Mutual Fund</b>		
DWS Instalment Cash - Bonus Plan	10	1,680,333
HDFC Cash Management Fund Treasury Advantage - Wh, Plan-Div-Weekly	10	1,231,714
HDFC High Interest Fund - STP - Dividend	10	15,553,219
ICICI Prudential Floating Rate Plan C - Weekly Div.	10	117,195
ICICI Prudential Flexible Income Plan Premium-Growth.	10	59,811
ICICI Prudential Gilt Fund Growth	10	717,767
IDFC Cash fund - DLY DIV	10	1,772,278
IDFC Cash Fund Super Inst. Plan-C- Growth	10	10,931,370
IDFC-Money Manager Fund-Treasury - Dly Div.	10	2,267,028
Kotak Bond Short Term-Monthly dividend	10	2,461,720
Kotak Bond Short-term-DM Dividend Reinvest	10	1,981,370
Kotak Floater Short Term - Growth	10	1,623,946
Kotak Gilt Fund - Growth	10	411,547
Kotak Quarterly Interval Plan Series IV	10	8,148,778
LIC Income Plus Fund - Weekly dividend Plan	10	1,993,239
LIC Savings Plus Fund-Div Reinv	10	19,580,878
LICMF Liquid Fund - Dividend Plan	10	19,315,363
Morgan Stanley Short Term Bond Fund- Institutional Plus- Div- Weekly	10	64,307
Peerless Liquid Fund- Super Institutional Growth	10	40,272,632
Pramerica Liquid Fund-Inst. Growth	1,000	20,276
Principal Cash Management - (G) Liquid Option	10	4,048,019
Principal Cash Mgmt Fund Inst Premium-G	10	1,359,352
Reliance Liquid Fund - Treasury Plan - Institutional Option	10	1,335,220
Reliance Liquid Fund - Treasury Plan Retail Option Daily Dividend Option	10	1,508,909
Reliance Medium Term Fund Daily dividend plan	10	1,550,120
Reliance Money Manager Fund-Institutional Plan-Weekly Div Option.	10	14,863
Templation India Short Term Income Retail Plan-Weekly Dividend	1,000	23,205

PARTICULARS	Face Value Rs.	No. of Units	PARTICULARS	Face Value Rs.	No. of Units
<b>Equity Shares</b>					
Action Construction Equipment Limited	2	5109	Bajaj Finance Limited	10	1681
Adani Enterprises Limited	1	8687	Bajaj Finserv Ltd.	5	2900
Aditya Birla Nuvo Ltd	1	5000	Ballarpur Industries Ltd	2	10000
Allcargo Global Logistics Limited	2	4464	Bartronics India Limited	10	4000
Allied Digital Services Limited	5	4026	Benchmark Bankbees	10	2780
Alstom Projects India Ltd	10	965	Berger Paints (India) Ltd	2	12056
Amara Raja Batteries Ltd	2	4163	Bf Utilities Ltd	5	773
Ambuja Cements Ltd.	2	12990	BGR Energy Systems Limited	10	600
Anant Raj Industries Ltd	2	4762	Bharat Heavy Electricals Ltd	10	1022
Anuh Pharma	5	850	Bharat Petroleum Corporation Ltd.	10	1497
Arvind Limited	10	15000	Bharti Airtel Limited	5	10491
Ashok Leyland Ltd	1	12996	Bliss Chemicals And		
Ashoka Buildcon Limited	10	2790	Pharmaceuticals India Ltd	1	18953
Asian Paints India Limited	10	56	Blue Star Ltd	2	3900
Aurobindo Pharma Ltd	1	6014	Cadila Healthcare Limited	10	4000
Axis Bank Ltd.	10	1509	Cairn India Limited	10	25009
Bajaj Auto Ltd	10	6218	Can Fin Homes Ltd	10	5726
Bajaj Electricals Ltd	2	2205	CESC Ltd	10	3528
Bajaj Finance Limited	10	1681	City Union Bank Ltd	2	50000
Bajaj Finserv Ltd.	5	2900	Coal India	10	454

PARTICULARS	Face Value Rs.	No. of Units	PARTICULARS	Face Value Rs.	No. of Units
Core Projects And Technologies Ltd	2	3391	Indusind Bank Ltd	10	1845
Crompton Greaves Ltd	2	4139	Infosys Technologies Ltd.	5	1384
Cummins India Ltd	2	2143	IVRCL Infrastructures & Projects Ltd	2	4001
D.B. Corp Ltd	10	1771	J.Kumar Infraprojects Limited	10	2584
Dhampur Sugar Mills Ltd	10	5000	JBF Industries Ltd	10	2500
Dhanalakshmi Bank Ltd	10	4516	Jindal Steel & Power Ltd	1	3075
Dhunseri Petroc & Tea Ltd	10	4326	Jk Lakshmi Cement Ltd	5	10000
Dish Tv India	1	27988	JMC Projects (India) Ltd	10	2606
Divis Laboratories Ltd	2	1332	Jyoti Structures Ltd	2	4450
DLF Limited	2	3800	Kalpataru Power Transmission Ltd	2	2640
Dr Reddys Laboratories Ltd	5	4500	Khaitan Chemicals & Fertilizers Ltd	10	5334
Easun Reyrolle Ltd	2	7753	KNR Constructions Limited	10	4731
Eicher Motors Ltd	10	757	Kotak Mahindra Bank Ltd	5	2800
Elecon Engineering Company Ltd	2	9154	Ksb Pumps Ltd	10	1000
Emami Ltd	1	2009	Lanco Infratech Limited	1	14192
Exide Industries Ltd	1	6800	Larsen & Toubro Ltd.	2	2825
Future Capital Holdings Ltd	10	18314	LIC Housing Finance Ltd	2	1850
Gail (India) Ltd	10	4831	Lupin Ltd	2	950
Gammon India Ltd Total	2	7856	Maharashtra Seamless Ltd	5	2016
Garden Silk Mills Ltd	10	5000	Mahindra & Mahindra Ltd	10	10561
Garware Offshore Services Limited	10	4687	Mahindra Lifespace Devltd	10	2450
Gayatri Projects	10	3550	Mahindra Ugine Steel Co.	10	3000
Glaxosmithkline Consumer	10	99	Manappuram General Finance & Leasing Ltd	2	990
Greenply Industries Ltd	5	3000	MBL Infrastructures Limited	10	3788
Gujarat Apollo Industries Limited	10	3788	Mphasis Ltd	10	974
Gujarat Mineral Dev Corp Ltd	2	21000	Nagarjuna Construction Company Ltd	2	7408
Gujarat Mineral Development Company Ltd	2	21000	Natco Pharma Ltd	10	3186
Gujarat Nre Coke Ltd	10	15242	National Thermal Power Corporation	10	2528
Havells India Ltd	5	835	Nava Bharat Ventures Limited	2	2310
HCL Technologies Ltd.	2	1449	Ncc Limited	2	15200
HDFC Bank Ltd.	10	1305	Nestle India Limited	10	100
Hero Honda Motors Ltd Total	2	884	Nifty Bmark Exch. Trd Fnd	10	5800
Yes Bank	10	2171	Oberoi Realty Limited	10	19000
Zee Entertainment Enterprises Ltd	1	3224	Oil And Natural Gas Corp.	5	13206
Hexaware Technologies Ltd	2	63500	Patel Engineering Ltd	1	4476
Himadri Chemicals & Industries Ltd	1	6887	Pipavav Shipyard Limited	10	2703
Hindalco Industries Ltd. Total	1	7646	Piramal Healthcare Ltd	2	5093
Hindustan Construction Company Ltd	1	2172	Polaris Software Lab Ltd	5	3811
Hindustan Petroleum Corporation Ltd	10	1573	Power Grid Corporation Of India Ltd.	10	7843
Hindustan Unilever Limited	1	9916	Prakash Industries Ltd	10	5000
Hotel Leela Venture Ltd	2	14357	Provogue	2	13279
Housing Development Finance Corporation Ltd.	2	573	PsI Limited	10	2828
I T C Ltd.	1	16485	Punj Lloyd Limited	2	3141
ICICI Bank Ltd.	5	3000	Punjab National Bank Ltd.	10	1821
II&Fs Engineering And Construction Company Ltd	10	18776	PVR Limited	10	2921
Ilfs Transportation Networks Limited	10	2528	Ranbaxy Laboratories Ltd.	5	2681
Indian Overseas Bank	10	24004	Reliance Industries Limited	10	2329
Indo Borax & Chemicals Ltd.	10	40	Reliance Infrastructure Ltd	10	2784
			Sadbhav Engineering Right Issue	1	802
			Sanghvi Movers Ltd	2	3688

PARTICULARS	Face Value Rs.	No. of Units	PARTICULARS	Face Value Rs.	No. of Units
Satyam Computer Services Ltd	2	5259	Tata Global Beverages Ltd	1	9683
Selan Explo. Tech Ltd	10	4600	Tata Motors Ltd.	10	2208
Shasun Pharmaceuticals Limited	2	17972	Tata Steel Limited	10	1681
Shilpa Medicare Limited Total	2	2687	Tata Tea Ltd.	10	10500
Shree Nath Commercial & Finance Ltd	1	35000	Technofab Engineering Limited	10	3674
Shree Renuka Sugars Ltd	1	25952	Tecpro systems Limited	10	3444
Shriram Transport Finance Company Ltd	10	2750	Texmaco Limited	1	7562
Siemens Ltd	2	3346	Texmaco Rail And Engineering Limited	10	7562
Sintex Industries Ltd	1	3278	Thermax Ltd	2	854
SKS Microfinance Ltd	10	2500	Titan Industries Ltd	10	3394
Spice Jet Limited	10	127808	Torrent Power Limited	10	2738
Splash Media Works Ltd	1	50000	TRF Ltd	10	641
Srf Ltd	10	6307	Tvs Motor Company Ltd	1	4956
Standard Chartered Plc	-	237192	Ub Engineering Ltd	10	6000
State Bank Of India	10	5866	Union Bank Of India	10	10512
Sterlite Industries (I) Ltd	2	36464	United Spirits Limited	10	600
Strides Arcolab Ltd	10	2012	V-Guard Industries Limited	10	8010
Sun Pharmaceutical Industries Ltd.	1	991	Vimta Labs Limited	2	5000
Sun Tv Ltd	5	2072	Voltamp Transformers Limited	10	23
Sundram Fasteners Ltd	1	12230	Voltas Ltd	1	29274
Surya Pharmaceutical Ltd.	1	1500	Wabco-Tvs India Limited	5	714
Sv Electricals	10	25000	Welspun Projects Limited	10	6513
Tantia Construction Limited	10	5633	Whirlpool Of India Limited	10	167
Tata Chemicals Ltd	10	2414	Wipro Ltd.	2	14332
Tata Consultancy Services Ltd.	1	161	Wockhardt Limited	5	13140

**21. The Company has amount due to suppliers covered under The Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act) as at 31/03/2011. The disclosure pursuant to the said Act is as under**

Particulars	Rs.
Principal Amount due to suppliers under MSMED Act,2006	<b>719,832</b>
Interest accrued and due to suppliers under MSMED Act, on the above amount	<b>26,505</b>
Payment made to suppliers ( other than interest ) beyond the appointed day, during the year	-
Interest paid to suppliers under MSMED Act ( Other than section 16 )	-
Interest paid to suppliers under MSMED Act ( Section 16 )	-
<b>Interest due and payable to suppliers under MSMED Act, for the payment already made</b>	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-
<b>Note : The information has been given in respect of such vendors to the extent they could be identified as “</b>	-
<b>Micro and Small enterprises” on the basis of information available with Company.</b>	-

**22. Segment reporting:**

Rs. in Lacs

Particulars	Current Year	Previous Year
<b>Segment Revenue</b>		
Fiber Based Composite Products	9,659	9,025
Investment	2,822	514
	<b>12,481</b>	<b>9,539</b>
<b>Segment Results</b>		
(Profit/(Loss) before Interest, Tax and Exceptional Items from each Segment)		
Fiber Based Composite Products	369	641
Investment	2,417	489
	<b>2,786</b>	<b>1,130</b>

<b>Unallocate Expenses</b>	(251)	(41)
Interest Expenses	(130)	(193)
Exceptional Income(Net)	228	56,394
Tax Expenses	(628)	(9,769)
<b>Profit After Taxation</b>	2,005	47,521
<b>Segment Assets</b>		
Fiber Based Composite Products	6,002	6,270
Investment	38,144	46,721
Unallocated Assets	7,737	1,449
	51,883	54,440
<b>Segment Liabilities</b>		
Fiber Based Composite Products	2,632	3,365
Investment	-	-
Unallocated Liabilities	920	1,404
	3,552	4,769
<b>Other Informations</b>		
Capital Expenditure	1,543	898
Depreciation & Amortisation	443	385

**23. Disclosures as required by Accounting Standard -18, on “Related Party Disclosure” are given below:**

List of Related Parties:(with whom the Company has entered into transaction during the year in the ordinary course of business.)

(i) Associates

Rasoi Ltd., J L Morison India Ltd., Pallawi Resourcess Ltd., Rasoi Finance Ltd., Noble Trading Co. Ltd.

(ii) Key Management Personnel

Mr. R.N. Mody ,Chairman

Mr. Varunn Mody , Director

Mr. P. K. Choudhary, Managing Director.

(iii) Relatives of Key Managerial Persons

Mrs. Sumitra Devi Mody (Wife of Mr R.N .Mody, Chairman)

The details of Transaction are :

**A) Nature of Transactions with Promoter Group Company / Relatives**

<b>Loan Repayment</b>		<b>Deposit for Rent propoerty</b>	
J L Morison (India) Limited	Nil	Rasoi Limited	50,000,000
	(66,700,000)		Nil
<b>Loan Taken</b>		<b>Inter-Corporate Deposit Received back</b>	
J L Morison (India) Limited	Nil	J L Morison (India) Limited	80,000,000
	(46,700,000)		(Nil)
<b>Loan Given</b>		Noble Trading Co. Ltd.	25,00,000
J L Morison (India) Limited	Nil		(Nil)
	(20,000,000)	<b>Interest Paid</b>	
<b>Loan Received back</b>		J L Morison (India) Limited	Nil
J L Morison (India) Limited	Nil		(2,103,747)
	(20,000,000)	<b>Interest Received</b>	
<b>Inter-Corporate Deposit Given</b>		J L Morison (India) Limited	2,908,913
J L Morison (India) Limited	80,000,000		(44,384)
	(Nil)	Rasoi Finance Ltd	120,711
Rasoi Finance Ltd	7,950,000		(Nil)
	(Nil)		
Noble Trading Co. Ltd.	35,000,000		
	(Nil)		

**B) Nature of Transactions with Key Management**

**Personal**

**Salary and Allowances**

<b>Mr. P. K. Choudhary</b>	2,501,627 (1,497,410)
<b>Mr. Vinay Sarin</b>	1,419,110 (1,289,288)
<b>Mr. V. D. Ingle</b>	1,473,040 (1,289,288)
<b>Mr. Varunn Mody</b>	1,363,230 (Nil)

**Commission to Directors**

Mr. Varunn Mody	2,100,000 (500,000)
Mr. A B Vaidya	NIL (200,000)

**Reimbursement of Expenses to**

J L Morison (India) Limited	466,623 (977,660)
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**Rent Paid to**

Rasoi Limited	834,000 (1,224,000)
Pallawi Resources Ltd.	125,000 (125,000)
J L Morison (India) Limited	129,300 (158,175)
Others	60,000 (60,000)

**Dividend Received**

J L Morison (India) Limited	249,349 (219,400)
Rasoi Limited	64,000 (175,068)

**Dividend Given**

Rasoi Ltd.	20,505,740 (Nil)
J L Morison (India) Limited	3,692,340 (Nil)

**C) Closing Balance with Associates /Relatives**

**Deposits Given**

Pallawi Resources Ltd	550,000 (550,000)
Rasoi Ltd.	50,000,000 Nil
Sumitra Devi	Nil (996,736)
Noble Trading Co. Ltd.	32,500,000 Nil
Rasoi Fiance Ltd.	79,50,000 Nil

**Investment in**

J L Morison (India) Limited	42,953,620 (36,504,049)
Rasoi Limited	23,601,637 (23,601,637)
Others	1,125,000 (1,125,000)

Notes:

- No amount pertaining to related parties has been provided for as doubtful debts. Also, no amount has been written off/back.
- Details relating to investments in the above related parties have been disclosed in Schedule '6':- Investments.
- The related parties are as identified by the Company and relied upon by the Auditors.

**24. Loans & Advances include:**

Loans where there is no interest or at an interest rate below that specified in the Companies Act, 1956.	Amount Outstanding as on 31.03.11 Rs.	Maximum amount Outstanding During the year Rs.	No. of Equity Shares held in Company	Maximum Nos. of Equity Shares held in the Company
Employees (as per general rules of the Company)	1,18,000 (2,09,000)	3,91,000 (4,56,000)	----	----

25. In respect of properties taken/given by the Company, the lease agreements are mutually renewable /cancelable.

26. Figures of the previous year have been regrouped/rearranged/re-classified, wherever necessary to confirm to current year's presentation.

27. Figures in brackets pertains to the financial statements for the year ended 31st March 2010.

Signatures to Schedules 1 to 19 which form an integral part of the financial statements.

As per our attached report of even date

**For LODHA & COMPANY**

Chartered Accountants

**A.M. HARIHARAN**

Partner

Membership No. 38323

Firm Registration No. 301051E

Mumbai, 25<sup>th</sup> May 2011

**Amit Goenka**

G.M. Finance & Company Secretary

**For and on behalf of the Board of Directors**

**Raghu Mody**

Chairman

**P. K. Choudhary**

Managing Director

**Varunn Mody**

Executive Director

Mumbai, 25<sup>th</sup> May 2011



**ADDITIONAL INFORMATION PURSUANT TO REQUIREMENT OF PART IV OF  
SCHEDULE VI OF THE COMPANIES ACT, 1956**

Balance Sheet abstract and company's general business profile

**I. REGISTRATION DETAILS**

0 1 2 9 5 5

State Code

1 1

BALANCE SHEET DATE

3 1 0 3 2 0 1 1

Date Month Year

**II. CAPITAL RAISED DURING THE YEAR (Amount in Rs.'000)**

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 DEVELOPMENT OF FUNDS (Amount in Rs. '000)**

Total Liability

5 1 8 8 2 9 6

Total Assets

5 1 8 8 2 9 6

Sources of Funds :

Paid up Capital

4 9 2 3 0

Reserves & surplus

4 7 3 6 2 6 1

Secured Loans

1 0 6 3 3 3

Unsecured Loans

4 7 6 1 4

Deffered Tax Liability

7 6 2 4 4

Application of Funds :

Net Fixed Assets

8 4 6 1 6 2

Investments

2 7 9 8 9 9 7

Net Current Assets

1 3 7 0 5 2 3

Miscellaneous Expenditure

N I L

**IV. PERFORMANCE OF COMPANY (Amount in Rs. '000)**

Turnover

9 5 7 1 9 4

Total Expenditure

1 0 0 8 6 9 7

Profit Before Tax

2 6 3 2 9 6

Profit After Tax

2 0 0 4 5 1

Earning per share (Rs.) Annualised

3 6 . 8 2

Dividend Rate %

2 0 %

**V. GENERIC NAMES OF THE PRINCIPAL PRODUCTS OF THE COMPANY (As per Monetary terms)**

Item Code : (ITC Code )

8 7 0 8 3 1 . 0 0

Product Description

B R A K E L I N E R S

8 4 8 4 9 0 . 0 0

C O M P R E S S A S B E S T O S F I B R E J O I N T I N G S

8 7 0 8 9 3 . 0 0

C L U T C H F A C I N G S

**For and on behalf of Board of Directors**

**Raghu Mody** Chairman

**P. K. Choudhary** Managing Director

**Varunn Mody** Director

**Amit Goenka**

G.M. Finance & Company Secretary

Mumbai , 25th May, 2011



Dear Sir / Madam,

The Ministry of Corporate Affairs, vide its Circular nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 has taken a "Green Initiative" by allowing paperless compliances by the companies to serve the requisite documents to its members vide e-mode, in pursuance to Section 53 of the Companies Act, 1956. Accordingly, the Company shall be required to update its database by incorporating your designated e-mail ID in its records.

You are thus requested to kindly submit your e-mail ID vide the e-mail updation form attached with this note. The same could be done by filling up and signing at the appropriate place in the said form and by returning this letter by post or by sending scan copy through e-mail at [secretarial@hindcompo.com](mailto:secretarial@hindcompo.com).

The e-mail ID provided shall be updated subject to successful verification of your signatures as per record available with the RTA of the Company.

Thanking you,

Yours faithfully,  
For **Hindustan Composites Limited**

**Amit Goenka**  
G. M. - Finance & Company Secretary

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Dated \_\_\_\_\_

The G. M. - Finance & Company Secretary,  
Hindustan Composites Limited  
B-11, Paragon Condominium,  
P.B. Marg, Worli,  
Mumbai- 400 013

**Sub: E-mail updation**

Dear Sir,

In view of the MCA Circular no. 17/2011 dated April 21, 2011, I/we :

Name of the sole / Joint holder(s)	Father's/Husband's Name

holding \_\_\_\_\_ nos. of shares of Hindustan Composites Limited vide Folio No. \_\_\_\_\_ DP ID-Client ID \_\_\_\_\_, do hereby wish to receive all future correspondence of the Company at the following e-mail ID :

E-mail ID : \_\_\_\_\_

I/we hereby declare that the particulars given herein are true, correct and complete. I/we hereby undertake to promptly inform Hindustan Composites Limited (HCL) of any changes to the information provided hereinabove.

You are requested to please update the same in your records.

Thanking you,  
Yours truly,

\_\_\_\_\_  
Sole/ First holder

\_\_\_\_\_  
Second holder

\_\_\_\_\_  
Third holder

(Specimen as registered with the Company)

Note : Kindly submit your e-mail ID by filling up and signing at the appropriate place provided hereinabove and furnishing this form :

- i) by post; or
- ii) by way of a scan copy through e-mail at investor@hindcompo.com

The e-mail ID provided shall be updated subject to successful verification of your signatures.





# HINDUSTAN COMPOSITES LTD.

B-11, Paragon Condominium, P. B. Marg, Worli, Mumbai - 400 013

## ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the AGM venue.

I hereby record my presence at the Forty Seventh Annual General Meeting of the Company to be held at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400 018 at 11.00 a.m. on Tuesday 09<sup>th</sup> August, 2011.

- I am shareholder of the Company
- I am Proxy / Authorised Representative of the above shareholder(s)\*

My Name is : .....

Folio No./Client ID. : .....

Address : .....

.....

.....

Signature

\* Please Strike off any one which is not applicable

TEAR HERE



# HINDUSTAN COMPOSITES LTD.

B-11, Paragon Condominium, P. B. Marg, Worli, Mumbai - 400 013

## PROXY FORM

I/We..... FolioNo./ClientID.....

of.....being a member/members of Hindustan Composite Ltd . hereby appoint

.....of

..... or failing him .....of

..... or failing him .....of

..... or failing him .....

as my/our proxy to attend and vote for me/us and on my/our behalf at the Forty Seventh Annual General Meeting of the Company to be held at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400 018 at 11.00 a.m. on Tuesday 09<sup>th</sup> August, 2011.

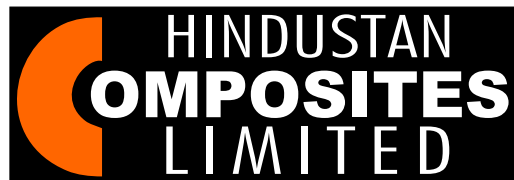
Signed this.....day of.....2011

Member's Folio Number/Client I.D.....

Affix a  
Rs. 1-  
Revenue  
Stamp

BOOK POST

If undelivered, please return to :



B-11, Paragon Condominium  
P. B. Marg, Worli, Mumbai - 400 013.