

## SYNTHIKO FOILS LIMITED

### **BOARD OF DIRECTORS:**

Mr. Ramesh Dadhia	:	Chairman and Managing Director
Mr. Bhavesh Dadhia	:	Whole Time Director
Mr. Dilip D. Punjabi	:	Independent Non-Executive Director
Mr. Sunil Bang	:	Independent Non-Executive Director (Resigned w.e.f. 1 <sup>st</sup> April, 2011)

### **AUDITORS:**

M/s. Arvind & Company  
Chartered Accountants, Mumbai.

### **BANKERS:**

1. State Bank of India, Vile Parle (East)
2. Corporation Bank, Vile Parle (East)
3. Bassein Catholic Co-Op. Bank Limited, Bhayander (E)
4. State Bank of India, Jawhar
5. Jawhar Urban Co-Op. Bank Limited, Jawhar

### **REGISTERED OFFICE:**

84/1, 84/2, Jamsar Road,  
Jawhar, Thane-401603.

### **SHARE TRANSFER AGENT:**

**Purva Sharegistry India Pvt Ltd**  
9, Shiv Shakti Industrial Estate,  
Sitaram Mills Compound, J.R. Boricha Marg,  
Opp. Kasturba Hospital, Lower Parel (E),  
Mumbai - 400013

### **LISTING OF EQUITY SHARES:**

**The Bombay Stock Exchange Limited,**  
Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai - 400 001.

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## NOTICE

NOTICE IS HEREBY GIVEN THAT THE 26<sup>th</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF SYNTHIKO FOILS LIMITED WILL BE HELD ON THURSDAY THE 29<sup>TH</sup> SEPTEMBER, 2011 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 84/1, 84/2, JAMSAR ROAD, JAWHAR - 401603, DIST - THANE TO TRANSACT THE FOLOWING BUSINESS:

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### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited accounts for the year ended **March 31, 2011** along with notes and schedules thereon as on that date and the reports of Directors and Auditors thereon.
2. To appoint auditor of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting and to fix their remuneration.
3. To appoint Director in place of Mr. Dilip D. Punjabi who retires by rotation and being eligible offers himself for re-appointment.

ON BEHALF OF THE BOARD  
FOR SYNTHIKO FOILS LIMITED

Sd/-

RAMESH DADHIA  
MANAGING DIRECTOR

DATE: AUGUST 29, 2011  
PLACE: JAWHAR

### 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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The proxies, in order to be effective must be duly stamped and signed and should be deposited with the company not less than 48 hours before the time fixed for the commencement of the meeting.
3. The Register of Members and Share Transfer Register in respect of equity shares of the Company will remain closed from **Friday, the September 27, 2011 to Thursday, the September 29, 2011** (both days inclusive).
4. Members/Proxies are requested to produce the attendance slip duly signed, sent along with the Annual Report, for admission to the meeting hall and also requested to bring copies of Annual Report.

5. Corporate members are required to produce to the Company a duly certified copy of the Board Resolution, pursuant to section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the AGM.
6. Members whose shareholding is in the electronic mode are requested to direct change of address notification and updation of Saving Bank Account details to their respective Depository Participants.
7. Members holding shares in physical form are requested to intimate to the Company's Registrar and Share Transfer Agent, Purva Shareregistry India Pvt. Ltd., 9, Shiv Shakti Industrial Estate, Sitaram Mills Compound, J.R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (E), Mumbai - 400013, the following:
  - a) Change in their address, if any, along with the pincode.
  - b) Request for consolidation of shareholdings in one account if share certificates are held in multiple accounts or joint accounts in identical order of names.
8. The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to members. To support this commendable initiative of MCA, company intend to implement the said initiative in full-fledged manner from subsequent general meetings and therefore seek members' support by requesting them to register their email address in respect of electronic holdings with their Depository through their concerned Depository Participants as early as possible. Members who hold shares in physical mode are requested to register their email address by addressing to Registrar and Transfer Agent, Purva Shareregistry India Pvt. Ltd., 9, Shiv Shakti Industrial Estate, Sitaram Mills Compound, J.R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (E), Mumbai - 400013.
9. Profile of Mr. Dilip Punjabi being re-appointed:

Name of the Director	Mr. Dilip Punjabi
Date of Birth and Age	25/08/1949 and 61 years old
Qualification	B. Com
Expertise in specific functional areas	Experience of 34years at Corporate level in the field of Management & Logistics.
Other Directorships	Nil
Memberships of the Committees in other companies	Nil
No of shares held	Nil

**BY ORDER OF THE BOARD OF DIRECTORS**

Sd/-

PLACE: JAWHAR  
DATE: AUGUST 29, 2011

RAMESH DADHIA  
CHAIRMAN & MANAGING DIRECTOR

## DIRECTORS' REPORT

TO,  
THE MEMBERS,  
SYNTHIKO FOILS LIMITED

Your Directors have great pleasure in presenting **26<sup>th</sup> Annual Report** along with the Audited Balance sheet and Profit and Loss Account, for the year ended **March 31, 2011**.

### 1. FINANCIAL RESULTS:

Particulars	Year ended on 31-03-2011 Amount in Rs.	Year ended on 31-03-2010 Amount in Rs.
Total Income	10,08,33,594	8,74,58,670
Depreciation	11,86,273	10,74,986
Net Profit/(Loss) before Tax	31,23,912	22,83,616
Less: Provision for Taxation	5,61,600	3,75,000
Net Profit/(Loss) after Tax	24,60,184	18,18,203
Balance b/f from Previous Year	49,36,932	31,18,729
Balance c/f to Balance Sheet	73,97,116	49,36,932

### 2. PERFORMANCE REVIEW:

In the current financial year, your Company reported Turnover of Rs. 9,15,91,529/- (Rupees Nine Crore Fifteen Lacs Ninety One Thousand Five Hundred Twenty Nine only) as against Rs. 7,71,82,619/- (Rupees Seven Crores Seventy One Lacs Eighty Two Thousand Six Hundred Nineteen only) in the financial year 2009-10. Due to increase in sales, your Company reported higher profit in comparison to the previous year. After making necessary provisions, the net profit after tax for the financial year 2010-11 stood at Rs. 24,60,184/- (Rupees Twenty Four Lacs Sixty Thousand One Hundred Eighty Four only) as against Rs. 18,18,203/- (Rupees Eighteen Lacs Eighteen Thousand Two Hundred Three only) in the financial year 2009-10.

### 3. DIVIDEND:

In view of financial position of the Company, your Directors did not recommend any dividend for the year 2010-2011.

### 4. DIRECTORS:

Mr. Dilip D. Punjabi, Director of the Company, retires by rotation and being eligible offered himself for re-appointment. The Members are requested to re-appoint him in the ensuing Annual General Meeting.

Mr. Sunil Bang has resigned as Director of the Company with effect from April 1, 2011; board thanked him for providing valuable service during his tenure.

### 5. FIXED DEPOSITS:

The Company has not accepted public deposits within the meaning of section 58A of the Companies Act, 1956 and rules framed there under.

### 6. SUBSIDIARIES:

Since the Company has no subsidiaries, provision of section 212 of the Companies Act, 1956 do not apply to the Company.

## **7. AUDITORS:**

M/s. **Arvind & Company**, Chartered Accountants, and statutory auditors of your company hold office until the conclusion of the forthcoming Annual General Meeting and have signified their willingness to be re-appointed and have further confirmed that their appointment if made shall be within the limits specified under Section 224 (1B) of the Companies Act, 1956.

In view of the above members are requested to re-appoint M/s. Arvind & Company as statutory auditors from the conclusion of ensuing Annual General Meeting till the conclusion of next Annual General Meeting.

## **8. SHARE CAPITAL:**

The Authorised Share Capital of the Company is Rs. 1,00,00,000/- (Rupees One Crore only) divided into 10,00,000 (Ten Lacs) equity shares of Rs.10/- each.

The Issued & Subscribed share capital of the Company is Rs. 87,00,000/- (Rupees Eighty Seven Lacs only) divided into 8,70,000 of Rs. 10/- each and the Paid up capital of the Company is Rs. 85,71,000/- (Rupees Eighty Five Lacs Seventy One Thousand only) and balance Rs. 1,29,000/- (Rupees One Lac Twenty Nine Thousand only) are calls in arrears.

## **9. PARTICULARS OF EMPLOYEES:**

There were no employees who were in receipt of the remuneration in excess of the limits as set out in terms of the provisions of section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 and amendment thereto.

## **10. PARTICULARS OF CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION:**

The Company is taking optimum effort to conserve the energy and technology absorption.

Further, the details of total energy consumption and energy consumption per unit of production in the prescribed format under Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is enclosed as **Annexure A** to this report.

## **11. FOREIGN EXCHANGE EARNINGS AND OUTGOINGS:**

The details of the foreign exchange transactions are given below:

<b>Particulars</b>	<b>(Rupees in Lacs)</b>	
	<b>2010-2011</b>	<b>2009-2010</b>
Total Foreign Exchange Earned	Nil	38.83
Total Foreign Exchange Used	272.99	360.89

## **12. CORPORATE GOVERNANCE REPORT:**

The corporate governance code is mandatory for the listed company having paid-up capital of Rs. 3,00,00,000/- (Rupees Three Crores) or more. Since the paid up capital of the Company as on March 31, 2011 is Rs. 85,71,000/- (Rupees Eighty Five Lacs Seventy One Thousand only) i.e. below the aforesaid limit, the Corporate Governance code is not mandatory to the Company.

## **13. COMPLIANCE CERTIFICATE:**

Compliance Certificate as required under Section 383A of the Companies Act, 1956 prepared and issued by HS Associates, Company Secretaries in Practice is annexed to this report as **Annexure-B**.

#### **14. DIRECTORS RESPONSIBILITY STATEMENT**

The Board of Directors hereby confirms:

- i. That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. That the Directors have selected such accounting policies and applied them consistently and 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 financial year and of the Profit or Loss of the Company for that period.
- iii. That the Directors have taken proper and sufficient care for the maintenances of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors have prepared the Annual accounts on a going concern basis.

#### **15. LISTING**

The trading in shares was suspended w.e.f.18<sup>th</sup> February, 2002 due to non compliances of certain clauses of listing agreement. However, the Company has taken all necessary steps to comply with the necessary compliances and with effect from September 1, 2010 the trading in shares of the Company has been resumed by the Bombay Stock Exchange.

#### **16. STOCK EXCHANGE REQUIREMENTS:**

Being listed at The Bombay Stock Exchange Limited, your company has paid listing fees till March, 2012.

#### **17. ACKNOWLEDGEMENT**

Your Directors wish to acknowledge all their stakeholders and are grateful for the excellent support received from the Shareholders, Bankers, Government authorities, and other business associates. Your Directors recognize and appreciate the hard work and efforts put in by all the employees of the Company and their contribution to the growth of the Company in a very challenging environment.

**ON BEHALF OF THE BOARD  
FOR SYNTHIKO FOILS LIMITED**

**Sd/-**

**RAMESH DADHIA  
CHAIRMAN & MANAGING DIRECTOR**

**PLACE: JAWHAR  
DATE: AUGUST 29, 2011**

**POWER & FUEL CONSUMPTION**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Current year</b>	<b>Previous year</b>
1.	Electricity		
a)	Purchased		
	Unit	96413	94541
	Total Amount	766951	645649
	Rate/Unit	7.95	6.83
b)	Own Generation		
(i)	Through diesel generator		
	Units	18996.86	15585.33
	Units per ltr. of diesel oil	731860.84	559560.06
	Cost/unit	38.52	35.90
(ii)	Through fuel		
	Units	296,790	34382
	Units per ltr. Of fuel oil/gas	9,54,071	11,14,439
	Cost/unit	3.21	32.41

**For and on behalf of Synthiko Foils Limited**

**Sd-**

**Ramesh Dadhia  
Managing Director**

COMPLIANCE CERTIFICATE

CIN of the Company: **L27200MH1984PLC033829**

Nominal Capital: **Rs.1,00,00,000/-**.

To  
The Members,  
**SYNTHIKO FOILS LIMITED**  
84/1, 84/2, JAMSAR ROAD,  
JAWHAR,  
THANE - 401603

We have examined the registers, records, books and papers of **SYNTHIKO FOILS LIMITED** (the "Company") as required to be maintained under the Companies Act, 1956, (the "Act") and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31<sup>st</sup> March, 2011** ("financial year"). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this Certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed forms and returns as stated in **Annexure 'B'** to this Certificate, with the Registrar of Companies within the time prescribed under the Act and the rules made there under and wherever the documents are filed late, the additional filing fees have been paid.
3. The Company being a Public Limited Company has the minimum prescribed paid-up capital.
4. The Board of Directors duly met **7 (Seven)** times on May 10, 2010, August 12, 2010, August 31, 2010, September 27, 2010, November 12, 2010, February 14, 2011 and March 17, 2011 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company had closed its Register of Members and Share Transfer Book from Thursday, 23<sup>rd</sup> September, 2010 to Thursday, 30<sup>th</sup> September, 2010 (both days inclusive).
6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2010 was held on 30<sup>th</sup> September, 2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year ended 31<sup>st</sup> March, 2011.



8. The Company has given guarantee to Partnership firm for a loan taken by the firm from a Bank, in which relative of directors is interested without complying with the provisions of Section 295 of the Act.
9. The Company has duly complied with the provision of Section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government, as the case may be.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company has:
  - (i) duly delivered share certificates on transfers and transmission of shares and on receiving unpaid allotment amount. However, there was no allotment during the year under review.
  - (ii) not deposited any amount in a separate Bank Account as no dividend was declared during the financial year;
  - (iii) not posted warrants to any members of the Company as no dividend was declared during the financial year;
  - (iv) not transferred the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon, which have remained unclaimed or unpaid for a period of seven years, required to be transferred to the Investor Education and Protection Fund (IEPF) as there was no such amount lying in the Books of Accounts of the Company to be transferred so;
  - (v) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional Directors, Alternate Directors and Directors to fill in the casual vacancy during the financial year.
15. There was no appointment of Managing Director/Whole Time Director during the financial year.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was required to obtain approval of the Central Government pursuant to Section 295 of the Companies Act, 1956, other than this no approval was required of Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.

21. The Company has no preference share capital or debentures and as such there was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance, the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited or accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The amount borrowed by the Company from Directors, Members, Public financial Institutions, Banks, and others during the financial year ending 31<sup>st</sup> March, 2011 are duly complied with the section 293(1)(d) of the Act.
25. The Company has made loans and investments or given guarantees or provided securities in other bodies corporate in compliance of the provisions of section 372A of the Act and has made necessary entries in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum of Association with respect to the situation of the Company's registered office from one state to another during the financial year under scrutiny.
27. The Company has not altered the provisions of the Memorandum of Association with respect to the objects of the Company during the financial year under scrutiny.
28. The Company has not altered the provisions of the Memorandum of Association with respect to the name of the Company during the financial year under scrutiny.
29. The Company has not altered the provisions of the Memorandum of Association with respect to the share capital of the Company during the financial year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines and penalties or any other punishment imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The provisions of Section 418 of the Act are not applicable to the Company during the financial year.

**PLACE: MUMBAI**  
**DATE: AUGUST 29, 2011**

**SIGNATURE**

Sd/-

**HEMANT SHETYE**  
**PARTNER**  
**HS ASSOCIATES**  
**C.P. No.: 1483**

**ANNEXURE "A"**

**REGISTERS AND RECORDS MAINTAINED BY THE COMPANY**

- a) Register of members under Section 150.
- b) Index of members under Section 151.
- c) Register of Transfer.
- d) Registers and Returns under Section 163.
- e) Register of Contracts under Section 301.
- f) Register of Directors, Managing Director, manager and secretary under Section 303.
- g) Register of Directors' shareholdings under Section 307.
- h) Register of charges under Section 143.
- i) Register of Share application and allotment.
- j) Minutes Book under Section 193.
- k) Books of Account under Section 209.
- l) Register of Investments & Loans under section 372A.

**ANNEXURE "B"**

**FORMS AND RETURNS AS FILED BY THE COMPANY WITH THE REGISTRAR OF COMPANIES, DURING THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2011.**

<b>Sr. No</b>	<b>E-Form</b>	<b>Section</b>	<b>Date of Filing</b>	<b>Particulars</b>
1.	Form 66	Sec 383A	27.10.2010	Filing of Compliance Certificate for the financial year ended March 31, 2010
2	Form 23AC & ACA	Sec 220	28.10.2010	Filing of Balance sheet and Profit and loss Account for financial year ended March 31, 2010
3	Form 20B	Sec 159	25.11.2010	Filing of Annual return for the year 2010
4	Form 8	Sec 125	26.11.2010	Creation of Charge in favour of Corporation Bank

**PLACE: MUMBAI  
DATE: AUGUST 29, 2011**

**SIGNATURE**

**Sd/-**

**HEMANT SHETYE  
PARTNER  
HS ASSOCIATES  
C.P. No.: 1483**

## AUDITOR'S REPORT

To The Members of  
M/S. SYNTHIKO FOILS LTD.

1. We have audited the attached Balance sheet of **M/S. SYNTHIKO FOILS LTD.** as at 31<sup>st</sup> March, 2011 and also the Profit and Loss account 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 have conducted our audit in accordance with the auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order"), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956' (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to 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 accounts as required by law have been kept by the company so far as appears from our examination of those books.
  - c) The balance sheet, profit and loss account dealt with by this report is in agreement with the books of account.
  - d) In our opinion, the balance sheet, profit and loss account dealt with by this report complies with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - e) Name of the directors are disqualified as on 31<sup>st</sup> March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956.

- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) In the case of Balance sheet, of the state of affairs of the company as at 31<sup>st</sup> March 2011.
  - (ii) In the case of the profit and loss account, of the Profit for the year ended on that date; and
  - (iii) In the case of the cash flow statement, of the cash flows for the year ended on that date.

For ARVIND & COMPANY  
*Chartered Accountants*  
FIRM REGISTRATION NO.100569W

Sd/-

**G. A. PATEL**  
**Partner**  
**M. No. 36700**

**Place : Mumbai**  
**Date : August 29, 2011**

## ANNEXURE TO THE AUDITOR'S REPORT

*Referred to in Paragraph (3) of our report of even date*

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - a) As explained to us, the Company has a policy of physically verifying its fixed assets periodically, which in our opinion is not reasonable having regard to the size of the Company and the nature of its business. During the year, some of the fixed assets have been physically verified by the management and no material discrepancies were noticed on such verification.
  - b) During the year, there was no substantial disposal of Fixed Assets.
2.
  - a) The Company has carried out a physical verification of raw material, finished goods, and stores and spares as at 31<sup>st</sup> March 2011. In our opinion, the frequency of verification is reasonable. The physical verification of raw materials and finished goods was carried out on technical measurement basis.
  - b) In our opinion, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and the same have been properly dealt with in the books of account.
3.
  - a) The Company has not granted any loan (secured or unsecured) to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
  - b) The Company has taken loans from directors covered in the Register maintained under Section 301 of the Companies Act, 1956. In our opinion, other terms and conditions on which these loans have been taken are not prima facie prejudicial to the interest of the Company. As at the year end, the outstanding balance of such loans aggregated to Rs.84.92 lacs. The maximum amount outstanding during the year, aggregated to Rs.88.27 lacs.
4. In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of audit, no major weakness has been noticed in these internal controls.
5.
  - a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements under section 301 of the Companies Act, 1956 have been so entered.

6. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are generally reasonable considering the strategic relationship and having regard to the prevailing market prices at the relevant time.
7. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year.
8. In our opinion, the Company has an internal audit system which requires to strengthen in commensurate with its size and the nature of its business.
9. The Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Company Act, 1956 for any of the products of the Company.
10. a) According to the information and explanations given to us, the Company generally regular in depositing with appropriate authorities undisputed statutory dues including investor education and protection fund, income tax, sales - tax, wealth tax, service tax, custom duty, excise duty, education cess and other statutory dues applicable to it.  
b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty were outstanding as at 31<sup>st</sup> March, 2011, for a period of more than six months from the date they became payable.  
c) According to the information and explanations given to us, there are no dues on Account of Sales Tax, Income Tax, Wealth Tax Custom Duty, Excise Duty and Cess that have not been deposited with the appropriate authorities on account of dispute.
11. The Company does not have accumulated losses at the end of the financial year. Moreover it has not incurred cash losses in the current year and in the immediately preceding financial year.
12. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution or bank.
13. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
14. In our opinion, the Company is not a Chit fund and Nidhi / Mutual benefit fund Society. Therefore the provisions of the Clause 4 (xiii) of the order are not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures or other investments. Accordingly, the provisions of Clause 4(xiv) of the order are not applicable to the Company.
16. According to the information and explanations given to us and the representations made by the management, the Company has given guarantee for loans taken by Samruddhi Foils in which the Company is 50% partner from Bank.

17. The Company has taken term loans during the year.
18. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis which have been used for long term investment. No funds have been raised on long term basis.
19. The Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956, during the year.
20. The Company has not issued any debentures.
21. The Company has not raised any money through a public issue during the year.
22. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of audit.

**For ARVIND & COMPANY**  
*Chartered Accountants*  
**FIRM REGISTRATION NO.100569W**

**Sd/-**

**G. A. PATEL**  
**Partner**  
**M. No. 36700**

**Place : Mumbai**  
**Date : August 29, 2011**



**M/S SYNTHIKO FOILS LTD.**  
**BALANCE SHEET AS AT 31ST MARCH, 2011**

PARTICULARS	SCH	31.3.2011 Rupees	31.3.2010 Rupees
<b><u>SOURCES OF FUNDS :</u></b>			
<b><u>1. SHAREHOLDERS FUND</u></b>			
(a) Funds Capital	A	8,571,000.00	7,280,000
(b) Reserves & Surplus	B	9,225,116	6,764,932
		<b>17,796,116</b>	<b>14,044,932</b>
<b><u>2. LOANS &amp; FUNDS</u></b>			
(a) Secured Loans	C	20,538,274	19,906,061
(b) Unsecured Loans	D	8,491,530	8,826,530
		<b>29,029,804</b>	<b>28,732,591</b>
<b>3. DEFERRED TAX LIABILITY</b>		1,959,703	1,867,593
<b>TOTAL</b>		<b>48,785,623</b>	<b>44,645,117</b>
<b><u>APPLICATION OF FUNDS :</u></b>			
<b><u>1. FIXED ASSETS :</u></b>			
Gross Block	E	30,318,435	23,571,457
Less : Depreciation		10,015,365	8,829,092
		20,303,070	14,742,365
Add: Capital Work in Progress		511,000	3,162,252
		<b>20,814,070</b>	<b>17,904,617</b>
<b><u>2. INVESTMENTS</u></b>	F	4,071,241	4,931,912
<b><u>3. CURRENT ASSETS, LOANS &amp; ADVANCES</u></b>			
(a) Inventories	G	11,565,956	17,100,870
(b) Sundry Debtors	H	27,393,216	19,800,611
(c) Cash & Bank Balances	I	4,178,511	4,517,769
(d) Loans & Advances	J	7,801,681	6,756,322
		<b>50,939,364</b>	<b>48,175,572</b>
<b><u>Less: CURRENT LIABILITIES AND PROVISIONS</u></b>			
(a) Current Liabilities	K	25,658,823	24,850,419
(b) Provisions	L	1,380,227	1,516,564
Net Current Assets		<b>23,900,314</b>	<b>21,808,589</b>
<b>TOTAL</b>		<b>48,785,623</b>	<b>44,645,117</b>

The Schedules referred to above form an integral part of the Balance Sheet

Significant Accounting Policies and Notes to Accounts

U

As per our Annexed report of even date  
For ARVIND & COMPANY

For SYNTHIKO FOILS LTD.

Chartered Accountants

Sd/-  
G.A.PATEL  
Partner  
Membership No:36700

Sd/-  
Ramesh Dadhia  
Managing Director

Sd/-  
Bhavesh Dadhia  
Whole time Director

Mumbai, 29th August, 2011

**M/S SYNTHIKO FOILS LTD.**  
**PROFIT & LOSS A/C FOR THE YEAR ENDED 31ST MARCH 2011**

	SCH	Current Year Rupees	Previous Year Rupees
<b>INCOME :</b>			
Sales	M	91,591,529	77,182,619
Other Income	N	9,242,065	10,276,050
<b>Total</b>		<b>100,833,594</b>	<b>87,458,670</b>
<b>EXPENDITURE :</b>			
Raw Material Consumed	O	81,994,821	70,499,430
Manufacturing & Other Expenses	P	3,584,007	3,708,059
Employee Cost	Q	3,535,041	3,387,905
Administrative & Other Expenses	R	3,525,755	2,176,066
Selling & Distribution Expenses	S	667,344	1,337,786
Financial Expenses	T	3,216,441	2,990,823
Depreciation		1,186,273	1,074,986
<b>Total</b>		<b>97,709,683</b>	<b>85,175,054</b>
Profit / (Loss) for the year before tax		3,132,911	2,283,616
Less :-			
Provision for Taxation		561,600	375,000
Earlier Year Taxes		10,018	7,653
Deferred Tax Liability/(Assets)		92,110	82,760
		<b>663,727</b>	<b>465,413</b>
Profit / (Loss) for the year after taxes		2,460,184	1,818,203
Add : Balance brought forward		4,936,932	3,118,729
Balance Carried forward to Balance-Sheet		<b>7,397,116</b>	<b>4,936,932</b>
Earning Per Share		2.94	2.50

**The Schedules referred to above form an integral part of the Profit & Loss Account**

**Significant Accounting Policies and Notes to Accounts**

U

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

**For ARVIND & COMPANY**

**For SYNTHIKO FOILS  
LTD.**

Chartered Accountants

Sd/-

Sd/-

Sd/-

G.A.PATEL

Ramesh Dadhia

Bhavesh Dadhia

Partner

Managing Director

Whole time Director

Membership No:36700

Mumbai, 29th August, 2011

<b>M/S. SYNTHIKO FOILS LTD.</b>		
<b>SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST, MARCH, 2011</b>		
	<b>31.3.2011 Rupees</b>	<b>31.3.2010 Rupees</b>
<b><u>SCHEDULE - A</u></b>		
<b><u>SHARE CAPITAL :</u></b>		
<b><u>AUTHORISED :</u></b>		
10,00,000 Equity Shares of Rs. 10/- each	10,000,000	10,000,000
	<b>10,000,000</b>	<b>10,000,000</b>
<b><u>ISSUED SUBSCRIBED &amp; PAID UP :</u></b>		
<b><u>1. ISSUED &amp; SUBSCRIBED :</u></b>		
8,70,000 Equity Shares of Rs. 10/- each	8,700,000	8,700,000
	<b>8,700,000</b>	<b>8,700,000</b>
<b><u>2. PAID UP :</u></b>		
8,70,000 Equity Shares of Rs. 10/- each fully paid up.	8,700,000	8,700,000
Less : Call in Arrears (Subject to Confirmation)	129,000	1,420,000
	<b>8,571,000</b>	<b>7,280,000</b>
<b><u>SCHEDULE - B</u></b>		
<b><u>RESERVES &amp; SURPLUS</u></b>		
Capital Reserve	1,828,000	1,828,000
Profit & Loss account	4,936,932	3,118,729
Add: Current Year Profit	2,460,184	1,818,203
	7,397,116	4,936,932
	<b>9,225,116</b>	<b>6,764,932</b>
<b><u>SCHEDULE - C</u></b>		
<b><u>SECURED LOANS :</u></b>		
Term Loan from Banks (subject to confirmation) (Secured against Hypothecation of movable assets and plant & Machinery) (Installment Due within one year of Rs. 19,30,140)	4,991,364	4,821,459
Cash Credit Facility (Secured against hypothecation on Inventory , Book Debts & Current Assets)	15,546,717	15,084,602
Interest accrued but not due on term loan (Secured against Hypothecation of tempo)	194	-
	<b>20,538,274</b>	<b>19,906,061</b>
<b><u>SCHEDULE - D</u></b>		
<b><u>UNSECURED LOAN :</u></b>		
From Directors	8,491,530	8,826,530
	<b>8,491,530</b>	<b>8,826,530</b>
<b><u>SCHEDULE - E</u></b>		
<b><u>FIXED ASSETS :</u></b>		
Gross Block	30,318,435	23,571,457
Less :Accumulated Depreciation	10,015,365	8,829,092
Capital WIP	511,000	3,162,252
Total Fixed Assets	<b>20,814,070</b>	<b>17,904,617</b>
<b><u>SCHEDULE - F</u></b>		
<b><u>INVESTMENTS :</u></b>		
<b><u>LONG TERM INVESTMENTS</u></b>		
Non-trade Un-quoted :		
175 fully paid Ordinary Shares of the Jawahar Urban co-op Bank Ltd. Jawahar, of the face value of Rs. 10/- each.	1,750	1,750
Investment in M/s Samriddhi Foils	4,069,491	4,930,162
	<b>4,071,241</b>	<b>4,931,912</b>

<b><u>SCHEDULE - G</u></b> <b><u>INVENTORIES :</u></b> (As per inventory taken, valued and certified by the executive Director) Stock in Trade: Raw Materials Finished Goods		
	11,565,956	13,945,684
	-	3,155,186
	<b>11,565,956</b>	<b>17,100,870</b>
<b><u>SCHEDULE - H</u></b> <b><u>SUNDRY DEBTORS :</u></b> (Unsecured considered goods unless otherwise stated) More than six months Others		
	1,987,198	1,556,000
	25,406,018	18,244,611
	<b>27,393,216</b>	<b>19,800,611</b>
<b><u>SCHEDULE - I</u></b> <b><u>CASH &amp; BANK BALANCES :</u></b> Cash in hand Balance with Bank : 1. Scheduled Bank in Current A/c (Subject to confirmation) 2. Non Scheduled Bank in Current A/c (Subject to confirmation) Fixed Deposits with Bank (subject to confirmation)		
	140,780	101,906
	49,336	179,396
	8,574	8,574
	3,979,821	4,227,893
	<b>4,178,511</b>	<b>4,517,769</b>
<b><u>SCHEDULE - J</u></b> <b><u>LOANS &amp; ADVANCES :</u></b> (Unsecured , considered good) Advances recoverable in cash or kind or for value to be received (Subject to confirmation) Deposits Prepaid expenses Advances to suppliers Balance with Revenue Authorities		
	-	-
	822,150	47,150
	6,000	8,000
	375,280	74,472
	6,598,251	6,626,701
	<b>7,801,681</b>	<b>6,756,322</b>
<b><u>SCHEDULE - K</u></b> <b><u>CURRENT LIABILITIES</u></b> Advances Received From customers Duties & Taxes Sundry Creditors:: (Subject to confirmation) Total Outstanding Dues from Micro Enterprises and Small Ent Total Outstanding Dues from creditors other than Micro Enterprises and Small enterprises (Subject to confirmation) Outstanding Liabilities (Subject to confirmation)		
	190,490	201,500
	325,509	93,652
	-	-
	24,114,770	24,111,926
	1,028,054	443,341
	<b>25,658,823</b>	<b>24,850,419</b>
<b><u>SCHEDULE - L</u></b> <b><u>PROVISIONS</u></b> Provision for Gratuity (Subject to confirmation) Provision for Taxation		
	413,869	347,064
	966,358	1,169,500
	<b>1,380,227</b>	<b>1,516,564</b>

<b>M/S SYNTHIKO FOILS LTD.</b>		
<b>SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31/03/2011</b>		
<b>PARTICULARS</b>	<b>Current Year Rupees</b>	<b>Previous Year Rupees</b>
<b><u>SCHEDULE - M</u></b>		
<b><u>SALE</u></b>		
Export	-	3,879,510
Other	91,591,529	73,303,109
	<b>91,591,529</b>	<b>77,182,619</b>
<b><u>SCHEDULE - N</u></b>		
<b><u>OTHER INCOME</u></b>		
Job Work (TDS of Rs 1,46,063/- in previous year Rs 1,50,705/-)	7,303,143	6,965,065
Interest received (TDS of Rs.28106.50 in previous year Rs.34,203/-)	315,462	351,400
Share in net profit from Samriddhi Foil	964,329	988,353
Gain for Foreign Currency Exchange	654,635	1,928,393
Other Income	4,495	42,839
	<b>9,242,065</b>	<b>10,276,050</b>
<b><u>SCHEDULE - O</u></b>		
<b><u>RAW MATERIAL CONSUMED :</u></b>		
Opening stock	17,100,870	8,237,602
Purchases (Net)	76,459,906	79,362,698
	93,560,777	87,600,300
Less : Closing Stock	11,565,956	17,100,870
	<b>81,994,821</b>	<b>70,499,430</b>
<b><u>SCHEDULE - P</u></b>		
<b><u>MANUFACTURING EXPENSES :</u></b>		
Block & Design Exp.	160,412.00	213,969
Electrical Charges	790,383.68	692,361
Factory Expenses.	246,937.00	264,887
Repairs and Maintenance		
Building	200.00	47,350
Plant and Machinery	272,242	229,286
Others	35,315.00	-
Carriage Inward Expenses	135,874.00	276,490
Diesel Expenses	831,462.00	637,796
Job Work Charges	134,153.00	365,454
Labour Charges	149,528.00	156,840
Stores and Spares consumables	197,916.00	115,124
Transportation Charges	5,620.62	16,600
Water Charges	30,790.00	1,300
Clearing & forwarding charges	593,174.36	690,602
	<b>3,584,007.34</b>	<b>3,708,059</b>
<b><u>SCHEDULE - Q</u></b>		
<b><u>PAYMENTS &amp; PROVISIONS OF EMPLOYEES :</u></b>		
Director Remuneration	960,000	600,000
Salaries & Wages	2,560,210	2,774,773
Staff welfare expenses	14,831	13,132
	<b>3,535,041</b>	<b>3,387,905</b>
<b><u>SCHEDULE - R</u></b>		
<b><u>ADMINISTRATIVE EXPENSES :</u></b>		
Conveyance and travelling	552,010	256,787
Rent rates and Taxes	1,185,921	88,444
Printing & Stationary	349,040	573,355
Postage & Telegram	20,400	2,248
Telephone Expenses	84,280	67,047
Legal and Professional Fees	532,662	656,708
Sales tax	73,981	-

Repairs and Maintenance		
Others	22,138	110,939
Misc. Expenses & Office Expenses	207,756	314,404
Refreshment Expenses	26,222	32,438
Factory Licence Fees	2,000	2,000
Auditors Remuneration	71,695	71,695
Share Listing Fees	397,650	-
	<b>3,525,755</b>	<b>2,176,066</b>
<b><u>SCHEDULE - S</u></b>		
<b><u>SELLING &amp; DISTRIBUTION EXPENSES :</u></b>		
Advertisement Expenses	-	5,000
Insurance Charges	7,419	152,434
Commission on sales	419,762	408,481
Carriage Outward and other	171,518	494,888
Business Promotion Expenses	-	3,435
Sundry Balance W/off	68,645	273,548
	<b>667,344</b>	<b>1,337,786</b>
<b><u>SCHEDULE - T</u></b>		
<b><u>FINANCIAL EXPENSES</u></b>		
Bank Interest on Working Capital Finance	1,994,495	1,628,117
Bank Commission charges and L/C discounting charges	1,221,946	1,362,706
	<b>3,216,441</b>	<b>2,990,823</b>

**M/S. SYNTHIKO FOILS LTD.**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31/03/2010**  
**SCHEDULE - E**  
**FIXED ASSETS**

Particulars	Gross Blocks					Depreciation				Net Block	
	Rate	At Cost 01/04/2010	Addition During the Year	Deduction During the year	As At 31/03/2011	As At 01/04/2010	For the Year	Dedn. During the year	As At 31/03/2011	As At 31/03/2011	As At 31/03/2011
<b>TANGIBLE ASSETS</b>											
<b>UNIT I</b>											
Land	-	74,469	-	-	74,469	-	-	-	-	74,469	74,469
Building	3.34%	8,121,706	-	-	8,121,706	3,143,453	271,265	-	3,414,718	4,706,988	4,978,253
Plant & Machinery	4.75%	11,854,751	-	-	11,854,751	4,725,682	563,101	-	5,288,783	6,565,968	7,129,069
Laboratory Equipment	4.75%	88,386	-	-	88,386	25,331	4,198	-	29,529	58,857	63,055
Office Equipment	4.75%	395,670	21,750	-	417,420	80,292	19,323	-	99,615	317,805	315,378
Computers	16.21%	182,674	-	-	182,674	175,678	6,996	-	182,674	-	6,997
Furniture & Fixture	6.33%	1,988,382	290,888	-	2,279,270	505,967	140,044	-	646,011	1,633,259	1,482,415
Vehicles	9.50%	865,419	-	-	865,419	172,689	82,215	-	254,904	610,515	692,730
<b>UNIT II</b>											
Computer Vasai	16.21%	-	37,643	-	37,643	-	368	-	368	37,275	-
Electric Equipments	4.75%	-	173,315	-	173,315	-	3,604	-	3,604	169,711	-
Furniture Fixture	6.33%	-	88,592	-	88,592	-	387	-	387	88,205	-
Lab Equipments	4.75%	-	42,503	-	42,503	-	621	-	621	41,882	-
Plant & Machinery	4.75%	-	6,092,287	-	6,092,287	-	94,153	-	94,153	5,998,134	-
<b>TOTAL</b>		<b>23,571,457</b>	<b>6,746,978</b>	<b>-</b>	<b>30,318,435</b>	<b>8,829,092</b>	<b>1,186,273</b>	<b>-</b>	<b>10,015,365</b>	<b>20,303,070</b>	<b>14,742,366</b>
<b>Previous Year</b>		<b>22,626,980</b>	<b>944,477</b>	<b>-</b>	<b>23,571,457</b>	<b>7,754,106</b>	<b>1,074,986</b>	<b>-</b>	<b>8,829,092</b>	<b>14,742,365</b>	
<b>Capital Work In Progress</b>										<b>-</b>	<b>3,162,252</b>
<b>Capital Advances</b>										<b>511,000</b>	<b>-</b>
<b>Total</b>										<b>20,814,070</b>	<b>17,904,618</b>

**M/S. SYNTHIKO FOILS LTD.**

**SCHEDULE - U**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

**A. SIGNIFICANT ACCOUNTING POLICIES:**

- 1) Accounting Policies: The Company follows accrual system of accounting except those with significant uncertainties.
- 2) Fixed Assets: Fixed Assets are stated at cost less depreciation inclusive of rates, duties & taxes and other incidental expenses.
- 3) Depreciation: Depreciation on fixed assets is provided on Straight Line Method basis in accordance with Schedule XIV to the Companies Act, 1956.
- 4) Investments: Investments are stated at cost of acquisition.
- 5) Inventories: Raw Materials have been valued at cost. Finished goods and work in progress is valued at lower of cost (excluding excise) or market price.
- 6) Sales: Sales are recognized on passing of property by goods basis.
- 7) Gratuity: Gratuity is calculated on the basis of 15 days' basic pay as per the provisions of the Income Tax Act, 1961. However, the company does not get the valuation done from the actuaries as of yet. The valuation is done by the management.
- 8) Taxation:
  - a. Provision for current income tax is made as per working under the Income Tax Act, 1961.
  - b. Deferred tax is recognized as timing difference; being the difference between taxable incomes and accounting income that originate in one period and are capable of reversing in one or more subsequent periods.

**B. NOTES TO ACCOUNTS:**

- 9) Excise Duty on closing stock: The Company follows the practice of not providing for excise duty on finished goods materials not cleared from the factory premises. Consequently the said practice has no effect on the Profit & Loss Account for the year.
- 10) Remuneration to directors: Remuneration to Executive Director Rs.4,80,000/- & Rs.4,80,000/- who is in Whole-time Employment of the Company. However the permission of Central Government is yet to be obtained.
- 11) Particulars regarding Capacity, Production and Stocks and Material consumed:



### A. Capacity

The Company does not need industrial license for production hence figures relating to licensed and installed capacity is not required.

### B. Production

(As certified by the Executive Director)

PARTICULARS	2010-2011	2009-2010
Aluminum Foils & Packaging	449.38	386.77

### C. Stocks

PARTICULARS	2010-2011		2009-2010	
	Qty(M. T)	Value (in Lacs)	Qty(M. T)	Value (in Lacs)
Opening Stock	108.56	171.00	68.21	82.38
Closing Stock	74.93	115.66	108.56	171.00

### D. Sales

PARTICULARS	2010-2011		2009-2010	
	Qty(M. T)	Value (in Lacs)	Qty(M. T)	Value (in Lacs)
Aluminum Foils & Packaging	449.38	915.91	386.77	771.82

### E. Raw Material Consumed

PARTICULARS	2010-2011		2009-2010	
	Qty(M. T)	Value (in Lacs)	Qty(M. T)	Value (in Lacs)
	523.06	819.93	401.62	704.99

#### 12) Raw Material Consumed:

(Rupees in Lacs)

PARTICULARS	2010-2011		2009-2010	
	Value	%	Value	%
Imported	272.99	33.29	360.89	51.19
Indigenous	546.94	66.71	344.10	48.81
	819.93	100.00	704.99	100.00

#### 13) Stores & Spares Consumable

(Rupees in Lacs)

PARTICULARS	2010-2011		2009-2010	
	Value	%	Value	%
Indigenous	NIL	NIL	NIL	NIL

14) **(Rupees in Lacs)**

PARTICULARS	2010-2011	2009-2010
1) a) C.I.F. Value of Imports: Raw Materials	272.99	360.89
b) F.O.B Value of Exports:	-Nil-	38.83

15) In the opinion of the management Fixed Assets, Current assets, Loans & advances and Current Liability and Provisions are at net realizable value in the ordinary course of business.

16) Inventories are valued and certified by the management in respect of quality, quantity and value.

17) Deferred Revenue expenses are Preliminary expenses and Public issue expenses. These expenses are written off over a period of ten years.

18) Company is contingently liable to pay Import and Inland Letter of Credit of Rs.89,81,478.09

**(Rupees in Lacs)**

19) <u>Payment to Auditors:</u>	2010-2011	2009-2010
Audit & Tax Audit Fees (Including service tax)	0.72	0.66

20) Related Party Disclosures:  
(In accordance with Accounting Standard 18 issued by the Institute of Chartered Accountants of India)

Directors Remuneration:

**(Rupees in Lacs)**

PARTICULARS	2010-2011	2009-2010
Mr. Rameshchandra J. Dadhia	4.80	3.00
Mr. Bhavesh R. Dadhia	4.80	3.00
	9.60	6.00

**ESSEF LAMINATES**

(Proprietor of the Firm Related to all the Directors)

**(Rupees in Lacs)**

PARTICULARS	2010-2011	2009-2010
Purchase	0.53	5.57
Job work	70.16	60.91
Sales	76.36	87.51

- 21) As regards the Accounting Standard 17 'Segment Reporting' there is neither more than one business segment nor more than one geographical segment, segment information as per AS - 17 is not required to be disclosed.
- 22) The company does not possess information as to which of its suppliers is small scale Industrial undertakings holding permanent registration certificate issued by the relevant authorities. Consequently, the liability, if any, of interest which would be payable on delayed payments under Small Scale and Ancillary Industrial Undertakings Act, 1993, of India can not be ascertained. However, the Company has not received any claim in respect of such interest. In view of the above, outstanding dues to Small - scale industrial undertaking cannot be ascertained.
- 23) Previous year figures are regrouped / rearranged / reclassified wherever necessary.

**For ARVIND & COMPANY**  
**Chartered Accountants**

Sd/-

**G.A.PATEL**  
**Partner**  
**Membership No: 36700**  
**Mumbai, 29<sup>th</sup> August, 2011**

**For and on behalf of the Board**

Sd/-

**Whole time Director**  
**Bhavesh Dadhia**

Sd/-

**Managing Director**  
**Ramesh Dadhia**

**M/S. SYNTHIKO FOILS LTD.**

**Groupings forming part of Balance Sheet as at 31st March 2011**

PARTICULARS	31/03/2011 Rupees	31/03/2010 Rupees
<b>TERM LOANS FROM BANKS</b>		
Corporation Bank Term Loan A/c No. 060005 (Installment Due within one year = 6,00,000)	1,418,465	2,022,411
Corporation Bank Term Loan A/c No. 090002 (Installment Due within one year of Rs. 8,04,000)	3,034,448	2,554,799
Corporation Bank Term Loan A/c No. 110002 (Installment Due within one year = 3,00,000)	501,343	-
HDFC Bank (Tempo Loan) (Installment Due within one year = 2,26,140)	37,108	244,249
	4,991,364	4,821,459
<b>UNSECURED LOANS</b>		
From Directors		
Bhavesh Dadhia	3,022,100	3,022,100
Ramesh Dadhia	5,304,430	5,639,430
Yogesh Dadhia	165,000	165,000
	8,491,530	8,826,530
<b>BALANCES WITH SCHEDULED BANKS IN CURRENT ACCOUNTS</b>		
Corporation Bank CBCA 13	24,685	105,850
State Bank of India	12,420	12,420
State Bank of India (A/c No. 30717385697)	12,231	61,126
	49,336	179,396
Prepaid expenses		
Prepaid Factory License Fees	6,000	8,000
	6,000	8,000
<b>DEPOSITS</b>		
Factory Deposit	780,000	
Electricity Security Deposit	42,150	42,150
Mahananda Tender Deposit	-	5,000
	822,150	47,150
<b>Advances to Suppliers</b>		
Aries Corporation	-	6,392
Contech Instruments	-	9,025
Karan Telecom	-	1,224
Perfect Pharmaceuticals	25,000	25,000
Rafiq Jamal Ghachi	-	257
R.K. Lunaniya	-	29,450
Qing Deo Sanghsi(China)	323,880	-
Zakir Sabri	26,400	-
Suman Singh	-	2,884
Top Arts	-	240
	375,280	74,472
<b>BALANCE WITH REVENUE AUTHORITIES</b>		
Sales tax	-	49,758
Excise Receivable	5,835,029	5,175,901
MVAT Refund Receivable	364,052	314,294
	6,199,081	5,539,953

<b>INCOME TAX</b>		
Advance Income Tax	125,000	275,000
Advance Income Tax (F.Y.10-11)	100,000	-
TDS (A.Y. 07-08)	-	219,976
TDS (A.Y. 06-07)	-	147,006
TDS Receivable (A.Y.2009-2010)	-	172,412
TDS Receivable (A.Y.2008-2009)	-	87,446
TDS Receivable (A.Y. 2010-2011)	-	184,908
TDS Receivable (A.Y. 2011-2012)	174,170	-
	<b>399,170</b>	<b>1,086,748</b>
<b>DUTIES AND TAXES</b>		
TDS Payable	66,887	41,377
VAT Payable	90,737	-
Excise Duty Payable	-	20,267
P.F. Payable	53,722	28,158
N.A Tax payable	110,138	-
Profession Tax Payable	4,025	3,850
	<b>325,509</b>	<b>93,652</b>
<b>OTHER OUTSTANDING LIABILITIES</b>		
Provision for F.B.T.	50,000	100,000
Remuneration Payable BRD	648	49,648
Remuneration Payable RJD	3,475	28,475
Salary Payable	11,500	3,071
Wages & Salary Payable	141,478	132,886
Electricity Expenses Payable	102,310	129,261
Telephone charges payable	988	-
Commission payable	317,227	-
Director remuneration payable	255,500	-
Bank Suspense	144,928	-
	<b>1,028,054</b>	<b>443,341</b>
<b>Advances Received From customers</b>		
Ayurpriya	2,000	
Global Pharma Healthcare Pvt. Ltd	6,600	
Packing Solutions India	181,890	
Shree Krishna Engineering	-	300
Synthiko Export (Advance)	-	201,200
	<b>190,490</b>	<b>201,500</b>
<b>Payment &amp; Provision of Employees :</b>		
Gratuity	66,805	72,264
Employee Insurance Charges	-	41,172
Maharashtra Labor Welfare Fund	2,256	2,016
Medical Exp	12,270	17
Salary & Wages	2,318,559	2,490,459
Profession Tax	49,175	63,200
Bonus	111,145	105,645
	<b>2,560,210</b>	<b>2,774,773</b>
<b>Administrative Expenses :</b>		
Sundry Balances Written Off	-	54,771
Books & Perodicals Expenses	-	125
Membership and subscription	20,957	-

office expenes	124,095	-
Miscellaneous expenses	62,704	259,508
	<b>207,756</b>	<b>314,404</b>
<b>Administrative Expenses :</b>		
P.F. Paid	-	14,964
Share listing charges	11,120	11,086
Rates and taxes	-	62,394
	<b>11,120</b>	<b>88,444</b>
<b><u>INTEREST PAID :</u></b>		
Bank Charge	516,127	51,727
Bank Commission Charges	52,147	797,230
Interest on term loan	391,519	305,691
Interest on Vehicle Loan	18,998	43,300
Interest to sundry creditors	-	9,759
Credit Rating Charges	4,964	-
IEC Ammendment charges	1,230	-
National securities depository ltd	4,412	-
L/c interest & commission charges	131,247	-
Loan Processing charges	101,302	155,000
	<b>1,221,946</b>	<b>1,362,706</b>
Freight and Clearing charges		
Clearing & forwarding charges	546,566	626,070
Shipping inward charges	46,608.00	-
Air Freight Charges	-	64,532
	<b>593,174</b>	<b>690,602</b>
Other income		
Sample Goods Received	-	42,839
Miscellaneous receipt	4,495	-
	4,495	42,839
Bank Interest on FD (TDS of Rs.28106.50 in previous year Rs.34,203/-)	281,065	347,267
Interest from Customers	-	4,133
Interest on IT refund	34,397	-
	315,462	351,400
Local sales	66,359,708	48,584,972
OMS sales	10,949,244	9,944,453
Export-H forms	10,934,807	9,436,652
Highseas Sales	3,213,969	4,975,475
Frieght Charges received and others	133,801	361,557
	91,591,529	73,303,109
Export	-	3,879,510
	-	3,879,510

**M/s SYNTHIKO FOILS LTD.**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011**

Particulars	2010-2011		2009-2010	
<b><u>CASH FLOW FROM OPERATING ACTIVITIES :</u></b>				
Net Profit (Loss) after tax extra-ordinary items		2,460,184		1,818,203
<b><u>ADJUSTMENT FOR :</u></b>				
Depreciation	1,186,273		1,074,986	
Preliminary Exp. & Public issue Exp. W/off	-		-	
	1,186,273		1,074,986	
Interest & Misc. Income received	(9,242,065)	(8,055,791)	(351,400)	723,586
Operating Loss/Profit before working capital charges		(5,595,607)		2,541,789
<b><u>ADJUSTMENT FOR :</u></b>				
Trade & other receivable	7,592,605		3,499,528	
Inventories	(5,534,914)		8,863,268	
Other Current Assets	1,045,358		(152,491)	
Provisions	136,337			
Current liabilities	(900,513)	2,338,873	(9,248,476)	2,961,829
		(7,934,480)		(420,040)
<b><u>CASH FLOW BEFORE EXTRA-ORDINARY ITEMS:</u></b>				
Add : Subsidy from govt of mah sicom ltd		-		-
Previous year (w/off) Expenses		-		-
Cash generated from operating activities (A)		(7,934,480)		(420,040)
<b><u>CASH FLOW FROM INVESTING ACTIVITIES :</u></b>				
Purchase of fixed assets	(6,746,978)		(944,477)	
Sale of Fixed Assets	-		-	
Capital Work in Progress	3,162,252		(3,162,252)	
Capital Advances	(511,000)			
Investment made during year	860,671		(538,353)	
Interest & Miss. Income received	9,242,065	6,007,009	351,400	(4,293,682)
Net cash outflow from investing activity (B)		6,007,009		(4,293,682)
<b><u>CASH FLOW FROM FINANCING ACTIVITIES :</u></b>				
Proceeds from Long Term Capital	1,291,000			
borrowing including working capital	462,115		2,830,098	
borrowing including Secured loans	170,098		1,761,978	
borrowing including Unsecured loans	(335,000)		440,000	
Less : Repayment of long term borrowings		1,588,213	-	5,032,076
		1,588,213		5,032,076
Net increase/Decrease in cash & equivalents (A+B+C)		(339,258)		318,354
Cash & Cash equivalents at the beginning of the year		4,517,769		4,199,413
<b>Cash &amp; Cash equivalents at the end of the year</b>		<b>4,178,511</b>		<b>4,517,769</b>

As per our Annexed report of even date

For ARVIND & COMPANY

Chartered Accountants

Sd/-

G.A.PATEL

Partner

M.No.36700

Firm No.

Mumbai, 29<sup>th</sup> August, 2011





**SYNTHIKO FOILS LIMITED**  
**Regd. Off.: 84/1, 84/2, JAMSAR ROAD, JAWHAR, THANE-401603**

**ATTENDANCE SLIP**

I hereby record my presence at the 26<sup>th</sup> **Annual General Meeting** of the Company at **Registered Office** of the Company on Thursday, 29<sup>th</sup> September, 2011.

DP ID: \_\_\_\_\_ Folio No. /Client ID: \_\_\_\_\_

Name of the Shareholder	Signature
(Full name of Proxy)	Proxy Signature

**Note:** No Duplicate Attendance Slip will be issued at the meeting hall. You are requested to bring your copy of Annual Report to the Meeting.

Shareholders attending the meeting in person or by proxy are requested to fill and sign the attendance slip and hand it over at the entrance of the meeting hall.

**SYNTHIKO FOILS LIMITED**  
**Regd. Off.: 84/1, 84/2, JAMSAR ROAD, JAWHAR, THANE-401603**

**PROXY FORM**

I/We ..... of ..... in the district of ..... being a member/members of the above named Company hereby appoint ..... of ..... in the district ..... of ..... or failing him ..... of ..... in the district of ..... as my/our proxy to vote for me/us on my/our behalf at the 26<sup>th</sup> Annual General Meeting of the Company to be held on Thursday, 29<sup>th</sup> September, 2011 at 11.00 a.m. and at any adjournment thereof.

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

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

No. of Shares .....

Signature .....

AFFIX REVENUE STAMP
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**Note:** This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.