



23rd
ANNUAL REPORT
2009 - 2010



BHARAT SEATS LIMITED

**BOARD OF DIRECTORS**

N. D. RELAN	<i>Chairman</i>
YOICHI KOJIMA	<i>(Nominee-Suzuki Motor Corporation)</i>
I. V. RAO	<i>(Nominee-Maruti Suzuki India Ltd.)</i>
ROHIT RELAN	<i>Managing Director</i>
AJAY RELAN	<i>Director</i>
P. K. LAHIRI	<i>Director</i>
G. N. MEHRA	<i>Director</i>
GAUTAM KHAITAN	<i>Director</i>
KISHAN N. PARIKH	<i>Director</i>
RAVINDRA GUPTA	<i>Director</i>

BANKERS

STATE BANK OF TRAVANCORE
THE BANK OF TOKYO - MITSUBISHI UFJ LTD.
YES BANK LTD.
IDBI BANK LTD.

REGD. OFFICE

D-188, OKHLA INDUSTRIAL AREA, PHASE - 1,
NEW DELHI - 110 020

FACTORY

PLANT 1
PLOT NO. 1, MARUTI UDYOG JOINT VENTURE COMPLEX,
GURGAON - 122 015 (HARYANA)

PLANT 2
58 K.M. MILE STONE, DELHI JAIPUR HIGHWAY,
VILLAGE BINOLA, GURGAON (HARYANA)

AUDITORS

M/S. S. S. KOTHARI MEHTA & CO.
CHARTERED ACCOUNTANTS
NEW DELHI

LISTED AT

BOMBAY STOCK EXCHANGE LIMITED

CHIEF FINANCIAL OFFICER

SANJEEV KUMAR

**COMPANY SECRETARY
& COMPLIANCE OFFICER**

RITU BAKSHI

**REGISTRAR &
SHARE TRANSFER AGENT**

M/S ALANKIT ASSIGNMENTS LIMITED
2E/21, ALANKIT HOUSE,
JHANDEWALAN EXTENSION,
NEW DELHI - 110 055

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NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of the members of BHARAT SEATS LIMITED will be held on Thursday, 15th July, 2010 at 11 a.m. at FICCI Golden Jubilee Auditorium, Tansen Marg, New Delhi - 110001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2010 and the Profit & Loss Account for the year ended on that date together with the report of the Board of Directors and Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Mr. G.N.Mehra, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. P.K.Lahiri, who retires by rotation and being eligible offers himself for reappointment.
5. To appoint a Director in place of Mr. Gautam Khaitan, who retires by rotation and being eligible offers himself for reappointment.
6. To consider and, if thought fit, to pass with or without modification(s), the following as an Ordinary Resolution :

"RESOLVED THAT M/s S.S. Kothari Mehta & Co., Chartered Accountants, the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS:

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"Resolved that Mr. Yoichi Kojima, who was appointed as an additional director of the Company by the Board of Directors, w.e.f. 15th March, 2010 and who holds office upto the date of this Annual General Meeting, pursuant to Section 260 of the Companies Act and Article 80 of the Articles of Association of the Company and in respect of whom the Company has received a notice from a member under Section 257 of the Companies Act, 1956, proposing his candidature, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company. A proxy to be effective shall be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the meeting.
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business as set out in item nos. 7 above and the relevant details in respect of item nos. 3, 4 and 5 pursuant to Clause 49 of the Listing Agreement executed with the Stock Exchange be transacted at the Meeting are annexed hereto.
3. A member or his proxy is requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
4. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.



5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days between 9:30 a.m. to 11:30 a.m. upto the date of Annual General Meeting.
7. (a) The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 9th July, 2010 to Thursday, 15th July, 2010, both days inclusive.
(b) The Dividend on Equity Shares, if declared at the meeting, will be paid on or after 15th July, 2010 to those shareholders whose names appear in the Register of Members on 15th July, 2010; in case of shares held in dematerialised form, the dividend thereon, will be paid to Beneficial Owners, as per details furnished by the Depositories, as on that date.
8. (a) In order to provide protection against fraudulent encashment of dividend warrants, Members who hold shares in physical form are requested to intimate the Company's Registrars and Transfer Agents, M/s Alankit Assignments Limited, under the signature of the Sole/ First Joint holder, the following information to be incorporated on dividend warrants:
 - a. Name of the Sole/ First joint holder and the Folio Number.
 - b. Particulars of Bank Account, viz.:
 - Name of the Bank
 - Name of the Branch
 - Complete Address of the Bank with Pin Code Number
 - Account Type, whether Saving Account (SA) or Current Account(CA)
 - Bank Account Number
 - (b) Members who hold shares in dematerialised form may kindly note that their Bank Account details, as furnished by their Depositories to the Company, will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for deletion of or change in such Bank Account details. Members who wish to change such Bank Account details are therefore requested to advise their Depository Participants about such change with complete details of Bank Account.
9. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
10. All unclaimed dividends declared upto the financial year ended 31st March, 1995 have been transferred to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978.
11. Pursuant to the provisions of section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the Unclaimed or unpaid dividends for the financial years ended 31st March, 1996 to 31st March, 2002 to the Investor Education and Protection Fund (IEPF) established by the Central Government.
12. Dividend for the financial year ended 31st March, 2003 and thereafter which remain unpaid or unclaimed for a period of seven years from the date they became due for payment will be transferred to Investor Education & Protection Fund (IEPF). Members who have not encashed their Dividend warrants may approach the Registered office of the Company for revalidation of the Dividend warrants. Members are requested to note that no claims shall lie against the Company or the IEPF in respect of any amounts which were unpaid or unclaimed for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claim. The unpaid dividend for the financial year ended March 31, 2003 is due for transfer to IEPF on 31st July, 2010.

13. Members desirous of making a nomination in respect of their shareholding in the Company as permitted under Section 109A of the Companies Act, 1956 are requested to submit the prescribed Form-2B for the purpose to the registered office of the Company.
14. Members are requested to send their queries, if any, on the accounts and operations of the Company to the Company Secretary at least 7 days before the Annual General Meeting.
15. The Company has designated an exclusive e-mail ID namely, investor_relations@bharatseats.net for receiving and addressing investors' grievances.

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

The following Explanatory Statement set out all material facts relating to the Special Business mentioned under item no.7 of the accompanying Notice dated 13th April, 2010:

Item No. 7

Mr. Yoichi Kojima was appointed as an Additional Director of the Company with effect from 15th March, 2010, pursuant to Section 260 of the Companies Act, 1956, read with Article 80 of the Articles of Association of the Company. Mr. Yoichi Kojima holds the office of Director upto the date of the ensuing Annual General Meeting. The Company has received notice in writing from a member proposing the candidature of Mr. Yoichi Kojima for the office of Director alongwith a deposit of Rs.500/- under the provisions of Section 257 of the Companies Act, 1956.

The Board of Directors commends acceptance of the Resolution set out in Item No.7 of the convening Notice.

Mr. Yoichi Kojima is interested in the proposed resolution.

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

By Order of the Board
For BHARAT SEATS LIMITED

REGD. OFFICE:
D-188, OKHLA INDL. AREA
PHASE- I, NEW DELHI - 110020

(RITU BAKSHI)
COMPANY SECRETARY

DATED : 13TH APRIL, 2010

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT AT
THE FORTHCOMING ANNUAL GENERAL MEETING
(IN PURSUANCE TO CLAUSE 49 OF THE LISTING AGREEMENT)**

NAME OF THE DIRECTOR	MR. G.N.MEHRA	MR. P.K.LAHIRI	MR GAUTAM KHAITAN	MR.YOICHI KOJIMA
DATE OF BIRTH	24.11.1932	28.04.1937	06.05.1965	5.11.1964
DATE OF APPOINTMENT ON THE BOARD	22.01.2003	22.01.2003	04.06.2008	15.03.2010
EXPERTISE IN SPECIFIC FUNCTIONAL AREA	FINANCE	FINANCE	LAW	LEGAL, HR, MARKETING
QUALIFICATIONS	RETD.I.A.S	RETD.I.A.S	B.COM, LL.B	GRADUATE - LAW, CHUO UNIVERSITY
DETAILS OF SHARES HELD IN THE COMPANY	20,000	NONE	NONE	NONE
DIRECTORSHIP HELD IN OTHER COMPANIES AS ON 31.3.2010	<ol style="list-style-type: none"> 1. AMRIT CORP. LTD. 2. SUBROS LTD. 3. U.P.HOTELS LTD. 4. USHA BRECO LTD. 5. ACTION CONSTRUCTION EQUIPMENT LTD. 6. ABC PAPER LTD. 	<ol style="list-style-type: none"> 1. TATA SPONGE IRON LTD. 2. INDIAN SCHOOL OF MINES, DHANBAD 3. SHIV VANI OIL & GAS EXPLORATION SERVICES LTD. 4. VISHWAKRIYA HOUSING FINANCE LTD. 	<ol style="list-style-type: none"> 1. J.K.SUGAR LTD. 2. SALORA INTERNATIONAL LTD. 3. ARAVALI SECURITIES & FINANCE LTD. 4. KRBL LTD. 5. FACOR ALLOYS LTD. 6. ILPEA PARAMOUNT LTD. 7. MEDSAVE HEALTHCARE LTD. 8. ARCOTECH LTD. 9. ZAMBON (INDIA) PVT. LTD. 10. FASTER HYDRAULICS P.LTD. 11. CLICK CONSULT & DESIGN INDIA PVT. LTD. 12. VASUDHA COMMERCIAL PVT.LTD. 13. NIPSELL BUILDERS PVT. LTD. 14. JEEVAN VIHAR PROPERTIES PVT. LTD. 15. HOWDEN INSURANCE BROKERS INDIA PVT.LTD. 16. EMAAR MGF LAND LTD. 17. TINNA OILS & CHEMICALS LTD. 18. TINNA AGRO INDUSTRIES LTD. 19. WASSERSTEIN ADVISORS INDIA P. LTD. 20. AEROMATRIX INFO SOLUTIONS PVT. LTD. 21. ELETTRMECCANICA INDIA P.LTD. 	<ol style="list-style-type: none"> 1. J.J. IMPEX (DELHI) PRIVATE LIMITED. 2. CLIMATE SYSTEMS INDIA LIMITED.
CHAIRMAN/ MEMBER OF THE "COMMITTEES OF OTHER COMPANIES" ON WHICH HE IS DIRECTOR AS ON 31.3.2010	<ol style="list-style-type: none"> 1. ABC PAPER LTD. (CHAIRMAN - AUDIT COMMITTEE) 2. ACTION CONSTRUCTION EQUIPMENTS LTD. (MEMBER- AUDIT COMMITTEE , REMUNERATION COMMITTEE) 3. AMRIT CORP. LTD. (CHAIRMAN - AUDIT COMMITTEE, REMUNERATION COMMITTEE, MEMBER - SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE) 4. SUBROS LTD. (CHAIRMAN - AUDIT COMMITTEE, MEMBER REMUNERATION COMMITTEE, SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE) 5. USHA BRECO LTD. (CHAIRMAN - AUDIT COMMITTEE) 	TATA SPONGE IRON LTD. (CHAIRMAN - AUDIT COMMITTEE, REMUNERATION COMMITTEE)	<ol style="list-style-type: none"> 1. SALORA INTERNATIONAL LTD. (MEMBER - AUDIT COMMITTEE) 2. J. K. SUGAR LTD. (MEMBER - AUDIT COMMITTEE, SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE) 3. ARCOTECH LTD. (MEMBER - AUDIT COMMITTEE, REMUNERATION COMMITTEE) 4. ARAVALI SECURITIES & FINANCE LTD. (MEMBER - AUDIT COMMITTEE, SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE) 5. KRBL LTD. (MEMBER AUDIT COMMITTEE, SHAREHOLDERS' / INVESTORS GRIEVANCE COMMITTEE) 6. EMAAR MGF LAND LTD. (MEMBER - AUDIT COMMITTEE) 	NONE

DIRECTORS' REPORT

Dear Shareholders

FINANCIAL RESULTS		Rupees in lakhs	
PARTICULARS	2009-2010	2008-09	
SALES	36,763.72	24,940.73	
OTHER INCOME	123.92	69.09	
PROFIT BEFORE FINANCIAL CHARGES & DEPRECIATION	900.12	727.90	
LESS: FINANCIAL CHARGES	112.73	91.37	
PROFIT BEFORE DEPRECIATION & TAXATION	787.39	636.53	
LESS:			
A. DEPRECIATION	268.03	213.32	
B. PROVISION FOR TAXATION			
- CURRENT TAX (LESS : MAT CREDIT ENTITLEMENT)	11.05	47.02	
- FRINGE BENEFIT TAX	--	15.86	
- DEFERRED TAX	148.97	77.51	
- TAX FOR EARLIER YEARS WRITTEN OFF/(WRITTEN BACK)	(24.63)	6.87	
NET PROFIT AFTER TAX	383.97	275.95	
ADD: BROUGHT FORWARD FROM PREVIOUS YEAR	50.00	15.00	
PROFIT AVAILABLE FOR APPROPRIATION	433.97	290.95	
APPROPRIATIONS:			
DIVIDEND PROPOSED	188.40	157.00	
TAX ON DIVIDEND	31.29	26.68	
TRANSFER TO GENERAL RESERVE	164.28	57.27	
BALANCE CARRIED FORWARD TO BALANCE SHEET	50.00	50.00	

PERFORMANCE REVIEW

The gross sales and other income for the financial year under review was Rs. 36,887.64 lacs as against Rs. 25,009.82 lacs, registering an increase of 47.50%. The profit before tax (after interest and depreciation charges) of Rs. 519.36 lacs and profit after tax of Rs. 383.97 lacs for the financial year under review as against Rs. 423.20 lacs and Rs. 275.95 lacs respectively for the previous financial year registering an increase of 22.72% and 39.14% respectively.

OPERATIONS

During the year under review, the sale of seat sets and carpets surged on robust demand. The New PU Line, with additional capacity and faster output established during the year helped the Company in meeting the additional demand. Due to flexible production systems, the Company could accommodate the changes in product mix required by the customers. The company has developed seating systems and moulded carpets for a new model of car launched by Maruti Suzuki India Limited and have started its supply during financial year 2009-10. The Company has also started production of Seats of a new model of car to be launched by Maruti Suzuki India Limited during 2010-11.

The Company supply seats and complete frames of the new model of Motorcycle launched by Suzuki Motorcycle India Pvt. Ltd. Your Company has also added one more product in its two-wheeler frame product range, the production of which shall commence in the next financial year.

The Company executed Development Order for Executive Chair Car of Shatabdi Train for the Indian Railways.

DIVIDEND

Your Directors are pleased to recommend for the approval of the shareholders, a dividend of 30% (Re. 0.60/- per share) for the financial year ended 31.03.2010.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information relating to conservation of energy, research & development, technology absorption, foreign exchange earnings and outgo pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 is annexed hereto as Annexure I, forming part of this Report.

DIRECTORS

In accordance with the Articles of Association of the Company and relevant provisions of the Companies Act, 1956, Mr.G.N.Mehra, Mr.P.K.Lahiri and Mr.Gautam Khaitan are liable to retire by rotation at the ensuing Annual General Meeting and are eligible for reappointment.

During the year, Mr. Yoichi Kojima was appointed as an Additional Director as nominee of Suzuki Motor Corporation in place of Mr.Toshiaki Tashiro w.e.f. 15.03.2010.

The Company expresses its appreciation for the valuable services rendered by Mr. Toshiaki Tashiro during his tenure as Director of Bharat Seats Limited.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the listing agreement with the Stock Exchange, the report on Corporate Governance and Management Discussion and Analysis Report have been included in this Annual Report as separate section, alongwith the Auditors' Certificate.

LISTING

The Equity shares of the Company are listed at Bombay Stock Exchange. The Company has paid listing fees to the Stock Exchange for the year: 2009-10.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that :

- (I) In the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- (II) Appropriate accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at 31st March, 2010 and of the profit or loss of the Company for the year ending 31st March, 2010;
- (III) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (IV) The annual accounts have been prepared on a going concern basis.

HUMAN RESOURCES

Our relations with the employees are very cordial. Your Directors would like to place on record their appreciation of the efficient and loyal services rendered by all employees of the Company, without whose wholehearted efforts, the overall satisfactory performance of the Company would not have been possible.

PARTICULARS OF EMPLOYEES

As required under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, the particulars of employees are set out in Annexure II.

AUDITORS

M/s S.S.Kothari Mehta & Co., Chartered Accountants retire at the Annual General Meeting and being eligible offer themselves for reappointment, which if made, will be in conformity with the provisions of Section 224(1B) of the Companies Act, 1956.

ENVIRONMENT

The Company is not involved in any type of activity hazardous to environment. The Company strictly adheres to the provisions of environmental laws. There is no trade effluent generated by the Company, which may cause pollution. Our Company is an ISO14001 certified company.

The ISO14001 Certification was renewed during the year.

ACKNOWLEDGEMENTS

The Directors place on record their deep appreciation of the valuable assistance and co-operation extended to the Company by Suzuki Motor Corporation, Japan, Maruti Suzuki India Ltd., Houwa Kogyo Co Ltd , Nagoya, Japan, State Bank of Travancore, Bank of Tokyo - Mitsubishi UFJ Ltd., Yes Bank Ltd., IDBI Bank Ltd., various departments of Central Government and Haryana State Government. The directors convey their deep appreciation to employees at all levels for their commitment and collective team work.

Your support as shareholders is greatly valued .

Your Directors thank you and look forward to the future with confidence.

For and on behalf of the Board
BHARAT SEATS LIMITED

PLACE : NEW DELHI
DATED : 13TH APRIL, 2010

(N.D.RELAN)
CHAIRMAN

ANNEXURE I**ANNEXURE TO DIRECTORS' REPORT**

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988, forming part of Directors' Report for the year ended 31st March, 2010

FORM A**CONSERVATION OF ENERGY**

- (a) Energy Conservation measures taken:
- (i) New capacitors have been provided to improve the power factor resulting in substantial saving in energy consumption.
 - (ii) Use of Energy Efficient Lighting in the entire factory and relying on natural lighting wherever possible has helped in reducing the electricity consumption.
- (b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy:
- (i) Auto sensors are provided in roller crushers to save energy.
 - (ii) Energy Audit of the entire Factory by certified Energy Auditors is planned to thoroughly understand the areas where energy saving can be implemented.
 - (iii) Replacement of old air compressor by new compressor would bring substantial saving in energy.
 - (iv) New PU Line hot water arrangement is provided for heating the moulds to save Diesel.
 - (v) Wind Blowers are provided in the new PU Line to save energy.
 - (vi) Insulation is provided in Steam lines to reduce the heat loss for Diesel saving.
- (c) Impact of measures at (a) and (b) above for reduction of energy, consumption and consequent impact on the cost of production of goods:
- The impact of the measures at (a) and (b) has helped in improving quality and efficiency, reducing diesel and electricity consumption and reducing breakdowns and manufacturing cost.
- (d) Total energy consumption and energy consumption per unit of production as per Form-A of the Annexure in respect of industries specified in schedule thereto:
- The Company is not covered under the list of specified industries.

FORM B**TECHNOLOGY ABSORPTION:****RESEARCH AND DEVELOPMENT(R&D)**

1. Specific areas in which R&D carried out by the Company :
- a) The Company has focused on Research & Development activities in particular. Your Company is continuously engaged in developing seating systems, moulded floor carpets and luggage carpet for Maruti Suzuki India Limited. The vision of your company is to become complete Interior Suppliers for automobiles and it is continuously developing Seating System, carpet moulding, luggage carpet and other Car interiors for automobiles.
 - b) Your Company has designed and installed the longest Polyurethane line in India, with faster output and facility to manufacture more variants in a single line.
 - c) Your Company has developed technology to produce Polyurethane foam with dual hardness, which will result in more comfort to the passenger and a possibility of having different comfort zones in the same Polyurethane cushion. This technology shall be used in the new models of Car of Maruti Suzuki India Ltd.
 - d) The Company has also focused its design and development capabilities in two new seating systems of car, which have been launched successfully.



- e) Your Company has designed and developed the floor carpet for the new model of Car, with inhouse development of gauges and systems, which ensures a very good control on design and quality of the product.
- f) Your Company is also establishing systems through R&D Centre for better control and cost reduction of fixtures and gauges.
- g) There was complete inhouse design and development of the entire jigs and fixtures for the new two wheeler frames product range.

In line with the customer's philosophy to sell the best value for money vehicles, your Company has done various product improvement and innovation through Value Addition/ Value Engineering (VA/VE). Your Company has done various VA/VE exercises in the Seating Systems and carpets for Cars of Maruti Suzuki India Limited and frames for two wheelers of Suzuki Motor Cycle India Private Limited.

2. Benefits derived as a result of the above R & D:

The above has resulted in enhanced customer's confidence, making BSL self reliant right from concept to the mass production stage.

3. Future plan of action :

Your Company is undertaking Research and development activities for development of new products, toolings and testing equipments as per the requirement of the customer.

4. Expenditure on R&D :

(a) Capital	Rs. 8.10 lakhs
(b) Recurring	Rs. 127.90 lakhs
(c) Total	Rs. 136.00 lakhs
(d) Total R & D expenditure as a percentage of total turnover	0.40%

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief, made towards Technology absorption, adaptation and innovation:

BSL is continuously undertaking product development/ improvement for existing as well as new products with the help of inhouse resources as well as through technical assistance from technical collaborators. For this purpose, a Seating expert from Japan had come to your Company to give special training on designing of new types of Seats, and also training on welding jigs, fixtures and gauges of the two wheeler frame body to design engineers.

With a full fledged testing laboratory and prototype shop, now your company is prepared for a complete indigenous solution to the seating system requirement right from concept to design to protomaking to design validation(testing) to development (jigs, fixtures, gauges making) to mass production.

2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution:

- a) Better quality of product and hence higher customer confidence.
- b) Productivity improvement has helped your company to meet the additional requirement of the customer with marginal increase in investment.
- c) Continuous upgradation of technology and other improvements has helped your Company to be cost competitive in an increasingly tough market conditions and strict Government Regulations.
- d) Your Company has become flexible and capable to meet the development requirements of new models at a very short lead time, meeting the changing demand of today's market in automobiles.
- e) Provide complete solution for Seating System and other interiors for four wheelers.
- f) Provide complete solution for seats and frames for two - wheelers.

In case of imported technology, technology (imported during the last 5 years reckoned from the beginning of the financial year)

As per detail below:

TECHNOLOGY IMPORTED	YEAR OF IMPORT	HAS TECHNOLOGY BEEN FULLY ABSORBED
- For continuous improvement - For manufacture of moulded Carpets and Seating Systems for Four wheelers - For Manufacture of Two Wheeler Seat Assemblies	2005-06	Yes
- For continuous improvement - For Manufacture of Two Wheeler Seat Assemblies	2006-07	Yes
- For continuous improvement - For manufacture of moulded carpets and seating system for four wheelers - For manufacture of Two Wheeler Seat Assemblies	2007-08	Yes
- For continuous improvement - For manufacture of moulded carpets and seating system for four wheelers - For Manufacture of Two Wheeler Seat Assemblies	2008-09	Yes
- For continuous improvement - For manufacture of moulded carpets and seating system for four wheelers - For Manufacture of Two Wheeler Seat Assemblies	2009-2010	Yes

FORM C

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange outflow on account of import of Capital Goods and raw materials amounted to Rs. 3,615.92 lakhs (Rs. 3,552.27 lakhs). Other expenditure in foreign currency relating to travelling, training and technical fees amounted to Rs. 217.10 lakhs (Rs. 122.17 lakhs). Remittances in foreign currency on account of dividend amounted to Rs. 23,25,000/- (Rs.23,25,000/-).

The value of seats produced by us for use as fitment in export model cars of Maruti Suzuki India Limited is estimated to be Rs. 803 lakhs (Rs. 2,064 lakhs).

(Figures in bracket pertain to last year)

ANNEXURE II

STATEMENT UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956, FORMING PART OF DIRECTORS' REPORT EMPLOYED FOR FULL FINANCIAL YEAR : 2009-2010 :

NAME	DESIGNATION & NATURE OF DUTIES	REMUNERATION GROSS (RS.)	QUALIFICATIONS	DATE OF COMMENCEMENT OF EMPLOYMENT	TOTAL EXPERIENCE	AGE IN YEARS	LAST EMPLOYMENT	PERCENTAGE EQUITY
MR.ROHIT RELAN	MANAGING DIRECTOR	RS.65,14,110/-	B.COM(HONS.) F.C.A., OWNER/ PRESIDENT MANAGEMENT PROGRAMME FROM HARVARD BUSINESS SCHOOL	6.3.1986	31YEARS	54 YEARS	M/S.S.P. MARWAH & CO., CHARTERED ACCOUNTANTS	2.21%

NOTES:

1. REMUNERATION INCLUDES PERQUISITES AND COMPANY'S CONTRIBUTION TO PROVIDENT FUND
2. THE NATURE OF EMPLOYMENT OF MR.ROHIT RELAN IS CONTRACTUAL.
3. MR.ROHIT RELAN IS RELATED TO MR.N.D.RELAN, CHAIRMAN AND MR.AJAY RELAN, DIRECTOR OF THE COMPANY.

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY REVIEW AND MACRO ECONOMY

Factories in the US, Europe and Asia cranked up production in March, 2010, suggesting recovery from the deep recession taking root in economies around the globe.

For India, Year : 2009-10, as a whole, has posted a strong recovery not only in terms of overall economic growth figures, but in terms of fundamentals also. GDP growth in 2009-10 is 7.2%, and is expected to cross double digit figures in coming years. Manufacturing growth has more than doubled, from 3.2% in 2008-09 to 8.9% in 2009-10.

The global meltdown and resulting implosion in vehicle sales over the past year have pressured everyone in the automobile sector. In spite of this, India's automobile sector continued its brilliant run. The automobile industry logged its best-ever annual growth in domestic sales in 2009-2010 with an overall growth of 26.4%, largely on the back of an unprecedented 26% spurt in two-wheeler sales. Sales of Car and two wheelers continued to rise in March despite recent price hike and partial rollback of stimulus package. New launches and competitive pricing helped car and two wheeler companies beat market trends and record positive growth in 2009-2010. India thus emerged the second fastest growing market after China, even as automobile sales globally declined for the second year in a row in the calendar year 2009.

On 23rd March, 2010, the nation's number one Car Manufacturer, Maruti Suzuki India Limited (MSIL) joined a select club of global automobile makers, being the first automobile company in India to produce one million cars in a year.

Bharat Seats Limited (BSL) was able to close the year with increase of 32% in no. of seat sets supplied to MSIL compared to previous year due to robust increase in production of MSIL.

FUTURE OUTLOOK

The world auto sector, after suffering a sharp decline, is set for a sales rebound, which is expected to be evident in the middle of next year.

The Indian auto industry is likely to continue the momentum with double digit sales growth expected across segments. Most automakers are investing or planning to invest in new production lines because their existing plants are running in full capacity.

Taking forward its commitment to serve its customers better and faster, MSIL has set the foundation stone for capacity expansion at Manesar plant by 2.5 lakh units annually, and BSL is fully geared up to meet the increased requirement. BSL is focusing its energy on Quality, Delivery and Costs to meet MSIL's requirements.

RESEARCH & DEVELOPMENT

The automotive industry is moving through fierce competition enforcing the need for faster new products rollouts at OEM level and the need to enhance design and engineering capabilities at Suppliers level. Keeping in view the growing need of technological upgradation, BSL has been trying to gear up its resources to provide complete solution, from design to start-of-production (SOP), to customer in order to keep abreast with competition.

This initiative has been taken by creation of necessary infrastructure in terms of establishing prototype shop, upgradation of softwares and providing training to human resources.

In process we have created inhouse expertise for product and tool design and development of components in order to remain cost competitive.

OPPORTUNITIES AND THREATS

During the year, your Company focused its attention on long term initiatives despite challenging market situations, with special focus on Research and Development.

Besides, passenger car industry, your Company has focused its attention on design and development of Seating System and components for two wheelers of Suzuki Motor Cycle India P.Ltd. (SMIPL). During the year, BSL has supplied seats and complete frames for a new model of motorcycle launched by SMIPL.

The company has been selected for development of Seating system, moulded carpet and luggage carpet for new Models of MSIL.

BSL is currently executing an order for supply of seats for shatabdi Coaches for Indian Railways.

RISK AND CONCERNS

The management perceives the following as risk and concern for its business :

BUSINESS RISK

The Company is operating in the business of automotive components and the performance of auto component industry is largely dependent on the performance of automobile industry. The automobile industry itself is dependent on several factors such as economy's growth, monsoon, number of market players, market practices and pricing etc.

The Company is actively exploring all new business opportunities in terms of product diversification.

The increasing number of new players as well as the higher number of new product launches from the existing players are likely to increase competitive intensity over the medium term, which could lead to increased price competition and consequently margin pressures. With a slew of new players entering the Indian small car market, segment leaders like Maruti will face challenges to their domination.

FINANCIAL RISK

The Company is exposed to the risks associated with fluctuations in foreign currency rates on account of imports and foreign currency loans. The company's sales and margins are subject to the market forces that affect MSIL and SMIPL.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has internal control systems and policies in place to safeguard and protect the assets from any loss or unauthorized use and to increase efficiency in operations , maximum utilization of resources and for monitoring and compliance. The Company has defined organization structure with clear functional authority. The Company has documented policies for operations and reporting/review systems through management meeting/ review meetings. Further internal audit has been out sourced to M/s K.S.M.N & Co., Chartered Accountants. The Audit covers all the areas e.g. Finance, Production, HR, Purchase, Statutory Compliance etc. and regular audits are conducted by Internal Auditors. The Audit observations are periodically reviewed by the Audit Committee of the Board of Directors and necessary directions are issued, wherever required.

FINANCIAL PERFORMANCE

The details of the financial performance of the company are appearing in the Balance Sheet, Profit & Loss Account and other financial statements forming part of this Annual report. For financial highlights please refer heading 'FINANCIAL RESULTS' of Directors' Report.

HUMAN RESOURCES AND DEVELOPMENT

Industrial relations have continued to be harmonious throughout the year. BSL believes that success of any organization depends on its ability to recruit, train, deploy and retain good people. The company takes care of employee motivation and skill upgradation.

CAUTIONARY STATEMENT

Statements in the 'Management Discussion and Analysis' describing the company's objective, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable laws and regulations. The actual results could differ materially from those expressed or implied. The important factors that may effect the company's operations include demand & supply situation, input prices and their availability, change in Government policies / regulations, tax laws and other statute. Therefore, all concerned should bear all above factors in their mind.

REPORT ON CORPORATE GOVERNANCE (FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2010)

A. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good governance practices stem from the culture and mindset of the organization. As stakeholders across the globe show keen interest in the practices and performance of companies, Corporate Governance has emerged on the centre stage.

Bharat Seats recognizes that good Corporate Governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all the stakeholders.

As reported earlier, the Company has Audit Committee, Shareholder Grievance Committee and Remuneration Committee and these Committees report to the Board of Directors about the tasks assigned to them.

B. BOARD OF DIRECTORS

1. Composition of the Board

As on 31st March, 2010, the Board of Directors consisted of ten directors. The day-to-day management of the Company is conducted by the Managing Director subject to the supervision and control of the Board of Directors. Four Directors, including the Chairman are non-executive and five Directors are Non-Executive and Independent Directors.

During 2009-10, the Board of Directors met four times on 13th April, 2009, 16th July, 2009, 14th October, 2009 and 14th January, 2010.

The details of the composition of the existing Board of Directors is as under:

NAME OF DIRECTOR	DESIGNATION	CATEGORY	NO.OF OUTSIDE DIRECTORSHIP		NUMBER OF OUTSIDE COMMITTEES	
			PUBLIC	PRIVATE	MEMBER	CHAIRMAN
MR. N.D.RELAN	CHAIRMAN	NON-EXECUTIVE / NON-INDEPENDENT	4	1	3	-
MR. ROHIT RELAN	MANAGING DIRECTOR	EXECUTIVE / NON-INDEPENDENT	3	1	-	-
MR. YOICHI KOJIMA ¹	DIRECTOR	NON-EXECUTIVE / NON-INDEPENDENT	1	1	-	-
MR. AJAY RELAN	DIRECTOR	NON-EXECUTIVE / NON-INDEPENDENT	3	1	1	-
MR. I.V.RAO	DIRECTOR	NON-EXECUTIVE / NON-INDEPENDENT	-	-	-	-
MR. G.N.MEHRA	DIRECTOR	NON-EXECUTIVE / INDEPENDENT	6	-	3	4
MR. P.K.LAHIRI	DIRECTOR	NON-EXECUTIVE / INDEPENDENT	4	-	-	1
MR. GAUTAM KHAITAN	DIRECTOR	NON-EXECUTIVE / INDEPENDENT	11	10	9	-
MR. KISHAN N. PARIKH	DIRECTOR	NON-EXECUTIVE / INDEPENDENT	3	3	-	-
MR. RAVINDRA GUPTA	DIRECTOR	NON-EXECUTIVE / INDEPENDENT	2	-	-	-

1. APPOINTED W.E.F. 15.03.2010

NOTES:

1. THE COMMITTEES CONSIDERED FOR THE PURPOSE ARE THOSE PRESCRIBED UNDER CLAUSE 49(I)(C) OF THE LISTING AGREEMENT

BOARD MEETING ATTENDANCE RECORD OF THE DIRECTORS IN 2009-2010 IS AS UNDER :

NAME OF DIRECTOR	NO. OF BOARD MEETINGS ATTENDED	ATTENDANCE AT LAST AGM HELD
MR. N.D.RELAN	4	YES
MR. ROHIT RELAN	4	YES
MR. T. TASHIRO ¹	4	YES
MR. YOICHI KOJIMA	N.A.	N.A.
MR. AJAY RELAN	3	NO
MR. I.V.RAO	4	YES
MR. G.N.MEHRA	4	YES
MR. P.K.LAHIRI	3	NO
MR. GAUTAM KHAITAN	2	YES
MR KISHAN N.PARIKH	1	YES
MR RAVINDRA GUPTA	4	YES

1. CEASED TO BE DIRECTOR W.E.F. 15.3.2010

2. Pecuniary Relationship

Independent Directors do not have any pecuniary relationships or transactions with the Company except for the Sitting fees, drawn for attending the meetings of the Board and Committee(s) thereof.

3. Board's Functioning & Procedures

The Board plays a pivotal role in ensuring good governance. Its style of functioning is democratic. The Members of the Board have always had complete freedom to express their opinion and decisions are taken on the basis of a consensus arrived at after detailed discussion. The members are also free to bring up any matter for discussion at the Board Meetings with the permission of the Chairman.

The Board's role, functions, responsibility and accountability are clearly defined. In addition to its primary role of setting corporate goals and monitoring corporate performance, it directs and guides the activities of the management towards the set goals and seeks accountability with a view to ensure that the corporate philosophy and mission viz., to create long term sustainable growth that translates itself into progress, prosperity and the fulfillment of stakeholders' aspirations, is accomplished. It also sets standards of corporate behaviour and ensures ethical behaviour at all times and strict compliance with Laws and Regulations.

The items placed at the Meetings of the Board include the following:

- Managing Director's report on operations of all businesses including progress on ongoing projects.
- Opportunities for expansion, modernization, new projects.
- Financial plans and budgets and updates/reviews thereof.
- Strategic and business plans and updates/reviews thereof.
- Corporate performance against strategic and business plans.
- The unaudited quarterly financial results and the audited annual accounts of the company.
- Financial statements such as cash flow, inventories, sundry debtors, and/or other liabilities or claims of substantial nature.



- Status of borrowings and details of material foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if any.
- Delegation of powers to the management.
- Any material default in financial obligations to and by the company.
- Review compliance of all laws applicable to the company including the requirements of the Listing Agreement with the Stock Exchanges and steps taken by the company to rectify instances of non-compliances, if any.
- Information on senior appointments below the Board level, if any.
- Material communications from Government including show cause notices, demand and penalty notices, if any, which are materially important.
- Communication to the Stock exchanges, the Shareholders and the press regarding Company's performance, future plans and other decision/changes of significant importance or of price sensitive nature.

All the items on the Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial/business plans, financial results, detailed presentations are made. The Agenda and the relevant notes are sent in advance separately to each Director to enable the Board to take informed decisions.

The minutes of the meetings of the Board are individually given to all directors and confirmed at the subsequent Board Meeting. The Minutes of the various Committees of the Board are also individually given to the Board of Directors and thereafter tabled for discussion at the subsequent Board Meeting.

C. COMMITTEES OF THE BOARD

The Board of Directors has constituted the following Committees with adequate delegation of powers to discharge day-to-day affairs of the Company as well as to meet the exigencies of the business of the Company.

1. Audit Committee

The Audit Committee is in conformity with Section 292A of the Companies Act, 1956 and with Clause 49 of the Listing Agreement. The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. It addresses itself to matters pertaining to adequacy of internal controls, reliability of financial statements/ other management information, adequacy of provisions for liabilities, and whether the audit tests are appropriate and scientifically carried out and that they are aligned with the realities of the business, adequacy of disclosures, compliance with all relevant statutes and other facets of Company's operation that are of vital concern to the Company. In particular, the role of Audit Committee includes the following:

- Oversight of the company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Review and Recommendation to the Board, the appointment, reappointment and if required, the replacement or removal of the statutory auditor and fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.

- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of any related party transactions.
- Qualifications in the draft audit report.
- Further, in compliance with revised listing agreement, audit committee has been directed to review, with the management, quarterly financial statements before submission to the board for approval.
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditor into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with the statutory auditor before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults, if any, in payment to the depositors, shareholders (in case of non payment of declared dividends) and creditors.
- Review any other area, which may be specified under the Listing Agreement, Companies Act, other statutes, rules and regulations as amended from time to time.
- To carry out any other function as mentioned in the terms of reference of the audit committee.

The meetings of Audit Committee were held on 13th April, 2009, 16th July, 2009, 14th October, 2009 and 14th January, 2010. The composition of the Audit Committee and the meetings attended by the members during the year are as follows:

S. No.	Name	Category	Status	No. of meetings held	No. of meetings attended
1	Mr. G.N.Mehra	Non-Executive/ Independent Director	Chairman	4	4
2	Mr. P.K.Lahiri	Non-Executive/ Independent Director	Member	4	3
3	Mr. Ravindra Gupta*	Non-Executive/ Independent Director	Member	4	2
4	Mr. N.D.Relan	Non-Executive/Non-Independent Director	Member	4	4

* Mr.Ravindra Gupta became the member of the Audit Committee on 6.10.2009.

Ms. Ritu Bakshi, Company Secretary acts as the Secretary of the Committee.

2. Remuneration Committee

The remuneration committee comprises Mr. P.K. Lahiri (Chairman), Mr. N.D. Relan and Mr. G.N. Mehra. The composition of Remuneration Committee is as follows:

S.No	NAME	CATEGORY	Status
1.	Mr. P.K.Lahiri	Non-Executive/Independent Director	Chairman
2.	Mr. N.D.Relan	Non-Executive/Non-Independent Director	Member
3.	Mr. G.N.Mehra	Non-Executive/ Independent Director	Member

The Remuneration Committee of the Company reviews the remuneration of Managing Director.

During the year ended March 31, 2010, no meeting of this Committee was held.

Remuneration policy

The Managing Director is paid salary and perquisites within the overall limits, as approved by the Central Government.

The remuneration paid to the Managing Director, is as approved by the shareholders in the Annual General meeting held on 25th May, 2006.

The Non-Executive Director do not draw any remuneration from the company except the sitting fees which were paid at a rate of Rs.10,000/- for each meeting of the Board/Committee of the board attended by them.

The details of salary, perquisites (including contribution to Provident Fund) and sitting fees paid to directors are given as under:

Name	Position	Gross Remuneration (Rs.)		Sitting Fee (Rs.)
Mr. N. D. Relan	Chairman	-	-	1,20,000
Mr. Rohit Relan	Managing Director	Salary	51,00,000	-
		Allowances & Perquisites	7,20,000	-
		Contribution to P.F.	6,94,110	-
		Total	65,14,110	-
Mr. T Tashiro	Director	-	-	40,000
Mr. I. V. Rao	Director	-	-	40,000
Mr. Ajay Relan	Director	-	-	30,000
Mr. G. N. Mehra	Director	-	-	1,20,000
Mr. P. K. Lahiri	Director	-	-	90,000
Mr. Gautam Khaitan	Director	-	-	30,000
Mr. Ravindra Gupta	Director	-	-	60,000
Mr. Kishan N. Parikh	Director	-	-	10,000
Mr. Yoichi Kojima	Director	-	-	-

3. Shareholders'/ Investor Grievance Committee

The Shareholders'/Investors' Grievance Committee deals with various matters relating to: -

- Transfer/Transmission of shares.
- Issue of duplicate share certificate
- Review of shares dematerialized and all other related matters
- Monitors expeditious redressal of investors' grievances
- Non receipt of Annual Report and declared dividend
- All other matters related to shares.

The meetings were held on 13th April 2009, 16th July, 2009, 14th October 2009 and 14th January 2010.

The composition of the committee and the details regarding meetings held and attended are given as under:

S. No.	Name	Category	Chairmanship/ Membership	No. Of meetings held	No. Of meetings attended
1.*	Mr. Gautam Khaitan	Non-executive/ Non-Independent Director	Chairman	4	1
1.	Mr. N. D. Relan	Non-executive/ Non-Independent Director	Member	4	4
2.	Mr. G. N. Mehra	Non-Executive/ Independent Director	Member	4	4
3.	Mr. P. K. Lahiri	Non-Executive/ Independent Director	Member	4	3

- In the absence of Mr. Gautam Khaitan, Mr. N.D. Relan acted as the Chairman of the Shareholders'/ Investors' Grievance Committee.

Details of the status of the Complaints received during the year in the following statement:

Sl.No.	Nature of Complaint	Received	Resolved	Pending
1.	Non-receipt of dividend	-	-	-
2.	Short Receipt of Dividend	-	-	-
3.	Non-receipt of Demat Credit	-	-	-
4.	Loss of Share Transfer Deeds	-	-	-
5.	SEBI	-	-	-
6	Delay in Transfer of shares and non- receipt of share certificates	-	-	-
7	Non-receipt of Annual Report	-	-	-

Ms. Ritu Bakshi, Company Secretary is the Compliance Officer.

There are no shares pending for transfer as on 31st March 2010.

D. GENERAL BODY MEETINGS

Details of Annual General Meetings held during the last three years:

Year	Date	Time	Venue	Whether Special Resolution passed
2009	16.07.2009	12 Noon	India Habitat Centre, N. Delhi	No
2008	04.06.2008	12 Noon	India Habitat Centre, N.Delhi	No
2007	24.05.2007	12 Noon	India Habitat Centre, N.Delhi	Yes

E. RESOLUTION THROUGH POSTAL BALLOT

During the year under review, no resolution was passed through Postal ballot.

F. DISCLOSURES

The particulars of transactions between the company and its related parties as per the Accounting Standard 18 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India (ICAI) are disclosed in Note No. 9 of Schedule 18 (Significant Accounting Policies and Notes to Accounts) of the Financial Statement. However, these transactions are not likely to have any conflict with the Company's interest.

No Strictures/Penalties have been imposed on the company by the Stock Exchange or the Securities and Exchange Board of India (SEBI) or any statutory authority on any matters related to capital markets during the last three years.

In the preparation of the financial statements, the Company has followed the Accounting Standards issued by ICAI. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Accounts.

The Management Discussion and Analysis Report is an outgoing process within the Organization. An exercise on Business Risk was carried out covering the entire gamut of Business operations and the Board was informed of the same.

Adoption of Non Mandatory requirements under Clause 49 of the Listing Agreement are being reviewed by the Board from time to time.

G. CODE OF CONDUCT

The Board of Directors has adopted the Code of Business Conduct and Ethics for Directors and Senior Management. The said Code has been communicated to the Directors and the Members of the Senior Management. A copy of code of conduct has been made available to stock exchange for its wide circulation.

H. MEANS OF COMMUNICATION

- The unaudited quarterly results are announced within one month of the end of the quarter and the audited annual results within three months from the end of the last quarter as stipulated under the Listing Agreement with the Stock Exchange. The aforesaid financial results are taken on record by the Board of Directors and are communicated to the Stock Exchange where the company's securities are listed.
- Once the Stock Exchange has been intimated, these results are given by way of a Press Release to various news agencies/analysts and are also published within 48 hours in English newspaper: Pioneer, Free Press Journal - Mumbai and Hindi newspaper Veer Arjun - Delhi.
- All the data required to be filled electronically as EDIFAR document pursuant to Clause 51 of the Listing Agreement with the Stock Exchange, Mumbai such as quarterly financial results, shareholding pattern are being regularly filed on the EDIFAR website viz, www.sebiedifar.nic.in.

I. GENERAL SHAREHOLDERS INFORMATION

1. Appointment / Re-appointment of Directors

Brief Resume of the Directors seeking appointment / reappointment in the 23rd Annual General Meeting to be held on 15th July, 2010.

- i. Mr. G. N. Mehra, aged 78 years, was appointed on the Board w.e.f. 22.01.2003. He is a retired IAS Officer, with vast experience in the field of Finance. He is presently on the Boards of ABC Paper Ltd., Amrit Corp. Ltd., Subros Ltd., U.P. Hotels Ltd., Usha Breco Ltd. and Action Construction Equipment Limited. He is also the Chairman of Audit Committee of ABC Paper Ltd. He is member of Audit Committee and Remuneration Committee of Action Construction Equipments Ltd. He is Chairman of Audit Committee and Remuneration Committee and Member of Investors / Shareholders

Grievance Committee of Amrit Corp. Ltd. He is Chairman of Audit Committee of Subros Ltd. and member of Remuneration Committee and Investors / Shareholders Grievance Committee of Subros Ltd. He is chairman of Audit Committee of Usha Breco Ltd.

- ii. Mr. P. K. Lahiri, aged 73 years, was appointed on the Board with effect from 22nd January, 2003. He is a retired IAS Officer. Mr Lahiri is Masters of Arts from Allahabad University and Diploma with distinction from Cambridge University, U.K. in Development Studies. He has vast experience in serving Government of India including Ministry of Finance and Ministry of Mines. Besides, he was also Executive Director of Asian Development Bank, Manila, with personal rank of Ambassador of India. Presently, he is the Chairman, Governing Council & Executive Board of Indian School of Mines, Dhanbad. He is director of Tata Sponge Iron Ltd., Shiv-Vani Oil & Gas Exploration Services Ltd. and Vishwakriya Housing Finance Ltd. He is Chairman of Audit Committee and Remuneration Committee of Tata Sponge Iron Ltd.
- iii. Mr. Gautam Khaitan, aged 45 years was appointed on the Board with effect from 4.6.2008. Mr. Gautam Khaitan, an advocate by profession, has a wide experience in the field of law. He is the director of M/s J.K. Sugar Ltd., Salora International Ltd., KRBL Ltd., Facor Alloys Ltd., Aravali Securities and Finance Ltd., Emaar MGF Land Limited, Ilpea Paramount Ltd., Arcotech Ltd., Medsave Healthcare Ltd., Tinna Oils & Chemicals Ltd., Tinna Agro Industries Ltd., Zambon (India) Pvt. Ltd., Faster Hydraulics Pvt. Ltd., Click Consult & Design India Pvt. Ltd., Vasudha Commercial Pvt. Ltd., Nipshell Builders Pvt. Ltd., Jeevan Vihar Properties Pvt. Ltd., Howden Insurance Brokers India Pvt. Ltd., Wasserstein Advisors India Pvt. Ltd., Aeromatrix Info Solutions Pvt. Ltd. and Elettromeccanica India Pvt. Ltd. He is member of Audit Committee of Salora International Ltd., J.K. Sugar Ltd., Arcotech Ltd., Aravali Securities & Finance Ltd., KRBL Ltd. & Emaar MGF Land Ltd. He is member of Shareholders / Investors' Grievance Committee of J.K. Sugar Ltd., Aravali Securities & Finance Ltd. and KRBL Ltd. He is also a member of Remuneration Committee of Arcotech Ltd.
- iv. Mr. Yoichi Kojima aged 45 years was appointed on the Board w.e.f. 15.03.2010. Mr. Yoichi Kojima has a wide experience in the field of Marketing, Legal and HR. He is a Director of Climate Systems India Limited and J.J. Impex (Delhi) Private Limited. He is not a member of any Board Committee.

2. Annual General Meeting

Number of Annual General Meeting	23rd Annual General Meeting
Date & Time	15th July, 2010 at 11A.M.
Venue	FICCI Golden Jubilee Auditorium, Tansen Marg, New Delhi - 110001

3. Financial Calendar 2010-2011

Financial Calendar	1st April 2010 to 31st March, 2011
Results for Quarter Ended June, 2010	Will be announced before 31st July, 2010
Results for Quarter Ended September, 2010	Will be announced before 31st October, 2010
Results for Quarter Ended December, 2010	Will be announced before 31st January, 2011
Annual Results for the year ended March, 2011	Will be announced before 30th April, 2011
Book Closure Dates	9th July, 2010 to 15th July, 2010
Dividend Payment date	22nd July, 2010

4. As on 31st March, 2010, the Equity Shares of the company are listed on:
 Bombay Stock Exchange Limited.
 25th Floor, P.J. Towers
 Dalal Street,
 Mumbai - 400 001

Listing fee has been paid to the stock exchange.

5. Stock Code

Name of the Stock Exchange	Code
Bombay Stock Exchange Limited	523229

International Securities Identification Number (ISIN) for NSDL & CDSL: INE415D01024.

6. Market Price data:

Monthly High & Low quotations as well as the volume of the equity shares of the company traded for the year 2009-10 based upon BSE Price data is given below:

MONTH	BSE - HIGH	BSE - LOW	VOLUMES	BSE SENSEX
APRIL, 2009	10.92	6.08	232578	11403
MAY, 2009	13.90	8.08	366578	14625
JUNE, 2009	13.35	9.60	325035	14494
JULY, 2009	13.20	9.80	255020	15670
AUGUST, 2009	14.25	10.50	843834	15667
SEPTEMBER, 2009	16.00	12.75	895991	17127
OCTOBER, 2009	21.40	12.01	3717751	15896
NOVEMBER, 2009	22.40	14.55	1481694	16926
DECEMBER, 2009	23.50	19.25	905777	17465
JANUARY, 2010	27.20	20.25	1878650	16358
FEBRUARY, 2010	22.95	18.05	238506	16430
MARCH, 2010	22.55	17.30	428000	17528

7. Registrar & Transfer Agents:

(For Demat Shares and for Physical Shares)

M/s Alankit Assignments Ltd.
 2E/21, Alankit House
 Jhandewalan Extn. New Delhi
 Ph: 42541234
 Fax: 42541967
 E-Mail: alankit@alankit.com

8. Share Transfer System

The Share Transfers (pertains to shares in Physical Mode) are registered and returned within the stipulated time, if documents are clear in all respects.

9. Distribution of Shareholding as on 31.03.2010:

S. NO.	NO. OF SHARES HELD	NO. OF HOLDERS	PERCENTAGE OF HOLDERS (%)	HOLDING	PERCENTAGE OF HOLDING (%)
1.	UPTO500	5596	66.60	886933	2.83
2.	501 TO 1000	1568	18.66	1476418	4.70
3.	1001 TO 5000	991	11.79	2407042	7.67
4.	5001 TO 10000	108	1.29	859451	2.74
5.	10001 TO 20000	58	0.69	828154	2.64
6.	20001 TO 30000	25	0.30	637156	2.03
7.	30001 TO 40000	8	0.10	294001	0.93
8.	40001 TO 50000	12	0.14	540626	1.72
9.	50001 TO 100000	17	0.20	1182419	3.77
10.	100001 TO 500000	15	0.18	3409800	10.85
11.	500001 & ABOVE	4	0.05	18878000	60.12
	TOTAL	8402	100.00	31400000	100.00

10. Shareholding pattern as on 31.03.2010

S. No.	Category	No. of Shareholders	% Of Shareholders	No. of Equity Shares	% Of Shares
1.	Promoters & Associate Companies :				
a.	Indian	47	0.56	18695500	59.54
b.	Foreign	1	0.01	4650000	14.81
2.	Non-Promoter Shareholding:				
a.	Indian Companies	225	2.68	864165	2.75
b.	Mutual Funds	2	0.02	1600	0.01
c.	Financial Institutions	1	0.01	34000	0.11
d.	NRIs	53	0.63	99866	0.32
e.	Trust	4	0.05	191000	0.61
f.	Public	8069	96.04	6863869	21.85
	TOTAL	8402	100.00	31400000	100.00

Shares held by Non Executive Directors

S. No	Name of Non Executive Director	No. of Shares held as on 31.03.10
1	Mr. N.D. Relan	1042000
2	Mr. Ajay Relan	550500
3	Mr. G.N. Mehra	20000
4	Mr. Kishan N. Parikh	7500

11. Dematerialisation of Shares and liquidity

39.17% of the Equity Shares of the Company have been dematerialized as at 31st March' 2010. The Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) whereby shareholders have an option to dematerialize their shares with either of the Depositories.

No GDRs/ ADRs/ Warrants or any convertible instruments have been issued by the Company.



12. Plant Location:

- a) Bharat Seats Limited
Joint Venture Plot No.1,
Maruti Complex, Gurgaon - 122015(Haryana)
Ph : 0124 - 2341258, 0124 - 2341087
Fax : 0124 - 2341188
E-Mail : seats@vsnl.net
Investor_relations@vsnl.net
- b) Bharat Seats Limited - Plant II
58Km Stone, Delhi-Jaipur Highway Road
Village Binola, Gurgaon(Haryana)

13. Registered Office :

Bharat Seats Limited
D-188, Okhla Indl. Area,
Phase I, New Delhi - 110020
Ph : 011 - 26815592, 011-47334100

14. Investor Relation Cell / address for Correspondence

The Company's Secretarial Department is functioning at the works of the Company at Gurgaon, headed by Ms. Ritu Bakshi, Company Secretary - Compliance officer and as already mentioned, its Registrar for electronic and physical mode are Alankit Assignments Ltd.

DECLARATIONS

CERTIFICATE OF CODE OF CONDUCT FOR THE YEAR: 2009-10

Bharat Seats Limited is committed to conducting its business in accordance with the applicable laws, rules and regulations and with the highest standards of business ethics.

As provided under Clause 49 of the Listing Agreement with the Stock Exchange, I hereby certify that all the Board members and Senior Management personnel have affirmed the compliance with the Code of Ethics and Business Conduct for the year ended 31st March, 2010.

For Bharat Seats Limited

**(Rohit Relan)
Managing Director**

CEO / CFO Certification

As required by sub clause V of Clause 49 of the Listing Agreement with the Stock Exchange, we have certified to the Board that for the financial year ended March 31, 2010, the Company has complied with the requirements of the said sub clause.

For Bharat Seats Limited**For Bharat Seats Limited****For Bharat Seats Limited****Rohit Relan
Managing Director****Rajat Bhandari
V.P.(Strategic Planning)****Sanjeev Kumar
General Manager (Finance)****DATED : 13TH APRIL, 2010****AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE****The Members,
Bharat Seats Limited
New Delhi**

We have examined the compliance of conditions of Corporate governance by BHARAT SEATS LIMITED for the year ended on March 31, 2010 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the company has substantially complied with the conditions of Corporate Governance as stipulated in 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 S. S. KOTHARI MEHTA & CO.
Chartered Accountants

CA J. KRISHNAN
Partner
Membership No. 84551

PLACE : NEW DELHI
DATED : 13TH APRIL, 2010

AUDITORS' REPORT

To The Members of Bharat Seats Limited

1. We have audited the attached balance sheet of BHARAT SEATS LIMITED, as at 31st March, 2010, and also the profit and loss account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by 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} issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 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 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:
 - (i) 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;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies act, 1956;
 - (v) On the basis of written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) 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;
 - a) In the case of the balance sheet, of the state of affairs of the Company as at 31st March, 2010;
 - b) In the case of the profit and loss account, of the profit for the year ended on that date; and
 - c) In the case of the cash flow statement, of the cash flows for the year ended on that date.

For **S.S.KOTHARI MEHTA & CO.**
Chartered Accountants
(Firm Registration No. 000756 N)

PLACE : NEW DELHI
DATE : 13TH APRIL, 2010

(CA J. KRISHNAN)
Partner
Membership No. 84551

Re : Bharat Seats Limited

Referred to in paragraph 3 of our report of even date,

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- (ii) (a) The inventories of the Company have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventories. As explained to us, the discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) (a) As informed to us, the Company has given interest-free unsecured mobilization advance against procurement of materials / tooling over a period of time to a company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year-end balance of such advance was Rs. 540.58 lacs and Rs. Nil respectively.
- (b) In our opinion and according to the information and explanations given to us, the terms and conditions of the aforesaid mobilisation advance are not, prima facie, prejudicial to the interest of the Company, being of business nature.
- (c) As explained to us, the aforesaid mobilization/tooling advance is being regularly adjusted against the supplies which are being procured from the above party.
- (d) There is no overdue amount outstanding at the end of the year in respect of the above said advance.
- (e) The Company has also received mobilisation advance from its major customer covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year-end balance of such advance was Rs. 18.67 lacs and Rs. Nil respectively.
- (f) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the aforesaid mobilisation advance are not, prima facie, prejudicial to the interest of the Company.



- (g) The aforesaid mobilisation advance, as also informed by the management, is being regularly adjusted against the supplies being made by the Company to the said customer as per the agreed terms.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. Further, on the basis of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of a continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) (a) According to the information and explanations given to us, we are of the opinion that all the particulars of contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered into the register in pursuance to section 301 of the Companies Act, 1956 and exceeding the value of Rs.5 lacs in respect of any party during the year, have been made at prices which are *prima facie* reasonable having regard to the prevailing market prices available at the relevant time except in case of certain transactions of purchase and sale of goods being materials of special nature for which alternate quotations are not always available.
- (vi) The Company has not accepted any deposits from the public within the meaning of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder.
- (vii) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the rules made by the Central Government of India for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.
- (ix) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities. Further, there were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, custom duty, wealth tax, excise duty, service tax and cess, which have not been deposited on account of any dispute, are as follows: -

S. No	Name of the Statute	Nature of Dues	Amount (Rs. Lacs)	Period to which the amount relates	Forum where the dispute is pending
1.	Central Excise Act, 1944	Recovery of Modvat Credit availed on Input and Penalty. Case was already decided in favour of the Company by CEGAT, New Delhi	3,195	1989-90 & 1991-93	Honorable Delhi High Court
2.	Central Excise Act, 1944	Demand of Excise Duty on account of difference in reconciliation	101.60	1997-99	Commissioner of Central Excise, Delhi - III
3.	Central Excise Act, 1944	SCNs for interest on differential excise duty paid in case of retrospective upward revision in prices of goods	16.93	2001-08	Commissioner of Central Excise, (Appeals) Delhi - III
4.	Central Excise Act, 1944	SCN for excise duty u/s 11A	27.67	2004-06	First Appellate Authority
5.	Customs Act, 1962	Customs duty on CNC Tube Bending Machine imported under project imports	11.66 *	1994-95	Commissioner of Central Excise and Customs (Appeals) Kandla
6.	Service Tax under Finance Act, 1994	SCN for non- payment of Service Tax on Technical Know-How Services	11.46	2002-05	First Appellate Authority
7.	ESI Act, 1948	ESI Contribution and Interest	5.39 **	1994-95, 1997-99 & 1999-2000	Regional Director, ESI Corporation, Faridabad
8.	Income Tax Act, 1961	Disallowance of Technical Fees as revenue expenditure and other disallowances	71.42	1998-99	Honorable Delhi High Court
			29.42	2001-02	Honorable Delhi High Court
			16.04	2001-02	Income Tax Appellate Tribunal, New Delhi
			25.82	2005-06	Honorable Delhi High Court
			23.56	2006-07	Honorable Delhi High Court
			34.31	2007-08	CIT (Appeals V)

* The full amount is deposited

** Includes Rs 1.22 lacs deposited under protest.

(x) The Company does not have any accumulated losses as at the close of the financial year. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.

- (xi) According to the records of the Company examined by us and the information and explanations given to us, in our opinion, the Company has not defaulted in repayment of its dues to banks. The Company has not taken any loans from financial institutions or debenture holders.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit fund, nidhi, mutual benefit fund or a society.
- (xiv) The Company has maintained proper records of transactions and contracts for purchase and sale of units / securities during the year under review and timely entries were made therein. All shares, securities and other investments have been held by the Company in its own name.
- (xv) As per the information and explanations given to us and on the basis of our examination of the records, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) As per the information and explanations given to us and on the basis of our examination of the records, in our opinion, the term loans taken by the Company have been applied for the purpose for which they were obtained.
- (xvii) According to the information and explanations given to us and on the basis of an overall examination of the balance sheet of the Company, in our opinion, during the year, the Company had raised long-term sources of funds amounting to Rs.1,382.59 lacs from operating activities. However, the long-term application of funds amounted to Rs. 2,744.28 lacs during the year on account of repayment of long-term borrowings and acquisition of fixed assets. There was thus an application of short-term funds arising on account of a reduction in net current assets amounting to Rs. 1,361.69 lacs for long-term purposes during the period covered by our audit report.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956, during the year.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, 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 **S. S. KOTHARI MEHTA & CO**
Chartered Accountants

(CA J. KRISHNAN)

Partner

Membership No. 84551

PLACE : NEW DELHI

DATE : 13TH APRIL, 2010

BALANCE SHEET AS AT 31ST MARCH, 2010

	SCHEDULE	AS AT 31.3.2010 Rs.	AS AT 31.3.2009 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	62,800,000	62,800,000
Reserves and Surplus	2	211,257,243	194,828,756
Loan Funds			
Secured Loans	3	88,994,632	131,748,605
Unsecured Loans	4	128,358,637	1,866,826
Net Deferred Tax Liability		36,721,553	21,824,280
Total		528,132,065	413,068,467
APPLICATION OF FUNDS			
Fixed Assets :			
Gross Block	5	811,010,911	561,964,994
Less : Depreciation Reserve		<u>331,090,594</u>	<u>308,644,980</u>
Net Block		479,920,317	253,320,014
Capital Work in Progress (including Capital Advances)		30,441,310	12,432,929
Investments	6	41,938,068	27,294,221
Current Assets, Loans and Advances			
Inventories	7	80,459,406	60,546,964
Sundry Debtors	8	128,888,320	171,711,855
Cash & Bank Balances	9	52,006,871	28,128,944
Loans & Advances	10	40,331,903	107,882,214
		<u>301,686,500</u>	<u>368,269,977</u>
Less: Current Liabilities	11	298,460,695	223,808,718
Provisions		<u>27,393,435</u>	<u>24,439,956</u>
Net Current Assets		(24,167,630)	120,021,303
Total		528,132,065	413,068,467
Significant Accounting Policies & Notes to Accounts	18		
As per our report of even date For S.S.KOTHARI MEHTA & CO. CHARTERED ACCOUNTANTS	RAJAT BHANDARI V.P.(Strategic Planning)		For and on behalf of the Board N.D.RELAN Chairman
J. KRISHNAN Partner	SANJEEV KUMAR General Manager (Finance)		ROHIT RELAN Managing Director
PLACE: NEW DELHI DATE : 13TH APRIL, 2010	RITU BAKSHI Company Secretary		

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	SCHEDULE	YEAR ENDED 31.3.2010 Rs.	YEAR ENDED 31.3.2009 Rs.
INCOME			
Gross Sales		3,676,371,798	2,494,073,018
Less : Excise Duty		<u>315,744,051</u>	<u>301,074,273</u>
Net Sales		3,360,627,747	2,192,998,745
Other Income	12	12,391,677	6,909,396
Increase(+)/ Decrease (-) in Stock	13	<u>(2,169,301)</u>	<u>2,760,330</u>
Total		<u>3,370,850,123</u>	<u>2,202,668,471</u>
EXPENDITURE			
Raw Materials Consumed	14	2,978,960,821	1,909,272,844
Cost of goods traded in		2,694,914	10,945,362
Power & Fuel		39,664,947	27,299,993
Payment to & Provisions for employees	15	64,663,334	53,592,094
Manufacturing, Administrative & Other expenses	16	194,853,448	128,768,487
Total		<u>3,280,837,464</u>	<u>2,129,878,780</u>
Profit before financial charges & depreciation		90,012,659	72,789,691
Financial Charges	17	<u>11,272,895</u>	<u>9,136,874</u>
Profit before Depreciation & Tax		78,739,764	63,652,817
Depreciation		<u>26,802,497</u>	<u>21,332,395</u>
Profit before Tax		51,937,267	42,320,422
Less : Taxation			
- Current Tax		8,711,874	
Less : MAT Credit Entitlement		<u>7,606,739</u>	
- Deferred tax		14,897,273	7,750,384
- Fringe Benefit tax		-	1,586,121
- Excess Provision for Taxation for earlier years written off/ (written back)		<u>(2,462,575)</u>	<u>686,437</u>
Profit for the Year		<u>38,397,434</u>	<u>27,595,307</u>
Balance brought forward from last year		<u>5,000,000</u>	<u>1,500,000</u>
Profit available for appropriation		43,397,434	29,095,307
Transfer to General Reserve		16,428,487	5,727,092
Proposed Dividend		18,840,000	15,700,000
Corporate Dividend Tax		<u>3,128,947</u>	<u>2,668,215</u>
Balance carried to Balance Sheet		<u>5,000,000</u>	<u>5,000,000</u>
Basic and Diluted earning per share		1.22	0.88
Significant Accounting Policies and Notes to Accounts	18		

As per our report of even date
For S.S.KOTHARI MEHTA & CO.
 CHARTERED ACCOUNTANTS

For and on behalf of the Board

J. KRISHNAN
 Partner

RAJAT BHANDARI
 V.P.(Strategic Planning)

N.D.RELAN
 Chairman

SANJEEV KUMAR
 General Manager (Finance)

ROHIT RELAN
 Managing Director

PLACE : NEW DELHI
 DATE : 13TH APRIL, 2010

RITU BAKSHI
 Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	YEAR ENDED 31.3.2010 (Rs.)	YEAR ENDED 31.3.2009 (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	51,937,267	42,320,422
Adjustments for :		
Depreciation	26,802,497	21,332,395
Loss(+)/Profit (-) on sale of Fixed assets/Assets w/o	3,016,712	65,514
Provision for Wealth Tax	56,500	64,700
Loss(+)/Profit (-) on sale of investments	(310,361)	15,900
Dividend received	(675,875)	(818,451)
Interest expense	9,624,830	8,250,956
Interest received on FDR	(2,809,907)	(1,755,816)
Provision for Diminution in Investments	-	2,671,366
Accrued Income on Investments	(2,657,610)	(1,320,459)
Operating Cash Flow before Working Capital Changes	84,984,053	70,826,527
Adjustments for changes in Working Capital :		
(Increase)/Decrease in Inventories	(19,912,443)	(20,397,205)
(Increase)/Decrease in Sundry Debtors	42,823,535	(65,288,405)
(Increase)/Decrease in Other Current Assets	85,537,283	(45,470,935)
Increase/(Decrease) in Current Liabilities	72,584,230	58,933,105
Cash Generated from Operating Activities	266,016,658	(1,396,913)
Direct Taxes Paid	(16,668,482)	(7,178,420)
Net Cash from Operating Activities	249,348,176	(8,575,333)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(274,427,893)	(17,427,152)
Purchase of Investments	(29,832,015)	(53,092,445)
Sale of Investments	18,156,140	61,463,189
Dividend received on Investments	675,875	407,530
Interest received on FDR	2,809,907	1,755,816
Net Cash from/(used in) Investing Activities	(282,617,986)	(6,893,062)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Long Term Loan	86,118,720	30,659,628
Repayment of Long Term Loan	(26,600,051)	(15,548,548)
Proceeds from Short Term Loan (Net)	24,219,169	20,867,665
Dividend Paid	(14,853,717)	(15,700,000)
Corporate Dividend Tax	(2,668,215)	(2,668,215)
Interest Paid	(9,068,169)	(8,296,219)
Net Cash from Financing Activities	57,147,737	9,314,311
Net Increase(+)/Decrease (-) in cash and cash equivalents (A+B+C)	23,877,927	(6,154,084)
Cash and Bank balances as at 1st April 2009	28,128,944	34,283,028
Cash and Bank balances as at 31st March 2010	52,006,871	28,128,944

As per our report of even date
For S.S.KOTHARI MEHTA & CO.
 CHARTERED ACCOUNTANTS

For and on behalf of the Board

J. KRISHNAN
 Partner

RAJAT BHANDARI
 V.P.(Strategic Planning)

 SANJEEV KUMAR
 General Manager (Finance)

N.D.RELAN
 Chairman

 ROHIT RELAN
 Managing Director

PLACE: NEW DELHI
 DATE : 13TH APRIL, 2010

RITU BAKSHI
 Company Secretary

SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

	AS AT 31.3.2010 Rs.	AS AT 31.3.2009 Rs.
SCHEDULE 1: SHARE CAPITAL		
Authorised Share Capital		
3,50,00,000 Equity Shares of Rs. 2/- each (Previous Year 3,50,00,000 Equity Shares of Rs. 2/- each)	<u>70,000,000</u>	<u>70,000,000</u>
Issued Subscribed and Paid Up		
31,400,000 Equity Shares of Rs.2/- each, fully Paid up (Previous year 31,400,000 Equity Shares of Rs. 2/- each, fully Paid up)	62,800,000	62,800,000
Of the above:		
1,57,00,000 (Previous Year 1,57,00,000) Equity Shares of Rs. 2/- each, fully paid up have been issued as Bonus Shares by capitalisation of General Reserve		
Total	<u>62,800,000</u>	<u>62,800,000</u>
SCHEDULE 2: RESERVES & SURPLUS		
Capital Reserve :		
Grant from World Bank	18,416,620	18,416,620
General Reserve		
As per last Balance Sheet	171,412,136	167,931,359
Less : Exchange fluctuation gain during 2007-08 relating to fixed assets, now adjusted	-	2,386,912
Add : Excess depreciation charged during 2007-08 relating to exchange fluctuation, now adjusted	-	140,597
Add : Transfer from Profit & Loss Account	<u>16,428,487</u>	<u>5,727,092</u>
Profit & Loss Account	<u>187,840,623</u>	<u>171,412,136</u>
	5,000,000	5,000,000
Total	<u>211,257,243</u>	<u>194,828,756</u>

	AS AT 31.3.2010 Rs.	AS AT 31.3.2009 Rs.
SCHEDULE 3 : SECURED LOANS		
From Bank - Working Capital		
- Cash Credit	76,799,154	70,093,620
- Demand Loan FCNR (B)	-	20,019,539
- Overdraft facility	-	10,600,000
From Bank - Term Loan FCNR (B)	12,195,478	31,035,446
Total	88,994,632	131,748,605

Notes:

1. The working capital loan from Banks, except overdraft are secured against hypothecation of stocks of raw materials, semifinished & finished goods, consumable stores, book debts and first charge on the whole of the movable Plant & Machinery, machinery spares, tools & accessories and other moveables both present & future whether installed or not.
2. Overdraft facility Rs.Nil (Previous year Rs.106 lacs) is availed against lien on Fixed Deposit of Rs.125 lacs with State Bank of Travancore.
3. The Term Loan from Bank is secured against specific first hypothecation charge over Plant & Machinery and other miscellaneous fixed assets to be purchased out of Bank finance and collateral security of extension of charge on the remaining fixed assets of the Company, subsisting in favour of State Bank of Travancore and Bank of Tokyo - Mitsubishi UFJ Ltd. on pari passu basis.
4. Instalments of term loan due within one year Rs. 97.56 lacs (Previous year Rs.171.95 lacs)

SCHEDULE 4 : UNSECURED LOANS

From a customer	-	1,866,826
Short -term Loan from YES Bank Limited.	50,000,000	-
From Bank of Tokyo (External Commercial Borrowing)	78,358,637	-
	128,358,637	1,866,826

Note : Instalments of term loan due within one year Rs. 148.30 lacs (Previous Year Rs. Nil)

SCHEDULE 5 : FIXED ASSETS

(Figures in Rs.)

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	COST UPTO 31.3.2009	ADDITIONS DURING THE YEAR	DEDUCTION & ADJUSTMENT	COST UPTO 31.3.2010	UPTO 31.3.2009	FOR THE YEAR	DEDUCTION & ADJUSTMENT	TOTAL	AS AT 31.3.2010	AS AT 31.3.2009
LAND	20,875,516	233,616	-	21,109,132	-	-	-	-	21,109,132	20,875,516
BUILDING (ON LEASED LAND)	31,730,074	20,453,219	-	52,183,293	23,784,034	711,893	-	24,495,927	27,687,366	7,946,040
ELECTRICAL FITTINGS	12,098,786	3,018,537	-	15,117,323	7,780,464	406,228	-	8,186,692	6,930,631	4,318,322
PLANT, MACHINERY & EQUIPMENT	414,885,561	239,735,802	16,577,474**	638,043,889	232,610,543	21,192,745	3,623,465	250,179,823	387,864,066	182,275,018
FURNITURE, FIXTURE & OFFICE EQUIPMENT	12,582,664	116,353	-	12,699,017	9,593,022	417,826	-	10,010,848	2,688,169	2,989,642
VEHICLES	11,686,586	2,405,717	1,150,295	12,942,008	4,948,052	929,821	733,418	5,144,455	7,797,553	6,738,534
Total (a)	503,859,187	265,963,244	17,727,769	752,094,662	278,716,115	23,658,513	4,356,883	298,017,745	454,076,917	225,143,072
Previous year	455,995,207	52,546,464	4,682,484	503,859,187	262,310,969	17,682,268	1,277,122	278,716,115	225,143,072	193,684,238
RESEARCH & DEVELOPMENT										
BUILDING	1,641,948	-	-	1,641,948	125,975	54,841	-	180,816	1,461,132	1,515,973
ELECTRICAL FITTING	1,233,994	-	-	1,233,994	149,410	58,615	-	208,025	1,025,969	1,084,584
PLANT, MACHINERY & EQUIPMENT	53,747,848	810,442	-	54,558,290	29,378,423	2,936,530	-	32,314,953	22,243,337	24,369,425
FURNITURE, FIXTURE & OFFICE EQUIPMENT	1,482,017	-	-	1,482,017	275,057	93,998	-	369,055	1,112,962	1,206,960
TOTAL (b)	58,105,807	810,442	-	58,916,249	29,928,865	3,143,984	-	33,072,849	25,843,400	28,176,942
Previous year	53,521,572	4,584,235	-	58,105,807	26,278,738	3,650,127	-	29,928,865	28,176,942	27,242,834
Total Fixed Assets										
Total (a)+(b)	561,964,994	266,773,686	17,727,769	811,010,911	308,644,980	26,802,497	4,356,883	331,090,594	479,920,317	253,320,014
Previous year	509,516,779	57,130,699	4,682,484	561,964,994	288,589,707	21,332,395	1,277,122	308,644,980	253,320,014	220,927,072
Capital Work in Progress*	12,432,929	30,441,310	12,432,929	30,441,310	-	-	-	-	30,441,310	12,432,929
Previous year	51,042,943	12,432,929	51,042,943	12,432,929	-	-	-	-	12,432,929	51,042,943

*Includes capital advances of Rs. 1,48,60,289 (Previous year Rs.90,23,233/-) and pre-operative expenses of Rs.22,00,348/- pending allocation.

**Includes Rs. 98,56,013 on account of profit due to foreign exchange fluctuation.

	AS AT 31.3.2010 Rs.	AS AT 31.3.2009 Rs.
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SCHEDULE 6 : INVESTMENTS

Non -Trade, Unquoted :

Current Investments (at cost or fair value, whichever is lower) :

Reliance Short Term Retail Plan Dividend Plan 532880.53 units @ Rs.10.64 per unit	5,673,153	-
Reliance Short Term Retail Plan Dividend Plan 1238555.10 units @ Rs.10.64 per unit	13,150,987	-
Birla Sunlife MIP 11 Saving 5 Plan Growth 340283.36 units @ Rs.16.16 per unit	5,500,000	-
Birla Sunlife MIP 11 Saving 5 Plan Growth 340327.58 units @ Rs.16.16 per unit	5,500,000	-
BSL International Equity Fund Dividend Plan B Dividend Payout 487804.87 units @ Rs.8.90 per unit (487804.87 units @ Rs.5.33 per unit)	4,346,244	2,601,805
ING Global Real Estate Fund Retail Dividend 292682.92 units @ Rs.9.20 per unit (292682.92 units @ Rs. 6.08 per unit)	2,692,684	1,779,512
Reliance Annual Interval Fund - Series I Retail Growth Plan (453317.37 units @ Rs.11.94 per unit)	-	5,414,151
Reliance Fixed Horizon Fund VIII Series V Institutional Growth Plan (1151744.55 units @ Rs.10.79 per unit)	-	12,423,753
Benchmark Portfolio Management Agreement (26 Months PMS)	5,075,000	5,075,000
Total	41,938,068	27,294,221
Aggregate Book value of unquoted Investments (Rs.)	41,938,068	27,294,221
Aggregate Book value of quoted Investments (Rs.)	-	-
Aggregate Market value of quoted Investments (Rs.)	-	-

(Note : For Investments purchased and sold during the year, refer Note No. B.10 of Schedule 18)

SCHEDULE 7: INVENTORIES

(As taken, valued and certified
by the management)

Scrap	30,000	30,000
Finished Goods	3,326,810	4,840,969
Work in Progress	2,620,389	3,392,815
Raw material and components	36,419,159	51,079,424
Raw Materials in Transit	36,935,237	-
Trading Goods	61,792	320,324
Consumable Stores	1,066,019	883,432
Total	80,459,406	60,546,964

	AS AT 31.3.2010 Rs.	AS AT 31.3.2009 Rs.
SCHEDULE 8 : SUNDRY DEBTORS		
(Unsecured - Considered good)		
Debts outstanding for a period exceeding six months	3,513,389	957,121
Other Debts	125,374,931	170,754,734
Total	128,888,320	171,711,855
SCHEDULE 9 : CASH AND BANK BALANCES		
Cash in Hand	458,154	350,384
Balances with Scheduled Banks in :		
Current Accounts :	1,666,333	213,167
Fixed Deposit Account	49,882,384	27,565,393
Total	52,006,871	28,128,944
SCHEDULE 10 : LOANS & ADVANCES		
(Unsecured - Considered good)		
Advances and Other amounts recoverable in cash or in kind or for value to be received	7,635,137	93,660,438
Advance tax & tax deducted at source :	33,779,095	38,062,505
Less : Provision for tax	21,785,552	34,804,510
Balance with Excise & Customs Authorities	11,451,799	10,963,781
MAT Tax credit entitlement	9,251,424	-
Total	40,331,903	107,882,214
SCHEDULE 11 : CURRENT LIABILITIES AND PROVISIONS		
a) Current Liabilities :		
Sundry Creditors :		
Owed to Micro & Small Enterprises	14,123,154	12,970,078
Others	247,963,250	186,823,782
Security Deposit Received	854,397	179,239
Other Liabilities	34,116,950	23,835,619
Unpaid Dividend #	846,283	-
Interest accrued but not due on loans	556,661	-
Total	298,460,695	223,808,718
b) Provisions for :		
- Leave Encashment	5,167,622	4,528,068
- Gratuity	200,366	1,469,623
- Wealth Tax	56,500	74,050
- Proposed Dividend including Corporate Dividend Tax	21,968,947	18,368,215
Total	27,393,435	24,439,956

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund

	Year Ended 31.3.2010 Rs.	Year Ended 31.3.2009 Rs.
SCHEDULE 12 : OTHER INCOME		
Dividend Income on Investments :		
- Current	675,875	818,451
- Long Term	-	-
Miscellaneous Income	4,461,908	3,014,670
Profit on Sale of Investments :		
- Current	318,236	-
- Long Term	-	-
Profit on foreign exchange fluctuation	1,468,141	-
Interest received on fixed deposits (gross) includes TDS Rs.3.56 lacs (Previous year Rs.4.39 lacs)	2,809,907	1,755,816
Accrued Income on Investments	<u>2,657,610</u>	<u>1,320,459</u>
Total	<u>12,391,677</u>	<u>6,909,396</u>
SCHEDULE 13 : INCREASE(+)/ DECREASE(-) IN STOCK		
Opening Stock		
Finished Goods	4,840,969	2,103,654
less : Excise Duty	<u>469,814</u>	<u>297,184</u>
Work in Progress	3,392,815	3,197,170
Scrap	30,000	30,000
Total	<u>7,793,970</u>	<u>5,033,640</u>
Closing Stock		
Finished Goods	3,326,810	4,840,969
Less : Excise Duty	<u>352,530</u>	<u>469,814</u>
Work in Progress	2,620,389	3,392,815
Scrap	30,000	30,000
Total	<u>5,624,669</u>	<u>7,793,970</u>
Increase(+)/Decrease(-) in Stock	(2,169,301)	2,760,330
SCHEDULE 14 : RAW MATERIALS CONSUMED		
Opening Stock	51,079,424	25,192,159
Add : Purchases	<u>2,964,300,556</u>	<u>1,935,160,109</u>
	3,015,379,980	1,960,352,268
Less: Closing Stock	<u>36,419,159</u>	<u>51,079,424</u>
Raw Materials Consumed	<u>2,978,960,821</u>	<u>1,909,272,844</u>
SCHEDULE 15 : PAYMENT TO & PROVISIONS FOR EMPLOYEES		
Salaries, Wages and Allowances	49,352,808	40,727,636
Gratuity	200,366	1,111,840
Staff Welfare Expenses	5,961,224	3,430,696
Directors Remuneration	6,514,110	6,105,114
Contribution to Provident & Other employee's funds	2,634,826	2,216,808
Total	<u>64,663,334</u>	<u>53,592,094</u>

	Year Ended 31.3.2010 Rs.	Year Ended 31.3.2009 Rs.
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SCHEDULE 16 : MANUFACTURING, ADMINISTRATIVE & OTHER EXPENSES

Consumable stores	3,627,259	1,489,632
Rent, Rates & Taxes	6,307,263	6,145,351
Postage and Telecommunication	2,617,317	1,808,148
Printing and Stationery	1,428,617	812,305
Travelling and Conveyance	22,062,736	13,437,131
Repairs & Maintenance :		
Building	2,423,167	448,285
Plant	9,329,726	4,265,579
Others	9,782,448	6,243,995
Research & Development Expenses	12,789,838	10,929,078
Donation	600,000	56,000
Freight & Cartage	5,916,703	4,327,820
Legal & Professional Expenses	21,667,153	9,255,901
Auditors' Remuneration	744,874	616,731
Other Miscellaneous & Production overheads	47,681,986	30,325,413
Vehicle Running and Maintenance Expenses	2,341,468	1,998,404
Insurance	1,676,148	1,769,954
Advertisement	252,500	719,500
Technical know how Fees	11,612,349	7,554,276
Foreign Technician Expenses	1,587,857	2,040,254
Training Expenses	2,557,521	660,814
Loss on Sale of Investments	7,875	15,900
Loss on Sale/Discard of Fixed Assets	3,016,712	65,514
Discount on Sales	24,765,431	14,717,125
Wealth Tax	56,500	64,700
Provision for Diminution in Investments	-	2,671,366
Foreign Exchange Fluctuation	-	6,329,311
Total	194,853,448	128,768,487

SCHEDULE 17 : FINANCIAL CHARGES

Interest on		
- Term Loan	3,443,492	2,295,253
- Working Capital	4,115,300	5,483,968
- Others	2,066,038	471,735
Bank Charges	1,648,065	885,918
Total	11,272,895	9,136,874

SCHEDULE - 18**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS****A. SIGNIFICANT ACCOUNTING POLICIES****i) Basis for Preparation of Financial Statements**

The financial statements have been prepared in accordance with the historical cost convention, the applicable accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 1956.

ii) Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect reportable amounts of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the year in which the results are known / materialised.

iii) Recognition of Income/Expenditure

All income & expenditure having a material bearing on the financial statements is accounted for on an accrual basis and provision is made for all known losses and liabilities.

Further, sales include revision in prices received from customers with retrospective effect. Similarly, price revision for material purchased has also been included in purchases. Further adjustments, if any, are made in the year of final settlement.

Dividend Income is recognized when the right to receive the dividend is established by the balance sheet date.

Interest Income is recognized on time proportion basis.

iv) Fixed Assets

Fixed Assets are stated at cost (net of CENVAT, wherever applicable) less accumulated depreciation. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

v) Impairment of Assets

The carrying amount of assets are reviewed at each balance sheet date to ascertain if there is any indication of impairment based on internal / external factors.

If the carrying amount of the asset exceeds its estimated recoverable amount, an impairment loss is recognised in the profit & loss account to the extent the carrying amount exceeds the recoverable amount.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment, recognized for the assets, no longer exist or have decreased.

vi) Depreciation :

a) On fixed assets purchased upto 31st March 2005, depreciation has been provided on the written down value method at the following rates :

1. Building	-	10%
2. Electrical Fittings	-	15%
3. Plant & Machinery	-	25%
4. Computers	-	60%
5. Furniture, Fixtures & Office equipments	-	18.10%
6. Vehicles	-	25.89%

- b) On fixed assets purchased / put to use on or after 1st April 2005, depreciation has been provided on the straight line method as per the rates prescribed under Schedule XIV to the Companies Act, 1956.
- c) Fixed assets costing upto Rs. 5,000/- per item are fully depreciated in the year of acquisition.

vii) Foreign Exchange Transactions

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing at the time of the transaction.

Monetary items (i.e. receivables, payables, loans etc.) denominated in foreign currency are reported using the closing exchange rate on each balance sheet date.

The exchange difference arising on the settlement of monetary items or on reporting these items at rates different from the rates at which these were initially recorded / reported in previous financial statements are recognized as income / expense in the period in which they arise. Exchange differences arising on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded during the period or reported in the previous financial statements in so far as they relate to the acquisition of depreciable capital assets by addition to/deduction from the cost of the assets.

Non-monetary items are carried at cost.

viii) Investments

Long term investments are stated at cost and current investments are carried at lower of cost and fair value. Provision for diminution in the value of long term Investments is made only if such a decline is other than temporary.

ix) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

x) Valuation of Inventories

i) Valuation of Inventories is done as under :

Raw Material, Packing Material and Consumable Stores	At lower of 'Cost' and 'Net Realisable Value'
Work-in-Progress and Finished Goods.	At lower of 'Cost' (raw material cost and appropriate proportion of overheads) and 'Net Realisable Value'.
Tooling - WIP	At lower of 'Cost' and ' Net Realisable Value'.
Scrap	At 'Net Realisable Value'

Note: a) Cost is determined on the basis of FIFO method.

b) Valuation of Finished Goods includes Excise Duty thereon.

ii) Cost of spares and components purchased during the year have been charged to the Profit and Loss Account.

xi) Employees Retirement Benefits

a) Retirement benefits in the form of Provident fund / Pension Schemes are defined contribution schemes and the contributions are charged to the Profit & Loss Account of the year when the contributions to the respective funds become due.

b) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year. However, the Company through its Trust has taken

a policy with LIC to cover the gratuity liability of the employees. The difference between the actuarial valuation of gratuity for employees at the year-end and the balance of funds with LIC is provided for as liability in the books.

- c) Provision for leave encashment is accrued for and provided for on the basis of an actuarial valuation made at the end of each financial year.
 - d) Actuarial gains / losses are immediately taken to the Profit & Loss Account.
 - e) Expenses incurred on voluntary retirement of employees are charged off to the Profit & Loss Account in the year of occurrence.
- xii)** Income Tax expense comprises of current tax and deferred tax charge or credit. Provision for current tax is made with reference to taxable income computed for the financial year for which the financial statements are prepared by applying the tax rates as applicable.

Deferred income tax charge reflects the impact of current period timing differences between taxable income and accounting income. The deferred tax charge or credit is recognised using prevailing enacted or substantively enacted tax rates. Where there is an unabsorbed depreciation or carry forward loss, deferred tax assets are recognised only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets / liabilities are reviewed as at each balance sheet date based on developments during the period and available case laws, to reassess realizations / liabilities.

xiii) Research and Development

In accordance with Accounting Standard (AS) - 26, revenue expenditure on Research & Development is charged to the Profit & Loss Account in the year in which it is incurred. Capital expenditure on research and development is shown as an addition to fixed assets and depreciated accordingly.

xiv) Contingent Liabilities, Contingent Assets & Provisions

Contingent liabilities, if material, are disclosed by way of notes and contingent assets are not recognised or disclosed in the financial statements. A provision is recognised, when an enterprise has a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made for the amount of obligation.

- xv)** Technical know-how fees is accounted for to the extent it has become due during the year.

B. Notes to Accounts

1. Contingent Liabilities not provided for (being disclosed in terms of AS-29 issued by ICAI):

- (i) Disputed Excise Duty Matters
 - a) On the matter of Rs.31.95 crores including penalty of Rs. 6.5 crores (previous year Rs.31.95 crores), which had been decided in favour of the Company by Customs, Excise and Service Tax Appellate Tribunal, New Delhi (CESTAT), the department had sought the intervention of the Hon'ble Delhi High Court which had then issued directions to CESTAT to clarify certain points of law arising out of that Order. The matter is still pending for final decision.
 - b) Other matters - Rs. 146.20 lacs (previous year- Rs.260.68 lacs).
- (ii) Disputed Customs Duty matter - Rs.11.66 lacs which has been deposited under protest and shown under Schedule 10" Loans & Advances".
- (iii) Disputed ESI demands - Rs 5.39 lacs (previous year-Rs.5.39 lacs). Against these, the Company has deposited Rs.1.22 lacs (previous year Rs.1.22 lacs) under protest.
- (iv) Disputed Service Tax demands - Rs. 11.46 lacs (previous year-Rs.7.26 lacs).
- (v) Disputed Income Tax demands - Rs.200.57 lacs (previous year - Rs.121.84 lacs)

2. Estimated value of contracts remaining to be executed on capital account and not provided for in the accounts, net of advance is Rs. 624.92 lacs (Previous year Rs.1,100.00 lacs)
3. Under the Micro, Small and Medium Enterprises Development Act, 2006, the Company is in the process of identifying such parties. However, to the extent they have already been identified, necessary disclosures have been made as required under the said Act. Further, in case of the parties already identified, there are no Micro and Small Enterprises to whom the Company owes dues which are outstanding for more than 45 days as at 31st March, 2010.
4. Research & Development expenses include:

(Amount in Rs.)

Particulars	2009-10	2008-09
Salary	61,96,637	41,97,276
Development & other expenses	65,93,201	67,31,802

5. During the year, the following Deferred Tax Liabilities and Assets are recognised on account of timing difference in accordance with AS-22 , "Accounting for Taxes on Income":

(Amount in Rs.)

Particulars	Amount as on 1.4.2009	Amount for Current Period	Amount as on 31.3.2010
Deferred Tax Assets on account of :			
Expenses allowed on payment basis	22,35,620	(2,80,789)	19,54,831
Voluntary Separation Scheme Expenditure	1,69,950	(1,69,950)	-
Total Deferred Tax Assets	24,05,570	(4,50,739)	19,54,831
Deferred Tax Liabilities on account of :			
Depreciation	2,42,29,850	1,44,46,534	3,86,76,384
Total Deferred Tax Liabilities	2,42,29,850	1,44,46,534	3,86,76,384
Net Deferred Tax Asset/(Liability)	(2,18,24,280)	(1,48,97,273)*	(3,67,21,553)
Previous Year	(1,40,73,896)	(77,50,384)	(2,18,24,280)

*Rs.1,48,97,273 /- in respect of Current Year (Rs.77,50,384/- in respect of previous year) has been routed through the Profit and Loss Account.

6. Earning per Share (EPS):

Particulars	2009-10	2008-09
Weighted average number of Equity Shares outstanding	3,14,00,000	3,14,00,000
Profit after tax as per P & L A/c (Rs.)	3,83,97,434	2,75,95,307
Basic & Diluted Earning per share (Rs.)	1.22	0.88
Nominal Value per Share (Rs.)	2.00	2.00

7. Current Assets, Loans and Advances

In the opinion of the management, current assets, loans and advances have a value on realisation in the ordinary course of business, at least equal to the amount shown in the Balance Sheet.

In respect of debtors, there is no major difference or dispute pending reconciliation/settlement. In respect of creditors, management is in the process of reconciliation.

8. (i) Particulars of Un-hedged Foreign Currency Exposure as at Balance Sheet Date :

Foreign Currency Term Loan	Rs. 1,21,95,478 (USD 2,70,170.06) [P.Y. - Rs. 3,10,35,446 (USD 6,05,806.14)]
Foreign Currency Demand Loan	Nil [P. Y - Rs. 2,00,19,539 (USD 3,90,777.65)]
Foreign Currency ECB	Rs. 6,38,31,811(JapaneseYen 13,17,75,002) [P.Y. Nil]
Creditors	Rs. 20,03,650 (Euro 33,234) [P.Y.- Rs. 97,87,826 (Euro 1,52,339.71)]
	Rs. 3,279,046 (USD 72,181) [P.Y. - Rs. 34,46,498 (USD 67,275)]
Advances recoverable in cash or in kind	Rs. 17,91,697 (USD 39,692) [P.Y. Nil]

(ii) Particulars of Hedged Foreign Currency Exposure as at Balance Sheet Date :

Foreign Currency ECB	Rs. 1,45,26,826 (Japanese Yen 2,92,83,332) [P.Y. Nil]
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9. Disclosure in pursuance of AS-18 (Related Party Disclosure)

a) Names of parties

- | | |
|---|---|
| i) Where control exists (i.e. holding companies subsidiaries and fellow subsidiaries) | : None |
| ii) Parties in respect of which Bharat Seats Ltd. is an Associate | : Maruti Suzuki India Ltd.
Suzuki Motor Corporation, Japan.
Sharda Motor Industries Limited |
| iii) Key management persons and their relatives | : Mr. N.D. Relan - Chairman
Mr. Rohit Relan - Managing Director

Relatives :
Mrs. Ritu Relan
Mr. Rishabh Relan
Mr. Pranav Relan
Mr. Ayush Relan
Mr. Ajay Relan
Mrs. Sharda Relan |
| iv) Other enterprises over which person(s) referred to in (iii) above is able to exercise significant influence | : N.D. Relan (HUF)
Rohit Relan (HUF)
Ajay Relan (HUF)
Sharda Enterprises |

b) Transactions with related parties:

(Amount in Rs.)

Particulars	Parties in respect of which Bharat Seats Limited is an associate	Key Management Persons	Relatives of Key Management Persons	Enterprises over which persons referred to in (iii) above is able to exercise significant influence
Sale of Material (Gross including Excise & Cess)	3,55,62,48,338 (2,41,41,17,573)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Purchases	1,40,06,78,512 (93,84,75,914)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Dividend paid	91,50,000 (91,50,000)	8,67,750 (8,67,750)	15,81,750 (15,81,750)	51,750 (49,000)
Director's Remuneration	Nil (Nil)	65,14,110 (61,05,114)	Nil (Nil)	Nil (Nil)
Rent Paid	4,91,400 (3,27,600)	Nil (Nil)	Nil (Nil)	54,00,000 (54,00,000)
Other Expenses	2,31,43,530 (1,51,94,926)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Discount on sales	2,47,65,431 (1,47,17,125)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Interest paid on Mobilisation/ Tooling Advance	30,682 (4,28,487)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Mobilisation/Tooling Advance amortised during the year	20,84,645 (20,83,236)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Mobilisation /Tooling Advance recoverable as on 31.3.2010	Nil (2,66,58,514)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Mobilisation/Tooling Advance payable	Nil (18,66,826)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Mobilisation/Tooling Advance Paid during the year	2,74,00,000 (50,00,000)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Net Outstanding receivable on account of sales of goods as on 31.03.2010	10,96,17,494 (15,97,87,435)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Net Outstanding payable on account of purchases as on 31.03.2010	4,58,20,980 (4,32,84,754)	Nil (Nil)	Nil (Nil)	Nil (Nil)

10. Investments purchased and sold during the year:

S. No.	Scheme	Units Purchased	Purchase Cost (Rs.)	Units Sold
1.	Reliance Liquid Plus Fund Institutional Option Daily Dividend (Face Value Rs. 1001.136)	- (11,486.946)	- (1,15,00,000)	- (11,504.372)
2.	Birla Quarterly Interval Fund Series 2 (Face Value Rs.10)	- (10,00,000.000)	- (1,00,00,000)	- (10,00,000.000)
3.	Birla Quarterly Interval Fund Series 2 Dividend Payout (Face Value Rs. 10)	- (10,00,000.000)	- (1,00,00,000)	- (10,00,000.000)

1. No investments were purchased and sold during the year.
2. Previous year figures are shown in brackets

11. CIF Value of Imports

(Rs. in Lacs)

S. No.	Particulars	2009-2010	2008-2009
i)	Raw Material	2,655.38	3,382.52
ii)	Capital Goods	960.54	169.75

12. Foreign Currency Transactions (accrual basis)

(Rs. in Lacs)

S. No.	Particulars	2009-2010	2008-2009
	Expenditure in Foreign Currency		
i)	Travelling Expenses	87.35	41.41
ii)	Technical Know-how Fees (net of TDS)	107.03	62.97
iii)	Training Fees (net of TDS)	22.72	17.79
	Foreign Exchange Earnings	Nil	Nil

13. Remuneration to Managing Director

(Amount in Rs.)

S. No.	Particulars	2009-2010	2008-2009
i)	Salaries	51,00,000	47,40,000
ii)	Perquisites & Allowances	7,20,000	7,20,000
iii)	Contribution to Provident Fund	6,94,110	6,45,114
	Total	65,14,110	61,05,114

Note: Since no commission has been paid to any director, the computation of profit under section 349 of the Companies Act, 1956 has not been given.

14. Payment to Auditors

(Amount in Rs.)

S. No.	Particulars	2009-2010	2008-2009
i)	Audit fees	3,70,000	3,40,000
ii)	Tax Audit Fee	75,000	65,000
iii)	Certification and Other Matters	2,30,000	1,59,350
iv)	Out of Pocket Expenses	69,874	52,381
	Total	7,44,874	6,16,731

15. The Company has only one reportable business segment as it manufactures and deals only in different seating systems, carpet etc. in terms of AS 17 "Segment Reporting" issued by "The Institute of Chartered Accountants of India" and therefore, the disclosure requirements of the Standard are not applicable.
16. Pre-operative expenditure capitalized as a part of fixed assets are as under:

	Rs.	Rs.
	2009-2010	2008-2009
Expenditure incurred during the year:		
Interest & Commitment Charges	22,33,401	-
Stores Consumption	4,67,227	-
Insurance Charges	3,53,669	-
Freight and Cartage	11,38,209	-
Miscellaneous Expenses	23,15,598	-
Total	65,08,104	-
Capitalized in fixed assets as Plant and Machinery	43,07,756	-
Carried forward as a part of Capital Work in Progress	22,00,348	-

17. GRATUITY AND EARNED LEAVE BENEFIT PLANS

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Scheme is funded with "The Life Insurance Corporation of India" in the form of a qualifying insurance policy. The Company has also provided for Leave Encashment which is unfunded.

The following tables summarize the components of net benefit expense recognized in the profit and loss account and the funded status and amounts recognized in the balance sheet for the respective plans (as per actuarial valuation as on March 31, 2010).

Net employee benefit expense (recognized in the Statement of Profit & Loss for the year ended March 31, 2010)

(Amount in Rs.)

Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)	
	As at 31.03.2010	As at 31.03.2009	As at 31.03.2010	As at 31.03.2009
Current Service Cost	8,56,425	4,61,706	6,69,516	5,71,120
Interest Cost on benefit obligation	3,39,605	3,54,513	6,20,263	5,53,468
Expected return on plan assets	-	-	(7,61,841)	(7,27,753)
Past Service Cost	-	-	-	-
Actuarial (gain) / loss recognized in the year	2,49,122	7,47,930	(3,27,572)	7,15,005
Net benefit expense	14,45,152	15,64,149	2,00,366	11,11,840
Actual return on Plan Assets	-	-	-	-

Net Asset / (Liability) recognized in the Balance Sheet as on March 31, 2010

(Amount in Rs.)

Particulars	Leave Encashment		Gratuity	
	As at 31.03.2010	As at 31.03.2009	As at 31.03.2010	As at 31.03.2009
Present Value of Defined Benefit Obligation	51,67,622	45,28,068	90,61,273	82,70,173
Fair Value of Plan Assets	-	-	1,03,86,486	83,26,129
Net Asset / (Liability) recognized in the Balance Sheet	(51,67,622)	(45,28,068)	-*	-

* Taking a conservative view, the excess of Assets over Liabilities in respect of Gratuity has not been recognized by the management.

Changes in the present value of Defined Benefit Obligation are as follows:

(Amount in Rs.)

Particulars	Leave Encashment		Gratuity	
	As at 31.03.2010	As at 31.03.2009	As at 31.03.2010	As at 31.03.2009
Opening defined benefit obligation	45,28,068	44,31,411	82,70,173	69,18,349
Interest Cost	3,39,605	3,54,513	6,20,263	5,53,468
Current Service Cost	8,56,425	4,61,706	6,69,516	5,71,120
Benefits Paid	(8,05,598)	(14,67,492)	(2,41,479)	(4,86,467)
Actuarial (gain) / loss on obligation	2,49,122	7,47,930	(2,57,200)	7,13,703
Closing defined benefit obligation	51,67,622	45,28,068	90,61,273	82,70,173

Changes in the Fair value of Plan Assets are as follows:

(Amount in Rs.)

Particulars	Gratuity	
	As at 31.03.2010	As at 31.03.2009
Opening fair value of Plan Assets	83,26,129*	80,86,145
Expected return on Plan Assets	7,61,841	7,27,753
Contribution by employer	14,69,623	-
Benefits paid	(2,41,479)	(4,86,467)
Actuarial Gain / (Loss) on Plan Assets	70,372	(1,302)
Closing fair value of Plan Assets	1,03,86,486	83,26,129

* Opening fair value of plan assets as on 1st April 2009 adjusted on the basis of confirmation by LIC.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Gratuity
Insured with LIC	100.00%

The principal assumptions used in determining gratuity and leave liability for the Company's plans are shown below:

(Amount in Rs.)

Particulars	Leave Encashment		Gratuity	
	2009-10	2008-09	2009-10	2008-09
Discount Rate	8.00%	7.50%	8.00%	7.50%
Rate of increase in Compensation	5.00%	5.00%	5.00%	5.00%
Rate of Return on Plan Assets	-	-	9.00%	9.15%
Average Outstanding Service of Employees upto Retirement (years)	17	17	17	17

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Contribution to Defined Contribution Plans:

(Amount in Rs.)

Particulars	2009-10	2008-09
Provident Fund/ Pension Fund	26,34,826	22,16,808

18. Details of Raw Materials Consumption:

i) Raw Materials and Components consumed:

Particulars	Unit	Qty.		Value (Rs.in Lacs)	
		Current Year	Previous Year	Current Year	Previous Year
Trims	Nos.	36,59,952	26,27,442	6,282.29	4,334.18
PU Raw Materials	Kgs.	39,75,355	28,60,178	4,994.89	3,588.42
Reclining Assembly	Nos.	28,61,877	18,95,063	6,118.04	4,437.63
Others				12,394.38	6,732.50
Total				29,789.60	19,092.73

ii) Imported & Indigenous Raw Materials (including Components) :

Particulars	Current Year		Previous Year	
	Rs.in Lacs	%	Rs.in Lacs	%
a) Imported	3,886.33	13.04	3,588.42	18.79
b) Indigenous	25,903.27	86.96	15,504.31	81.21
Total	29,789.60	100.00	19,092.73	100.00

iii) Licensed capacity, Installed capacity, Production, Stock and Turnover :

- (1) The Company is operating in a delicensed industry and therefore, the information regarding licenced capacity has not been given.
- (2) Installed Capacity (as certified by the management and relied upon by the auditors, being a technical matter)
 - (i) Seats Assembly : 700,000 sets per annum
 - (ii) Carpets for Automobiles : 750,000 sets per annum
 - (iii) Motorcycle Seats : 500,000 per annum

(3) Production, Sales, Stocks:

Particulars	Current Year		Previous Year		
	No.	Rs. (in lacs)	No.	Rs. (in lacs)	
In respect of manufactured items:					
(i) Car Seats Assemblies	Opening Stock	511	33.09	267	14.09
	Production	4,19,051	-	3,17,922	-
	Closing Stock	300	18.34	511	33.09
	Sales & Others	4,19,262	30,913.22	3,17,678	20,370.90
(ii) Carpet Sets for Automobiles	Opening Stock	1,920	4.81	875	2.45
	Production	4,45,423	-	2,48,783	-
	Closing Stock	1,673	6.06	1,920	4.81
	Sales	4,45,670	1,560.84	2,47,738	793.47
(iii) Motorcycle Seats	Opening Stock	579	2.06	465	1.52
	Production	1,90,985	-	1,31,433	-
	Closing Stock	706	2.60	579	2.06
	Sales	1,90,858	765.25	1,31,319	519.29
(iv) Others Sales & Traded Goods	Opening Stock	-	0.55	-	-
	Production	-	-	-	-
	Closing Stock	-	2.13	-	0.55
	Sales	-	339.32	-	191.02
In respect of goods traded in:					
Gypsy Hoods For seats	Opening Stock	137	3.20	87	2.06
	Purchases	1,042	24.36	2,356	55.17
	Closing Stock	25	0.61	137	3.20
	Sales	1,154	27.64	2,309	55.30

19. Amount remitted in foreign currency on account of Dividend

(Amount in Rs.)

Pertaining to the year	Current Year			Previous Year		
	Name of Non-resident Shareholder	No. of Equity Shares held	Dividend remitted (Rs.)	Name of Non-resident Shareholder	No. of Equity Shares held	Dividend remitted (Rs.)
2007-08 - Final				Suzuki Motor Corporation, Japan	46,50,000	23,25,000
2008-09 - Final	Suzuki Motor Corporation, Japan	46,50,000	23,25,000	-	-	-

20. Previous year figures have been regrouped and /or reclassified, wherever necessary.

21. Figures have been rounded off to the nearest rupee (except where stated otherwise) and previous year figures have been shown in bracket.

22. Schedules 1 to 17 to the Balance Sheet and Profit and Loss Account and Schedule 18 on Notes to Accounts form an integral part of the accounts.

As per our report of even date
For S.S.KOTHARI MEHTA & CO.
 CHARTERED ACCOUNTANTS

J. KRISHNAN
 Partner

RAJAT BHANDARI
 V.P.(Strategic Planning)

SANJEEV KUMAR
 General Manager (Finance)

For and on behalf of the Board

N.D.RELAN
 Chairman

ROHIT RELAN
 Managing Director

PLACE: NEW DELHI
 DATE : 13TH APRIL, 2010

RITU BAKSHI
 Company Secretary

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details	CIN L34300DL1986PLC023540 State Code 55		
	Balance Sheet Date 31.03.2010		
II. Capital raised during the year (Amount in Rs. Thousands)			
Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL
III. Position Mobilisation and Deployment of Funds (Amount in Rs. Thousands)			
Total Liabilities	528132	Total Assets	528132
Sources of Funds			
Paid-up Capital	62800	Reserves & Surplus	211257
Secured Loans	88995	Unsecured Loans	128359
		Net Deferred Tax Liability	36722
Application of Funds			
Net Fixed Assets	479920	Investments	41938
Capital Work Progress (Including Capital Advance)	30441		
Net Current Assets	(24168)	Miscellaneous Expenditure	NIL
Accumulated Losses	NIL		
IV. Performance of Company (Amount in Rs. Thousands)			
Turnover	3676372	Total Expenditure	3636826
(including Excise duty and excludes other income)		Profit/(Loss) before tax	51937
Other Income	12391	Profit/(Loss) after tax	38397
Earning per Share in Rs.	1.22	Dividend rate %	30
V. Generic Names of Three Products / Services of Company (as per monetary terms)			
Item Code No. (ITC Code)	9401.20.00		
Product Description	SEATS OF A KIND USED FOR AUTOMOBILES		
Item Code No. (ITC Code)	8708.99.00		
Product Description	PARTS OF MOTOR VEHICLE & ACCESSORIES - CARPET MOULDING		

RAJAT BHANDARI
V.P.(Strategic Planning)

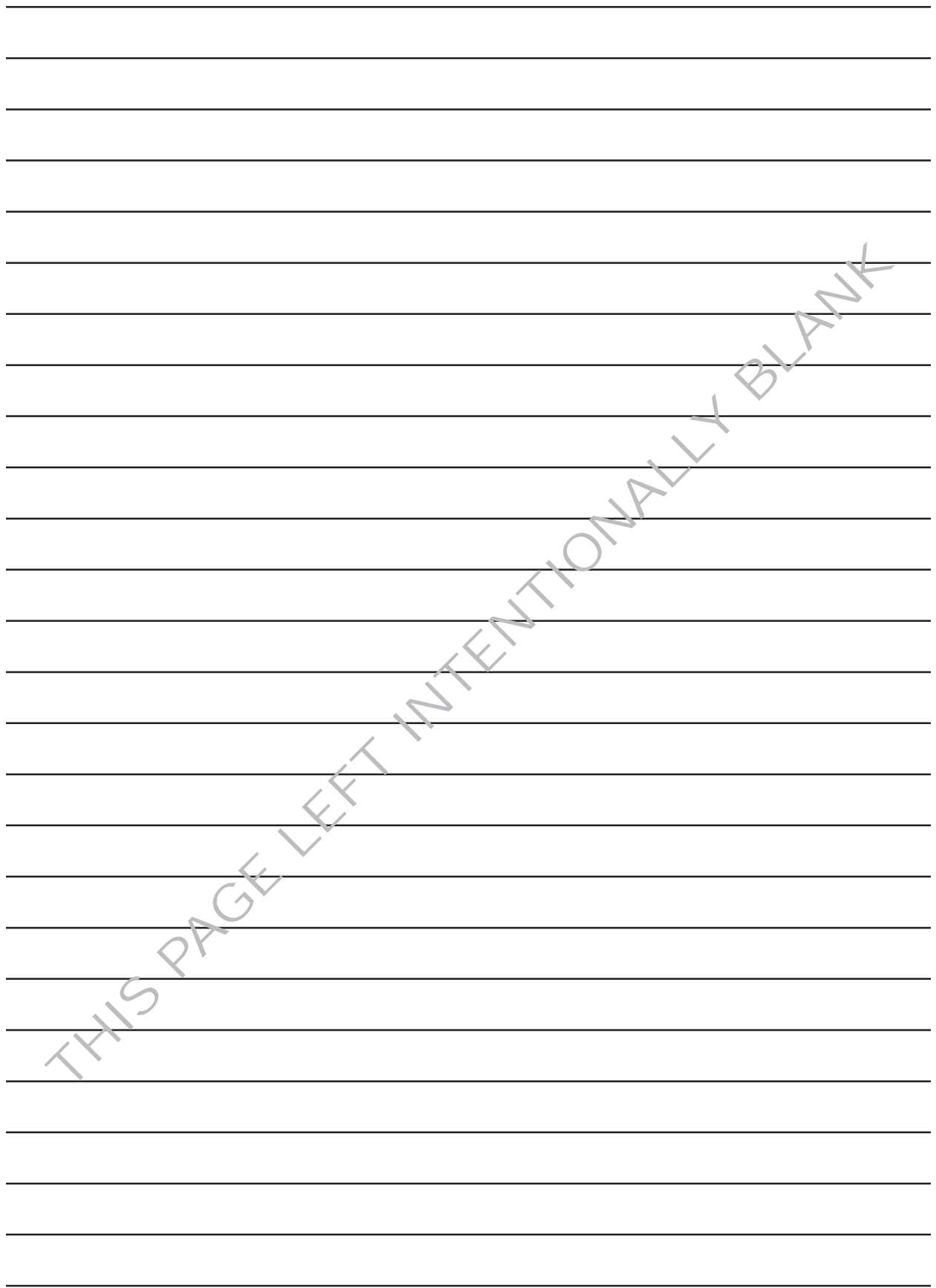
N.D.RELAN
Chairman

SANJEEV KUMAR
General Manager (Finance)

ROHIT RELAN
Managing Director

PLACE: NEW DELHI
DATE : 13TH APRIL, 2010

RITU BAKSHI
Company Secretary



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