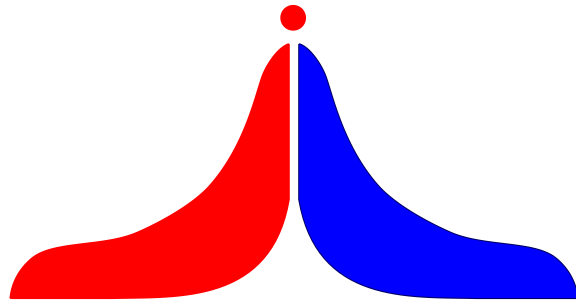


**16TH ANNUAL REPORT
2009-2010**



AADI INDUSTRIES LIMITED

16th Annual General Meeting

Day and Date : Thursday, 26th August 2010

Venue : Plot No. 204, Lavender Baug,
Next to Swami Narayan Mandir,
90 Feet Road, Garodia Nagar,
Ghatkopar (East), Mumbai 400 077

Time : 11.30 a.m.

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Rushabh Shah	Chairman & Managing Director
Mrs. Mansi Shah	Director
Mr. Pravin Doshi (upto 16 th Jan., 2010)	Director
Mr. T. S. Ramcharan (upto 29 th April, 2009)	Director
Mr. Shardul Shah	Director
Mr. Deepak Bhagat (upto 29 th April, 2009)	Director
Mr. C. R. Mehta (w.e.f. 29 th April, 2009)	Director
Mr. Surjit Banga (w.e.f. 29 th April, 2009)	Director

AUDITORS

M/s. Sunderji Gosar & Co.
Chartered Accountants
Mumbai

BANKERS

Dena Bank

REGISTERED OFFICE

320/7, Siddhivinayak Society,
Hingwala Lane, Pant Nagar,
Ghatkopar (East), Mumbai - 400 075
Email : aadi.industries@hotmail.com
Website: www.aadiindustries.com

REGISTRAR & SHARE TRANSFER AGENTS

Sharex Dynamics (India) Private Limited
Luthra Industrial Estate, Andheri Kurla Road,
Andheri (East), Mumbai 400 072
Tel. No.: 022- 28515606
Fax No.: 022- 22641349
Email: sharexindia@vsnl.com



NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of the Members of Aadi Industries Limited will be held on Thursday, 26th August 2010 at 11.30 a.m. at Plot No. 204, Lavender Baug, Next to Swami Narayan Mandir, 90 Feet Road, Garodia Nagar, Ghatkopar (East), Mumbai 400 077 to transact the following business:

ORDINARY BUSINESS:

- 1 To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March 2010, the Balance Sheet as at that date along with the Reports of Directors and Auditors thereon.
- 2 To declare dividend on the paid up Equity Share Capital of the Company.
- 3 To appoint a Director in place of Mr. C. R. Mehta, who retires by rotation and being eligible, offers himself for re-appointment.
- 4 To appoint M/s. Sunderji Gosar & Co., Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to Sections 81 and 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment to or re-enactment thereof), SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 (“the ICDR Regulations”) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to the permission(s), sanction(s) and approval(s) of the Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI), Bombay Stock Exchange Limited (BSE) and such other authorities as may be applicable in this regard from time to time and subject to such conditions, modifications and alterations as may be prescribed by any one of them while granting such permission(s), sanction(s) and approval(s), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this resolution) at its sole discretion, consent of the Company be and is hereby accorded to the Board to offer, issue and allot 50,00,000 (Fifty lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each for cash at a premium of Rs. 15/- (Rupees Fifteen only) per share aggregating to Rs. 12,50,00,000/- (Rupees Twelve Crores Fifty lacs only) in one or more tranches, at such time or times, in such manner, form and numbers as may be prescribed while granting permission(s), sanction(s) and approval(s) by the aforesaid authorities and/or which the Board may at its absolute discretion consider proper, desirable and expedient on Right Basis to such members who at the Record date (herein after called “the Record Date”) are holders of equity shares of the Company, in proportion, as nearly as circumstances admit, of One (1) Equity Share for every 2 (Two) Equity Shares held on the Record Date with right to renounce all or any of the shares so offered respectively to them in favour of any other person.

RESOLVED FURTHER THAT The new Equity Shares referred hereinabove shall be subject to the Memorandum & Articles of Association of the Company and shall rank pari passu in all respects with the then existing equity shares of the Company including entitlement for dividend with the existing equity shares of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company, be and is hereby authorized to do all deeds, acts and things and take action on matters, give directions or instructions for settling any questions, doubts or difficulties which may arise with regard to the offer, issue and allotment of the fresh equity shares and to take appropriate actions to give effect to the above resolutions and the matters related thereto.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of the powers herein conferred, to any Director or Directors of the Company to give effect to the aforesaid resolution and matters connected thereto.”



NOTES:

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 2 Any instrument appointing a proxy or proxies should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- 3 The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item No. 5 is appended hereto.
- 4 The Register of Members and Share Transfer Books of the Company will be closed from Wednesday 25th August 2010 to Thursday 26th August 2010 (both days inclusive).
- 5 Shareholders desiring any information relating to the accounts are requested to write to the Company at least seven days prior to the date of ensuing Annual General Meeting or at an early date so as to enable the management to keep the information ready.
- 6 Members are requested to notify immediately about any change in their address/bank mandate to their respective Depository Participant (DP) in respect of their electronic share accounts and to the Company's Registrar & Share Transfer Agent at i.e. Sharex Dynamics (India) Private Limited, Luthra Industrial Estate, Andheri Kurla Road, Andheri (East) Mumbai 400 072 in respect of their physical share folios.
- 7 Members/proxies are requested to bring their copy of Annual Report to the Meeting.
- 8 Members/proxies are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.

A brief profile of the Director to be re appointed is as follows:

Name	Mr. C. R. Mehta	
Age	71 years	
Qualification	F.C.A., F.C.S.	
Nature of Expertise	Legal	
Experience	49 years	
Names of other Companies in which holds directorship	1. Fortune Financial Services (India) Limited 2. Reliance Industrial Infrastructure Limited	
	Name of the Company	Position
	Fortune Financial Services (India) Limited	Member 1. Audit Committee 2. Remuneration Committee
	Reliance Industrial Infrastructure Limited	Chairman 1. Audit Committee 2. Shareholders/Investors' Grievances 3. Remuneration Committee
Shareholding in Aadi Industries Limited	Nil	



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

Item No 5

Your Company has lined up several initiatives to improve its turnover and profitability in coming years. Towards this objective, it is proposed to install additional machinery at the existing plant to increase the manufacturing capacity by 50% in the existing installed capacity to meet the increase in demand for its products, the Company is also planning to retire its debt in the form of Term Loan from Dena Bank with a view to decrease the interest burden and shore up profitability. In addition, the Company has decided to set up its own Corporate Office for better co-ordination and management of marketing and administrative functions. The Company has estimated that additional financial resources to the tune of Rs. 12.50 crores would be required to successfully transform the initiatives into achievements. For augmenting the required funds, the Company proposes to make, offer, issue and allot shares to its existing shareholders on the right basis in the ratio of One New Equity Share of Rs. 10/- each for two existing equity shares of Rs.10/- each fully paid up held in the Company as on the Record date to be determined by the Board of Directors in this regard. The issue price for the aforesaid Right Issue of shares has been determined at Rs. 25/- per share inclusive of premium of Rs. 15/- per share. The total issue size is contemplated of 50,00,000 Equity Shares of Rs. 10/- each for cash at a premium of Rs. 15/- per share aggregating to Rs. 12.50 crores.

As per the provisions of the Companies Act, 1956, approval of members is necessary for issue of shares on right basis. Hence the same is placed before you for approval.

The Directors of the Company are concerned or interested in the above resolution to the extent of their respective entitlement, if any, for subscribing to shares in the proposed Right Issue of shares, based on their respective shareholding, if any, in the Company on their own and/or through their relatives.

Your Directors recommend the resolution.

For and on behalf of the Board

**Rushabh Shah
Chairman and Managing Director**

Place: Mumbai

Date: 2nd August 2010



DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the Sixteenth Annual Report on the operations of the Company together with the audited accounts for the year ended 31st March, 2010.

Financial Results:

Financial Results for the year ended 31st March, 2010 are as under:

(Rs. in Lacs)

	Current Financial Year 2009-10	Previous Financial Year 2008-09
Net Sales and other Income	7664.30	1011.97
Profit before Depreciation, Interest and Tax (PBDIT)	535.61	59.40
Less: Interest	230.54	22.07
Depreciation	41.03	2.16
Profit before Taxation	264.04	31.57
Less: Provision for Taxes		
- Income Tax	67.94	4.71
- Deferred Tax Asset	16.62	13.33
Profit after Taxation	179.48	17.13
Balance brought from previous year	5.58	(11.55)
Balance available for appropriation	185.06	5.58

APPROPRIATION

	Current Financial Year 2009-10	Previous Financial Year 2008-09
Proposed Dividend	50.00	0
Dividend Tax	8.50	0
Profit carried to Balance Sheet	126.56	5.58

Performance:

During the year under review, the Company commenced its manufacturing operations at Silvassa. The Company achieved sales of Rs. 7648.03 lacs and earned net profit after tax of Rs. 179.48 lacs compared to Rs. 1011.92 lacs and Rs. 17.13 lacs respectively for the previous financial year.

Project:

The Company's Project of manufacturing 4800 MT Shopping / Plastic Bags and 7200 MT of Tarpaulins / Wagon Cover at Silvassa was completed and after the successful trial run in March 2009, commissioned during the current financial year on stand by power connection. The power connection was made available to the Company by the Gujarat Electricity Board in the month of March 2010 and accordingly the entire manufacturing operations were commenced on full fledged basis thereafter. After detailed study on the current market prospects and considering the demand for Plastic / Shopping bags, the manufacturing of white plastic / shopping bags was undertaken. During the current financial year, the Company manufactured 3837.825 MT of plastic bags / shopping bags and 1644.782 of Tarpaulins. Barring some initial teething problems, the plant has been running at satisfactory level.

**Current year outlook:**

The Indian Plastic Industry is expected to maintain its growth rate in the current financial year considering investments by international companies in the automotive, electronics, food processing, healthcare, packaging and telecommunications industries.

The Company is well placed to compete in the market. The Company has plans not only to cater to the domestic demand but also international demand of white bags. Further it is proposed to also tap the market for the printed bags for the leading retail outlets of India. The Company has already initiated efforts towards these objectives by supplying its products in the international market through a company registered as Merchant Exporter. A team of marketing personnel has been appointed to tap the domestic market for the printed bags.

Presently, the ratio of trading and manufacturing sales is 40:60, which is expected to reduce gradually in the current financial year. With the power connection disbursed by the Company, the manufacturing facilities which is now being operated at 60% of the installed capacity, due to receipt of uninterrupted power supply, expected to achieve optimum level in couple of years. The Company's Printing Unit is also expected to commence its operations during the current financial year.

Barring unforeseen circumstances, your Directors are optimistic that the Company achieving better performance during the current year.

Dividend:

Your Directors are pleased to recommend maiden dividend @ Re. 0.50/- per share for the Financial Year 2009-10 subject to approval of the shareholders at the ensuing Annual General Meeting, which if approved, would absorb Rs. 58.50 lacs on account of dividend and tax thereon.

Directors:

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. C. R. Mehta Director of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Mr. Shardul Shah and Mr. Pravin Doshi resigned from the directorship of the Company during the year under review. The Board places on record its deep appreciation of the invaluable services rendered by Mr. Shardul Shah and Mr. Pravin Doshi during their respective tenure as Director of the Company.

Directors' Responsibility Statement:

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

- in the preparation of the annual accounts, the applicable Accounting Standards have been followed and no material departures were found;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2010 and of the profit of the Company for the year;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts for the year ended 31st March, 2010 have been prepared on going concern basis.

Public Deposits:

The Company has not accepted any deposit pursuant to provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.



Auditors:

M/s Sunderji Gosar & Co., Chartered Accountants, the Statutory Auditors of the Company, retire at the ensuing Annual General Meeting and are eligible for re-appointment. The retiring Auditors have furnished a certificate of their eligibility for re-appointment under Section 224(1B) of the Companies Act, 1956 and have indicated their willingness to continue in the said office. Members are requested to appoint auditors for the current year and to authorize the Board to fix their remuneration.

Auditors' Report:

The observations made by the Auditors in their Report read with the relevant notes as given in the Notes to Accounts, are self explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

Corporate Governance:

A Report on Corporate Governance and Management Discussion & Analysis Report pursuant to Clause 49 of the Listing Agreement are annexed hereto and form part of this report.

Particulars of Conservation of Energy, Technology Absorption, Adaptation and Innovation and Foreign Exchange Earnings and outgo:

Information relating to the Conservation of Energy, Technology Absorption, Adaptation and Innovation and Foreign Exchange Earnings and Outgo pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto and forms part of this report.

Particulars of Employees:

During the year under review, none of the employees of the Company, whether employed for the whole year or part thereof, was in receipt of remuneration aggregating to or in excess of the limits specified under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, and hence, no particulars of employees are required to be furnished in connection with the said Rules.

Acknowledgements:

The Board wishes to place on record its sincere appreciation for the continuous support received from Shareholders, Customers, Suppliers, Bankers, Statutory Authorities and all other business associates. The Board also takes this opportunity to thank the employees at all levels for their hard work, commitment and invaluable contribution to the Company's operations.

For and on behalf of the Board

**Rushabh Shah
Chairman and Managing Director**

Place: Mumbai
Dated: **28th May 2010**



ANNEXURE TO THE DIRECTORS' REPORT

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

I. CONSERVATION OF ENERGY

During the year under review, the Company applied strict control systems to monitor day to day power consumption, to endeavor to ensure the optimal use of energy with minimum wastage for its plant.

ENERGY CONSUMPTION

A. Power and Fuel Consumption	Year Ended 31-03-2010	Year Ended 31-03-2009
1 Electricity		
Purchased Units (in kw)	52192	Nil
Total Amount (Rs.)	233324	
Unit Rate (Rs.)	4.47	
2 L.D.O./F.O.		
Quantity (in Ltrs)	5473	Nil
Total Cost (Rs.)	1800454	
Average Rate/Litre (Rs.)	35.88	
B. Consumption per Unit of Production:		
Electricity (per MT)	2000 units	Nil
Tarpauline		Nil
Plastic Bags	500 units	Nil

II. A) RESEARCH AND DEVELOPMENT (R&D):

1. Specific areas in which R&D carried out by the Company.

The Company has set up the facilities to manufacture plastic bags and tarpaulin covers with latest technology machines available in the industry and most suitable in the Indian conditions. During the year under review no R & D activities were undertaken up by the Company but online R & D process is proposed to be implemented to ensure optimum utilization of capacity, best quality output with control over the manufacturing cost.

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

Not applicable

3. Future Plan of action

To reduce cost of production and improve quality, it is proposed to carry out Research and Development in several areas with in-house facilities.

B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. The Company has not acquired any technology for its manufacturing operations. However, the process applied is standard and generally accepted in the Industry.

2. Proper facilities will be set up for quality assurance and checking of various parameters at regular interval.

3. Benefits derived as a result of the above efforts:

The Company is expected to achieve consistency in the product quality, cost control, product development, import substitution etc. This will also help to achieve better yields and quality of the end product and the cost reduction.

4. Purchase of technology imported during the last 5 years: **Not applicable**

III. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review the Company did not have any earnings in foreign exchange (Previous Year Rs. Nil). However, the Company recorded foreign exchange outgo of Rs. 194063/- towards foreign traveling. (Previous Year Rs. Nil)

For and on behalf of the Board

Rushabh Shah
Chairman and Managing Director

Place: Mumbai
Date: 28th May 2010



MANAGEMENT DISCUSSION AND ANALYSIS

Statements in this Report, particularly those which relate to the Company's objectives, projections, estimates and expectations may constitute forward looking statements within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

(A) Industry structure and developments

Considering the plastic industry, in India, low-density polyethylene (LDPE) and linear low density polyethylene (LLDPE) are widely used polymers. This segment of polymers is growing at the rate of 12% per year. More than 50% of LDPE/ LLDPE is used by the packaging industry. The second most used polymer in India is HDPE with a share of 22%. The value of its domestic consumption is Rs 2,123 crore and it is growing at the rate of 15% per year. HDPE is used in the manufacturing of raffia, blow moulding, injection and in the paper industry as well. The majority of manufacturing capacities are owned by the big industrial houses.

Investment in the plastics sector in India is also rising with domestic and overseas companies setting up or expanding manufacturing activities. Further, the Indian government has taken steps to enhance competitiveness of the country's plastic industry by reducing import duties and central excise rates, and introducing value-added tax to replace sales tax.

As regards growth in the Plastic Industry, the global consumption of plastic is much more than the consumption of plastics in India. It is expected that consumption of plastics in India is expected to rise within five years and the industry will offer "unprecedented opportunities" in the next two decades due to rapid urbanization and growth in retail business in India.

(B) Opportunities and Threats, Risks and Concerns

The change in business policies, including the relaxation in restrictions on foreign ownership; some privatization of government assets and tariff reductions, have made the country as competitive as the other Asian regions. Foreign investors view India as a country with enormous potential, hence new foreign and domestic investments in the plastic industry will accelerate competition through higher growth, and measures by the Indian government to encourage investments. It is expected that India's polymers sector will have one of the highest growth rates of any polymer industry over the next 10 years.

As per the study carried out for availability of growth of various industries in India, India's petrochemical industry is expected to attract investments of more than \$18 billion in the next 4-5 years. About \$10 billion of that will be invested in the downstream processing industry and the rest by several existing and new producers. India can become a global production base and an export hub in the coming years. Hence availability of raw materials would be easy and that will further enhance the opportunities for the Plastic Industry which is a by product of petrochemical industry.

With more concentration on the specialty grades quality products which are more eco friendly plastic products and moving away from the type of commodity made cheaply will have more scope to survive in the long run considering the environmental issues attached with the Plastic Industry. With the quality consciousness, India can be a competitive supplier to China and to the rest of Asia.

The main threat is from the unorganized sector comprising low grade plastic goods manufacturers and from non eco-friendly manufacturing units. This may lead to quality problems in the international market and downgrading of Indian manufacturers' image. Secondly, due to its basic nature and use of low grade of plastic which is not eco-friendly, there has always been a threat of substitution of plastic as basic material with other metal or alternate material. These are the key risk factors which the Plastic Industry has to tackle in future.

(C) Internal control systems and their adequacy

The financial year under review being the first full year of operations with the commissioned of own manufacturing department, the Company is in process of designing and putting in place various internal control systems for all the key departments including production, purchase, finance and accounts with specific thrust on the material wastage, environmental issue, and regular compliances at all level. Going forward, the Company has plans to expand its systems to other departments with recruitment of managerial cadre personnel more exhaustive reporting and rigorous follow up actions wherever any signs of shortcomings. Further Internal Audit systems will also be placed and proposed to be carried out to check the implementation and working of the Internal Systems.

(D) Material developments in Human Resources/Industrial Relations front, including number of people employed

The Company's industrial relations continued to be harmonious during the first year of manufacturing activities wherein the Company generated the employment for more than 100 persons at its plant at Silvassa.

(E) Social Responsibility

The Company is conscious of its obligations towards Health, Safety & Environment to meet the norms of local Pollution Control Board at Silvassa Plant.



CORPORATE GOVERNANCE REPORT

(A) Company's Philosophy on Code of Corporate Governance

The Company believes that high standards of accountability and audit, timely disclosure and reporting in all areas of operations contribute towards developing and sustaining best operating systems and procedures. These standards define your Company's Corporate Governance philosophy of trusteeship, transparency, empowerment, accountability and integrity. The Company will continue to remain focused on good corporate governance practices for achieving growth, long term value creation and maximizing value for all its stakeholders.

(B) Board of Directors

(i) Board Composition

The composition of the Board is in accordance with the requirements of the Corporate Governance Code of the Listing Agreement with the Stock Exchange. The Board of Directors of the Company consists of combination of Executive, Non-Executive and Independent Directors. Currently, two third of the Board of Directors comprises of Non-Executive Independent Directors, having considerable experience in diverse fields. The Board has three (3) Non-Executive Directors of which 1 (one) is representing Promoters and two (2) are independent Non-Executive Directors. The Chairman of the Board is an Executive Director.

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.

The constitution of the Board as on 31st March, 2010 was as under:

Name of the Directors	Category	Number of other		
		Directorships	Committee Memberships	Committee Chairmanships
Mr. Rushabh Shah	Chairman and Managing Director, Executive	1	-	-
Mrs. Mansi Shah	Non-Executive	-	-	-
Mr. Pravin Doshi*	Non-Executive, Independent	-	-	-
Mr. Shardul Shah**	Non-Executive, Independent	-	-	-
Mr. C.R. Mehta	Non-Executive, Independent	2	2	3
Mr. Surjit Banga	Non-Executive, Independent	2	1	1

* upto 16th January 2010

** upto 18th September 2009

The constitution of the Board as on the date of signing this balance sheet is as under:

Name of the Directors	Category	Number of other		
		Directorship*s	Committee Memberships	Committee Chairmanships
Mr. Rushabh Shah	Chairman and Managing Director, Executive	1	-	-
Mrs. Mansi Shah	Non-Executive	-	-	-
Mr. C. R. Mehta	Non-Executive, Independent	2	2	3
Mr. Surjit Banga	Non-Executive, Independent	2	1	1

* excludes Directorships held in Private Limited Companies.

** includes Audit Committee, Shareholder's / Investor's Grievance Committee and Remuneration Committee.

(ii) Board Meetings and Attendance of Directors

During the year ended 31st March, 2010, 6 (Six) meetings i.e. on 29th April 2009, 8th May 2009, 26th June 2009, 28th July 2009, 28th October 2009 and 16th January 2010 of the Board of Directors were held.



Table hereunder gives the attendance record of the Directors at the Board Meetings held during 2009-10 and the last AGM:

Name of the Directors	Number of Board Meetings held	Number of Board Meetings attended	Whether attended last AGM
Mr. Pravin Doshi	6	0	No
Mr. C. R. Mehta	6	6	Yes
Mr. Surjit Banga	6	6	Yes
Mr. Rushabh Shah	6	6	Yes
Mrs. Mansi Shah	6	5	No
Mr. Shardul Shah	4	3	No

(C) Board Committees

Currently, the Board has three Committees - the Audit Committee, the Shareholder's/Investor's Grievance Committee and the Remuneration Committee.

(i) Audit Committee Terms of reference

(a) Primary objectives of the Audit Committee

The Audit Committee acts as a link between the Statutory Auditors and the Board of Directors. It addresses itself to matters pertaining to adequacy of internal controls, reliability of financial statements and other management information and adequacy of provisions for liabilities. The primary objective of the Audit Committee (the "Committee") is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and the transparency, integrity and quality of financial reporting.

The Committee oversees the work carried out in the financial reporting process by the management, including the independent auditors and notes the process and safeguards employed by each.

(b) Role of the Audit Committee

- 1 Provide an open avenue of communication between the independent auditors and the Board of Directors ("BoD").
- 2 Recommending the appointment and removal of statutory auditors, fixation of audit fees and also to approve the payment for other services.
- 3 Confirm and assure the independence of the external auditors.
- 4 Review with independent auditors the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts and the effective use of all audit resources.
- 5 Consider and review with the independent auditors the adequacy of internal controls, including the computerised information system controls and security.
- 6 Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- 7 Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
 - a. Any changes in the accounting policies and practices;
 - b. The going concern assumption;
 - c. Compliance with accounting standards;
 - d. Compliance with stock exchange and legal requirements concerning financial statements;
 - e. Significant adjustment arising out of audit;



9. Consider and review with the management and the independent auditors:
 - (a) Significant findings during the year, including the status of previous audit recommendations;
 - (b) Any difficulties encountered in the course of audit work including any restrictions on the scope of activities or access to required information.
10. Review of the following information:
 - a. Management discussion and analysis of financial conditions and results of operations;
 - b. Statement of significant related party transactions submitted by the management;
 - c. Management Letters/Letters of Internal Control Weaknesses issued by the Statutory Auditors.

(c) Composition

The Audit Committee is constituted in accordance with the Corporate Governance Code of the Listing Agreement and the provisions of the Companies Act, 1956. The statutory auditors are invited to the Audit Committee Meetings whenever required. The quorum for the Audit Committee Meeting is two members.

As on 31st March 2010, the Audit Committee comprise of three Directors of which two were Non-Executive, Independent Director viz. Mr. Surjit Banga, Chairman, Mr. C R Mehta and Mrs. Manasi Shah, Non Executive Director.

The Audit Committee was reconstituted in view of resignation of directors and change in status of Mr. Rushabh Shah from Non Executive to Executive Director.

(d) Audit Committee Meetings and Attendance during the financial year ended 31st March, 2010

During the financial year ended 31st March, 2010, Five Audit Committee Meetings were held i.e. on 29th April 2009, 26th June 2009, 28th July 2009, 28th October 2009 and 16th January 2010. The table hereunder gives the attendance record of the Audit Committee members.

Name of the Audit Committee Members	No. of meetings held	No. of meetings attended
Mr. C. R. Mehta	5	5
Mr. Surjit Banga	5	5
Mr. Shardul Shah	2	2
Mr. Rushabh Shah	3	3
Mr. Mansi Shah	1	1

The Committee has recommended to the Board the appointment of M/s. Sunderji Gosar & Co., Chartered Accountants, as the statutory auditors of the Company for the Financial Year 2010-11.

(ii) Remuneration Committee:

The broad terms of reference of the Remuneration Committee is to ensure that the remuneration practices of the Company in respect of the Senior Executive, including the Executive Directors are competitive keeping in view prevailing compensation packages in the Industry so as to recruit and retain suitable individual(s) in such capacity.

As on 31st March 2010, the Committee comprised of the following members:

1. Mr. C. R. Mehta, Chairman
2. Mr. Surjit Banga

Mr. Shardul Shah, member of the Remuneration Committee resigned with effect from 18th September 2009. The Board is in process to fill up the casual vacancy.

One meeting of the Remuneration Committee was held on 28th June 2009 for revision in terms of Mr. Rushabh Shah, Chairman and Managing Director.

Directors' Remuneration

The aggregate remuneration comprising of salary and perquisites paid to the Managing Director for the year ended 31st March 2010 is as follows:



Mr. Rushabh Shah Rs. 9,00,000/-

The Company pays sitting fees of Rs. 5000/- per meeting to the Non Executive Directors for attending the meetings of the Board and Committees. The sitting fees for the year ended 31st March 2010 are as follows:

	<u>Sitting Fees (Rs)</u>
Mr. C. R. Mehta	50,000/-
Mr. Surjit Banga	50,000/-
Mrs. Mansi Shah	35,000/-

The Company does not have any stock option plans.

(iii) Shareholder's/Investor's Grievance Committee:

Shareholders / Investors Grievances Committee comprises of two members viz. Mr. Rushabh Shah and Mr. Sushil Surve. Mr. Shardul Shah, resigned from the Shareholders / Investors Grievances Committee with effect from 18th September 2009.

The Shareholders / Investors' Grievance Committee considers and reviews redressal of shareholders' complaints regarding non receipt of balance sheets and transfer of shares as per Clause 49 of the Listing Agreement. During the year under review, 14 meetings of the Committee were held.

During the year under review, the Company approved transfer of aggregate of 130000 Equity Shares held in physical form. The Company did not receive any complaints from the shareholders. There were no pending complaints from the shareholders as on 31.03.2010.

Dealing in equity shares of the Company by all investors / shareholders is now mandatory in the dematerialized form in all Stock Exchanges.

(D) Annual General Meetings:

Details of last three **Annual General Meetings** are given hereunder:

Year	Date	Venue	Time
2007	14.09.2007	F / 21, Vikram Chambers, Near Sales India, Ashram Road, Ahmedabad - 380 009, Gujarat	12.00 noon
2008	27.09.2008	Hotel Platinum, Near Gujarat Gram Haat, Anjali Cross Road, Vasana, Ahmedabad 380 007	11.00 a.m.
2009	17.09.2009	Hotel Platinum, Near Gujarat Gram Haat, Anjali Cross Road, Vasana, Ahmedabad 380 007	11.00 a.m.

Special Resolution:

Details of Special Resolution passed at the last three Annual General Meetings:

Date	
14.09.2007	No special resolution was passed
27.09.2008	<ol style="list-style-type: none"> 1. Appointment of Mr. Rushabh Shah as Managing Director of the Company. 2. Shifting of Registered Office from Ahmedabad to Silvassa 3. Allotment of Shares on preferential basis to Mr. Rushabh Shah.
17.09.2009	<ol style="list-style-type: none"> 1. Increase in Authorised Share Capital from Rs. 10 crores to Rs. 25 crores. 2. Alteration of Articles of Association consequent to increase in Authorised Share Capital. 3. Delisting of Shares from Vadodara Stock Exchange. 4. Amendment in terms of appointment of Mr. Rushabh Shah, Chairman and Managing Director.

Details of **Extra - ordinary General Meetings** are given hereunder:

During last three financial years, an Extra-ordinary General Meeting was held on 22nd February 2008 at 13, Chandni Complex,



Opp. Rakhanpur Bus Stand, Lazer Cinema Lane, Rakhanpur, Ahmedabad 382 721, Gujarat wherein following resolutions were passed:

Special Resolution:

- (A) Amendment of Other Objects Clause (Clause III C) of Memorandum of Association of the Company.
- (B) Adoption of business under Other Objects of Clause (Clause III) the Memorandum of Association of the Company pursuant to the provisions of Section 149(2A) of the Companies Act, 1956.
- (C) Approval of change in name of the Company from "**JRC INDUSTRIES LIMITED**" to "**AADI INDUSTRIES LIMITED**" and subsequent changes in the Memorandum and Articles of Association of the Company.
- (D) Increase in Authorised Share Capital of the Company from the Rs. 5,50,00,000/- to Rs. 10,00,00,000/- and consequent alteration of Clause V of the Memorandum of Association and Article 3 of Articles of Association of the Company.

Postal ballots:

One resolution related to shifting of Registered Office of the Company from the State of Gujarat to State of Maharashtra was passed through postal ballot during the financial year ended 31st March 2010.

(E) Disclosures:**(i) Related Party Transactions:**

Disclosures in respect of transactions of material nature with Directors/Promoters or any related entity, which will have any potential conflict with the interests of the Company at large have been made in the Audited Accounts.

(ii) Compliances by the Company:

There is no non-compliance by the Company or any penalties, strictures imposed by the Stock Exchange, SEBI or any other statutory authority on any matter related to capital markets, during the last three years/period, except the non-submission of various information, intimations etc. under the Listing Agreement for which the Company has paid the necessary fees as levied by the Bombay Stock Exchange Limited. However there were no non-compliances and accordingly, no penalty, stricture has been imposed by the Stock Exchange, SEBI or any other statutory authority.

(iii) Whistle Blower Policy and Access of personnel to the Audit Committee:

The Company has not established the non-mandatory requirement of Whistle Blower Policy. However, the Company's personnel have access to the Chairman of the Audit Committee in cases such as concerns about unethical behavior, frauds and other grievances. No employee of the Company has been denied access to the Audit Committee.

(iv) Compliance with the Mandatory requirements and implementation of the Non-mandatory requirements:

The Company has complied with the mandatory requirements of the Corporate Governance Code (Clause 49) of Listing Agreement. The Company has not implemented the non-mandatory requirements enlisted by way of annexure to Clause 49 of the listing agreement except the constitution of Remuneration Committee.

(F) Means of Communication:

- (i) The quarterly results as well as the proceedings of the Annual General Meeting are submitted to the Bombay Stock Exchange Limited and Vadodara Stock Exchange Limited immediately after the conclusion of the respective meeting and also published in the newspapers as per the provisions of the Listing Agreement.
- (ii) No presentations were made to the institutional investors or to analysts during the year under review.
- (iii) The Management Discussion and Analysis Report forms part of this Annual Report.

(G) Certificate on Corporate Governance:

As required by Clause 49 of the Listing Agreement, a Certificate issued by M/s. Rathi & Associates, Practicing Company Secretaries, regarding compliance of conditions for Corporate Governance is given as an annexure to the Directors' Report.

**(H) CEO Certification:**

As required by Clause 49 of the Listing Agreement, the CEO i.e. the Chairman and Managing Director's certification is annexed to this Annual Report.

(i) General Shareholders' Information:**(i) Financial Calendar**

(tentative and subject to change)

Financial reporting for quarter ended

June 30, 2010	by August 14, 2010
September 2010	by November 14, 2010
December 2010	by February 15, 2011
March 2011	by May 30, 2011

Annual General Meeting for the year ending 31st March 2011 by September 30, 2011

(ii) Book Closure date

The Register of Members shall remain closed from 25th August 2010 to 26th August 2010 (both days inclusive) for the purpose of ensuing Annual General Meeting. The dividend, if approved by the members at the Annual General Meeting, shall be paid to all shareholders whose names appear:

- as beneficial owners at the end of the business day on 26th August 2010 as per the details available from NSDL and CDSL and;
- On the Register of Members as on 26th August 2010 of persons holding shares in physical form.

(iii) Announcement of Dividend

The Board of Directors have recommended a dividend of 5% i.e. Re. 0.50/- per share subject to approval of the shareholders at the Annual General Meeting.

Mode of Payment and date of payment

Dividend shall be paid through Electronic Clearance System (ECS) at approved locations, wherever details of ECS are available with the Company, and in all other cases, through warrants payable at par.

Date of payment: on or after 26th August 2010 but within statutory time limit of 30 days from the date of Annual General Meeting.

(iv) Registered & Corporate Office 320/7, Siddhivinayak Society,
Hingwala Lane, Pant Nagar,
Ghatkopar (East), Mumbai - 400 075
Email: manishshah@aadiindustries.com
Website: www.aadiindustries.com

(v) Listing on Stock Exchange and fees for 2010-11 Bombay Stock Exchange Limited

(vi) Stock Exchange Code 530027

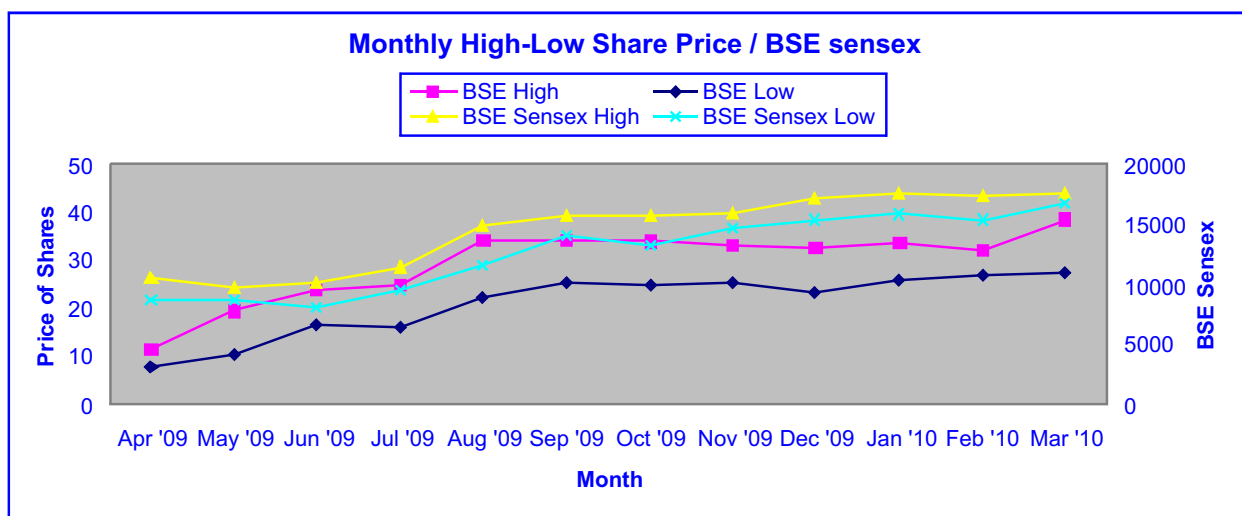
(vii) Disclosure regarding re-appointment of director

Pursuant to the provisions of Sections 255 & 256 of the Companies Act, 1956, Mr. C. R. Mehta shall retire by rotation at the forthcoming Annual General Meeting. The Board has recommended the re-appointment of Mr. C. R. Mehta to the shareholders.



(viii) Stock Market Data

Month	High	Low	BSE High	BSE low
April 2009	11.42	7.65	10469.72	8631.60
May	19.41	10.42	9724.87	8619.22
June	23.75	16.40	10127.09	8047.17
July	24.70	16.00	11492.10	9546.29
August	34.10	22.05	14930.54	11621.30
September	34.30	25.20	15600.30	14016.95
October	33.90	25.00	15732.81	13219.99
November	33.35	25.10	16002.46	14684.45
December	32.45	23.30	17142.52	15356.72
January 2010	33.50	25.80	17493.17	15805.20
February	32.25	27.00	17290.48	15330.56
March	38.40	27.50	17530.94	16577.78



(ix) **Registrar & Share Transfer Agents** Sharex Dynamics (India) Private Limited
Luthra Industrial Estate,
Andheri Kurla Road,
Andheri (East), Mumbai 400 072
Tel. No.: 022- 28515606
Fax No.: 022- 22641349
Email: sharexindia@vsnl.com
Contact Person: Mr. Shashi Kumar

(x) Share Transfer Systems

Shares sent for physical transfer are generally registered and returned within a period of 30 days from the date of receipt, if the documents are proper in all respects. The Shareholders / Investors Grievance Committee meets as often as required. As per the revised Clause 49 of the Listing Agreement and to expedite the process of share transfers, the Board has delegated the powers of share transfers and related matters to Mr. Rushabh Shah, Chairman and Managing Director and Mr. Sushil Surve who shall attend to share transfer formalities at least once in a fortnight.

The total number of equity shares transferred in physical form during the year 2009-10 was 130000 shares

(xi) Distribution of Shareholding as on 31st March 2010

No. of Equity Shares held	Shareholders		Shares	
	Number	% to total Shareholders	Number	% to total Capital
1 - 500	744	56.75	196277	1.96
501 - 1,000	217	16.55	191978	1.92
1,001 - 5,000	238	18.16	609616	6.10
5,001 - 10,000	61	4.65	471263	4.71
10,001 - above	51	3.89	8530866	85.31
Total	1311	100	10000000	100

Category of Shareholders as on 31st March 2010

Category	Shareholders		Shares	
	Number	% to total Shareholders	Number	% to total Capital
PROMOTER HOLDING				
Indian Promoters	4	0.31	7397309	73.97
Total	4	0.31	7397309	73.97
NON- PROMOTER HOLDING				
Institutional Investors FIIs	2	0.15	22000	0.22
Others Private Corporate Bodies	58	4.42	250747	2.51
Indian Public	1238	94.43	2326496	23.26
NRIs/OCBs	0	0	0	0
Any other (Shares in transit)	9	0.69	3448	0.03
Total	1307	99.69	2602691	26.03
Grand Total	1311	100.00	10000000	100.00

The Shares of the Company are listed on Bombay Stock Exchange Ltd and Vadodara Stock Exchange Ltd. and hence facilitates liquidity. It is confirmed that the Company has paid Annual Listing Fee. The stock code on BSE is 530027.

The Company has made necessary application for de-listing the shares of the Company from the Vadodara Stock Exchange and has also paid all the outstanding listing fees as directed by the said Stock Exchange.

(xii) Dematerialisation of Shares and liquidity

The Company has established connectivity with Central Depository Services (India) Limited and National Securities Depository Limited for dematerialisation of shares and the same are available in electronic segment under ISIN No. INE563D01013. As on 31st March 2010, 8624500 Equity Shares representing 86.25% of the total paid up capital had been dematerialized.

(xiii) Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity.

(xiv) Plant Locations

209/3, Samravarni, Masat Industrial Area,
Silvassa, Dadra & Nagar Haveli

(xv) Address for Correspondence

Sharex Dynamics (India) Private Limited.,
Luthra Industrial Estate, Andheri Kurla Road,
Andheri (East), Mumbai 400 072
Tel. No.: 022-28515606
Fax No.: 022-22641349
Email: sharexindia@vsnl.com
Contact Person: Mr. Shashi Kumar



CODE OF CONDUCE DECLARATION

Pursuant to Clause 49 I (D) of the Listing Agreement entered into with the Stock Exchange, I hereby declare that all the Board members and senior management personnel of the Company have affirmed compliances with the Code of Conduct for the year ended 31st March, 2010.

Place: Mumbai
Date: 28th May, 2010

Rushabh Shah
Chairman & Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Aadi Industries Limited

We have examined the compliance of conditions of Corporate Governance by Aadi Industries Limited ("the Company") for the year ended 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As per the records of the Company, there were no investor grievances remaining unattended for a period exceeding one month against the Company.

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 and on behalf of
Rathi & Associates
Company Secretaries

Place: Mumbai
Dated: 28th May 2010

Narayan Rathi
Partner
FCS No.: 1433



AUDITORS' REPORT

The Members of
**M/s. AADI INDUSTRIES LIMITED,
MUMBAI.**

We have audited the attached Balance Sheet of **M/s. AADI INDUSTRIES LIMITED**, as at 31st March 2010, the Profit and Loss Account and also 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 this financial statement based on our audit.

1. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit included 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.
2. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which is to the best of our knowledge and belief, were necessary for the purpose 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 these books.
 - (ii) 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 SUNDERJI GOSAR & CO
Chartered Accountants.
(Firm Reg No 115543W)

ALPESH K. SAVLA
PARTNER
(M. No. 47828.)

Place: Mumbai
Dated: 28th May 2010

**ANNEXURE TO THE AUDITORS' REPORT****Re: Aadi Industries Limited**

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

- (i) (a) We have been informed that the Fixed Assets Register showing full particulars, including quantitative details and situation of Fixed Assets is maintained.
- (b) All the assets have not been physically verified by the management during the year but there is a programme of verification at the year end which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets.
- (c) During the year, the Company has not disposed off any of the Plant & Machinery and hence has not affected the going concern status of the company.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) 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) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) (a) The Company has taken loans from two parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was 53.73 Lacs & the year end balance of Loans Taken from such parties was 51.62. The Company has not granted any loans to parties covered in the Register maintained Under 301 of the Companies Act, 1956, hence this Clause is not applicable.
- (b) There are interest free advances in the nature of loans to the employees which are being recovered / adjusted regularly.
- (c) There are no terms and conditions fixed on loans taken from the parties listed in the register maintained under section 301 of the Companies Act 1956 to that extent they are prejudicial to the interest of the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained Under Section 301 of the Companies Act, 1956 have been entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly, the provisions of Sections 58A and 58AA of the Companies Act, 1956, and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable to the Company.
- (vii) The Company does not have any formal internal audit system but we are convinced that control procedures instituted by the management ensure reasonable internal checking of its financial and other transactions.
- (viii) As explained to us, the Central Government has not prescribed any maintenance of cost record under Section 209(1)(d) of the Companies Act, 1956 to the Industry Company.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.



- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty, excise duty and cess were in arrears, as at 31-03-2010 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess, which have not been deposited on account of any dispute.
- (x) The Company has not incurred cash loss during the financial year covered by our audit. In the immediately preceding financial year, the Company had incurred cash loss.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks or financial institutions.
- (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. Therefore, the provisions of clause 4 (xii) of the Companies (Auditors' Report) Order, 2003 are not applicable.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi- mutual benefit fund/society. Therefore, the provisions of clause 4 of the aforesaid order are not applicable to the Company.
- (xiv) In our opinion, the Company has not dealt or traded in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the aforesaid order are not applicable to the Company.
- (xv) As per the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions.
- (xvi) In our opinion, the term loans are being applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, no long term funds have been used to finance short term assets except permanent working capital.
- (xviii) The Company has made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956. The price at which the shares have been issued is not prejudicial to the interest of the Company.
- (xix) The Company has not issued debentures during the year under review. Accordingly, the provisions of clause 4 (xix) of the aforesaid order are not applicable to the Company.
- (xx) The Company has not received any money by way of public issue during the year. The Company is in the process of utilizing the funds received through preferential allotment of shares to the Promoters.
- (xxi) To the best of our knowledge and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For SUNDERJI GOSAR & CO
Chartered Accountants.
(Firm Reg No 115543W)

ALPESH K. SAVLA
PARTNER
(M. No. 47828.)

Place: Mumbai
Date : 28th May 2010

BALANCE SHEET AS AT 31ST MARCH, 2010

(Amount in Rs.)

PARTICULARS	SCHEDULE	As at 31st March, 2010	As at 31st March, 2009
I. SOURCES OF FUNDS			
1. Shareholders Funds			
Share Capital	1	100,000,000	100,000,000
Reserves & Surplus	2	12,656,121	558,324
2. Loan Funds			
Secured Loans	3	141,610,344	107,317,431
Unsecured Loans	4	31,396,849	-
Deferred Tax Liability		2,555,985	894,179
Total		288,219,299	208,769,934
II. APPLICATION OF FUNDS			
1. Fixed Assets (At Cost)			
Less : Depreciation	5	100,311,394	65,760,522
Net Block		4,190,503	215,890
		96,120,891	65,544,632
2. Investment			
		-	-
3. Current Assets, Loans and Advances			
Inventories	6	105,485,417	38,245,838
Sundry Debtors	7	83,967,563	68,841,400
Cash & Bank Balance	8	17,384,922	6,050,910
Loans, Advances and Deposits	9	41,163,310	39,859,500
Other Current Assets	10	12,951,593	1,361,675
		260,952,805	154,359,323
Less : Current Liabilities & Provisions	11	68,854,398	11,134,021
Net Current Assets		192,098,407	143,225,302
3. Deffered Tax (Asset)			
		0	0
Total		288,219,299	208,769,934
Notes on Accounts	21		

As per our report of even date annexed.

For Sunderji Gosar & Co

Chartered Accountants
(Firm Reg No 115543W)

Alpesh K. Savla

Partner

(Membership No: 47828)

Place : Mumbai

Date : 28th May, 2010

For and on behalf of the Board

Rushabh Shah

Chairman & Managing Director

Mansi Shah

Director


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

(Amount in Rs.)

PARTICULARS	SCHEDULE	Year ended 31st March, 2010	Year ended 31st March, 2009
INCOME			
Sales		764,803,408	101,191,792
Other Income	12	1,627,246	5,375
Increase/(Decrease) in Stock	13	4,098,810	120,600
Total		770,529,464	138,598,805
EXPENDITURE			
Cost of Raw Materials	14	368,987,998	160,160
Cost of Traded Goods	15	289,162,701	124,795,843
Manufacturing Expenses	16	5,164,336	1,129,834
Personnel Expenses	17	2,485,335	682,800
Other Operating Expenses	18	3,944,528	1,924,089
Excise Duty & VAT	-	47,030,397	3,891,992
Interest & Financial Charges	19	23,053,971	2,206,726
Selling & Distribution Expenses	20	192,778	74,254
Total		740,022,043	134,865,698
Profit /(Loss) before Depreciation & Tax		30,507,421	3,733,107
Less : Depreciation		4,103,570	215,890
<u>Profit /(Loss) before Tax</u>		<u>26,403,851</u>	<u>3,157,217</u>
<u>Less: Provision for Income Tax</u>		<u>6,794,498</u>	<u>470,580</u>
Net Profit / (Loss) After Tax		19,609,353	3,046,637
<u>Less: Deferred Tax Liability</u>		<u>1,661,806</u>	<u>1,333,336</u>
Net Profit /		17,947,547	1,713,301
<u>Add: Balance from previous year</u>		<u>558,324</u>	<u>(1,154,977)</u>
Balance available for appropriation		18,505,871	558,324
Appropriation			
Proposed Dividend		5,000,000	0
Dividend Distribution Tax		849,750	0
Balance transferred to Balance Sheet		12,656,121	558,324
Notes on Accounts	21		

As per our report of even date annexed.

For Sunderji Gosar & CoChartered Accountants
(Firm Reg No 115543W)**Alpesh K. Savla**Partner
(Membership No: 47828)

Place : Mumbai

Date : 28th May, 2010**For and on behalf of the Board****Rushabh Shah**

Chairman & Managing Director

Mansi Shah

Director



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

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2010	As at 31st March, 2009
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	264.04	35.17
<i>Adjustments For:</i>		
Depreciation	41.04	2.16
Excess Depreciation	(1.29)	0.00
Excess Income Tax Provision	(0.25)	0.00
Prior Period Income/ Expenses	0.00	0.00
Interest Paid	230.54	22.07
	<u>270.04</u>	<u>24.23</u>
Operating Profit before Working Capital Changes	<u>534.07</u>	<u>59.40</u>
<i>Adjustment For:</i>		
Trade & Other Receivables	(280.20)	(618.54)
Inventories	(672.40)	(382.46)
Trade Payables	459.49	106.17
	<u>(493.11)</u>	<u>(894.83)</u>
Cash Generated from Operations	<u>40.97</u>	<u>(835.33)</u>
Interest Paid	230.54	22.07
	<u>230.54</u>	<u>22.07</u>
Net Cash from Operating Activities (A)	<u>(189.57)</u>	<u>857.50</u>
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	353.99	657.61
Sale of Fixed Assets	0.00	0.00
Investments	0.00	0.00
Net Cash from Operating Activities (B)	<u>353.99</u>	<u>657.61</u>
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Share Application Money	-	499.34
Premium from Long/Short term Borrowing (<i>Net of repayments</i>)	<u>656.90</u>	<u>1073.17</u>
Net Cash from Financing Activities (C)	<u>656.90</u>	<u>1572.51</u>
Net Cash Inflow/(Outflow)	<u>113.34</u>	<u>57.41</u>
Opening Balance of Cash & Cash Equivalents	60.51	3.10
Closing Balance of Cash & Cash Equivalents	<u>173.85</u>	<u>60.51</u>

As per our report of even date annexed.

For Sunderji Gosar & CoChartered Accountants
(Firm Reg No 115543W)**Alpesh K. Savla**Partner
(Membership No: 47828)Place : Mumbai
Date : 28th May, 2010**For and on behalf of the Board****Rushabh Shah**

Chairman & Managing Director

Mansi Shah

Director



SCHEDULES FORMING PART OF THE BALANCE SHEET

(Amount in Rs.)

Particulars	As at 31st March, 2010	As at 31st March, 2009
SCHEDULE - 1 SHARE CAPITAL		
Authorised Share Capital :		
250,000,000 Equity Shares of Rs.10 each	<u>250,000,000</u>	<u>100,000,000</u>
Issued, Subscribed & Paid-up Share Capital:		
1,00,00,000 Equity Shares of Rs.10 each	<u>100,000,000</u>	<u>100,000,000</u>
TOTAL	<u>100,000,000</u>	<u>100,000,000</u>
SCHEDULE - 2 RESERVES & SURPLUS		
Profit & Loss Account Balance	<u>12,656,121</u>	<u>558,324</u>
	<u>12,656,121</u>	<u>558,324</u>
SCHEDULE - 3 SECURED LOANS		
Working Capital		
From Bank (Secured by Hypothecation of Stocks and Debtors)	110,776,907	68,552,791
Term Loan		
From Bank (Secured by First Charge by way of Hypothecation of All Movable & Immovable Properties of the Company and Personal Guarantee of the Director)	30,095,546	38,764,640
Vehicle Loan	737,890	-
TOTAL	<u>141,610,343</u>	<u>107,317,431</u>
SCHEDULE -4 UNSECURED LOANS		
Form Directors & Share Holders	5,161,978	-
From Others	26,234,871	-
TOTAL	<u>31,396,849</u>	<u>-</u>

SCHEDULE - 5 FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.09	Deduction during the year	Addition during the year	As on 01.04.10	As on 31.03.09	Deduction/ Written Back during the year	Depreciation for the year	As on 31.03.10	As on 31.03.10	As on 31.03.09
Building	42,842,929	-	4,044,018	46,886,947	22,165.00	-	1,518,674	1,540,839	45,346,108	42,820,764
Plant & Machinery	22,174,383	-	29,380,653	51,555,036	16,902.00	-	2,470,629	2,487,531	49,067,505	22,157,481
Office Equipments	54,167	-	24,450	78,617	4,961.00	3,078.00	3,898	5,781	72,836	49,206
Furniture	105,914	-	-	105,914	19,170.00	15,465.00	3,704	7,409	98,505	86,744
Computer	12,197	-	51,750	63,947	4,878.00	2,965.00	4,683	6,596	57,351	7,319
Vehicle	570,932	-	1,050,000	1,620,932	147,814.00	104,449.00	101,982	142,347	1,478,585	423,118
TOTAL	65,760,522	-	34,550,871	100,311,394	215,890.00	128,957.00	4,103,570	4,190,503	96,120,890	65,544,632
Previous Year	-	-	65,760,522	65,760,522	-	-	215,890	215,890	65,544,632	-



SCHEDULES FORMING PART OF THE BALANCE SHEET

(Amount in Rs.)

Particulars	As at 31st March, 2010	As at 31st March, 2009
SCHEDULE - 6 INVENTORIES		
<i>(As Valued & Certified By Management)</i>		
Closing stock		
Raw Materials	29,259,355	844,200
Work in Process	3,154,410	120,600
Finished Goods	<u>73,071,652</u>	<u>37,281,038</u>
TOTAL	<u>105,485,417</u>	<u>38,245,838</u>
SCHEDULE - 7 SUNDRY DEBTORS		
<i>(Unsecured, Considered Good)</i>		
More than 6 Months	0	0
Others	<u>83,967,563</u>	<u>68,841,400</u>
TOTAL	<u>83,967,563</u>	<u>68,841,400</u>
SCHEDULE - 8 CASH & BANK BALANCES		
Cash Balances	690,362	14,210
Balance With Scheduled Banks:		
In Current Accounts	6,453,935	36,700
In Fixed Deposit Accounts	<u>10,240,625</u>	<u>6,000,000</u>
TOTAL	<u>17,384,922</u>	<u>6,050,910</u>
SCHEDULE - 9 LOANS, ADVANCES & DEPOSITS		
(Considered Good & Receivable)		
Advances	20,535,000	29,809,500
Advance Tax (FY10-11)	2,000,000	-
Deposit	18,628,310	10,050,000
Branch / Division	-	-
TOTAL	<u>41,163,310</u>	<u>39,859,500</u>
SCHEDULE - 10 OTHER CURRENT ASSETS		
Prepaid Expenses	1,058,344	329,970
Interest receivable on FD	629,981	-
Duties & Taxes	<u>11,263,267</u>	<u>1,031,705</u>
TOTAL	<u>12,951,592</u>	<u>1,361,675</u>
SCHEDULE - 11 CURRENT LIABILITIES & PROVISIONS		
Sundry Creditors for Goods	47,414,562	9,427,059
Sundry Creditors for Expenses	8,795,588	1,236,382
Provision for Taxation	6,794,498	470,580
Proposed dividend and Dividend Distribution Tax	5,849,750	-
TOTAL	<u>68,854,398</u>	<u>11,134,021</u>
SCHEDULE - 12 OTHER INCOME		
Interest Received	862,506	575
Other Income	153,640	4,800
Discount	611,100	-
TOTAL	<u>1,627,246</u>	<u>5,375</u>
SCHEDULE - 13 INCREASE/(DECREASE) IN STOCK		
Closing Stock of Work in Progress	3,154,410	120,600
Closing Stock of Finished Goods	1,065,000	-
Less: Opening Stock of Work in Progress	120,600	-
Less: Opening Stock of Finished Goods	-	-
TOTAL	<u>4,098,810</u>	<u>120,600</u>



SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

(Amount in Rs.)

Particulars	Year ended 31st March, 2010	Year ended 31st March, 2009
SCHEDULE - 14 COST OF RAW MATERIALS		
Opening Stock of Raw Materials	844,200	-
Add: Cost of Purchases	382,758,638	1,003,467
Add: Direct Expenses	14,644,514	893
Less: Closing Stock of Raw Materials	29,259,356	844,200
TOTAL	368,987,998	160,160
SCHEDULE - 15 COST OF TRADED GOODS		
Opening Stock of Finished Goods	37,281,038	-
Add: Purchases of Finished Goods	323,888,315	162,076,881
Less: Closing Stock of Finished Goods	72,006,652	37,281,038
TOTAL	289,162,701	124,795,843
SCHEDULE - 16 MANUFACTURING EXPENSES		
Power & Fuel Consumed	2,115,375	228,834
Repairs & Maintenance	107,000	-
Labour & Wages	2,041,961	-
Rent on Factory Land	900,000	900,000
TOTAL	5,164,336	1,129,834
SCHEDULE - 17 PERSONNEL EXPENSES		
Salary, Wages, Bonus & Gratuity	1,422,200	682,800
Director Remuneration	900,000	-
Directors Sitting Fees	135,000	-
Profession Tax	28,135	-
TOTAL	2,485,335	682,800
SCHEDULE - 18 OTHER OPERATING EXPENSES		
Legal & Professional Fees	1,806,738	618,931
Insurance Expenses	370,805	6,480
Electricity Expenses	82,790	-
Travelling & Conveyance Expenses	358,734	390,683
Factory Expenses	222,000	-
Other Miscellaneous & Administrative Expenses	342,877	703,891
Rent & Taxes	125,874	-
Transport Charges	73,205	-
Donation	15,001	-
Listing Expenses	70,042	131,410
Service Tax	85,155	-
Sales Tax	34,761	-
Warehouse Expenses	117,761	-
Telephone Expenses	105,444	72,694
Vehicle Expenses	133,341	-
TOTAL	3,944,528	1,924,089
SCHEDULE - 19 INTEREST & FINANCIAL CHARGES		
Interest Expenses	20,467,051	1,091,204
Bank Charges & Commission	2,586,920	1,115,522
TOTAL	23,053,971	2,206,726
SCHEDULE - 20 SELLING & DISTRIBUTION EXPENSES		
Advertisement	87,992	74,254
Business Promotion	74,163	-
Discount & Commission	30,623	-
TOTAL	192,778	74,254

**SCHEDULE 20 : NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2010****1. Accounting Convention:**

The financial statement are prepared under the historical cost convention in accordance with the accounting principles accepted in India and are in line with the relevant laws as well as the guidelines prescribed by the Department of Company Affairs and the Institute of Chartered Accountants of India.

2. Method of Accounting:

Method of accounting employed by the Company is generally mercantile both as to income and expenditure except in the case of refunds from government bodies viz. sales tax, excise, income tax etc, subsidy, insurance claims and dividend receipts which are being accounted on cash basis.

3. a. Fixed Assets:

Fixed Assets have been stated at cost. Cost comprises of the purchase price and all other attributable cost of bringing the assets to its working condition for intended use.

b. Capital work in Progress:

Expenses incurred towards acquisition of fixed assets which have not been installed or put to use before the year end are disclosed under capital work in progress and no depreciation has been provided on that.

c. Impairment of Assets:

In compliance with Accounting Standards (AS) 28 "Impairment of Assets" issued by the Institute of Chartered Accountants of India (ICAI), the carrying amount of Cash Generating Units/Assets are reviewed at Balance Sheet date to determine whether there is any indication of impairment if any such indication exists, the recoverable amount is estimated at the higher of net selling price and value in use. Impairment loss is recognized wherever carrying amount exceeds the recoverable amount.

d. Depreciation:

Depreciation on fixed assets is charged on straight line method basis in the manner and as per the rates and method provided in schedule XIV of The Companies Act, 1956.

Depreciation on Assets added / disposed off during the year has been provided on prorata basis with reference to the month of additions / deletions.

The Company has changed the method of depreciation from written down value basis to straight line method from retrospective effect and excess depreciation difference of Rs. 1,28,597 is credited to Profit & Loss A/c.

The Depreciation on Factory Building is @ 3.34% on straight line basis considering the terms and conditions stated in the lease of Land agreement and its residual scrap value thereafter.

4. Inventory:

Raw Materials, Stores and Spare parts are valued at cost (excluding excise and sales tax), finished goods are valued at realizable value and work-in-process are valued at cost of production. The manufacturing process being continuous, work-in-progress is separately accounted.

5. Excise Duty:

The liability for cess duty on finished goods is accounted as and when they are cleared from the factory premises.

6. Revenue Recognition:

Gross Receipts include commission and other income. Sales of goods are recognized on dispatch to customer and are net of returns. Sales turnover includes basic sales value , and includes other recoveries such as excise, sales tax etc.

7. Retirement Benefits:

Retirement benefits in the form of Provident Fund, Family Pension Fund and Super Annuation Schemes, which are defined



Contribution Schemes are charged to the Profit & Loss Account of the year when the contribution to the respective funds accrue. There are no other obligations other than the contribution payable to the respective trusts.

8. Foreign Currency Transactions:

The transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Outstanding bills at the end of year are however booked at the exchange rate prevalent as on 31st March.

9. Borrowing Costs:

Interest and other related cost on acquiring qualifying assets are capitalized as per accounting standard AS-16.

10. Taxes on Income:

Deferred Tax Provision

As per the accounting standard AS-22 issued by ICAI, the net deferred tax liability amounting to Rs. 16.61 lacs on account of timing differences as shown below for the year under consideration, is accounted for using the tax rate and laws that have been enacted or substantially enacted as on the Balance Sheet date, has been debited to the Profit and Loss account.

Deferred tax Liability on account of depreciation. Rs. 25.56 lacs

11. EARNING PER SHARE:

	<u>2009-2010</u>	<u>2008-2009</u>
Profit after tax as per profit & Loss Account	1,79,47,547	30,46,637
Weighted average No. of Equity Shares Of Rs. 10/- each Outstanding	1,00,00,000	61,69,447
Basic & Diluted E.P.S.	1.79	0.28

12. RELATED PARTY DISCLOSURE

(A) List of Related Parties

Particulars

Key Management Personnel

- 1) MR. RUSHABH SHAH
- 2) MRS. MANSI SHAH

Enterprise with common key Management personnel

NIL

Enterprise in which key management personnel and their relatives have significant influence
Relative of key management personnel.

- 1) AADI POLYFLEX PVT. LTD

(B)	Particulars	Associates	Enterprise in which key management personnel and relatives have significant influence	Key Management Personnel	Total
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1. Transaction for the year ended 31st March 2010. (Rs. In Lacs)

1	Purchases	NIL	NIL	NIL	NIL
2	Sales	NIL	141.21	NIL	141.21
3	Purchase of Fixed Assets	NIL	NIL	NIL	NIL
4	Sales of Fixed Assets	NIL	NIL	NIL	NIL
5	Labour charges paid	NIL	NIL	NIL	NIL
6	Labour charges income	NIL	NIL	NIL	NIL
7	Rent	0.48	NIL	9.00	9.48
8	Interest paid	NIL	NIL	2.78	2.78
9	Commission paid	NIL	NIL	NIL	NIL
10	Loan Given/ Repaid	2.00	NIL	NIL	2.00
11	Loan Received	2.00	NIL	51.62	53.62
12	Guarantee Given	NIL	NIL	NIL	NIL
13	Equity Contribution	NIL	NIL	NIL	NIL
14	Remuneration	NIL	NIL	9.00	9.00
15	Deposits Given	NIL	NIL	100.00	100.00



13. SEGMENT REPORTING.

The Company deals only in one item of products & hence there is nothing to report hereunder.

14. The balances of Sundry Debtors, Creditors, Loans & Advances and non operative banks (as stated by the management) are accepted as appearing in the ledger accounts and subject to confirmation from individual parties concerned. Management is confident of receiving all the sums due from debtors and the advances.

15. Auditors remuneration includes	2009-2010	2008-2009
Audit Fees	1,50,000	48,000
Total	1,50,000	48,000

16. In the opinion of the board the current assets, loans and advances are approximately of the values stated in the Balance Sheet, realized in the ordinary course of business. The Company has informed that the balance confirmations have been sent to parties due adjustments will be made if any on receipt thereof.

17. Details of Remuneration to Directors.	Current Year 2009-2010	Previous Year 2008-2009
Remuneration to Directors	9,00,000	NIL
Directors Sitting Fees	1,35,000	NIL
	10,35,000	NIL

18. The loans from Dena Bank have been secured by personal guarantee of Chairman & Managing Director of the Company. Interest includes interest to Dena Bank of Rs 47.24 Lacs on their term loans.
19. The Company has to repay term loan of Dena Bank of Rs. 405 Lacs in 54 monthly installments of Rs. 7.50 Lacs each beginning from January, 2009.
20. Previous year figures have been regrouped & reclassified wherever necessary. This is the First Year of manufacturing.
21. Additional information pursuant to Para 3 & 4 of Part II of Schedule VI to the Companies Act, 1956.

A. Particulars in respect of goods manufacture.

(a) Licensed / Installed Capacity

Particulars	Licensed Capacity (in M.T)	Installed Capacity (in M.T.)
TARAPULIN/WAGON COVER	24,000	7,200
SHOPPING BAGS/CARRY BAGS	6,000	4,800

(b) Particulars of Production, Sales, Opening and Closing stock of goods manufactured.

Particulars	Opening Stock		Production		Sales		Closing Stock	
	QTY. (in M.T.)	VALUE (in Lacs)	QTY. (in M.T.)	VALUE (in Lacs)	QTY. (in M.T.)	VALUE (in Lacs)	QTY. (in M.T.)	VALUE (in Lacs)
Tarpaulin	Nil (Nil)	Nil (Nil)	16.44 (Nil)	1296.00 (Nil)	16.44 (Nil)	1317.00 (Nil)	Nil (Nil)	Nil (Nil)
Tubing/Shopping Bags	Nil (Nil)	Nil (Nil)	38.37 (Nil)	3024.06 (Nil)	38.22 (Nil)	3072.94 (Nil)	15 (Nil)	10.65 (Nil)



(c) Particulars of Good Traded:

Particulars	Opening Stock		Production		Sales		Closing Stock	
	QTY. (in M.T.)	VALUE (in Lacs)	QTY. (in M.T.)	VALUE (in Lacs)	QTY. (in M.T.)	VALUE (in Lacs)	QTY. (in M.T.)	VALUE (in Lacs)
Plastic Granules	4.95 (Nil)	340.96 (Nil)	47.88 (17.72)	3196.64 (1216.11)	42.81 (12.77)	3212.85 (5439.29)	10.02 (4.95)	720.07 (340.96)
Flex Banners (Sq.ft.)	19,01,308 (Nil)	31.85 (Nil)	Nil (19.01)	Nil (31.85)	19,01,308 (Nil)	45.25 (Nil)	Nil (19.01)	Nil (31.85)

**B Particulars of Raw Material consumed:
Items.**

	Quantity	Values (in Rs.)
TARPAULIN/TUBING	56,21,690 Kg	35,43,43,483

C. Expenditure in Foreign Currency:

	2009-10	2008-09
CIF Values of imports		
1. Raw Material	NIL	NIL
2. Plant & Machinery / Stores & Spares	NIL	NIL
3. Traded Goods	NIL	31.85
4. Travelling Expenses	1.94	NIL

D. Earning in Foreign Currency:

Nil Nil

E. Break up of consumption of Raw-Materials:

	2009-10	2008-09
I. Raw Material		
Indigenous	100.00%	NIL
Imported	00.00%	NIL
	100.00%	NIL
II Spare parts		
Indigenous	100.00%	NIL%
Imported	00.00%	00.00%

For Sunderji Gosar & CoChartered Accountants
(Firm Regn. No.-115543W)**Alpesh K. Savla**

Partner

(Membership No: 47828)

For AADI INDUSTRIES LIMITED**Rushabh Shah**

Chairman & Managing Director

Mansi Shah

Director

Place : Mumbai

Date : 28th May, 2010



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.	21862
State Code	11
Balance Sheet Date	31/03/2010

II. Capital raised during the year : (in Rs. '000)

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Preferential Allotment	Nil

III. Position of Mobilisation and Deployment of Funds (in Rs. '000)

Total Liabilities	2,88,219	Total Assets	2,88,219
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Sources of Funds:

Paid up Capital	1,00,000	Reserves & Surplus	12,656
Share Application Money	Nil	Deferred Tax Liability	2,556
Secured Loans	1,41,610	Unsecured Loans	31,397

Application of Funds:

Net Fixed Assets	96,121	Investments	Nil
Net Current Assets	1,92,098	Miscellaneous Expenditure	Nil

IV. Performance of Company (in Rs. '000)

Turnover	7,64,803	Total Expenditure	7,38,399
Profit /Loss before tax	26,404	Profit/Loss after tax	17,948
Earning per share in Rs. (Basic and diluted)	1.79	Dividend Rate %	5

V. Generic Names of Three Principal Products / Services of Company (As per Monetary Terms)

Item Code No. (ITC Code)	Nil
Product Description	N. A.

As per our report of even date annexed.

For Sunderji Gosar & Co

Chartered Accountants
(Firm Reg No 115543W)

Alpesh K. Savla

Partner
(Membership No: 47828)

Place : Mumbai

Date : 28th May, 2010

For and on behalf of the Board

Rushabh Shah

Chairman & Managing Director

Mansi Shah

Director



AADI INDUSTRIES LIMITED

Registered Office : 320/7, Siddhivinayak Society, Hingwala Lane, Pant Nagar, Ghatkopar (East), Mumbai - 400 075

PROXY FORM

I/We
of being a Shareholder/Shareholders of **AADI INDUSTRIES LIMITED** hereby appoint
..... of or failing him / her,
..... of as my/our Proxy
to attend and vote for me/us and on my/our behalf at the Sixteenth Annual General Meeting of the Company to be held on
Thursday, the 26th August, 2010 at 11:30 a.m. and at any adjournment thereof.

Regd. Folio. No. No. of Shares held
Client I.D. No. DP. ID. No.

Affix
Re. 1.00
Revenue
Stamp

Signed on this _____ day of _____ 2010

Signature of Shareholder

Note:

The Proxy form duly completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.



AADI INDUSTRIES LIMITED

Registered Office : 320/7, Siddhivinayak Society, Hingwala Lane, Pant Nagar, Ghatkopar (East), Mumbai - 400 075

ATTENDANCE SLIP

I/We hereby record my/our presence at the Fifteenth Annual General Meeting of the Company at Plot No. 204, Lavender Baug, Next to Swami Narayan Mandir, 90 Feet Road, Garodia Nagar, Ghatkopar (East), Mumbai 400 077 on **Thursday, 26th August, 2010 at 11:30 a.m.**

Name

Address

Regd. Folio. No. No. of Shares held

Client I.D. No. DP. ID. No.

Name of Proxy/Representative, if any

Signature of the Shareholder(s)/Proxy/Representative

Shareholder / Proxy attending the Meeting must fill-in this Attendance Slip and hand it over at the entrance of the venue of the Meeting.



BOOK-POST

If undelivered, please return to :

Sharex Dynamics (India) Private Limited
Luthra Industrial Estate,
Andheri Kurla Road,
Andheri (East),
Mumbai - 400 072
Tel. No.: 022- 28515606
Fax No.: 022- 22641349
Email: Sharexindia@vsnl.com