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PANKAJ POLYMERS LIMITED

Board of Directors

Sri. Baburam Goel	Chairman
Sri. Pankaj Goel	Managing Director
Sri. Paras Goel	Joint Managing Director
Sri. R.C. Sohni	Director
Sri. Ishoo Narang	Director
Sri. T. Prasad Reddy	Director

Audit Committee

Sri. R.C. Sohni	Chairman
Sri. Ishoo Narang	Member
Sri. T. Prasad Reddy	Member

Remuneration Committee

Sri. R.C. Sohni	Chairman
Sri. Ishoo Narang	Member
Sri. T. Prasad Reddy	Member

Share Transfer & Investors Grievance Committee

Sri. Ishoo Narang	Chairman
Sri. Pankaj Goel	Member
Sri. Paras Goel	Member

Company Secretary

Mr Naresh Kumar Miryala

Registered Office

"E" Block, V Floor,
105, Surya Towers, Sardar Patel Road,
Secunderabad 500 003.

Auditors

M/s Luharuka & Associates
5-4-184/3 & 4, Soham Mansion
2nd Floor, M.G. Road
Secunderabad - 500 003.

Bankers

Industrial Development Bank of India Ltd.
H.No.3-3-54/A, Kachiguda Station Road,
Hyderabad - 500 027.

Share Transfer Agents

M/s Sathguru Management Consultants Pvt. Ltd. Plot No. 15, Hindi Nagar,
Behind Saibaba Temple, Punjagutta, Hyderabad - 500 034.

Works

Unit -I

U-63, Electronic Zone
MIDC, Hingna Industrial Estate,
Nagpur - 440 016,
Maharashtra.

Unit-II

Plot No. D-46 & 47 Phase V,
I.D.A Jeedimetla,
Hyderabad 500 055
Andhra Pradesh.

Unit-III

Plot No. 14, CIE, Expansion
Programme Gandhi Nagar,
Balanagar, Hyderabad 500 037
Andhra Pradesh

NOTICE

Notice is hereby given that the **18th Annual General Meeting** of the members of M/s Pankaj Polymers Limited will be held on **Wednesday the 29th September 2010 at 11.00 A.M.** at Punjabi Welfare Society Community Hall, Ramnagar Colony, Alwal, Secunderabad- 500 015 to transact the following items of business:

Ordinary Business

1. To Receive, Consider and Adopt the Audited Balance Sheet as at 31st March 2010 and the Profit and Loss Account for the year ended 31st March 2010, together with the reports of the Directors' and Auditors' thereon.
2. To appoint a Director in the place of Sri. R.C.Sohni who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in the place of Sri. Tamma Prasad Reddy who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s. Luharuka & Associates, Chartered Accountants as Auditors of the Company to hold office from conclusion of this Annual General Meeting until conclusion of next Annual General Meeting and authorise the Board of Directors of the Company to fix their remuneration.

By Order of the Board

Place : Secunderabad

Sd/-

Date : 07.08.2010

PANKAJ GOEL
Managing Director

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND THE MEETING AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. Members holding shares in physical form are requested to lodge all valid transfers, transmission of shares, power of attorney and also notify change in address, if any to the Registrar and Transfer Agents (RTA), M/s. Sathguru Management Consultants Private Limited, Plot No. 15, Hindi Nagar, Behind Saibaba Temple, Punjagutta, Hyderabad 500 034.
4. Members holding shares in dematerialized mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, change in name etc., to their Depository Participants (DP).
5. Register of members of the Company and Share Transfer Books will remain closed from Wednesday i.e from the 22nd September 2010 to Wednesday the 29th September 2010 (both days inclusive).
6. Members desiring any information as regards accounts are requested to write to the Company at least seven days before the date of the meeting to enable the management to keep the information ready at the meeting.
7. The shares of the Company are listed with Mumbai Stock Exchange. The Listing Fee for the year 2010-11 has been paid to Stock Exchange.
8. Information required under Listing Agreement entered into with the Stock Exchange(s) with respect to the Directors retiring by rotation and Directors who are retiring at this Annual General Meeting is given under the head "Corporate Governance".
9. Members are requested to bring their copy of Annual Report to the Meeting.

DIRECTORS' REPORT

Dear Shareowners,

Your Directors are pleased to present herewith the 18th Annual Report on the business and operations of the Company and the Audited Accounts for the year ended 31st March 2010.

1. Financial Results and Operations

The summarized financial results for the year ended 31st March 2010 as compared with the previous year are as under:

Rs. In Lakhs.

Sl. No.	Particulars	For the Year 2009-10	For the Year 2008-09
a.	Sales	2474.22	2552.52
b.	Profit before Interest, Depreciation & Tax	165.90	189.75
c.	Less: Interest	41.64	75.57
d.	Less: Depreciation	88.95	86.03
e.	Add (Less): Prior period Adjustments	—	—
f.	Net Profit before Tax	35.30	28.15
g.	Less: Provision for Tax (Incl. Deferred Tax & Fringe Benefit Tax)	(8.54)	(9.8)
h.	Net Profit	26.77	18.31

The Operational performance of the Company is discussed in detail under Management Analysis and Discussion Report.

2. Dividend

Your Directors considered it prudent to conserve the resources of the Company to sustain its future growth and as such have not recommended any dividend for the year.

3. Fixed Deposits

The Company has not accepted any fixed deposits from the public within the meaning of section 58A of the Companies Act, 1956.

4. Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo

Particulars pursuant to the provisions of section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the report of Board of Directors) Rules, 1988 are given in the Annexure - A.

5. Directors

In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the Company Sri.R.C.Sohni and Sri.Tamma Prasad Reddy, Directors retire by rotation and being eligible offer themselves for re-appointment.

6. Auditors

M/s Luharuka & Associates, Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

7. Particulars of Employees

There are no employees in the organization coming under the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

8. Director's Responsibility Statement

In accordance with sub-section (2AA) of section 217 of the Companies Act, 1956, the Directors of the Company state:

- a. That in the preparation of the accounts for the financial year ended 31st March 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.
- c. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. That the Directors have prepared the accounts for the financial year ended 31st March 2010 on a 'going concern basis'.

11. Corporate Governance

A separate report on corporate governance along with Auditor's Certificate on its compliance is attached to this report.

12. Management Discussion and Analysis Report

a. Industry Structure & Development

Pankaj Polymers Limited is a polymer manufacturing company primarily operating in the following segments

- HDPE/PP Woven Sacks/Fabrics
- PP Sheets/ PP Disposable Wares

Polymers are essentially used in the manufacture of various plastic products. In the consumption of the basic petrochemical, polymers form the bulk of demand with a share of around 55%, while the Cement and Fertilizer Industries consume about 70% of total production of plastic woven sacks. As jute production is insufficient to meet the growing demands of food packaging requirements, the only replacement is Plastic Woven Sacks (PWS).

PP disposable wares comprise of a variety of plastic disposable containers like ice-cream cups, tea/ coffee glasses, fruit juice - soft drink glasses, tumblers, plates, lids, trays, etc. The major users of these containers are Fast food manufacturers, Dairy industries, processed food industries, self-vending/dispensing machines, Mineral water industries, Pharmaceutical industries, Detergent industries, etc.

The Company's unit at Jeedimetla, Hyderabad in Andhra Pradesh manufacture the HDPE/PP woven sacks/fabrics mainly catering to the cement industry

The unit for manufacture of PP Disposable wares/containers is located at Gandhinagar, Hyderabad in the state of Andhra Pradesh.

Management has initiated action to restart the Nagpur Unit for manufacture of Plastic Moulded Industrial Articles which will be used for CFL Lights Industry. By restarting this Unit, your Management is self assured to have a moderately good market for the manufactured goods.

b. Opportunities

The demand for polymers continue to show a healthy growth in emerging markets like India and China. As the epicenter of business is shifting to the East, the growth potential is immense. According to the prediction of Chemicals and Petrochemicals Manufacturers' Association (CPMA), the demand growth for polymer would further be augmented to over 15% in the coming year. The Indian plastics industry is quite upbeat about the future potential of plastics in India, believing that the Plastics industry will grow between 10% to 12% if not higher, in this decade. The present per capita consumption is gradually increasing. India's per capita consumption had picked up as a spin off retail revolution, massive infrastructural investments and the automotive industry boom, thereby creating more opportunities for the industry including your Company.

c. Threats, Risks & Concerns

Global trade balance and inventories will have impact on polymer prices. At present the threats, risks and concerns being felt and forecasted are, stiff competition in the market, consolidation of manufacturers, who have branded products and fluctuations in prices as well as availability of the raw material. Innovation, rationalization of costs and effective downstream industry management will offer a competitive advantage to polymer manufacturers across the globe.

d. Segment wise performance

The segment wise revenue, results and capital employed is given below:

Particulars	Year Ended 31-03-10	Year Ended 31-03-09
1. Segment Revenue/Income		
a. HDPE/PP Woven Sacks/Fabrics	2174.68	1970.45
b. PP Sheets/ PP Disposable Wares	299.54	582.07
Total	2474.22	2552.52
Less: Inter Segment Revenue	0.00	0.00
Net Sales/Income from Operations	2474.22	2552.52
2. Segment Results		
(Profit) (+)/ Loss (-) before tax and Interest from each Segment:		
a. HDPE/PP Woven Sacks/Fabrics	213.72	(48.02)
b. PP Sheets/ PP Disposable Wares	(49.05)	7.59
Total	164.67	(40.43)
Less:		
a. Interest	41.64	75.58
b. Other un-allocable expenditure	87.72	(144.15)
Net off un-allocable income(+/-)		
Total Profit before tax	35.31	28.15
3. Capital Employed (Segment Assets – Segment Liabilities)		
a. HDPE/PP Woven Sacks/Fabrics	968.85	936.63
b. PP Sheets/ PP Disposable Wares	215.46	277.10
Total	1184.31	1213.73

e. Outlook

As the demand for polymers continues to show a healthy growth in emerging markets like India the growth potential is significant. With the constant growth in the polymer industry, the Company is expecting an growth rate as well as stabilization of its production of PP Disposable wares and reach optimum capacity utilization. The adverse impact on cement industry may likely have negative impact on the revenues/ realizations of HPDE unit.

f. Discussion on financial performance with respect to operational performance

During the year under review the Company has achieved a turnover of Rs.2474.22 lakhs as against Rs. 2552.52 lakhs in the previous year. The current year production of HDPE / PP Woven Sacks was 1887.72 MT as against 1691.99 MT in the previous year. The production of PP Disposable wares and containers was 375.87 MT as against 613.65 MT in the previous year. The marginal fall in overall turnover and also in production of PP Woven Sacks was mainly due to frequent interruption in power supply and the power cuts imposed; as well on account of general recessionary trend in the industry for some part of the year coupled with upward fluctuations in raw-material prices. On account of these extraneous factors, there has been

some reduction in turnover. Nevertheless, the company with all the efforts and concentration thereon could maintain the overall performance.

During the year the Company has earned a Net Profit of Rs.26.77 lakhs as against Rs.18.31 lakhs in the previous year. The Company has made a provision of Rs15.66lakhs for income tax. No transfers from the profits were made to the General Reserve. The entire net profit is carried over in the Profit & Loss Account.

The Earning per share (EPS) of the Company as on 31.03.2010 was Rs 0.48 as against Rs.0.33 in the previous year.

g. Internal control system and their adequacy

The Company has an internal audit system commensurate with the size and nature of its business. There is a proper and adequate system of internal controls to ensure that all activities are monitored and controlled against unauthorized use or disposition of assets. The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

h. Material developments in Human Resources/Industrial Relations front, including number of people employed

The Company recognizes the importance and contribution of its employees to the growth and development of the Company. The Company continued to maintain cordial relations with employees and staff. As at 31st March 2010, the Company has about 62 employees working at its various factories and offices.

Cautionary Statement

Statements in the management discussion and analysis describing the Company's objectives, projections, estimates, expectations may be considered to be forward looking statements and actual results could differ materially from those expressed or implied. Factors which could make a significant difference to the Company's operations include demand supply conditions, market prices, input component costs and availability, changes in government regulations and tax laws besides other factors such as litigation, over which the Company may not have any control.

13. Acknowledgements:

Your Directors wish to express their appreciation for the cooperation and continued support received from the Industrial Development Bank of India, the Company's Bankers. Your Director's also take this opportunity to place on record their appreciation for the dedicated services rendered by the executives, managers, officers, employees and workers for the dedication and sense of commitment shown by the employees at all levels and their contribution towards the performance of the Company.

By Order of the Board

Sd/-

Baburam Goel
Chairman

Place : Secunderabad

Date : 07.08.2010

ANNEXURE 'A' TO THE DIRECTOR'S REPORT

Information under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988 and forming a part of Directors' Report.

Conservation of Energy

The Company is striving to conserve energy by adopting innovative measures to reduce wastage and optimize consumption. The adoption of the above helps to control the proportionate increase in total energy usage consequent to overall increase in production. The total energy consumption is given as per form-A below:

FORM – A (See rule 2)

Form for Disclosure of Particulars with respect to Conservation of Energy

Particulars	2009-10	2008-09
POWER & FUEL CONSUMPTION		
1. Electricity		
a) Purchased		
Units	2586921	3049978
Total Amount (Rs.)	10275236	11383395
Rate Per Unit (Rs.)	3.97	3.73
b) Own Generation		
Through diesel generator		
Units (Litres)	19540	13482
Total Cost (Rs.)	718496	500030
2. Coal (specify quality and where used)		
Quantity	—	—
Total Cost (Rs.)	—	—
Average Rate (Rs.)	—	—
3. Furnace Oil		
Quantity (Litres)	—	—
Total Amount (Rs.)	—	—
Average rate (Rs.)	—	—
4. Natural gas		
Quantity	—	—
Total Amount (Rs.)	—	—
Average rate (Rs.)	—	—
CONSUMPTION PER UNIT OF PRODUCTION:		
The consumption of raw material per Kg. is	4.22	4.52

FORM B (See Rule 2)

Form for Disclosure of Particulars with respect to Technology Absorption (R&D)

A. Research and Developed (R&D)	—	Not Applicable
B. Technology absorption, adoption and innovation	—	Not Applicable
C. Foreign Exchange Earnings and Outgo:		
Earnings	—	NIL
Outgo	291075	NIL

By Order of the Board

Sd/-
Baburam Goel
Chairman

Place : Secunderabad
Date : 07-08-2010

REPORT ON CORPORATE GOVERNANCE

(Pursuant to clause 49 of the Listing Agreement with the Stock Exchange)

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

The Company believes that good Corporate Governance practices should be enshrined in all activities of the Company. This would ensure efficient conduct of affairs of the Company and help the Company to achieve goal of maximizing value for all its stakeholders. Your Company's business objective is to manufacture and market the Company's product in such a way as to create value that can be sustained over the long term for consumers, shareholders, employees & business partners. Your Company is conscious of the fact that the success of a Company is a reflection of the professional conduct and ethical values of its management & employees. Your Company affirms its commitment to follow good corporate governance practices proactively.

2. Board of Directors

- (i) The Company has a Non-Executive Chairman and the number of independent Directors is more than one-third of total number of Directors. The composition of the Board is in compliance with the Clause 49 of the Listing Agreement entered with the Stock Exchange.
- (ii) None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 committees across all the companies in which he is a Director. Necessary disclosures regarding committee positions in other public companies as at 31st March 2010 have been made by the Directors.
- (iii) The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting and also the number of directorships and committee memberships held by them in other companies are given below:

Name	Category	No. of Board Meetings during the Year 2009-10		Whether attended last AGM held on 30 th September 2009	No. of Directorships in other Public companies	No. of Committee positions held in other public companies	
		Held	Attended			Chairman	Member
Sri Pankaj Goel	Promoter Executive	6	4	Yes	1	NIL	NIL
Sri Paras Goel	Promoter Executive	6	6	No	Nil	NIL	NIL
Sri Baburam Goel	Promoter Non Executive	6	6	No	Nil	NIL	NIL
Sri R.C.Sohni	Non Executive Independent	6	6	Yes	2	NIL	NIL
Sri Ishoo Narang	Non Executive Independent	6	5	Yes	5	NIL	NIL
Sri T Prasad Reddy	Non Executive Independent	6	6	Yes	1	NIL	NIL

- (iv) Six (6) Board Meetings were held during the year 2009-10 and the gap between 2 meetings did not exceed 4 months. The dates on which the Board Meetings held were 30th April, 2009, 29th June, 2009, 29th July 2009, 30th October, 2009, 30th January, 2010 and 27th March, 2010.
- (v) Apart from receiving the sitting fees, Non-Executive Directors do not have any other material pecuniary relationship or transactions with the Company, its promoters or its Management, which in the opinion of the Board may affect independence of judgment of the Director.
- (vi) Necessary information as mentioned in Annexure 1A to Clause 49 of the Listing Agreement has been placed before the Board for their consideration.

3. Audit Committee

- (i) The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement with the Stock Exchange read with Section 292 A of the Companies Act 1956.
- (ii) The Company's Audit Committee comprises of the following Directors all of whom are Non-Executive Independent Directors:
1. Sri R.C.Sohni – Chairman
 2. Sri Ishoo Narang – Member
 3. Sri T.Prasad Reddy – Member
- (iii) The terms of reference stipulated by the Board to the Audit Committee includes review of the following:
- Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses;
 - The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee
 - Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
 - Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the 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:
 - a. 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
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
 - Reviewing, with the management, the quarterly financial statements before submission to the board for approval
 - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
 - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - Discussion with internal auditors any significant findings and follow up there on.
 - Reviewing the findings of any internal investigations by the internal auditors 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 statutory auditors 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 in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

The Company continued to derive immense benefit from the deliberations of the Audit Committee comprising three Non-Executive and independent Directors. Sri. R.C. Sohn, who is heading the Audit Committee as Chairman is a highly qualified (B.Com, M.A. (Economics), LLB., CAIIB, Diploma in Public Administration and a Fellow in Development Banking of Economic Development Institute (EDI), World Bank with vast experience in

Banking, Industrial Finance, Project Implementation & Management. The Chairman of the Audit Committee was present at the previous Annual General Meeting.

- (iv) During the year 2009-10 the Audit Committee met five(5) times on 29th June, 2009, 29th July, 2009, 30th October, 2009, 30th January, 2010 and 27th March, 2010 statutory auditors and whole-time directors were invited for the meetings. The Company Secretary acts as the secretary of the Audit Committee. The attendance of the members of the committee are given below:

Name	Category	No. of Meetings during the Year 2009-10	
		Held	Attended
Sri. R.C. Sohni - Chairman	Independent, Non Executive	5	5
Sri. Ishoo Narang – Member	Independent, Non Executive	5	3
Sri. T. Prasad Reddy - Member	Independent, Non Executive	5	5

4. Remuneration Committee

The Company had constituted a Remuneration Committee on 30th January 2003 in terms of Schedule XIII of the Companies Act, 1956 read with clause 49 of the listing agreement. The committee comprises of Sri. R.C. Sohni, Sri. Ishoo Narang and Sri. T. Prasad Reddy, all non- executive Independent Directors. The broad terms of reference of the remuneration committee are to approve/recommend to the Board the salary (including annual increments) perquisites and commission including pension rights & any compensation payment to be paid to the Company's Managing / Whole-Time-Director's.

Remuneration policy: The Company while deciding the remuneration package of the management takes into consideration the employment scenario, remuneration package of the industry, financial performance of the Company and talents of the appointee. The Executive Directors and Non- Independent Directors of the Company are not entitled to sitting fees. The Non Executive Independent Directors are not paid any remuneration except sitting fees for attending Board/ Committee meetings.

- a) During the year 2009-10 the Committee met once on 29th July, 2009, the details of the committee members are as follows:

Name	Category	No. of Meetings during the Year 2009-10	
		Held	Attended
Sri. R.C. Sohni – Chairman	Independent, Non Executive	1	1
Sri. Ishoo Narang – Member	Independent, Non Executive	1	1
Sri. T. Prasad Reddy – Member	Independent, Non Executive	1	1

5. Remuneration of Directors

Details of remuneration/sitting fees paid to the Directors for the year 2009-10 are given below.

Name	Sitting Fee Rs.	Salary, perquisites and allowances (Rs.)
Sri Pankaj Goel- M.D	N.A	10,03,904/-
Sri Paras Goel- Jt M.D	N.A	9,13,672/-
Sri R.C.Sohni	13,000/-	N.A
Sri Ishoo Narang	11,000/-	N.A
Sri Baburam Goel	—	N.A
Sri T.Prasad Reddy	—	N.A

No pecuniary relationship exists between the Company and its Non - Executive Directors except for the sitting Fees as mentioned above.

The period of appointment of Managing Director and Jt. Managing Director is for 3 and 5 years, there is no notice period or severance fees prescribed. The Company does not have any stock option plan or performance incentives.

Details of Shares of the Company held by the Directors as on March 31, 2010 are as below:

Name	No.of Shares
Sri Pankaj Goel- M.D	236520
Sri Paras Goel- Jt M.D	235660
Sri R.C.Sohni	Nil
Sri Ishoo Narang	2300
Sri Baburam Goel	278540
Sri T.Prasad Reddy	Nil

6. Share Transfer & Investor’s Grievance Committee

This committee comprises of 3 members Sri. Ishoo Narang, Sri. Pankaj Goel and Sri. Paras Goel. The Chairman of the Committee Sri. Ishoo Narang is a Non-Executive Independent Director. The committee looks into transfer and transmission, issue of duplicate share certificate, consolidation and sub-division of shares and investors grievance. The committee oversees the performance of the Registrars and Transfer agents and recommends measures for overall improvement in the quality of investor services.

The Board has designated Mr. B. Sreenivasulu as the Compliance Officer.

The committee met once during the year 2009-10 on 15th October, 2009. Attendance at the committee meetings was as under:

Name of the Member	No.of Meetings attended
Sri. Ishoo Narang	1
Sri. Pankaj Goel	1
Sri. Paras Goel	1

The total number of complaints received and replied to the satisfaction of shareholders during the year under review was Nil There was no outstanding complaints as on 31st March 2010.

The Committee received 500 shares for transfer/transmission/duplicate certificates and the same were approved and there were no rejections. The committee also received and approved 2500 shares for conversion of physical shares into Dematerialization during the year under review. There were no transfers or transmissions or demat/remat requests pending as on 31st March 2010.

7. General Body Meetings

a) Location & Time of Last 3 Annual General Meetings:

Year	Venue	Date	Time
2008-2009	Panjabi Welfare Society Community Hall, Ramnagar Colony, Alwal, Secunderabad – 500 015.	30.09.2009	11.00 A.M
2007-2008	Panjabi Welfare Society Community Hall, Ramnagar Colony, Alwal, Secunderabad – 500 015.	28.09.2008	11.00 A.M
2006-2007	Panjabi Welfare Society Community Hall, Ramnagar Colony, Alwal, Secunderabad – 500 015.	29.09.2007	11.00 A.M

b) During the year None of the resolutions had been passed through postal ballot.

8. Disclosures

During the year 2009-10 the Company had no materially significant related party transactions, which is considered to have potential conflict with the interest of the Company at large. The disclosures as to related party transaction is disclosed in the notes to accounts.

There were no instances of non-compliance, penalties, strictures imposed on the Company by the stock exchanges, SEBI or any other statutory authority on any matter relating to the capital markets during the last 3 years.

9. Means of Communication

The quarterly/half yearly/annual results, notices of Board Meetings/ General Meetings and all other material information are normally published by the Company in Business Standard and Andhra Bhoomi OR Financial Express and Andhra Prabha. The half-yearly results are not sent to the shareholders. The Company currently does not have a website. Official news releases are sent to the stock exchanges at Mumbai where the shares of the Company are listed. The Company files the quarterly results, annual report and other information pursuant to clause 51 of the listing agreement on the Electronic Data Information and Filing Retrieval (EDIFAR) website maintained by National Information Center (NIC).

10. Management Discussion and Analysis Report

Information on management discussion and analysis is given in the Directors' Report.

11. Non-Mandatory requirements:

As regards adoption of Non-Mandatory requirement of Corporate Governance. It is submitted that the Company does not send the half yearly results to each of the shareholders.

12. General Shareholders information

a. 18th Annual General Meeting

Date and Time : 29th September, 2010 at 11.00 A.M.
Venue : Punjabi Welfare Society Community Hall,
Ramnagar Colony, Alwal, Secunderabad – 500 015.

b. Financial Calendar (tentative)

Financial Year : 1st April to 31st March
First Quarter Results : July 2010
Second Quarter and
Half yearly results : October 2010
Third Quarter Results : January 2011
Last Quarter Results /
Audited Results : April 2011/June 2011

c. Dates of Book closure : Wednesday the 22nd September 2010 to
Wednesday the 29th September 2010

d. Dividend payment date : Not applicable

e. Listing on Stock Exchanges : The Bombay Stock Exchange Limited, Mumbai
Stock Code : 531280

ISIN Numbers in NSDL &
CDSL for Equity Shares : INE698B01011

The Company has paid its annual listing fees to the stock exchange for the financial year 2009-10

f. Market Price Data : High/Low price quotation in each month of the last financial year 2009-10 on the Stock Exchange, Mumbai is given below.

Month	High (Rs.)	Low (Rs.)
Apr' 09	4.09	2.64
May' 09	5.52	3.75
Jun' 09	5.82	4.28
Jul' 09	8.89	4.02
Aug'09	10.27	7.65
Sep' 09	12.36	7.27
Oct' 09	15.00	11.44
Nov' 09	13.07	10.80
Dec' 09	11.80	8.10
Jan' 10	15.40	7.93
Feb' 10	20.64	13.77
Mar'10	21.25	16.90

Source: www.bseindia.com

Registrars and Transfer Agents (RTA) : M/s Sathguru Management Consultants Pvt. Ltd. Plot No.15, Hindi Nagar, Behind Saibaba Temple, Punjagutta, Hyderabad 500 034.

13. Share Transfer System

In pursuance of SEBI notification No.D&CC/FITTC/CIR-15/2002 dated 27th December 2002 the Company had appointed Sathguru Management Consultants Pvt Ltd as single agency for share registry work. Share transfers and communications regarding share certificates, change of address, etc., must be forwarded to the RTA.

The R & T Agent process the physical Share Transfers and the Shares sent for physical transfers are generally registered within a period of 15 days from the date of receipt, if all the documents are clear in all respects. All Share Transfers are approved by the Share Transfer Committee, which meets every fortnight.

All requests for Dematerialization of shares are processed and the confirmation is given to the respective Depositories, i.e, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), within 15 days of receipt.

14. Shareholding Pattern as on 31st March 2010

Sl.No	Category	No.of Shares	% of Shareholding
1.	Promoters	2719340	49.05
2.	Mutual Funds and UTI	Nil	Nil
3.	Banks, Financial Institution, Insurance Companies	Nil	Nil
4.	Private Corporate Bodies	1468566	26.49
5.	Indian Public	1354853	24.44
6.	NRIs/OCBs	1141	0.02
	Total	5543900	100.00

15. Distribution of Shareholding as on 31st March 2010

Share or debenture holding of nominal value of		Share / Debenture Holders		Shares / Debenture Amount	
Rs.	Rs.	Number	% to	in Rs.	% of
(1)		(2)	(3)	(4)	(5)
1 to 5000		963	66.14	2242550	4.05
5001 to 10000		264	18.13	2284130	4.12
10001 to 20000		98	6.73	1580130	2.85
20001 to 30000		31	2.13	820960	1.48
30001 to 40000		16	1.10	568220	1.02
40001 to 50000		18	1.24	883000	1.59
50001 to 100000		22	1.51	1806930	3.26
100001 to Above		44	3.02	45253080	81.63
TOTAL		1456	100.00*	55439000	100.00

* relates to Depository & Physical.

16. De-materialization of shares and liquidity

Trading in equity shares of the Company is permitted only in dematerialized form as per notification issued by SEBI. Dematerialization of shares are done through Sathguru Management Consultants Pvt. Ltd., and on an average the dematerialization process is completed within a period of 7 days from receipt of a valid demat request along with all documents. 93.96% of the paid up capital has been dematerialized as on 31.03.2010.

17. Outstanding ADRs/GDRs/ Warrants or any convertible instruments, conversion date and likely impact on equity: Not Applicable

18. Secretarial Audit

The Company gets the Secretarial Audit done by a Practicing Company Secretary for the purpose of reconciliation of the total admitted capital with both the depositories and the total issued and listed capital. The Secretarial Audit Report placed before the Board of Directors on a quarterly basis is also sent to the Stock Exchanges where the Company's shares are Listed.

19. Plant Locations :

Unit –I

U-63, Electronic Zone, MIDC, Hingna Industrial Estate, Nagpur – 440016, Maharashtra.

Unit –II

Plot No. D-46 & 47 Phase V, I.D.A Jeedimetla, Hyderabad 500055, A.P.

Unit –III

Plot No. 14, CIE, Expansion Programme, Gandhi Nagar, Balanagar, Hyderabad 500037, A.P.

20. Address for Correspondence

Sl.No.	Shareholders Correspondence for	Address to
1.	Transfer/ Dematerialization/ consolidation/split of shares, issue of Duplicate share certificates, change of address of members and beneficial owners and any other query relating to the shares of the Company.	M/s.Sathguru Management Consultants Pvt. Ltd Plot No. 15, Hindi Nagar, Behind Saibaba Temple Punjabgutta, Hyderabad - 34.
2.	Investor Correspondence/queries on Annual Report etc.	COMPANY SECRETARY Pankaj Polymers Limited "E" Block, V Floor, 105 Surya Towers, S.P. Road, Secunderabad - 500 003 Tel : 040-27897743, 27897744,27815895 Email: hyd1_pankaj@sancharnet.in

21. Depository Services

For guidance on Depository services, Shareholders may write to the Company or to the respective Depositories:

National Securities Depository Ltd

Trade World, 4th Floor,

Kamala Mills Compound,

Senapati Bapat Marg, Lower Parel,

Mumbai – 400 013

Tel : 091-022-24972964-70

Fax : 091-022-24972993 / 24976351

Email : info@nsdl.co.in.

Central Depository Services (India) Ltd.

Phiroze Jeejeebhoy Towers,

28th Floor, Dalal Street

Mumbai – 400 023

Tel : 091-022-22723333

Fax : 091-022-22723199

Email : investors@cdslindia.com

22. Nomination Facility

Shareholders holding shares in physical form and 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 to the Company the prescribed Form 2B for this purpose.

23. Company's Policy on prevention of insider trading

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, the Company had framed a Code of Conduct for prevention of insider trading. Mr. Naresh Kumar Miryala, Company Secretary, had been appointed as the Compliance Officer for this purpose. The code is applicable to all such employees of the Company who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism.

By Order of the Board

Sd/-

BABURAM GOEL

CHAIRMAN

Pace : Secunderabad

Date : 07.08.2010

Particulars of Directors seeking re-appointment at the forthcoming Annual General Meeting pursuant to Clause 49 of the Listing Agreement

Name of the Director	Qualification, Age & Expertise in Specific Functional Areas	Date of Birth	Qualification	List of the Companies in which Directorships is held as on 31st March 2010	Chairman/Member of the Committees of the Board of other Companies in which he is a Director as on 31st March, 2010
Sri. R.C.Sohni	Sri.R.C.Sohni aged 78 years B.Com, M.A. (Economics) L.L.B, C.A.I.I.B. Diploma in Public Administration Fellow in Development Banking of E.D.I Having vast experience in Banking, Industrial Finance, Project Implementation and Management	20-10-1932	B.Com M.A. (Economics) L.L.B,C.A.I.I.B Diploma in Public Administration Fellow in Development Banking of E.D.I (World Bank)	a) Pankaj Polymers Limited b) Denison Hydraulics India Limited.	Chairman-Audit Committee Member-Remuneration Committee Nil
Sri. T.Prasad Reddy	Sri.T.Prasad Reddy aged 55 years, M.Com Having Science) having vast experience in general business administration	14.05.1955	M.Com	a) Pankaj Polymers Limited b) Dhanalakshmi Plastics Private Limited.	Chairman-Audit Committee Member-Remuneration Nil

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

Pursuant to Circular No.SEBI/CFD/DIL/CG/1/2004/12/10 dated 29th October 2004, it is hereby declared that the Company has adopted a Code of Conduct for its Board Members and Senior Management Personnel. I hereby confirm that the Company has in respect of the financial year ended March 31, 2010, received from the senior management personnel of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

Sd/-

Naresh Kumar Miryala
COMPANY SECRETARY

Place : Secunderabad
Date : 07.08.2010

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The Share owners of
M/s Pankaj Polymers Limited

We have examined the compliance of the conditions of Corporate Governance by Pankaj Polymers Limited for the year ended 31st March 2010 as stipulated in Clause 49 of the Listing Agreements of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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 Luharuka & Associates
Chartered Accountants
F.R.No.01882 S

Sd/-
(Rameshchand Jain)
Partner
M.No.023019

Place : Secunderabad
Date : 27.05.2010

**CERTIFICATE BY MANAGING DIRECTOR AND SENIOR MANAGER
FINANCE & ACCOUNTS OF THE COPMANY**

We, Pankaj Goel, Managing Director and P. Bucha Reddy Senior Manager, Finance & Accounts of M/s.Pankaj Polymers Limited, hereby certify to the Board that

- a) We, have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement for the year or omit any material fact or contain statements that might be misleading:
 - ii) These statements together present a true and Fair view of the company's Affairs are in the compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered in to by the company during the year which are fraudulent, illegal or violate of the company's code of conduct
- c) We are responsible for establishing and maintaining internal controls in the company and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors, audit committee, deficiencies in the design or operations of internal controls, if any, of which we are aware and the steps we have taken or proposed to take rectify these deficiencies.
- d) We have indicated to the auditors and the audit committee:
 - i) Significant changes in internal control during the year:
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.
- e) We affirm that we have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct)
- f) We further declare that all board members and designated senior management have performed compliance with the code of conduct for the current year.

Place: Secunderabad
Date : 07.08.2010

Sd/-
(PANKAJ GOEL)
Managing Director

Sd/-
(P. BUCHA REDDY)
Sr. Manager,
Finance & Accounts

AUDITOR'S REPORT

To
The Members of
M/s. PANKAJ POLYMERS LIMITED

1. We have audited the attached Balance Sheet of M/S. PANKAJ POLYMERS LIMITED as at 31st March, 2010 and 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 these financial statements based on our Audit.
2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standard require that we plan and perform the audit to obtain reasonable assurance about whether these Financial Statements are free of material mis-statement. 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 statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the statements on Companies (Auditor's Report) Order 2003, issued by the Central Government of India in terms of Section 227 (4A) 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.
4. Further to our comments in the annexure referred to above, we report that:-
 - I) We have obtained all the information and explanations, which to the best of our knowledge and belief where necessary for the purpose of our audit.
 - II) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it 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 accounts.
 - IV) In our opinion, the Balance Sheet, Profit & 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 Cash Flow Statement of the Cash Flows of the Company for the year ended on that date

For LUHARUKA & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R. No. 01882 S

Sd/-
(RAMESH CHAND JAIN)
Partner
Membership No. 023019

Place : Secunderabad
Date : 27-05-2010

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE AUDITORS' REPORT ON THE ACCOUNTS OF M/S. PANKAJ POLYMERS LIMITED

1. In respect of its fixed Assets :-
 - a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. All the fixed assets have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
 - c. During the year in our opinion, a substantial part of Fixed Assets have not been disposed off by the company.
2. In respect of Inventories :-
 - a. As explained to us, the inventories were physically verified by the management at reasonable intervals during the year and in our opinion and according to the information and explanations given to us, the procedure 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.
 - b. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no discrepancies were noticed on such physical verification between physical stock and book records.
3.
 - a. In our opinion and according to the information and explanations given to us the company has not taken unsecured loans from parties listed in the register maintained U/s. 301 of the Companies Act, 1956.
 - b. The Company has granted Unsecured Loan aggregating to Rs.84 lacs (maximum balance) to a company listed in the register maintained U/s. 301 of the Companies Act, 1956.
 - c. In our opinion the rate of interest and other terms and conditions on loans given to companies listed in the register maintained U/s. 301 of the Companies Act, 1956 are not prima-facie prejudicial to the interest of the Company.
 - d. There are no overdue amount of loans given as referred to in 'b' above.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedure commensurate with the size of the Company and nature of the Business with regard to Purchase of Inventory, Fixed Assets and Sale of Goods. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control.
5.
 - a. Based on audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered register maintained U/s. 301 of Companies Act, 1956 have been so entered.
 - b. In our opinion and according to the information and explanation given to us, the transaction made in pursuance of contracts or arrangements entered into the register in pursuance to Section 301 of the act, 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 the market prices prevailing at the relevant time.
6. In our Opinion and according the information and explanations given to us the Company has not accepted any deposits within the meaning of Section 58 A and 58 AA of the Companies Act, 1956 and the Companies (Acceptance & Deposits) Rules, 1975.
7. In our opinion the company has an internal audit system commensurate with the size of the company and nature of its business.
8. The Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for any of the products of the company.

9. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of Statutory and Other Dues.
 - a) The Company has been regular in Depositing Statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other Statutory Dues with the appropriate authorities during the year.
 - b) According to the information and explanations given to us no undisputed Amounts are payable in respect of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty and Cess for a period of more than six months from the date they became payable.
 - c) According to the information and explanations given to us the details of disputed Sales tax, Excise Duty, which have not been deposited as at 31st March, 2010 ON account of any dispute are as under :-

Statute and Nature of dues	Financial year to which the matter pertains	Forum where disputes is pending	Amount Rs.
Sales Tax Act :			
1) Sales Tax and Interest	2002-2003	Jt. Commissioner Sales Tax (appeals)	8,43,346/-
2) The Central Excise Act: Excise Duty (Penalty)	2005	Revision Application with Central Govt. of India	1,94,933/-

10. The company does not have any accumulated losses as at the end of the financial year and has not incurred cash losses during the Current Financial Year and the financial year immediately preceding the current financial year.
11. In our opinion and according to the information and explanations, given to us the company has not defaulted in repayment of dues to Banks.
12. The company has not granted any loans and advances on the basis of security by way of pledge of shares and debentures.
13. In our opinion and according to the information and explanation given to us, the Company is neither a dealer nor a trader in securities.
14. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
15. The Company did not have any Term Loan, outstanding during the year, accordingly para 4 (XVI) of the order is not applicable.
16. According to other records examined by us and the information and explanations given to us on an overall basis funds raised on short term basis, prima facie has not been used during the year for Long Term Investment (Fixed Assets etc) and Vice Versa.
17. To the best of our knowledge and belief and according to the information and explanations given to us no fraud on or by the company was noticed or reported during the year.
18. Other Clauses of the Order are not applicable to the Company.

For LUHARUKA & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R. No. 1882 S

Sd/-
(RAMESH CHAND JAIN)
Partner
Membership No. 023019

Place : Secunderabad
Date : 27-05-2010

PANKAJ POLYMERS LIMITED
Balance Sheet as at 31st March 2010.

PARTICULARS	Sche- dule No.	As at 31st.March.2010		As at 31st March, 2009	
		Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS					
SHARE HOLDERS FUNDS					
Share Capital	A	55439000		55439000	
Reserves & Surplus	B	43720212		41042821	
			99159212		96481821
LOAN FUNDS					
Secured Loans	C	41130641		47729209	
Unsecured Loans	D	7418658		6798356	
			48549299		5427565
TOTAL			147708511		151009386
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	E	164128092		157093038	
Less: Depreciation		97302205		90826002	
Net Block			66825887		66267036
CURRENT ASSETS, LOANS & ADVANCES					
Inventories	F	16035987		31729577	
Sundry Debtors	G	65442244		48660499	
Cash & Bank Balances	H	2272080		1019622	
Loans & Advances	I	11331019		17751386	
			95081329		99161084
Less: Current Liabilities & Provisions					
Current Liabilities	J	4222587		3030782	
Provisions	K	3185086		4035786	
			7407673		7066568
Net Current Assets			87673657		92094516
Deferred Tax Liabilities (Net)	L		6970196		7682347
MISCELLANEOUS EXPENDITURE (To the Extend not Written off or adjusted)	M		179164		330180
TOTAL			147708511		151009386

Notes To Accounts — Schedule 'V'

AS PER OUR REPORT OF EVEN DATE ATTACHED
for LUHARUKA & ASSOCIATES,
Chartered Accountants

Sd/-
(RAMESHCHAND JAIN)
Partner
M.No.23019

Place: Secunderabad
Date : 27/05/2010

for PANKAJ POLYMERS LIMITED,

Sd/-
PANKAJ GOEL
Managing Director

Sd/-
R.C.SOHNI
Director

Sd/-
PARAS GOEL
Jt.Managing Director

Sd/-
Naresh Kumar Miryala
Company Secretary

PANKAJ POLYMERS LIMITED

Profit & Loss Account for the year ended 31st March, 2010

PARTICULARS	Schedule No.	Current Year		Previous Year	
		Rs.	Rs.	Rs.	Rs.
INCOME					
Sales (Less Returns) & Others	N	247421894		255251849	
Other Income	O	2242953		23185787	
Increase/(Decrease) in stocks	P	48595		(13135309)	
Total Income			249713442		265302326
EXPENDITURE					
Raw Materials Consumed	Q	181805853		199871033	
Personnel Expenses	R	4658926		4082029	
Other Expenses	S	46658824		42373888	
Finance Charges	T	4164213		7557674	
Depreciation	E	8894786		8603054	
Total Expenditure			246182602		262487678
Profit before Tax			3530840		2814648
			3530840		2814648
Provision for Income Tax			1565600		1698500
Provision for Fringe Benefit Tax			0		192500
Provision for Deferred Tax			712151		(907858)
Profit after Taxation			2677391		1831506
(+) Balance brought forward			28795821		26964315
Balance Carried forward to Balance Sheet.			31473212		28795821
Earning per Share(Basic)			0.48		0.33
Nominal value of the Share			10.00		10.00
No.of Shares			5543900		5543900

Notes on Significant Accounting Policies — Schedule 'V'

AS PER OUR REPORT OF EVEN DATE ATTACHED
for LUHARUKA & ASSOCIATES,
Chartered Accountants
FR NO.01882 S

for PANKAJ POLYMERS LIMITED,

Sd/-
(RAMESHCHAND JAIN)
Partner
M.No.23019

Sd/-
PANKAJ GOEL
Managing Director

Sd/-
R.C.SOHNI
Director

Place: Secunderabad
Date : 27/05/2010

Sd/-
PARAS GOEL
Jt.Managing Director

Sd/-
Naresh Kumar Miryala
Company Secretary

M/S.PANKAJ POLYMERS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

(Rs. 000's)

DETAILS	2009-10	2008-09
<u>A) Cash Flow From Operating Activities</u>		
Net Profit Before tax and extraordinary items	3530.84	2814.65
<u>Adjustments for :</u>		
Profit/Loss on Sale of Assets	(583.02)	(36.19)
Depreciation	8894.79	8603.05
Interest	4164.21	7557.67
Deferred Revenue expenses Written off	151.02	151.02
Interest Received	(277.42)	(186.52)
Operating Profit before Working Capital	15880.42	18903.69
<u>Adjustments for :</u>		
Trade and Other Receivables	(11839.66)	(4441.12)
Inventories	15693.59	(7390.48)
Trade Payables Including Cash Credit from Bank	(5932.06)	7870.73
<u>Cash Generated from Operation</u>	13802.29	14942.81
Interest Paid	(4164.21)	7557.67
Direct Taxes Paid (Net of Refund)	(412.72)	2306.53
<u>Net Cash Flow From Operating Activities (A)</u>	<u>9225.36</u>	<u>5078.61</u>

DETAILS	2009-10	2008-09
<u>B) Cash Flow from Investing Activities</u>		
Purchase of Fixed Assets	10614.03	7659.88
Sale of Fixed Assets & Others	1743.41	411.00
Interest Income	277.42	186.52
	<hr/>	<hr/>
<u>Net Cash Flow From Investing Activities (B)</u>	(8593.20)	(7062.36)
	<hr/>	<hr/>
<u>c) Cash Flow from Financing Activities</u>		
Proceeds/Repayments from Long Term	620.30	1762.53
	<hr/>	<hr/>
<u>Net Cash used in Financing Activities (C)</u>	620.30	1762.53
	<hr/>	<hr/>
Net Increase in Cash and Cash Equivalent (A+B+C)	1252.46	(221.23)
Cash and Cash Equivalent As at 01.04.2009 (Opening Balance)	1019.62	1240.85
	<hr/>	<hr/>
Cash and Cash Equivalent As at 31.03.2010 (Closing Balance)	2272.08	1019.62
	<hr/>	<hr/>

AS PER OUR REPORT OF EVEN DATE ATTACHED
for LUHARUKA & ASSOCIATES,
Chartered Accountants
F R No.01882 S

for PANKAJ POLYMERS LIMITED,

Sd/-
(RAMESHCHAND JAIN)
Partner
M.No.23019

Sd/-
PANKAJ GOEL
Managing Director

Sd/-
R.C.SOHNI
Director

Sd/-
PARAS GOEL
Jt.Managing Director

Sd/-
NARESH KUMAR MIRYALA
Company Secretary

Place: Secunderabad
Date : 27/05/2010

PANKAJ POLYMERS LIMITED

Schedules annexed to and forming part of the accounts for the year ended 31st March, 2010

SCHEDULE - A : SHARE CAPITAL

Particulars	As at 31.03.2010	As at 31.03.09
AUTHORISED 1,50,00,000 equity share of Rs. 10/- each	150000000	150000000
ISSUED SUBSCRIBED AND PAID UP 55,43,900 Equity Shares of Rs. 10/- each	55439000	55439000
TOTAL	55439000	55439000

SCHEDULE - B : RESERVES AND SURPLUS

Particulars	As at 31.03.2010	As at 31.03.2009
General Reserve	100000	100000
Special Capital Incentive	5305100	5305100
Share Premium Account	6841900	6841900
Surplus in P & L Account	31473212	28795821
TOTAL	43720212	41042821

SCHEDULE - C : SECURED LOANS

Particulars	As at 31.03.2010	As at 31.03.2009
Cash Credit Indian/Foreign Letter of Credit (Cash credit, Letter of Credit) from IDBI Bank Ltd are secured against hypothecation of inventories, book debts and charge on fixed assets of the Company and personally guaranteed by two Directors & two Promoters of the Company.)	41130641	47729209
TOTAL	41130641	47729209

SCHEDULE - D : UNSECURED LOANS

Particulars	As at 31.03.2010	As at 31.03.2009
UNSECURED LOANS Sales/Vat Tax Deferment	7418658	6798356
TOTAL	7418658	6798356



SCHEDULE - E : FIXED ASSETS

Particulars	Gross Block		Depreciation				Net Block		
	As at 01.04.2009 Rs.	Additions During the year Rs.	Deletions During the year Rs.	As at 01.04.2009 Rs.	For the Year Rs.	Deletions for the yr Rs.	Upto 31.03.2010 Rs.	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
Land-Freehold	7988754	0	0	0	0	0	0	7988754	7988754
Building (Factory)	6719739	0	0	2026534	118658	0	2145192	4574545	4693205
Building (Office)	8955485	0	0	614718	135144	0	749862	8205623	8340767
Plant & Machinery	104895413	1988673	1409306	72032275	6076957	512843	77596389	27878391	32863138
Electrical	4207472	787328	0	3458773	273378	0	3732149	1262651	748699
Installation									
Furniture & Fixtures	1767238	24350	0	516360	111995	0	628357	1163231	1250878
Vehicles	15902420	4375556	769671	7249362	1727246	505740	8470869	11037436	8653058
Office Equipmnt	1915551	80324	0	680801	93179	0	773980	1221895	1234750
Generators	1990625	2395000	1400000	1702789	81708	1400000	384496	2601129	287836
Computers/Software	1923941	962800	0	1759310	276521	0	2035831	850910	164631
Moulds	826400	0	0	785080	0	0	785080	41320	41320
TOTAL	157093038	10614031	3578977	90826002	8894786	2418583	97302205	66825885	66267036
Previous Year	149927157	7659881	494000	82342134	8603054	119186	90826002	66267036	

MODVAT CREDIT ON P&M:Rs.34426Z

SCHEDULE - F : INVENTORIES

Particulars	As at 31.03.2010	As at 31.03.2009
As taken, valued & certified by the Management		
Raw Material	3855460	17482750
Raw Material in Transit	1270105	3360000
Stores	200000	225000
Work-in-progress / at jobwork	1169840	4428095
Finished Goods	9420042	6128072
Scrap	120540	105660
TOTAL	16035987	31729577

SCHEDULE - G : SUNDRY DEBTORS

Particulars	As at 31.03.2010	As at 31.03.2009
Unsecured & Considered Good Exceeding 6 months	2798777	1696902
<u>Others</u>	62643467	46963597
TOTAL	65442244	48660499

SCHEDULE - H : CASH AND BANK BALANCES

Particulars	As at 31.03.2010	As at 31.03.2009
Cash in hand	2252080	999622
Balance with Scheduled banks: In F.D.Account (Pledged with Bank)	20000	20000
TOTAL	2272080	1019622

SCHEDULE - I : LOANS AND ADVANCES

Particulars	As at 31.03.2010	As at 31.03.2009
Unsecured & Considered Good Unless Stated Otherwise.		
(i) Advance recoverable in cash or for value to be received	5692575	10681663
(ii) Sundry deposits	3927375	3921375
(iii) Balance with Central Excise	235782	194781
(iv) Tax Deducted at Source	150286	2853567
(v) Advance Fringe Benefit tax	1325000	100000
TOTAL	11331019	17751386

SCHEDULE - J : CURRENT LIABILITIES

Particulars	As at 31.03.2010	As at 31.03.2009
Sundry Creditors for Goods		
i) Due to Small Scale Industries	24746	43655
ii) Due to Others	2640056	1686853
iii) Sundry Creditors for Capital Goods	233923	32421
iv) Other Liabilities	1323862	1267853
TOTAL	4222587	3030782

SCHEDULE - K : PROVISIONS

Particulars	As at 31.03.2010	As at 31.03.2009
For Expenses	1619486	2144786
For Income Tax	1565600	1698500
For Fringe Benefit Tax		192500
TOTAL	3185086	4035786

SCHEDULE - L : DEFERRED TAX LIABILITIES

Particulars	As at 31.03.2010	As at 31.03.2009
Deferred Tax Liabilities as on 01.04.09	7682347	8590205
TOTAL	7682347	8590205
Less: Adjustment of Deferred Tax Liability for reversing timing difference arising on account of Depreciation	665487	861194
Less: Deferred Revenue Expenditure	46664	46664
Net Deferred Tax Liabilities	6970196	7682347

SCHEDULE-M: MISCELLANEOUS EXPENDITURE
(To the Extent not Written off or adjusted)

Particulars	As at 31.03.2010	As at 31.03.2009
Deferred Revenue Expenses	179164	330180
TOTAL	179164	330180

SCHEDULE - N : SALES (Gross inclusive of Excise)

Particulars	As at 31.03.2010	As at 31.03.09
HDPE/PP Woven Sacks & Fabric	213736151	192959919
Wastage	3731768	4085304
Disposable Wares	29953975	58206626
TOTAL	247421894	25251849

SCHEDULE - O : OTHER INCOME

Particulars	As at 31.03.2010	As at 31.03.09
Commission (TDS Rs.) (Prev.Year.Rs.2654464)	0	21958587
Interest (TDS Rs.18652) (Prev.Year.Rs.38423)	277421	186518
Profit/Loss on sale of Assets	583019	36186
Sundry Balance written back	80794	54304
Rent (TDS Rs.160680) (Prev.Year.Rs.93730)	860340	780000
Miscellaneous Income	441379	170191
TOTAL	2242953	23185787

SCHEDULE - P : INCREASE/DECREASE IN STOCK

Particulars	As at 31.03.2010	As at 31.03.09
Increase/Decrease in stock of finished goods & Semi-finished goods		
Closing Stock		
Finished goods	9420042	6128072
Work-in-Progress/at jobwork	1169840	4428095
Scrap	120540	105660
TOTAL (A)	10710422	10661827
Less: Opening Stocks		
Finished goods	6128072	5195996
Work-in-Progress/at jobwork	4428095	18395430
Scrap	105660	205710
TOTAL (B)	10661827	23797136
TOTAL (A-B)	48595	(13135309)

SCHEDULE - Q : RAW MATERIAL CONSUMED

Particulars	As at 31.03.2010	As at 31.03.09
Opening Stock	20842750	14997925
Add: Purchases	177501338	223498073
	198344088	238495998
Less: Closing Stock	5125565	20842750
: Sale of Raw-Material	11412670	17782215
Raw Material consumed	181805853	199871033

SCHEDULE - R : PERSONNEL EXPENSES.

Particulars	As at 31.03.2010	As at 31.03.09
Salaries, Wages & Bonus	2307556	2333782
Contribution to P.F. & E.S.I.	401384	405934
Employees other benefits	2660	27313
Gratuity	29750	85000
Directors' Remuneration	1917576	1230000
TOTAL	4658926	4082029

SCHEDULE - S : OTHERS EXPENSES

Particulars	As at 31.03.2010	As at 31.03.09
Rebate & Discount	1468300	1788013
Electricity & Fuel	11817384	12361453
Consumable stores & Spares Consumed	2383410	1379360
Inward cartage	4877916	4550865
Jobwork Charges	4976449	3811784
Printing & Stationery	149326	97414
Postage & Telephone	550222	562622
Miscellaneous Expenses	556179	740888
Travelling & Conveyance	1411566	226644
Insurance	381481	350295
Rates, Taxes & Duties	9328332	13027741
Outward Cartage	1407080	907016
Business, Sales Promotion & Advertisement & Deferred Revenue Expenditure written off	1187110	954885
Audit Fee Rs. 46326	151016	151016
Tax Audit Fee Rs. 8824	55150	33090
Security Charges	446749	272135
Directors' Sitting fees	24000	12500
Secretarial & Legal Expenses	383108	129042
<u>Repairs & Maintenance:</u>		
Machinery	1291887	557496
Others	1211057	459629
Factory Shed Rent	388800	0
Trade Promotion Expenses	2212303	0
TOTAL	46658824	42373888

SCHEDULE - T : INTEREST & FINANCIAL CHARGES

Particulars	As at 31.03.2010	As at 31.03.09
Interest on CC Limits	3925142	6885357
Others (incl. Bill Disc. & Bank Charges, Renewal Fee)	239071	672317
TOTAL	4164213	7557674

SCHEDULE – V : NOTES FORMING PART OF ACCOUNTS

1. **SIGNIFICANT ACCOUNTING POLICIES :**

a) **Basis of Accounting**

The Financial Statements have been prepared under the historical cost convention on accrual basis in conformity in all material aspects with the generally accepted accounting principles in India and comply with Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.

b) **Revenue Recognition**

Sale of goods is recognized on dispatches to customers, and is inclusive of excise duty and sales tax (wherever applicable).

c) **Use of Estimates**

The Preparation of Financial Statements requires estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

d) **Fixed Assets**

Fixed Assets are stated at historical cost of acquisition less accumulated depreciation and net of Excise Duty eligible for Cenvat. Pre-operative expenses and Attributable interest stand Capitalized as part of asset cost.

e) **Depreciation**

Depreciation on Fixed Assets have been provided on straight-line method at the rates prescribed under Schedule XIV of the Companies Act, 1956 and prorata on additions during the year. Individual low cost assets acquired at less than Rs.5,000/- are depreciated within the year of acquisition.

f) **Investments**

Current investments are carried at the lower of cost and quoted / fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investment is made only if such decline is other than temporary in the opinion of the management.

g) **Impairment:**

The carrying amounts of assets are revised at each balance sheet date if there is any indication of Impairment based on internal and external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount.

h) **Inventories**

Raw Materials, Stores, Spares and work in progress are valued at cost including Cenvat credit wherever applicable on first in first out basis. Finished goods are valued at lower of cost and or estimated net realisable value. Finished goods and work in progress includes cost of conversion and other costs including Excise Duty incurred in bringing the inventories to their present location and condition. Material in transit are stated at actual cost. Scrap is valued at net realisable value.

i) **Foreign Currency Transactions**

Transactions in foreign currency are recorded at the exchange rate, prevailing on the date of transaction or at the exchange rates under the related forward exchange contracts. Profit/Loss on outstanding Foreign Currency contracts have been accounted for at the exchange rates, prevailing at the year end rates as per FEDAI/RBI.

j) **Employee Retirement Benefits**

Company's contribution to Provident Fund and Superannuation Fund are charged to Profit and Loss Account. Gratuity is charged to Profit and Loss Account.

k) **Deferred Revenue Expenditure is amortised over a period of ten years.**

l) **Provision for Current and Deferred Tax:**

- i) Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.
- ii) Deferred tax resulting from "timing differences" between book and taxable profit is accounted for using tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the asset will be realised in future.

m) **Provision, Contingent Liabilities and Contingent Assets :**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities which are not recognized are disclosed in notes. Contingent Assets are neither recognized nor disclosed in Statements.

n) Turnover

Turnover includes sale price of goods, sales tax, excise duty. Inter-segment sales are excluded in the Main Profit and Loss account.

o) Segment Reporting

Company's operating Business, organized & Managed unit wise, according to the nature of the products and services provided, are recognized in segments representing one or more strategic business units, that offer products or services of different nature and to different Markets.

p) Prior Period Expenses / Income

Prior period items, if material are separately disclosed in Profit & Loss Account together with the nature and amount. Extraordinary items & changes in Accounting Policies having material impact on the financial affairs of the company are disclosed.

q) Sundry Debtors, Loans and Advances

Doubtful Debts/Advances are written off in the year in which those are considered to be irrecoverable.

r) Earning per Share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard-20 (AS-20) issued by the Institute of Chartered Accounts of India. Basic earnings per share are computed by dividing the net Profit or Loss for the year by the Weighted Average number of equity share outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

s) Cash Flow Statement:

Cash Flow Statement has been prepared in accordance with requirement of Accounting Standard – 3 “Cash Flow Statement” issued by the Institute of Chartered Accountants of India.

2. NOTES TO THE ACCOUNTS:

1. Contingent Liabilities:

- 1) Estimated amount of contracts remaining to be executed on capital accounts net of advance Rs.13,46,395/- (Previous Year Rs. NIL)
- 2) Bank Guarantee given 194933/-
- 3) Disputed Sales Tax Rs.843346/-

2. Related Party Disclosures: Related party disclosures as required under Accounting Standards AS18 on Related Party Disclosures:

a) Relationship:

- I) Associates: Pankaj Capfin Private Limited, Pankaj Tubes (P) Ltd., Jaya Polywear Private Limited., Pankaj Stripes (P) Limited., Aman Tubes Private Limited, Welset Polypack (P) Limited.,
- II) Key Management Personnel: Mr. Pankaj Goel and Mr. Paras Goel

b) The following transactions were carried out with related parties in the ordinary course of business.

I) Associates: Pankaj Capfin Private Limited

Loans taken – Op. Balance as on 1.4.09	-	Rs. – NIL -
Add: Transactions during the year (Loans given)	-	Rs. 84,50,000
TOTAL:		Rs.84,50,000
Less: Transactions during the year (Loans received back)	-	Rs. 84,50,000
Balance as on 31.03.2010		Rs. NIL

II) Job-work Charges:

a) Jaya Polywear (P) Limited Rs. 36,825.00

III) Rent

a) Jaya Polywear (P) Limited Rs. 1,98,000.00
 b) Shweta Goel Rs. 1,90,800.00

IV) a) Purchases from M/s. Welset Polypack (P) Ltd Rs. 7,96,309.00

b) Sale of Generator to M/s. Welset Polypack (P) Ltd Rs. 7,16,950.00

V) Key Management Personnel: Mr. Pankaj Goel - Managerial Remuneration, of Rs.10,03,904/- including P.F and Mr. Paras Goel- Managerial Remuneration of Rs.9,13,672/- .

3. In accordance with the provisions of the accounting standards, AS-22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has recognized tax effect of the timing differences, representing the difference between Taxable Income and Accounting Income.
4. In the absence of necessary information with the company relating to the registration status of suppliers under the MSMED Act 2006, the information required under the said Act could not be compiled and disclosed.
5. The Company has decided to restart the Nagpur Unit, with new product line for which necessary approval has been received from the appropriate authorities.
6. Sundry Debtors, Sundry Creditors, Loans and Advances are subject to confirmation from the parties.

7. Managerial Remuneration:

Salary:

Managing Director	Rs.8,40,000.00
Joint Managing Director	<u>Rs.7,60,000.00</u>

Total : Rs. 16,00,000.00

PF. Rs. 3,17,576.00

Total : **Rs. 19,17,576.00**

8. The segment wise revenue, results and capital employed is for the year ended 31.03.2010 is given below:-
Rs. in lakhs

Sl No.	Particulars	Year ended 31-03-10	Year ended 31-03-09
1.	Segment Revenue/Income		
	a. HDPE/PP Woven Sacks/Fabrics	2174.68	1970.45
	b. PP Sheets/ PP Disposable Wares	299.54	582.07
	Total	2474.22	2552.52
	Less: Inter Segment Revenue	0.00	0.00
	Net Sales/Income from Operations	2474.22	2552.52
2.	Segment Results (Profit) (+)/ Loss (-) before tax and Interest from each Segment:		
	a. HDPE/PP Woven Sacks/Fabrics	213.72	(48.02)
	b. PP Sheets/ PP Disposable Wares	(49.05)	7.59
	Total		
	Less: a) Interest	41.64	75.58
	b) Other un-allocable expenditure net of un-allocable income(+)/(-)	87.72	(144.15)
	Total Profit before tax	35.31	28.15
3.	Capital Employed (Segment Assets – Segment Liabilities)		
	a. HDPE/PP Woven Sacks/Fabrics	968.85	936.63
	b. PP Sheets/ PP Disposable Wares	215.46	277.10
	Total	1184.31	1213.73

9. Previous year figures have been regrouped and reclassified wherever necessary to make them comparable.

AS PER OUR REPORT OF EVEN DATE ATTACHED for PANKAJ POLYMERS LIMITED,
for LUHARUKA & ASSOCIATES,
Chartered Accountants
FR No.01882 S

Sd/-
(RAMESHCHAND JAIN)
Partner
M.No.23019
Place: Secunderabad
Date : 27/05/2010

Sd/-
PANKAJ GOEL
Managing Director

Sd/-
PARAS GOEL
Jt. Managing Director

Sd/-
R.C. SOHNI
Director

Sd/-
NARESH KUMAR MIRYALA
Company Secretary

ADDITIONAL INFORMATION PURSUANT TO THE PROVISION OF PART II
OF SCHEDULE VI OF THE COMPANIES ACT 1956

Sl. No.	Details	For the year ended 31.03.2010			For the year ended 31.03.2009		
		Qty.(MT)	Value.(Rs)	%	Qty.(MT)	Value.(Rs)	%
a)	SALES OPENING AND CLOSING STOCK OF GOODS PRODUCED						
i)	HDPE/PP SACKS & FABRIC						
	Opening Stock	18.379	1563432		17.870	1588120	
	Sales	11878.527	213736151		1691.479	192959919	
	Closing Stock	27.575	2534522		18.379	1563462	
ii)	PP DISPOSABLE WARES/ CONTAINERS						
	Opening Stock	42.885	4074075		44.010	3607876	
	Sales	332.926	29953975		614.775	58206626	
	Closing Stock	85.829	6866320		42.885	4074075	
b)	DETAILS OF RAW MATERIAL CONSUMED						
	HDPE/PP Granules	2602.683	181805853		2630.800	199871033	
c)	LICENCED AND INSTALLED CAPACITY AND PRODUCTION FOR THE YEAR						
i)	HDPE/PP SACKS						
	Installed Capacity	6695.000			6695.000		
	Production	1887.723			1691.988		
ii)	PP DISPOSABLE WARES/CON.						
	Installed Capacity	1901.000			1901.000		
	Production	375.870			613.650		
d)	VALUE OF IMPORTS (CIF) BASIS						
	Raw-Materials		NIL		NIL		
e)	EXPENDITURE IN FOREIGN CURRENCIES						
	Travelling Expenses		291075			0	
f)	VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL STORES SPARE PARTS & COMPONENTS CONSUMED DURING THE YEAR						
	Raw-Materials						
	Imported	NIL	NIL		NIL	NIL	
	Indigenous	2602.683	181805853	100	2630.800	198871033	100
	Stores Spareparts & Components						
	Imported	NIL	NIL				
	Indigenous	0	2383410	100	NIL	1379360	100
g)	EARNING IN FOREIGN CURRENCY	NIL	NIL		NIL	NIL	

AS PER OUR REPORT OF EVEN DATE ATTACHED
for LUHARUKA & ASSOCIATES,
Chartered Accountants
F.R.No. 01882 S

for PANKAJ POLYMERS LIMITED,

Sd/-
(RAMESHCHAND JAIN)
Partner
M.No.23019

Sd/-
PANKAJ GOEL
Managing Director

Sd/-
R.C.SOHNI
Director

Place: Secunderabad
Date : 27/05/2010

Sd/-
PARAS GOEL
Jt.Managing Director

Sd/-
NARESH KUMAR MIRYALA
Company Secretary

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(a) Registration Details Registration No. : 01-14419 State Code : 1

Balance Sheet Date : 31/03/2010

(b) Capital Raised during the year (Amount in Rs. Thousands)

Public Issue : NIL	Rights Issue : NIL
Bonus Issue : NIL	Private Placement/Others : NIL

(c) Position of Mobilisation & Development of Funds: (Amount in Rs. Thousands)

Total Liabilities : 147708	Total Assets : 147708
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SOURCES OF FUNDS

Paid-up Capital : 55439	Reserves & Surplus : 43720
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Secured Loans : 41130	Unsecured Loans : 7418
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APPLICATION OF FUNDS

Net Fixed Assets : 66825	Investments : NIL
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Net Current Assets : 87674	Misc. Expenditure : 179
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Accumulated Losses : ---

(d) Performance of Company (Amount in Rs. Thousands)

Turnover (Incl.other income) : 249713	Total Expenditure : 246183
Profit before Tax : 3531	Profit After Tax : 2677

Earning per Share in Rs. : 0.48	Dividend Rate (%) : NIL
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(e) Generic Names of Principal products of Company: (As per monetary terms)

Item Code No.(ITC Code) : 3923	HDPE/PP WOVEN SACKS/FABRICS
: 3924	PP SHEETS AND PP DISPOSABLE WARES AND CONTAINERS



PANKAJ POLYMERS LIMITED

Regd. Office: "E" Block, V th Floor, 105, Surya Towers
Sardar Patel Road, Secunderabad-500 003

NOMINATION FORM

(To be filled in by individual applying singly or jointly. If jointly, only up to two persons)

FORM 2B
(see rules 4CCC and 5D)

Folio No.:

I/Weand.....the holders of Shares bearing numbers(s).....of PANKAJ POLYMERS LIMITED wish to make a nomination and do hereby nominate the following person in whom all rights of transfer and / or amount payable in respect of shares shall vest in the event of my/our death.

Name and Address of Nominee

***Name and Address of Guardian**

Name : _____

Name : _____

Address: _____

Address: _____

Date of Birth* : _____

(*To be furnished in case the nominee is a minor)

Details of Shareholders:

Signature: _____

Signature : _____

Name : _____

Name : _____

Address: _____

Address: _____

Date : _____

Date : _____

Details of two Witnesses:

Name and Address

Signature with date

1.

2.

FOR OFFICE USE ONLY

Nomination Registration Number : _____

Date of Registration : _____

Checked by : _____

Please see instructions overleaf

(MEMBERS, HOLDING SHARES IN PHYSICAL FORM, MAY USE THIS FORM. MEMBERS, HOLDING SHARES IN ELECTRONIC FORM, MAY CONTACT THEIR CONCERNED DEPOSITORY PARTICIPANTS FOR NOMINATION.)

Instructions:

1. The nomination will be registered only when it is complete in all respects including the signatures of :
 - (a) all registered holders (as per the specimen lodged with the Company) and
 - (b) the nominee.
2. The Nomination can be made by individuals only holding shares on their own behalf, singly or jointly. Non-individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of power of attorney cannot nominate. If the shares are held jointly, all joint holders shall sign (as per the specimen registered with the Company) the nomination form.
3. A minor can be nominated by a holder of shares and in that event the name and address of the guardian shall be given by the holder.
4. The nominee shall not be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family or a power of attorney holder.
5. A non-resident Indian can be a nominee on repatriable basis.
6. Transfer of shares in favour of a nominee shall be valid discharge by the Company against the legal heir. Whenever the Shares in the given folio are entirely transferred or transposed with some other folio, then this nomination will stand rescinded.
7. Only one person can be nominated for a given folio.
8. Details of all holders relating to a single folio should be filled; else the request will be rejected.
9. Upon the receipt of a duly executed nomination form the company will register it and allot a registration number. The registration number and folio number should be quoted by the nominee in all future correspondence.
10. The nomination can be varied or cancelled by executing a fresh nomination form
11. The Company will not entertain any claims other than those of a registered nominee, unless so directed by a Court.



PANKAJ POLYMERS LIMITED

Regd. Office: "E" Block, Vth Floor,105, Surya Towers
Sardar Patel Road, Secunderabad-500 003

ATTENDANCE SLIP

Registered Folio / DPID No:

Name of the Shareholder:

No. of Shares:

I/We hereby record my/our presence at the **EIGHTEENTH ANNUAL GENERAL MEETING** of the Company, at Punjabi Welfare Society Community Hall, Ramnagar Colony, Alwal, Secunderabad - 500 015 at 11.00 A.M. on Wednesday, the 29th day of September, 2010 and at any adjournment thereof.

Signature of the Shareholder(s): _____

Notes:

1. Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip/Proxy from as the case may be meeting and handover at the entrance duly signed.
2. Shareholder/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.



PANKAJ POLYMERS LIMITED

Regd. Office: "E" Block, Vth Floor,105, Surya Towers
Sardar Patel Road, Secunderabad-500 003

PROXY FORM

I/We _____ being a Member/Members of PANKAJ POLYMERS 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 **EIGHTEENTH ANNUAL GENERAL MEETING** of the Company at Punjabi Welfare Society Community Hall, Ramnagar Colony, Alwal, Secunderabad - 500 015 at 11.00 A.M. on Wednesday, the 29th day of September, 2010 and at any adjournment thereof.

Registered Folio / DPID No. :

No. of Shares:

AS WITNESS my hand/our hands this _____ day of _____ 2010



Signature _____

Note: The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.