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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. Ishoo Narang	Director
Sri. T. Prasad Reddy	Director
Sri. Manohar Ramavat	Additional Director

**Audit Committee**

Sri. T. Prasad Reddy	Chairman
Sri. Ishoo Narang	Member
Sri. Manohar Ramavat	Member

**Remuneration Committee**

Sri. T. Prasad Reddy	Chairman
Sri. Ishoo Narang	Member
Sri. Manohar Ramavat	Member

**Share Transfer & Investors Grievance Committee**

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

**Company Secretary**

Mr. Ravi Venkata Kiran

**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 **19<sup>th</sup> Annual General Meeting** of the members of M/s Pankaj Polymers Limited will be held on **Wednesday the 28<sup>th</sup> September 2011 at 11.00 A.M.** at Lions Bhavan, 1-8-179, Lakhapath Building, Behind HDFC Bank, Paradise Circle, Secunderabad - 500 003 to transact the following items of business:

### Ordinary Business

1. To Receive, Consider and Adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2011 and the Profit and Loss Account & Cash Flow statement for the year ended 31<sup>st</sup> March 2011, together with the reports of the Directors' and Auditors' thereon.
2. To appoint a Director in the place of Sri. Baburam Goel who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in the place of Sri. Ishoo Narang 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 the next Annual General Meeting and authorise the Board of Directors of the Company to fix their remuneration.

### SPECIAL BUSINESS

#### 5. To appoint Shri Manohar Ramavat as Director

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

**"RESOLVED THAT** Shri Manohar Ramavat, who was appointed as an Additional Director of the Company under Section 260 of the Companies Act, 1956 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 from a member, in writing, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose office is liable to retire by rotation."

#### 6. Re appointment of Shri. Pankaj Goel as Managing Director of the Company fix his remuneration

To consider and, if thought fit, to pass with or without modifications, the following Resolution as an Special Resolution:

**"RESOLVED THAT** in super session to the earlier resolution(s) passed by the members of the Company at their meeting held on 30<sup>th</sup> September 2009 and pursuant to the provisions of Sections 198, 269, 309, 310, Schedule XIII and other applicable provisions if any of the Companies Act, 1956, the consent of the Company be and is hereby accorded for re appointment of Mr Pankaj Goel as Managing Director of the Company for a period of Three (3) years w.e.f 01.04.2011 on the following remuneration, terms and conditions:

### REMUNERATION

#### I. Salary: Rs.80,000/- per month.

Commission : Commission will be allowed in addition to Salary and Perquisites, the amount of which, based on the net profits of the Company in a particular year, shall be subject to the overall ceilings laid down in Sections 198 and 309 of the Act.

#### II. Perquisites :

1. A) Housing: The expenditure incurred by the Company on hiring accommodation for the Managing Director shall be subject to a ceiling of 50% of Salary.

In case accommodation for Managing Director is provided by the Company, the expenditure incurred by the Company on hiring accommodation will be subject to a ceiling of 50% (fifty percent) of the salary of Managing Director.

- B) The expenditure incurred by the Company on gas, electricity, water and furnishing will be valued as per the Income Tax Rules, 1962. This will, however, be subject to a ceiling of 10% of Salary of the Managing Director.
2. Medical Reimbursement: Expenses incurred for the Managing Director and family, subject to a ceiling of one month's salary in a year or three month's salary in a block of three years.
  3. Leave Travel Concession: For the Managing Director and his family consisting of spouse, dependent children and dependent parents once in a year incurred in accordance with the rules specified by the Company.
  4. Personal Accident Insurance: Premium not exceeding Rs.10,000/- per annum.
  5. Club Fees: Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

### III. Other Perquisites:

- i) Contribution towards Provident Fund and Superannuation Fund/Pension Fund to the extent either these singly or put together are not taxable under the Income Tax Act, 1961 and encashment of leave at the end of tenure will not be included in the computation of the ceiling on remuneration.
- ii) Gratuity payable in accordance with the rules of the Company will not be included in the computation of ceiling on remuneration.
- iii) Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.
- iv) Earned/Privilege Leave on full pay and allowance as per rules of the Company. Leave accumulated but not availed during his tenure may be allowed for encashed as per the rules of the Company.

**"RESOLVED FURTHER** that in the event of no profits or the profits of the Company are inadequate the Managing Director shall be entitled to remuneration by way of salary and perquisites not exceeding the limits specified in Part II of Schedule XIII and he shall be entitled for Annual Increments as per the Rules and Policies of the Company".

### 7. Re appointment of Shri. Paras Goel as Joint Managing Director of the Company fix his remuneration

To consider and, if thought fit, to pass with or without modifications, the following Resolution as an Special Resolution:

**"RESOLVED THAT** in super session of the resolution passed by the members of the Company at their meeting held on 30th September 2009 and pursuant to the provisions of Sections 198, 269, 309, 310, Schedule XIII and other applicable provisions if any of the Companies Act, 1956, the consent of the Company be and is hereby accorded for re appointment of Shri Paras Goel as Joint Managing Director of the Company for a period of Three (3) years with effect from 01.08.2011 on the following Remuneration, terms and conditions.

#### REMUNERATION

##### I. Salary : Rs.75,000/- per month.

Commission : Commission will be allowed in addition to Salary and Perquisites, the amount of which, based on the net profits of the Company in a particular year, shall be subject to the overall ceilings laid down in Sections 198 and 309 of the Act.

**II. Perquisites**

1. A) Housing: The expenditure incurred by the Company on hiring accommodation for the Joint Managing Director shall be subject to a ceiling of 50% of Salary.

In case accommodation for Jt Managing Director is provided by the Company, the expenditure incurred by the Company on hiring accommodation will be subject to a ceiling of 50% (fifty percent) of the salary of Jt Managing Director.

- B) The expenditure incurred by the Company on gas, electricity, water and furnishing will be valued as per the Income Tax Rules, 1962. This will, however, be subject to a ceiling of 10% of Salary of the Jt. Managing Director.
2. Medical Reimbursement: Expenses incurred for the Jt. Managing Director and family, subject to a ceiling of one month's salary in a year or three month's salary in a block of three years.
3. Leave Travel Concession: For the Jt. Managing Director and his family consisting of spouse, dependent children and dependent parents once in a year incurred in accordance with the rules specified by the Company.
4. Personal Accident Insurance: Premium not exceeding Rs.10,000/- per annum.
5. Club Fees: Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

**III. Other Perquisites:**

- i) Contribution towards Provident Fund and Superannuation Fund/Pension Fund to the extent either these singly or put together are not taxable under the Income Tax Act, 1961 and encashment of leave at the end of tenure will not be included in the computation of the ceiling on remuneration.
- ii) Gratuity payable in accordance with the rules of the Company will not be included in the computation of ceiling on remuneration.
- iii) Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Jt. Managing Director.
- iv) Earned/Privilege Leave on full pay and allowance as per rules of the Company. Leave accumulated but not availed during his tenure may be allowed for encashed as per the rules of the Company.

**"RESOLVED FURTHER** that in the event of no profits or the profits of the Company are inadequate the Managing Director shall be entitled to remuneration by way of salary and perquisites not exceeding the limits specified in Part II of Schedule XIII and he shall be entitled for Annual Increments as per the Rules and Policies of the Company".

**By Order of the Board**

Sd/-

**PANKAJ GOEL**  
**Managing Director**

Place : Secunderabad

Date : 08.08.2011

**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 the 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 Saturday, the 24<sup>th</sup> day of September 2011 to Wednesday the 28<sup>th</sup> day of September 2011 (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 2011-12 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 who hold shares in dematerialized form are requested to bring their client ID and DP IDs for easier identification of attendance at the meeting.
10. Members are requested to bring their copy of Annual Report to the Meeting.
11. Shareholders holding shares in physical form are invited to contribute to the cause of Green Initiative by registering their e-mail ID, by submitting the E- COMMUNICATION REGISTRATION FORM inserted in the Annual Report.

**By Order of the Board**

Sd/-

**(PANKAJ GOEL)**

**Managing Director**

Place : Secunderabad

Date : 08.08.2011

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT 1956****ITEM # 5**

Shri Manohar Ramavat was appointed as an additional director by the Board with effect from 08.08.2011

In terms of Section 260 of the Companies Act, 1956 and Articles of Association, Shri Manohar Ramavat hold office as Director only till the date of the forthcoming Annual General Meeting, is eligible for appointment. Notice has been received from member as required by Section 257 of the Act, signifying his intention to propose the candidatures of Shri Manohar Ramavat for the office of Director.

Shri Manohar Ramavat, aged 48 years, holds the Directorship in M/s New Tek Power Electro Engineers Private Limited & Sanskriti Polymers Private Limited.

None of the Directors other than Shri Manohar Ramavat is interested in the respective Resolution.

**ITEM # 6**

Sri Pankaj Goel, aged 45 years, Commerce Graduate, has an experience of over 25 years in the manufacture of PVC Pipes, HDPE / PP Woven Sacks. He holds directorships in M/s Pankaj Capfin Private Limited, Pankaj Strips Private Limited, Aman Tubes Private Limited, Pankaj Polypack Limited, Welset Polypack Private Limited and Pankaj Polytec Private Limited.

The earlier appointment as Managing Director ceased by 31<sup>st</sup> March 2011, Board of Directors of the company on Recommendation of Remuneration Committee at their meeting held on 28<sup>th</sup> March 2011, re appointed Shri Pankaj Goel as Managing Director subject to approval of Shareholders for a period of 3 years effective from 1<sup>st</sup> April 2011 on the terms and conditions set out in the Resolution.

Considering the efforts and time devoted by Shri Pankaj Goel in achieving growth and success of the Company and his long and rich experience in the PP Woven Sacks industry and also keeping in view the increase in responsibility of the Managing Director with increase in the complexities of business, approval of the Members is sought for the re appointment and fixation of remuneration of Shri Pankaj Goel, Managing Director as set out in the Resolution. The remuneration and terms of appointment was approved by the remuneration committee.

Members are requested to accord their approval for reappointment and fixation of remuneration to Sri Pankaj Goel as Managing Director.

None of the Directors except Sri Pankaj Goel, Sri Paras Goel, and Sri Baburam Goel is deemed to be concerned or interested in the above resolution.

This may be treated as a notice as required under section 302 of the Companies Act, 1956.

The Directors recommend the above resolution for your approval.

**ITEM # 7**

Sri Paras Goel, Aged 39 years, B.Com Graduate, has an experience of over 22 years in the manufacture of PVC Pipes, HDPE / PP Woven Sacks. He holds directorships in Jaya Polywear Private Limited, Pankaj Tubes Private Limited, Aman Tubes Private Limited and Pankaj Polytec Private Limited.

The earlier appointment as Managing Director ceased by 31<sup>st</sup> July 2011, Board of Directors of the company on Recommendation of Remuneration Committee at their meeting held on 20<sup>th</sup> May 2011, re appointed Shri Paras Goel as Joint Managing Director subject to approval of Shareholders for a period of 3 years effective from 1<sup>st</sup> August 2011 on the terms and conditions set out in the Resolution.

Considering the efforts and time devoted by Shri Paras Goel in achieving growth and success of the Company and his long and rich experience in the PP Woven Sacks industry and also keeping in view the increase in responsibility of the Jt Managing Director with increase in the complexities of business, approval of the Members is sought for the re appointment and fixation of remuneration of Shri Paras Goel, Jt Managing Director as set out in the Resolution. The remuneration and terms of appointment was approved by the remuneration committee.

Members are requested to accord their approval for reappointment and fixation of remuneration to Sri Paras Goel as Joint Managing Director.

None of the Directors except Sri Paras Goel, Sri Pankaj Goel and Sri Baburam Goel are deemed to be concerned or interested in the above resolution.

**By Order of the Board**

Sd/-

**(PANKAJ GOEL)**

**Managing Director**

Place : Secunderabad

Date : 08.08.2011

## DIRECTORS' REPORT

Dear Shareowners,

Your Directors are pleased to present herewith the 19<sup>th</sup> Annual Report on the business and operations of the Company and the Audited Accounts for the year ended 31<sup>st</sup> March 2011.

### 1. Financial Results and Operations

The summarized financial results for the year ended 31<sup>st</sup> March 2011 as compared with the previous year are as under:

*Rs. In Lakhs.*

Sl. No.	Particulars	For the Year 2010-11	For the Year 2009-10
a.	Sales	2647.33	2474.22
b.	Profit before Interest, Depreciation & Tax	186.64	165.90
c.	Less: Interest	59.62	41.64
d.	Less: Depreciation	95.96	88.95
e.	Profit before Tax	31.06	35.31
f.	Less: Provision for Income Tax	15.29	15.66
g.	Add: Deferred Tax	5.68	7.12
h.	Net Profit	21.45	26.77

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. Demerger of PP Sheets / PP Disposable Wares Segment

The Board of Directors of the company approved the Scheme of Demerger of PP Sheets / PP Disposable Wares Segment in to a Separate company and Submitted the Application with Bombay Stock Exchange (BSE) for issue of No Objection Certificate to submit the application with High Court of Andhra Pradesh. On Receipt of NOC from Bombay Stock Exchange (BSE) further steps will be taken in this regard.

### 4. Fixed Deposits

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

### 5. 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.

### 6. Directors

In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the Company Sri.Baburam Goel and Sri.Ishoo Narang, Directors retire by rotation and being eligible offer themselves for re-appointment.

Shri R. C. Sohni, Independent Director and Chairman of Audit Committee, who contributed for long period in the growth of the company has demised in the Month of July 2011. Board recorded the appreciation for the guidance rendered by Shri R. C. Sohni.

Shri Manohar Ramavat was Appointed as Additional Director in Independent capacity. The Board recommends for his appointment as regular Director.



The information required under Clause 49 IV(G) of the Listing Agreement is given in the Corporate Governance Report.

## 7. Auditors

The Statutory Auditors of the company M/s Luharuka & Associates, Chartered Accountants, Secunderabad retire at the ensuing Annual General Meeting and are eligible for re-appointment. Your company has received intimation to the effect that, Proposed re-appointment, if made would be within the Prescribed limit under Section 224(1B) of the Companies Act 1956 and also in compliance of the Listing Agreement regarding Peer Review. They have confirmed their willingness to accept office, if re-appointed. The Board and Audit Committee recommend the re-appointment of M/s Luharuka & Associates, Chartered Accountants as Statutory Auditors to hold office till conclusion of Next Annual General Meeting. The company has well established system of Internal Audit which carries out audit on risk management frame work which covers the entire gamut of financial, marketing, plant operations & other service functions.

## 8. 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.

## 9. 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 31<sup>st</sup> March 2011, 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 31<sup>st</sup> March 2011 on a 'going concern basis'.

## 10. Corporate Governance

A detailed report on Corporate Governance along with Auditors Certificate on Compliance with Corporate Governance forms part of this Annual Report.

## 11. 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
- Plastic Molded Industrial Accessories

The Company's unit is situated at Jeedimetla, Hyderabad in Andhra Pradesh is engaged in manufacture of HDPE/PP woven sacks/fabrics mainly catering to the cement Industry.

Growth in Polymer Industry has been driven by utility, design flexibility and parts consolidation, resistance to corrosion. The Polymers have thus varied nature of applicability in different segments i.e Industrial, Agriculture, Pharmaceutical and also Manufacture of Sports Equipments. In the Industrial segment the Polymers find its usage as a Primary packing material in cement, fertilizer, sugar Industries and also in the packing of rice bags. Further its usage / applicability is also felt in manufacture of pipes, tanks, insulations, automobile parts etc.

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

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.

During the year the company has started the New unit for manufacture of Plastic Injection Moulded Articles with latest fully PLC Controlled Injection Moulding Machines imported from Taiwan. The unit is Located at Nagpur, manufacturing CFL Body Housing and cover using PBT (Non FR).

**b. Opportunities**

The industry has many growth opportunities owing to the wide applicability of polymer products in various fields. The demand for polymer products has been constantly on an increase and its usage as a primary packing material for industrial use has been extending to many new areas.

**c. Threats, Risks & Concerns**

The international oil prices have been constantly increasing leading to fluctuations in raw material prices. The threats / risks for the industry also relate to stiff competition throughout and recessionary trends.

The same are gradually overcome by the industry in view of the wide usage of polymer products and also as to its ever growing demand.

**d. Segment wise performance**

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

<b>Particulars</b>	<b>Year Ended 31-03-11</b>	<b>Year Ended 31-03-10</b>
<b>1. Segment Revenue/Income</b>		
a. HDPE/PP Woven Sacks/Fabrics	2371.25	2174.68
b. PP Sheets/ PP Disposable Wares	170.02	299.54
c. Plastic Moulded Industrial Accessories	106.06	0.00
Total	<b>2647.33</b>	<b>2474.22</b>
Less: Inter Segment Revenue	0.00	0.00
<b>Net Sales/Income from Operations</b>	<b>2647.33</b>	<b>2474.22</b>
<b>2. Segment Results</b>		
(Profit) (+)/ Loss (-) before tax and Interest from each Segment:		
a. HDPE/PP Woven Sacks/Fabrics	180.40	213.72
b. PP Sheets/ PP Disposable Wares	(87.96)	(49.05)
c. Plastic Moulded Industrial Accessories	25.27	0.00
<b>Total</b>	<b>117.71</b>	<b>164.67</b>
Less:		
a. Interest	59.62	41.64
b. Other un-allocable expenditure	27.03	87.72
Net off un-allocable income(+/-)		
<b>Total Profit before tax</b>	<b>31.06</b>	<b>35.31</b>
<b>3. Capital Employed</b>		
(Segment Assets – Segment Liabilities)		
a. HDPE/PP Woven Sacks/Fabrics	972.81	968.85
b. PP Sheets/ PP Disposable Wares	193.05	215.46
c. Plastic Moulded Industrial Accessories	372.82	0.00
<b>Total</b>	<b>1538.68</b>	<b>1184.31</b>

**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 newly established Division Plastic Moulded Industrial Accessories shows good potential. 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.2647.33 lakhs as against Rs.2474.22 lakhs in the previous year. The current year production of HDPE / PP Woven Sacks was 2038.653 MT as against 1887.723 MT in the previous year. The production of PP Disposable wares and containers was 182.697 MT as against 375.870 MT in the previous year, Company has produced 58.275 MTS in Plastic Moulded Industrial Accessories in the first year of operations.

During the year the Company has earned a Net Profit of Rs. 21.45 lakhs as against Rs.26.77 lakhs in the previous year. The Company has made a provision of Rs.15.29 lakhs 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 31.03.2011 was Rs. 0.39 as against Rs.0.48 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 31<sup>st</sup> March 2011, the Company has about 65 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 : 08.08.2011

## 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	2010-11	2009-10
<b>POWER &amp; FUEL CONSUMPTION</b>		
1. Electricity		
a) Purchased		
Units	2125980	2586921
Total Amount (Rs.)	10067587	10275236
Rate Per Unit (Rs.)	4.74	3.97
b) Own Generation		
Through diesel generator		
Units (Litres)	43445	19540
Total Cost (Rs.)	1743997	718496
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.)	—	—
<b>CONSUMPTION PER UNIT OF PRODUCTION:</b>		
The consumption of raw material per Kg. is	4.50	4.22

## FORM B (See Rule 2)

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

A. Research and Developed (R&D)	—	Not Applicable
B. Technology absorption, adoption and innovation	—	Not Applicable
C. Foreign Exchange Earnings and Outgo:	Amount in Rs.	Amount in Rs.
Earnings	NIL	NIL
Outgo	677025	291075

By Order of the Board

Sd/-  
Baburam Goel  
Chairman

Place : Secunderabad  
Date : 08-08-2011

## 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 31<sup>st</sup> March 2011 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 as 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 28 <sup>th</sup> September 2010	No. of Directorships in other Public companies	No. of Committee positions held in other public companies	
		Held	Attended			Chairman	Member
Sri Baburam Goel	Promoter Non Executive	5	4	No	NIL	NIL	NIL
Sri Pankaj Goel	Promoter Executive	5	5	Yes	1	NIL	NIL
Sri Paras Goel	Promoter Executive	5	4	No	Nil	NIL	NIL
Sri R.C.Sohni*	Non Executive Independent	5	5	Yes	2	NIL	1
Sri Ishoo Narang	Non Executive Independent	5	5	No	3	NIL	NIL
Sri T Prasad Reddy	Non Executive Independent	5	3	No	1	NIL	NIL
Sri Manohar Ramavat**	Non Executive Independent	5	0	No	Nil	NIL	NIL

- Shri R.C.Sohni, Director Demised on 13<sup>th</sup> July 2011.
- Shri Manohar Ramavat Appointed as Additional Director w.e.f 8<sup>th</sup> August 2011.

- (iv) Five Board Meetings were held during the year 2010-11 and the gap between 2 meetings did not exceed 4 months. The dates on which the Board Meetings held were 27.05.2010, 07.08.2010, 30.10.2010, 14.02.2011 and 28.03.2011.

- (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 T.Prasad Reddy – Chairman
  - 2. Sri Ishoo Narang – Member
  - 3. Sri Manohar Ramavat – 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. T. Prasad Reddy, who is heading the Audit Committee as Chairman is a Post Graduate in Commerce vast experience in financial, Business and Administration Matters. The Chairman of the Audit Committee was present at the previous Annual General Meeting.

- (iv) During the year 2010-11 the Audit Committee met five(5) times on 27.05.2010, 07.08.2010, 30.10.2010, 14.02.2011 and 28.03.2011, 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 2010-11	
		Held	Attended
Sri. T. Prasad Reddy - Chairman	Independent, Non Executive	5	2
Sri. Ishoo Narang – Member	Independent, Non Executive	5	5
Sri. R.C. Sohni - Past Chairman*	Independent, Non Executive	5	5
Sri. Manohar Ramavat*	Independent, Non Executive	5	0

- Sri R.C. Sohni Ceased as Director from 13.07.2011 due to death.
- Sri Manohar Ramavat appointed as Additional Director w.e.f. 08.08.2011

#### 4. Remuneration Committee

The Company had constituted a Remuneration Committee on 30<sup>th</sup> 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. Manohar Ramavat, 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 2010-11 the Committee met once on 28<sup>th</sup> March, 2011, the details of the committee members are as follows:

Name	Category	No. of Meetings during the Year 2010-11	
		Held	Attended
Sri. R.C. Sohni – Past 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
Sri. Manohar Ramavat - Chairman	Independent, Non Executive	1	0

- Sri R.C. Sohni Ceased as Director from 13.07.2011 due to death.
- Sri Manohar Ramavat appointed as Additional Director w.e.f. 08.08.2011

**5. Remuneration of Directors**

Details of remuneration/sitting fees paid to the Directors for the year 2010-11 are given below.

Name	Sitting Fee Rs.	Salary, perquisites and allowances (Rs.)
Sri Pankaj Goel- M.D	NA	12,05,856/-
Sri Paras Goel- Jt M.D	NA	11,30,508/-
Sri R.C.Sohni	17,500/-	NA
Sri Ishoo Narang	11,000/-	NA
Sri Baburam Goel	—	NA
Sri T.Prasad Reddy	—	NA
Sri Manohar Ramavat	N.A.	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 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, 2011 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
Sri Manohar Ramavat	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 Ravi Venkata Kiran, Company Secretary as the Compliance Officer.

The committee met Three Times during the year 2010-11 on 30.04.2010, 15.12.2010 and 24.03.2011. Attendance at the committee meetings was as under:

Name of the Member	No.of Meetings attended
Sri. Ishoo Narang	3
Sri. Pankaj Goel	2
Sri. Paras Goel	3

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 31<sup>st</sup> March 2011.

The Committee received 1600 shares for transfer/transmission/duplicate certificates and the same were approved and there were no rejections. The committee also received and approved 6510 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 31<sup>st</sup> March 2011.



**7. General Body Meetings**

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

Year	Venue	Date	Time
2009-2010	Panjabi Welfare Society Community Hall, Ramnagar Colony, Alwal, Secunderabad – 500 015.	29.09.2010	11.00 A.M
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.	30.09.2008	11.00 A.M

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

**8. Disclosures**

During the year 2010-11 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 Financial results and the other important information to shareholders placed at companies website [www.pankajpolymers.com](http://www.pankajpolymers.com). Official news releases are sent to the stock exchanges at Mumbai where the shares of the Company are listed.

**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. 19<sup>th</sup> Annual General Meeting

Date and Time : Wednesday the 28<sup>th</sup> September, 2011 at 11.00 A.M.

Venue : Lions Bhavan, 1-8-179, Lakhapath Building, Behind HDFC Bank, Paradise Circle, Secunderabad- 500 003.

b. Financial Calendar (tentative)

Financial Year : 1<sup>st</sup> April to 31<sup>st</sup> March

First Quarter Results : July / August 2011

Second Quarter and

Half yearly results : October / November 2011

- Third Quarter Results : January / February 2012
- Last Quarter Results / Audited Results : May / June 2012
- c. Dates of Book closure : Saturday the 24<sup>th</sup> September 2011 to Wednesday the 28<sup>th</sup> September 2011
- 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 2011-12
- f. Market Price Data : High/Low price quotation in each month of the last financial year 2010-11 on the Stock Exchange, Mumbai is given below.

Month	High (Rs.)	Low (Rs.)
Apr' 10	26.00	19.40
May' 10	27.55	23.35
Jun' 10	28.00	23.95
Jul' 10	35.85	22.65
Aug' 10	35.00	26.60
Sep' 10	33.95	24.60
Oct' 10	29.00	23.00
Nov' 10	25.35	20.70
Dec' 10	24.00	18.30
Jan' 11	22.75	15.75
Feb' 11	19.15	12.75
Mar' 11	20.00	13.90

Source: [www.bseindia.com](http://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 27<sup>th</sup> 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 31<sup>st</sup> March 2011**

Sl.No	Category	No.of Shares	% of Shareholding
1.	Promoters	2719340	49.05
2.	Mutual Funds and UTI	0.00	0.00
3.	Banks, Financial Institution, Insurance Companies, FII/S	25000	0.45
4.	Private Corporate Bodies	1429649	25.79
5.	Indian Public	1362995	24.59
6.	NRIs/OCBs	6916	0.12
	<b>Total</b>	<b>5543900</b>	<b>100.00</b>

**15. Distribution of Shareholding as on 31<sup>st</sup> March 2011**

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)	(6)
1 to 5000		961	65.11	2096870	3.78
5001 to 10000		271	18.36	2322350	4.19
10001 to 20000		95	6.44	1542230	2.78
20001 to 30000		40	2.71	1059120	1.91
30001 to 40000		23	1.56	813830	1.47
40001 to 50000		17	1.15	797670	1.44
50001 to 100000		18	1.22	1479560	2.67
100001 to Above		51	3.46	45327370	81.76
<b>TOTAL</b>		<b>1476</b>	<b>100.00*</b>	<b>55439000</b>	<b>100.00</b>

**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 94.09% of the paid up capital has been dematerialized as on 31.03.2011.

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 Punjugutta, 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 or cs@pankajpolymers.com

**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 : 091-022-24994200  
Fax : 091-022-24976351  
Email : info@nsdl.co.in

Central Depository Services (India) Ltd.  
Phiroze Jeejeebhoy Towers,  
17th Floor, Dalal Street, Fort  
Mumbai – 400 001  
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. Ravi Venkata Kiran, 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 : 08.08.2011

**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 2011	Chairman/Member of the Committees of the Board of other Companies in which he is a Director as on 31st March, 2011
Sri. Baburam Goel	More than 30 years experience in general business administration	05-04-1946	BA	1) Pankaj Capfin Pvt.Ltd. 2) Aman Tubes Pvt.Ltd.	Nil
Sri. Ishoo Narang	Sri. Ishoo Narang aged 41 years having 13 years of experience in general business administration	20-09-1970	B E (Computer Science)	1) Kyori Oremin Services Pvt. Ltd. 2) VSN Management Services Pvt. Ltd. 3) Dhanush Cement Ltd. 4) Dhanush Exim Private Ltd. 5) Jumbo India Ltd. 6) Pankaj Polypack Ltd.	Nil
Sri. Manohar Ramavat	Having 20 years of experience in Electrical installation and Turnkey Projects for Electrical installation and Real Estate Business in A.P. & other States	04-04-1963	B E (Electrical)	1) New Tek Power Electro Engineering Private Limited 2) Sanskriti Polymers Private Limited	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 29<sup>th</sup> 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, 2011, 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/-

Place : Secunderabad  
Date : 08.08.2011

**RAVI VENKATA KIRAN**  
**COMPANY SECRETARY**

## **CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To

The Members  
M/s Pankaj Polymers Limited

We have examined the compliance of Corporate Governance by Pankaj Polymers Limited for the year ended 31<sup>st</sup> March 2011 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 and based on the representation made by the Directors and the Management. 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 : 20.05.2011

**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 : 08.08.2011

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 31<sup>st</sup> March, 2011 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 statements 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 31<sup>st</sup> March 2011 and taken on record by the Board of Directors. We report that none of the directors is disqualified as on 31<sup>st</sup> March 2011 from being appointed as a director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.
  - 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 31<sup>st</sup> March, 2011.
    - 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 : 20-05-2011



## 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 taken unsecured loans aggregating Rs.7.65 Lakhs (maximum balance) from 2 parties listed in the register maintained U/s.301 of the Companies Act, 1956.
  - b. The Company has granted Unsecured Loan aggregating to Rs.76.65 lakhs (maximum balance) to 2 parties 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 taken/given from/ to parties listed in the register maintained Under Section 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 taken or granted as referred to in 'a' & '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 with regard to 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 into the 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 regard 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 were in arrears as at 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 31<sup>st</sup> March, 2011 on account of any dispute are as under :-

Statute and Nature of dues	Financial year	Forum where disputes	Amount Rs.
<b>Sales Tax Act :</b>			
1) Sales Tax and Interest	2002-2003	Jt. Commissioner Sales Tax (Appeals)	8,43,346/-

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 immediately preceding financial year.
11. In our opinion and according to the information and explanations, given to us the company has not defaulted in repayment or 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 explanations 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 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 : 20-05-2011

**PANKAJ POLYMERS LIMITED**  
**Balance Sheet as at 31st March 2011**

PARTICULARS	Schedule No.	As at 31st.March.2011		As at 31st March, 2010	
		Rs.	Rs.	Rs.	Rs.
<b>SOURCES OF FUNDS</b>					
<b>SHARE HOLDERS FUNDS</b>					
Share Capital	A	55439000		55439000	
Reserves & Surplus	B	45865541		43720212	
			101304541		99159212
<b>LOAN FUNDS</b>					
Secured Loans	C	62942000		41130641	
Unsecured Loans	D	7478080		7418658	
			70420080		48549299
<b>TOTAL</b>			<b>171724621</b>		<b>147708511</b>
<b>APPLICATION OF FUNDS</b>					
<b>FIXED ASSETS</b>					
Gross Block	E	177351621		164128092	
Less: Depreciation		103897746		97302207	
Net Block			73453875		66825885
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>					
Inventories	F	30698225		16035987	
Sundry Debtors	G	70782038		65442244	
Cash & Bank Balances	H	2523458		2272080	
Loans & Advances	I	11910476		11331018	
			115914197		95081329
Less: Current Liabilities & Provisions					
Current Liabilities	J	7251600		4222587	
Provisions	K	4017869		3185086	
			11269469		7407673
Net Current Assets			104644728		87673656
Deferred Tax Liabilities (Net)	L		6402132		6970196
MISCELLANEOUS EXPENDITURE (To the Extend not Written off or adjusted)	M		28148		179164
<b>TOTAL</b>			<b>171724621</b>		<b>147708509</b>

Notes To Accounts — Schedule 'V'

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

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

Place: Secunderabad  
Date : 20.05.2011

for PANKAJ POLYMERS LIMITED,

Sd/-  
PANKAJ GOEL  
Managing Director

Sd/-  
PARAS GOEL  
Jt.Managing Director

Sd/-  
R.C.SOHNI  
Director

Sd/-  
RAVI VENKATA KIRAN  
Company Secretary



**PANKAJ POLYMERS LIMITED**

**Profit & Loss Account for the year ended 31st March, 2011**

PARTICULARS	Sche- dule No.	Current Year		Previous Year	
		Rs.	Rs.	Rs.	Rs.
<b>INCOME</b>					
Sales (Less Returns) & Others	N	264732547		247421894	
Other Income	O	9549740		2242953	
Increase/(Decrease) in stocks	P	7408709		48595	
<b>Total Income</b>			<b>281690997</b>		<b>249713442</b>
<b>EXPENDITURE</b>					
Raw Materials Consumed	Q	213586377		181805853	
Personnel Expenses	R	5325923		4658926	
Other Expenses	S	44114774		46658824	
Finance Charges	T	5961852		4164213	
Depreciation	E	9595606		8894786	
<b>Total Expenditure</b>			<b>278584532</b>		<b>246182602</b>
Profit before Tax			3106465		3530840
			3106465		3530840
Provision for Income Tax (-)			1529200		1565600
Provision for Deferred Tax (+)			568064		712151
Profit after Taxation			2145329		2677391
(+) Balance brought forward			31473212		28795821
Balance Carried forward to Balance Sheet.			33618541		31473212
Earning per Share(Basic)			0.39		0.48
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

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

Place: Secunderabad  
Date : 20.05.2011

for PANKAJ POLYMERS LIMITED,

Sd/-  
PANKAJ GOEL  
Managing Director

Sd/-  
PARAS GOEL  
Jt.Managing Director

Sd/-  
R.C.SOHNI  
Director

Sd/-  
RAVI VENKATA KIRAN  
Company Secretary

**PANKAJ POLYMERS LIMITED**

Schedules annexed to and forming part of the accounts for the year ended 31st March, 2011

**SCHEDULE - A : SHARE CAPITAL**

Particulars	As at 31.03.2011	As at 31.03.10
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
<b>TOTAL</b>	<b>55439000</b>	<b>55439000</b>

**SCHEDULE - B : RESERVES AND SURPLUS**

Particulars	As at 31.03.2011	As at 31.03.2010
General Reserve	100000	100000
Special Capital Incentive	5305100	5305100
Share Premium Account	6841900	6841900
Surplus in P & L Account	33618541	31473212
<b>TOTAL</b>	<b>45865541</b>	<b>43720212</b>

**SCHEDULE - C : SECURED LOANS**

Particulars	As at 31.03.2011	As at 31.03.2010
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	62942000	41130641
<b>TOTAL</b>	<b>62942000</b>	<b>41130641</b>

**SCHEDULE - D : UNSECURED LOANS**

Particulars	As at 31.03.2011	As at 31.03.2010
UNSECURED LOANS Sales/Vat Tax Deferment	7478080	7418658
<b>TOTAL</b>	<b>7478080</b>	<b>7418658</b>



SCHEDULE - E : FIXED ASSETS

Particulars	Gross Block			Depreciation			Net Block		
	As at	Additions	Deletions	As at	For the	Deletions	As at	As at	
	01.04.2010	During	During	01.04.2010	Year	for the yr	31.03.2011	31.03.2010	
	Rs.	the year	the year	Rs.	Rs.	Rs.	Rs.	Rs.	
Land-Freehold	7988754	1860600	0	0	0	0	0	9849354	7988754
Building (Factory)	6719739	3262967	0	2145192	226040	0	2371232	7611472	4574545
Building (Office)	8955485	0	0	749862	140559	0	890421	8065064	8205623
Plant & Machinery	105474780	9850792	0	77596389	6539760	0	84136149	31189423	27878391
Electrical Installation	4994800	669677	0	3732149	480830	0	4212979	1451498	1262651
Furniture & Fixtures	1791588	0	0	628357	113408	0	741765	1049823	1163231
Vehicles	19508305	0	5909959	8470869	1004901	3000065	6475705	7122641	11037436
Office Equipmnt	1995875	38500	0	773980	96480	0	870460	1163915	1221895
Generators	2985625	210000	0	384496	323190	0	707686	2487939	2601129
Computers/Software	2886741	0	0	2035831	467941	0	2503772	382969	850910
Moulds	826400	3240952	0	785080	202497	0	987575	3079777	41320
<b>TOTAL</b>	<b>164128092</b>	<b>19133488</b>	<b>5909959</b>	<b>97302205</b>	<b>9595606</b>	<b>3000065</b>	<b>103897746</b>	<b>73453875</b>	<b>66825885</b>
Previous Year	157093038	10614031	3578977	90826002	8894786	2418583	97302207	66825885	

MODVAT CREDIT ON P&M:Rs.1.636731

SCHEDULE - F : INVENTORIES

Particulars	As at 31.03.2011	As at 31.03.2010
As taken, valued & certified by the Management		
Raw Material	10979900	3855460
Raw Material in Transit	1297194	1270105
Stores	302000	200000
Work-in-progress / at jobwork	10334888	1169840
Finished Goods	7711833	9420042
Scrap	72410	120540
<b>TOTAL</b>	<b>30698225</b>	<b>16035987</b>

SCHEDULE - G : SUNDRY DEBTORS

Particulars	As at 31.03.2011	As at 31.03.2010
Unsecured & Considered Good		
Exceeding 6 months	5049269	2798777
<u>Others</u>	65732769	62643467
<b>TOTAL</b>	<b>70782038</b>	<b>65442244</b>

SCHEDULE - H : CASH AND BANK BALANCES

Particulars	As at 31.03.2011	As at 31.03.2010
Cash in hand	2384449	2252080
Balance with Scheduled banks:		
In Current Account	119009	0
In F.D.Account (Pledged with Bank) (BG)	20000	20000
<b>TOTAL</b>	<b>2523458</b>	<b>2272080</b>

SCHEDULE - I : LOANS AND ADVANCES

Particulars	As at 31.03.2011	As at 31.03.2010
Unsecured & Considered Good		
(i) Advance recoverable in cash or for value to be received	5633187	5692575
(ii) Sundry deposits	3519195	3927375
(iii) Balance with Central Excise	1113826	235782
(iv) Tax Deducted at Source	944268	150286
(v) Advance Income Tax	700000	1325000
<b>TOTAL</b>	<b>11910476</b>	<b>11331018</b>

**SCHEDULE - J : CURRENT LIABILITIES**

Particulars	As at 31.03.2011	As at 31.03.2010
Sundry Creditors for Goods		
i) Due to Mirco & Small Enterprises	82824	24746
ii) Due to Others	5096933	2640056
iii) Sundry Creditors for Capital Goods to others	3060	233923
iv) Other Liabilities	2068783	1323862
<b>TOTAL</b>	<b>7251600</b>	<b>4222587</b>

**SCHEDULE - K : PROVISIONS**

Particulars	As at 31.03.2011	As at 31.03.2010
For Expenses	2488669	1619486
For Income Tax	1529200	1565600
<b>TOTAL</b>	<b>4017869</b>	<b>3185086</b>

**SCHEDULE - L : DEFERRED TAX LIABILITIES**

Particulars	As at 31.03.2011	As at 31.03.2010
Deferred Tax Liabilities as on 01.04.10	6970196	7682347
<b>TOTAL</b>	<b>6970196</b>	<b>7682347</b>
Less: Adjustment of Deferred Tax Assets for reversing timing difference arising on account of Depreciation	521400	665487
Less: Deferred Revenue Expenditure	46664	46664
<b>Net Deferred Tax Liabilities</b>	<b>6402132</b>	<b>6970196</b>

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

Particulars	As at 31.03.2011	As at 31.03.2010
Deferred Revenue Expenses	28148	179164
<b>TOTAL</b>	<b>28148</b>	<b>179164</b>

**SCHEDULE - N : SALES (Gross inclusive of Excise)**

Particulars	As at 31.03.2011	As at 31.03.10
HDPE/PP Woven Sacks & Fabric	233194629	213736151
Wastage	3929918	3731768
Disposable Wares	17002484	29953975
Plastic Moulded Industrial Accessories	10605516	
<b>TOTAL</b>	<b>264732547</b>	<b>247421894</b>



**SCHEDULE - O : OTHER INCOME**

Particulars	As at 31.03.2011	As at 31.03.10
Commission (TDS Rs.847003) (Prev.Year.Rs.NIL)	7679084	0
Interest on Income Tax Refund	88307	277421
Interest on APCPDCL (TDS Rs.16193) (Prev.Year.Rs.18652)	166333	0
Profit/Loss on sale of Assets	290106	583019
Sundry Balance written back (Net)	0	80794
Rent (TDS Rs.81072) (Prev.Year.Rs.131634)	810705	860340
Miscellaneous Income (Insurance Refund)	515205	441379
<b>TOTAL</b>	<b>9549740</b>	<b>2242953</b>

**SCHEDULE - P : INCREASE/DECREASE IN STOCK**

Particulars	As at 31.03.2011	As at 31.03.10
Increase/Decrease in stock of finished goods & Semi-finished goods		
Closing Stock		
Finished goods	7711833	9420042
Work-in-Progress/at jobwork	10334888	1169840
Scrap	72410	120540
<b>TOTAL (A)</b>	<b>18119131</b>	<b>10710422</b>
Less: Opening Stocks		
Finished goods	9420042	6128072
Work-in-Progress/at jobwork	1169840	4428095
Scrap	120540	105660
<b>TOTAL (B)</b>	<b>10710422</b>	<b>10661827</b>
<b>TOTAL (A-B)</b>	<b>7408709</b>	<b>48595</b>

**SCHEDULE - Q : RAW MATERIAL CONSUMED**

Particulars	As at 31.03.2011	As at 31.03.10
Opening Stock	5125565	20842750
Add: Purchases of Raw materials & semi finished goods	222647538	177501338
	227773103	198344088
Less: Closing Stock	12277094	5125565
Less: Sale of Raw-Material	1909632	11412670
<b>Raw Material consumed</b>	<b>213586377</b>	<b>181805853</b>

SCHEDULE - R : PERSONNEL EXPENSES.

Particulars	As at 31.03.2011	As at 31.03.10
Salaries, Wages & Bonus	2473217	2307556
Contribution to P.F. & E.S.I.	403969	401384
Employees other benefits	80000	2660
Gratuity	32375	29750
Directors' Remuneration	2336362	1917576
<b>TOTAL</b>	<b>5325923</b>	<b>4658926</b>

SCHEDULE - S : OTHERS EXPENSES

Particulars	As at 31.03.2011	As at 31.03.10
Rebate & Discount	1534247	1468300
Electricity & Fuel	12645841	11817384
Consumable stores & Spares Consumed	1552631	2383410
Inward cartage	4470838	4877916
Jobwork Charges	3457893	4976449
Printing & Stationery	106924	149326
Postage & Telephone	632527	550222
Miscellaneous Expenses	693648	556179
Travelling & Conveyance	2010569	1411566
Insurance	394898	381481
Rates, Taxes & Duties	9861140	9328332
Outward Cartage	1655540	1407080
Business, Sales Promotion & Advertisement	1379403	1187110
Deferred Revenue Expenditure written off	151016	151016
Audit Fee Rs. 55150		
Tax Audit Fee Rs. 11030	66180	55150
Security Charges	319444	446749
Directors' Sitting fees	25500	24000
Secretarial & Legal Expenses	426376	383108
<i>Repairs &amp; Maintenance:</i>		
Machinery	767878	1291887
Others	1308722	1211057
Factory Shed Rent	406800	388800
Trade Promotion Expenses	0	2212303
Sundry Balance written Off (Net)	246760	0
<b>TOTAL</b>	<b>44114774</b>	<b>46658825</b>

SCHEDULE - T : INTEREST & FINANCIAL CHARGES

Particulars	As at 31.03.2011	As at 31.03.10
Interest on CC Limits	5892739	3925142
Others (incl. Bill Disc. & Bank Charges, Renewal Fee)	69113	239071
<b>TOTAL</b>	<b>5961852</b>	<b>4164213</b>

## 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 fully 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. 85,57,450/- (Previous Year Rs. 13,46,395/-)
- 2) Bank Guarantee given : NIL Previous Year Rs.194933/-
- 3) Disputed Sales Tax Rs. : 843346/- Previous Year 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 01.04.10	-	Rs. – NIL -
Add: Transactions during the year (Loans given) (Aggregate)	-	Rs. 1,00,00,000
<b>TOTAL:</b>		<b>Rs. 1,00,00,000</b>
Less: Transactions during the year (Loans received back)	-	Rs. 1,00,00,000
Balance as on 31.03.2011		Rs. NIL
Loans taken		Rs. 1,50,000
Less: Loans refunded back		Rs. 1,50,000
Balance		Rs. NIL

II) Associates: Pankaj Strips Private Limited

Loans taken – Op. Balance as on 01.04.10	-	Rs. – NIL -
Add: Transactions during the year (Loans taken)	-	Rs. 6,00,000
<b>TOTAL:</b>		<b>Rs. 6,00,000</b>
Less: Transactions during the year (Loans paid back)	-	Rs. 6,00,000
Balance as on 31.03.2011		Rs. NIL
Loans taken – Op. Balance as on 01.04.10	-	Rs. – NIL -
Add: Transactions during the year (Loans given)	-	Rs. 1,65,000
<b>TOTAL:</b>		<b>Rs. 1,65,000</b>
Less: Transactions during the year (Loans received back)	-	Rs. 1,65,000
Balance as on 31-03-2011		Rs. NIL

III) Rent

a) Jaya Polywear (P) Limited	Rs. 2,16,000
b) Shweta Goel	Rs. 1,90,800

IV) a) Purchases Granules from M/s. Welset Polypack (P) Ltd	Rs. 14,48,153
b) Sale of Granules to M/s. Welset Polypack (P) Ltd	Rs. 3,07,428

V) Rent deposit to Jaya Polywear (P) Ltd	Rs. 50,000
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VI) Rent deposit to Shweta Goel	Rs. 10,000
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VII) Key Management Personnel: Mr. Pankaj Goel - Managerial Remuneration, of Rs.12,05,856/- including P.F and Mr. Paras Goel- Managerial Remuneration of Rs. 11,30,508/- including P.F.

Loans Given	Rs.1,65,000
Less: Loans received back	Rs.1,65,000
Balance as on 21.03.2011	<u>NIL</u>

Earnings per Share: The numerator and denominator used to calculate basic/diluted earning per share:

	2010-11	2009-10
Profit after tax (Numerator)	Rs.21.62 lacs	Rs.16.95 lacs
Basic/weight in average No. of Equity Shares (Denominator)	55439000	55439000
Basic/Diluted earning per share	0.39	0.31
Nominal value of shares.	10/-	10/-

3. In accordance with the provisions of the accounting standards, AS-22 "Accounting for Taxes on Income" the deferred tax assets of Rs.5,68,064/- has been recognised in the profit & loss account for the year 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. The information relating to the registration status of suppliers under the Micro, Small & Medium Enterprises Development Act 2006 is complied & disclosed to the extent of information available with the Company.
5. The Company has restarted 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:**

	<u>Salary:</u>	<u>Contribution to PF</u>	<u>Total</u> <u>Remuneration</u>
Managing Director	Rs.9,60,000	245856	1205856
Joint Managing Director	Rs.9,00,000	230506	1130506

8. The segment wise revenue, results and capital employed is for the year ended 31.03.2011 is given below:-

Rs. in lakhs

Sl No.	Particulars	Year ended 31-03-11	Year ended 31-03-10
1.	Segment Revenue/Income		
	a. HDPE/PP Woven Sacks/Fabrics	2371.25	2174.68
	b. PP Sheets/ PP Disposable Wares	170.02	299.54
	c. Plastic Moulded Industrial Accessories	106.06	0.00
	Total	2647.33	2474.22
	Less: Inter Segment Revenue	0.00	0.00
	<b>Net Sales/Income from Operations</b>	<b>2647.33</b>	<b>2474.22</b>
2.	Segment Results (Profit) (+)/ Loss (-) before tax and Interest from each Segment:		
	a. HDPE/PP Woven Sacks/Fabrics	180.40	213.72
	b. PP Sheets/ PP Disposable Wares	(87.96)	(49.05)
	c. Plastic Moulded Industrial Accessories	25.27	0.00
	Total	117.71	164.67
	Less: a) Interest	59.62	41.64
	b) Other un-allocable expenditure net of un-allocable income(+)/(-)	27.03	87.72
	<b>Total Profit before tax</b>	<b>31.06</b>	<b>35.31</b>
3.	Capital Employed (Segment Assets – Segment Liabilities)		
	a. HDPE/PP Woven Sacks/Fabrics	972.81	968.85
	b. PP Sheets/ PP Disposable Wares	193.05	215.46
	c. Plastic Moulded Industrial Accessories	372.82	0.00
	<b>Total</b>	<b>1538.68</b>	<b>1184.31</b>

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 : 20/05/2011

Sd/-  
PANKAJ GOEL  
Managing Director

Sd/-  
PARAS GOEL  
Jt.Managing Director

Sd/-  
R.C. SOHNI  
Director

Sd/-  
RAVI VENKATA KIRAN  
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 31.03.2011			For the year ended 31.03.2010		
		Qty.(MT)	Value.(Rs)	%	Qty.(MT)	Value.(Rs)	%
a)	SALES OPENING AND CLOSING STOCK OF GOODS PRODUCED						
i)	HDPE/PP SACKS & FABRIC						
	Opening Stock	27.575	2534522		18.379	1563432	
	Sales	2061.003	233194629		1878.527	213736151	
	Closing Stock	5.225	565588		27.575	2534522	
ii)	PP DISPOSABLE WARES/CONTAINERS						
	Opening Stock	85.829	6866320		42.885	4074075	
	Sales	228.721	17002484		332.926	29953975	
	Closing Stock	40.485	3980500		85.829	6866320	
iii)	PLASTIC MOULDED INDUSTRIAL ACCESSORIES						
	Opening Stock	0	0		0	0	
	Sales	48.765	10605516		0	0	
	Closing Stock	9.51	595000		0	0	
b)	DETAILS OF RAW MATERIAL CONSUMED						
	HDPE/PP Granules	2563.927	205488831		2602.683	181805853	
c)	DETAILS OF RAW MATERIAL CONSUMED						
	Polyster Chips	61.250	8097546		0.000	0	
d)	LICENCED AND INSTALLED CAPACITY AND PRODUCTION FOR THE YEAR						
i)	HDPE/PP SACKS						
	Installed Capacity	6695.000			6695.000		
	Production	2038.653			1887.723		
ii)	PP DISPOSABLE WARES/CON.						
	Installed Capacity	1901.000			1901.000		
	Production	182.697			375.870		
iii)	PLASTIC MOULDED INDUSTRIAL ACCESSORIES						
	Installed Capacity	600.000			0		
	Production	58.275			0		
e)	VALUE OF IMPORTS (CIF) BASIS						
	Raw-Materials		NIL		NIL		
f)	EXPENDITURE IN FOREIGN CURRENCIES						
	Travelling Expenses		677025			291075	
g)	VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL STORES SPARE PARTS & COMPONENTS CONSUMED DURING THE YEAR						
	Raw-Materials						
	Imported	NIL	NIL		NIL	NIL	
	Indigenous	2692.452	222647538	100	2602.683	181805853	100
	Stores Spareparts & Components						
	Imported	NIL	NIL				
	Indigenous	0	1654630	100	NIL	2383410	100
h)	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

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

Place: Secunderabad  
Date : 20/05/2011

for PANKAJ POLYMERS LIMITED,

Sd/-  
PANKAJ GOEL  
Managing Director

Sd/-  
R.C.SOHNI  
Director

Sd/-  
PARAS GOEL  
Jt.Managing Director

Sd/-  
RAVI VENKATA KIRAN  
Company Secretary

M/S.PANKAJ POLYMERS LIMITED  
CASH FLOW STATEMENT AS ON 31ST MARCH 2011

PARTICULARS	Amount Rs.(000) 2010-11	Amount Rs.(000) 2009-10
<u>A) Cash Flow From Operating</u>		
Net Profit Before tax and extraordinary items	3106.46	3530.84
<u>Adjustments for Non Cash and Non Operating Items :</u>		
Profit on Sale of Assets	(290.11)	(583.02)
Depreciation	9595.60	8894.79
Interest Paid	5961.85	4164.21
Deferred Revenue expenses Written off	151.02	151.02
Interest Received	(254.64)	(277.42)
Operating Profit before Working Capital	18270.18	15880.42
<u>Adjustments for :</u>		
Trade and Other Receivables	(5750.27)	(11839.66)
Inventories	(14662.23)	15693.59
Trade Payables Including Cash Credit from Bank	25709.56	(5932.06)
<u>Cash Generated from Operation</u>	<u>23567.24</u>	<u>13802.29</u>
Interest Paid	(5961.85)	(4164.21)
Direct Taxes Paid (Net of Refund)	(1734.58)	(412.72)
<u>Net Cash Flow From Operating Activities (A)</u>	<u>15870.81</u>	<u>9225.36</u>



DETAILS	2010-11	2009-10
<b>B) Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	-19133.49	10614.03
Sale of Fixed Assets	3200.00	1743.41
Interest Income	254.64	277.42
<b>Net Cash Flow From Investing Activities ( B )</b>	<b>(15678.85)</b>	<b>(8593.20)</b>
<b>c) Cash Flow from Financing Activities</b>		
Proceeds from Long Term Loans	59.42	620.30
<b>Net Cash used in Financing Activities ( C )</b>	<b>59.42</b>	<b>620.30</b>
<b>Net Increase in Cash and Cash Equivalent ( A+B+C )</b>	<b>251.38</b>	<b>1252.46</b>
Cash and Cash Equivalent As at 01.04.2010 (Opening Balance)	2272.08	1019.62
<b>Cash and Cash Equivalent As at 31.03.2011</b> (Closing Balance)	<b>2523.46</b>	<b>2272.08</b>

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/-  
PARAS GOEL  
Jt.Managing Director

Place: Secunderabad  
Date : 20/05/2011

Sd/-  
R.C.SOHNI  
Director

Sd/-  
RAVI VENKATA KIRAN  
Company Secretary

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(a) Registration Details	Registration No. : 01-14419	State Code : 1						
	Balance Sheet Date : 31/03/2011							
(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 : 171725	Total Assets : 171725						
	<b>SOURCES OF FUNDS</b>							
	Paid-up Capital : 55439	Reserves & Surplus : 45866						
	Secured Loans : 62942	Unsecured Loans : 7478						
	<b>APPLICATION OF FUNDS</b>							
	Net Fixed Assets : 73454	Investments : NIL						
	Net Current Assets : 104645	Misc. Expenditure : 28						
	Accumulated Losses : ---							
	(d) Performance of Company (Amount in Rs. Thousands)	Turnover (Incl.other income) : 281691	Total Expenditure : 278585					
		Profit before Tax : 3106	Profit After Tax : 2145					
Earning per Share in Rs. : 0.39		Dividend Rate (%) : NIL						
(e) Generic Names of Principal products of Company: (As per monetary terms)	<table border="1"> <tbody> <tr> <td>Item Code No.(ITC Code) : 3923</td> <td>HDPE/PP WOVEN SACKS/FABRICS</td> </tr> <tr> <td>: 3924</td> <td>PP SHEETS AND PP DISPOSABLE WARES AND CONTAINERS</td> </tr> <tr> <td>: 8539</td> <td>PLASTIC MOULDED INDUSTRIAL ACCESSORIES (CFL)</td> </tr> </tbody> </table>		Item Code No.(ITC Code) : 3923	HDPE/PP WOVEN SACKS/FABRICS	: 3924	PP SHEETS AND PP DISPOSABLE WARES AND CONTAINERS	: 8539	PLASTIC MOULDED INDUSTRIAL ACCESSORIES (CFL)
Item Code No.(ITC Code) : 3923	HDPE/PP WOVEN SACKS/FABRICS							
: 3924	PP SHEETS AND PP DISPOSABLE WARES AND CONTAINERS							
: 8539	PLASTIC MOULDED INDUSTRIAL ACCESSORIES (CFL)							



Dear Shareholder,

**Sub: Green Initiative in Corporate Governance**

The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliance by Companies through electronic made. In accordance with the recent circular no.17/2011 dated 21.04.2011 and circular No 18/2011 dated 29.04.2011 issued by the Ministry, Companies can now send various notices and documents including annual report, to its shareholders through electronic made to the registered e-mail addresses of shareholders. It is a welcome move for the society at large, as this will reduce paper consumption to great extent and allow share holders to contribute towards a Greener Environment. This is a golden opportunity for every shareholder of Hindustan Unilever to contribute to the corporate Social Responsibility initiative of the Company.

We therefore invite all our shareholders to contribute to the cause by filling up the form given below and send it back to us in the attached postage prepaid envelope.

Let's be part of this 'Green Initiative'

Please note that as a member of the company you will be entitled to receive all such communication in physical form, upon request.

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**E-COMMUNICATION REGISTRATION FORM**

(In terms of circular no. 17/2011 dated 21.04.2011 issued by the Ministry of Corporate Affairs)

Folio No./Dp ID& Client ID : .....

Name of 1<sup>st</sup> Registered Holder : .....

Name of joint Holder(s) : .....

.....

Registered Address : .....

E-mail ID(to be registered ) : .....

I/we shareholder(s) of Pankaj Polymers Limited agree to receive Communication from the Company in electronic mode. Please Register my above e-mail id in your for sending communication through e-mail.

Date .....

Signature.....

Note:

Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address.



**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 **NINETEENTH ANNUAL GENERAL MEETING** of the Company, at Lions Bhavan, 1-8-179, Lakhapath Building, Behind HDFC Bank, Paradise Circle, Secunderabad- 500 003 at 11.00 A.M. on Wednesday, the 28<sup>th</sup> day of September, 2011 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 **NINETEENTH ANNUAL GENERAL MEETING** of the Company at Lions Bhavan, 1-8-179, Lakhapath Building, Behind HDFC Bank, Paradise Circle, Secunderabad- 500 003 at 11.00 A.M. on Wednesday, the 28<sup>th</sup> day of September, 2011 and at any adjournment thereof.

Registered Folio / DPID No. :

No. of Shares:

AS WITNESS my hand/our hands this \_\_\_\_\_ day of \_\_\_\_\_ 2011



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.