17th Annual Report

Year 2009-2010

POLYLINK POLYMERS (INDIA) LIMITED

POLYLINK POLYMERS (INDIA) LIMITED

BOARD OF DIRECTORS:	**Mr. U. S. Bhartia**	Chairman
	Mr. J. S. Baijal	Director
	Mr. Ajay Bhargava	Director
	Mr. K. M. Lal	Director
	Mr. R. P. Goyal	Director (Finance & Comm.)
AUDIT COMMITTEE :	**Mr. K. M. Lal**	Chairman
	Mr. Ajay Bhargava	Member
	Mr. U. S. Bhartia	Member
	Mr. J. S. Baijal	Member

BANKERS : **Axis Bank Ltd.**

AUDITORS : **M/s. K. N. Gutgutia & Co.**
Chartered Accountants
New Delhi

REGISTERED OFFICE & WORKS : 229-230, Village : Valthera
Taluka – Dholka,
Dist – Ahmedabad
Gujarat – 387 810

HEAD OFFICE : 506, Saffron Building,
Near Center Point,
Ambawadi, Ahmedabad - 6

INDEX

Sr. No.	Particulars	Page No.
1.	Notice	01
2.	Director's Report	03
3.	Management Discussion & Analysis	07
4.	Report on Corporate Governance	09
5.	Auditor's Certificate	14
6.	Auditor Report	15
7.	Balance Sheet	19
8.	Profit & Loss A/c	20
9.	Schedules	21
10.	Balance Sheet Abstract	33
11.	Cash Flow Statement	34

NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of the members of Polylink Polymers (India) Limited will be held on Thursday the 30th day of September, 2010 at 11.00 A.M. at the Registered Office of the Company at 229-230, Village- Valthera, Taluka – Dholka, District – Ahmadabad, Gujarat 387810 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2010 and Profit and Loss Account for the year ended on that date, the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri U.S. Bhartia, who retires by rotation and being eligible, offers him for reappointment.
3. To appoint a Director in place of Shri K.M.Lal, who retires by rotation and being eligible, offers him for reappointment.
4. To appoint Statutory Auditors to hold office upto the conclusion of the next Annual General Meeting and to fix their remuneration.

By order of the Board

Place: Noida

Date: 10th August, 2010

Nitesh Raj Sinha
Company Secretary

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself/herself. The proxy need not be a member of the Company. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the meeting.
2. The Register of Members and Share Transfer books of the Company will remain closed from 23rd September, 2010 to 30th September, 2010 (both days inclusive). The names of the shareholders, whose share transfer request received in order, either at the Head office/Registered office of the Company, before the book closure, shall be included in the members register as on the date of the Annual General Meeting.
3. MEMBERS ARE REQUESTED TO:
   - A Immediately notify any change of address to their depository participants (DPs) in respect of their holding in Electronic Form and to the Company in respect of their holding in physical form.
   - B Send their queries, if any, atleast 15 days in advance of the meeting at the Company's Office at Plot No. 2B, Sector 126, Distt Gautam Budh Nagar, Noida-201304 , Uttar Pradesh so that the information can be made available at the meeting.
   - C Fill the attendance slip for attending the meeting and those who hold the shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
   - D Send their shares for dematerialisation to the Company's Registrars and Share Transfer Agents, if so far, are not held in dematerialised form, as the Company comes under compulsory demat as per directive issued by the SEBI.
4. Shri U.S. Bhartia, and Shri K.M.Lal Directors due to retire by rotation and are eligible for reappointment at this Annual General Meeting. Brief resumes of the said Directors are as under:

Name	**Shri U.S. Bhartia**	**Shri K.M.Lal**
Age	56 years	69 Years
Qualifications	B.Com.(Hon)	M.Sc.
Expertise in Specific functional Area	Industrialist.	Financial Expert
Date of appointment on the Board of the Company	30.11.1996	30.07.2005
Name(s) of the other companies in which Directorships held (as per Sections 275 and 278 of the of the Companies Act, 1956)	1. India Glycols Limited (CMD) 2. Kashipur Holdings Limited 3. IGL Finance Ltd. 4. Shakumbari Sugar & Allied Ind. Ltd. 5. Polylink Polymers Ltd. 6. Hindustan Wires Limited	1. Hindustan Wire Limited. 2. Panecia Biotech. 3. Ramswarup industries Ltd. 4. Srei Capital. 5. Gem sugar Limited 6. Gem Spiners Limited
Name(s) of Companies in which Committee Membership(s) / Chairmanship (s) held (as per Clause 49 of the Listing Agreement with the Stock Exchanges)	**India Glycols Ltd.** Chairman Borrowing Committee Share Transfer Committee and Member Investor Grievance Committee **Hindustan Wires** Audit & Remuneration Committee **Polylink Polymers India Limited** Audit Committee Remuneration Committee Investor Grievance Committee	

By order of the Board

Place: Noida
Date: 10th August 2010

Nitesh Raj Sinha
Company Secretary

DIRECTORS' REPORT

To,
The Members

Your Directors have pleasure in presenting the 17th Annual Report and Audited Statement of Accounts for the year ended on 31st March 2010.

FINANCIAL RESULTS **(Rs. In lacs)**

Particulars	Year Ended 31.03.2010	Period Ended 31.03.2009
Sales / Income from operations	3387.86	5668.66
Excise Duty	193.25	517.40
Net Sales	3194.61	5151.26
Misc Income	31.01	86.47
Total Expenditure	2979.42	5082.06
Profit before Interest and Depreciation	246.20	155.67
Interest	150.46	276.74
Gross Profit / (Loss)	95.74	(121.07)
Depreciation	189.64	181.32
Exceptional Item	22.13	72.30
Prior Period Expenses	(243.42)	154.18
Profit / (Loss)	127.39	(528.87)

DIVIDEND

In view of the carried forward losses, no Dividend has been recommended by the Board.

OPERATIONS & REVIEW

During the year under review the company has produced 7303 MT of various grade of compound as against the production of 7726 MT for the year ended on 31st March 2009. Turnover for the year under review was ' 3194.62 lacs (net of excise duty) compared to ' 5151.26 lacs (net of excise duty) for year ended 31st March 2009 (net of excise duty).

During this year increase in raw materials prices that mainly depend on petroleum prices and frequent fluctuations affected the profitability. Since the compound for LT & HT cables being manufactured by us are import substitute, the company has to face competition from the national & international manufacturers, some of them dump the materials at very low rates.

Government policies of import and export have affected the procurement as well as prices of the products. The company has face stiff competition in XLPE compound during the year, since the new manufacturing facility has been installed.

DIRECTORS

Shri U.S. Bhartia and Shri K.M.Lal Directors of the company will retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment.

PROGRESS WITH BOARD FOR INDUSTRIAL & FINANCIAL RECONSTRUCTION (BIFR)

As the entire net worth of the company is eroded and therefore a reference was filed with BIFR and it has declared the company as a Sick Industrial company in terms of section - 3 (1) (o) of Sick industrial companies (special provision) Act, 1985.
IDBI was appointed as OA with a direction to prepare a revival scheme for the company. The Draft Rehabilitation Scheme has been prepared by OA which inter alia includes (i) sale of surplus assets (ii) funding by the promoters (iii) reduction of share capital and (iv) waiver of overdue interest by bank and financial institutions, which will result wiping off the losses, net worth of the company becoming positive and company becoming debt free in due course as per the Draft Rehabilitation Scheme.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956, with respect to directors' responsibility statement based upto the management certification, it is hereby confirmed :

(i) that in the preparation of the accounts for the financial period ended 31st March, 2009, the applicable accounting standards have been followed except to the extent mentioned in the notes to Accounts for which proper explanation has been given.

(ii) that the directors have selected such accounting policies and applied them constantly 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 period and of the profit and loss of the company for the that period under review;

(iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) That the directors have prepared the accounts on a going concern basis.

AUDITORS

The term of office of M/s K.N. Gutgutia & Co., Chartered Accountants, New Delhi as Auditors of the Company expires at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. They have certified that they are eligible for such re-appointment under section 224 (1B) of the Companies Act, 1956. Members are requested to consider their appointment to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING & OUT GO

The information required 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 is given in Annexure – I and forms part of this Report.

LISTING OF SHARES

Shares of the Company are listed in the Bombay Stock Exchange and the Company has paid listing fee for the year 2010-11

PARTICULRS OF EMPLOYEES

The particulars of employees as required under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended are not given as none of the employees qualify for such disclosure.

MANAGEMENT DISCUSSION AND ANALYSIS

The information required in compliance of clause 49 of the listing agreement is give in Annexure – II and forms part of this Report.

CORPORATE GOVERNANCE REPORT

The company has implemented the procedures and adopted practice in conformity with the Code of Corporate Governance as enunciated in clause 49 of the Listing Agreement with Stock Exchanges. The Corporate Governance Report and the Certificate of CEO, CFO and the Auditors is give in Annexure – III and forms part of this Report.

ACKNOWLEDGEMENT

Your Directors place on record their deep appreciation for the support given by Employees, Shareholders, Financial Institutions, Stressed Assets Stabilization Fund and Bankers and look forward to their continued support.

For and on behalf of the Board of Directors

Date : 12th May 2010
Place : Noida

U. S. BHARTIA
CHAIRMAN

ANNEXURE – I TO THE DIRECTORS' REPORT

Information as per Section 217 (1) (e) read with Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 and forming a part of the Directors' Report for the year ended on 31st March, 2010.

A. CONSERVATION OF ENERGY

a) Energy Conservation measures taken

(i) The Company's engineers are continuously trying to find out ways and means to conserve energy by combination of operations, elimination of unnecessary processes and various wasteful practices.

(ii) Shutting down all electrical machineries and appliances when not in use to avoid unnecessary waste of energy.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy.

Nil

c) Impact of (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

Nil

d) Total energy consumption and energy consumption per unit of production as per Form A in respect of industries specified in the Schedule thereto.

Not Applicable

B TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form B given below :

FORM – B

a) Research and Development (R & D)

1. Specified Areas in which R & D carried out by the Company.

(i) Development of high impact compound for automobiles sector.
(ii) Development of fire resistant compound based on PP, PC, PBT for fire prone area Applications.
(iii) Development of process additives for plastics.
(iv) Development of Tuffend Nylon for engineering use.
(v) Polymer modification for appliances of domestic and industrial use.
(vi) Development of elastomeric blend for cable accessories.
(vii) Development of Semi Conducting compound
(viii) Development of anti tracking compound for molding.
(ix) Development of anti tracking compound for extrusion.

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

(i) Commercialization of various products through in-house technology.
(ii) Modification of properties of various products for its stringent use with cost reduction.
(iii) Import substitution.
(iv) Commercialization of various products including development of Thermoplastic semicon compound for power cable.

3. Future plan of action

(i) Development of FR and FRLS compounds for insulation and sheathing or power cables in fire prone areas.

(ii) Development of XLPE compound for pipes.
(iii) Development of semi conducting compound.
(iv) Development of anti tracking compound for molding & extrusion.
(v) Development of Black insulating compound for extrusion & anti tracking.
(vi) Development of Sioplas for anti tracking application.
(vii) Process development for manufacturing of XLPE in WP plant.

4.	Expenditure on R & D	Current period	Previous Year
i.	Capital	Nil	Nil
ii.	Recurring	Nil	0.15
iii.	Total	Nil	0.15
iv.	Total R & D expenditure as % of total turnover	Nil	0.003

(b) Technology Absorption, Adaptation & Innovation

1. Efforts in brief made towards technology, absorption and innovation

Technicians are interacting with users to understand the exact property requirements and also interacting with laboratory for technology absorption. Similarly technicians from laboratory are interacting with shop floor people for absorption of technology and keeps in-house development. The interactions of technicians with market will help in making innovative changes in the products and its adoption in Indian conditions.

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

(i) Upgradation of products and satisfaction to customer.
(ii) More and more indigenization of products.
(iii) Cost reduction in products
(iv) Process modification

3. Information about imported technology (imported during the last 5 years reckoned from the beginning of the financial year) :

- None –

C. FOREIGN EXCHANGE EARNING AND OUTGO

(a) Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans :

Efforts are being made to explore the export market for XLPE Compounds, Engineering Plastics, Sioplas Compound and also for insulating & sheathing grade polythene compound.

(b) Total Foreign Exchange used and earned :

Foreign Exchange Used: 23.45 Lacs
Foreign Exchange Earned: 649.14 Lacs

For and on behalf of the Board of Directors

Date : 12th May 2010
Place : Noida

U. S. BHARTIA
CHAIRMAN

ANNEXURE – II TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

The information required in compliance of clause 49 of the Listing Agreement and forming a part of the Directors' Report for the year ended on 31st March, 2010 is given below:

INDUSTRY STRUCTURE AND DEVELOPMENT

The company is manufacturing various compounds for Power cable, Telephone cable and Engineering Plastics. The demand of XLPE compound is growing and therefore company is hopeful to increase its capacity utilization in the years to come. The company has already started manufacturing of Semicon Compound and would further improve it in current year both in terms of quality and cost effectiveness

There is good growth in PP compound during this year and company increased the capacity during the next year.

OPERATION AND THEREATS

- The raw material price that mainly depends on petroleum prices and frequent fluctuations affected the profitability.
- Since the compound for LT & HT cables being manufactured by us are import substitute, the company has to face competition from the national & international manufacturers, some of them dump the materials at very low rates.
- Government policies of import and export have affected the procurement as well as prices of the products
- The company has face stiff competition in XLPE compound during the year, since the new manufacturing facility has been installed.

INTERNAL CONTROL SYSTEM

The company has adequate internal control systems and procedure with regard to purchase, stores and raw materials including components, plant and machinery, other assets and for sale of goods.

The company has an adequate internal audit system commensurate with size and nature of its business. The company has engaged a firm of Chartered Accountants for its internal audit function. Reports of Internal Auditors are reviewed in the meetings of the Audit Committee of the Board.

INDUSTRIAL RELATIONS & HUMAN RESOURCE DEVELOPMENT

Industrial relations continued to be harmonious and cordial through out the year. The Company has always valued its human resources and believes in unlimited potential of the each employee. The company average employed 41 number of employees as on 31.03.2010.

The company arrange for specific work training, safety/emergency handling training and "in job" training as per ISO 9001:2000 requirement.

CAUTIONARY STATEMENT

Statement in this report on Management's Discussion and Analysis describing the company's objectives, projections, estimates, exceptions or predictions may be forward looking statements and are based on certain assumptions and exception of future events. Actual result could however differ materially from those expressed or implied. Important factors that could make a difference to the company's operations including global and domestic demand-supply conditions, finished goods prices, raw material cost and availability, Changes in government regulations and tax structure, economic developments within India and the countries with which the company has business contracts and other factors such as litigation and industries relations.

The company assume no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information and events.

For and on behalf of the Board of Directors

Date : 12th May 2010
Place : New Delhi

U. S. BHARTIA
CHAIRMAN

REPORT ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance

Good corporate practices ensure that a Company meets its obligations to optimize shareholders value. Corporate governance has assumed great significance in India in the recent past in the form of amendment in the Companies Act, 1956 and Listing Agreement with Stock Exchanges. Most of the provisions of the Corporate Governance code prescribed by the Companies Act and the Listing Agreement have been complied with and balance will be complied within the prescribed period.

BOARD OF DIRECTORS

a) Composition of the Board

As on 31st March, 2010 the Board of Directors comprised of Five Directors out of which four are Non-Executive Directors, one Executive Director. Out of the Five Directors Company has Three Independent Directors.

b) Number of Board Meetings

During the year ended 31st March, 2010, Four Board Meetings were held on 5th May, 2009, 20th June, 30th July, 26th October, 2009 and 25th January, 2010.

c) Directors' attendance record and Directorship in other public Limited Companies:

Name of Directors	Status	Board Meeting Held during the year	Attended	AGM
Shri U.S. Bhartia	Chairman	4	4	Not Attended
Shri K. M.Lal	Director	4	4	Attended
Shri J. S Baijal	Director	4	4	Not Attended
Shri Ajay Bhargava	Director	4	Nil	Not Attended
Shri R.P Goyal	Executive Director	4	4	Attended

Name of the Directors	Category	No. of Directorship in other Companies	No. of Chairmanship/ Membership in Board Committees.
Shri U. S. Bhartia	Chairman & Non-executive Promoter Group Director	6	4
Shri R. P. Goyal	Executive Director (Finance & Commerce)	0	0
Shri J. S. Baijal	Independent & Non-executive director	3	3
Shri Ajay Bhargava	Independent & Non-executive director	0	0
Shri K. M. Lal	Independent & Non-executive director	5	3

d) Disclosures

(i) The details of related party transaction with the Company as required by Accounting Standard (AS-18) on Related Party Transactions have been given in Schedule K 2 (M) of the Notes to Accounts. Besides this, Company has no materially significant transaction with the related parties viz. Promoters, Directors or the management or relatives and their subsidiaries, etc. that may have a potential conflict with the interest of the Company at large.

(ii) No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authorities on any matter related to Capital Markets for non-compliance by the Company during last three years.

(iii) Following Non-executive directors are holding equity shares of the company as per following details.

Name of Director	No of Shares
Shri Uma Shankar Bhartia	1117200
Shri R.P.Goyal	Nil
Shri J.S.Baijal	Nil
Shri K.M.Lal	Nil

e) Remuneration of Directors, sitting fees etc. for the year 2009-10

Shri. R.P Goyal Executive Director was paid salary and perquisites of ' 1572000. The Executive Director was entitled to Company's contribution to provident fund and gratuity fund.

Sitting fees paid to non-executive directors for the year ended 31st March, 2010

Name of director	Sitting Fee (Rs.)
Shri U. S. Bhartia	32000
Shri J. S. Baijal	32000
Shri Ajay Bhargava	Nil
Shri K. M. Lal	32000

f) Code of Conduct for Board of Directors and Senior officials of the Company

The Code of Conduct duly approved by the Board has been posted on Company's web-site. All Board members and senior management personnel have affirmed compliance with the code for the year 2009-10, declaration by CMD/CEO to this effect is enclosed with this report.

COMMITTEES OF THE BOARD

a) Audit Committee

(i) **Terms of Reference**

Apart from all the matters provided in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, the Audit Committee reviews report of the internal auditors, meets statutory auditors as and when required and discusses their findings, suggestions, internal control system, scope of audit, observations of auditors and other related matter It also reviews major accounting policies followed by the Company.

(ii) **Composition**

As on 31st March, 2010, the Committee consists of three Independent Director and a Non-executive Director, namely, Shri K. M. Lal, Chairman, Shri J. S. Baijal, Shri Ajay Bhargava and Shri U. S. Bhartia respectively.

(iii) **Attendance record of the Audit Committee**

The Committee met four times during the year. The attendance record of the members at the meetings is as follows:

3

NAME OF THE MEMBER	STATUS	NO. OF MEETINGS ATTENDED
Shri K. M.Lal	Chairman	4
Shri U.S. Bhartia	Member	4
Shri Ajay Bhargava	Member	Nil
Shri J. S Baijal	Member	4

NOTE : None of the Directors is a member of more than 10 Board Level Committees, or a Chairman of more than five such committees as required der Clause 49 of the listing Agreement.

b) Investors' Grievance Committee

i) **Terms of Reference**
The Committee has been constituted to look into the redressal of shareholders and investor complaints, non-receipt of Balance Sheet and Non-receipt of declared dividends and any other matter relating to shareholders/investors grievance

ii) **Composition**
As on 31st March, 2010 the committee comprises of three non-executive Independent Directors, namely, Shri U.S. Bhartia, Chairman, Shri J. S Baijal and one Executive Director, Shri R.P Goyal, Executive Director.

iii) **Investors' complaints received and resolved during the year**
During the year under review, Company had received complaints. All complains / queries received and replied to the satisfaction of shareholders during the year.

c) Remuneration Committee

i) **Terms of Reference**
The Committee has been constituted to consider and review Remuneration of Managing Director and Executive Director.

ii) **Composition**
As on 31st March, 2010, the Committee comprises Four Non-executive Directors namely, Shri J. S Baijal, Chairman, Shri U.S. Bhartia, Shri K. M. Lal and Shri Ajay Bhargava.

iii) **Attendance record of the Remuneration Committee**
No meeting of Remuneration Committee has held during the year.

MANAGEMENT

a) **Management discussion and analysis**
Management discussion and analysis report forms part of this Annual Report.

b) **Disclosure on Risk Management**
The Company has further strengthened the Risk Management System in the Company by taking appropriate steps. The Board of Directors periodically reviews the Risk Assessment and minimizing procedure thereof.

SHAREHOLDERS

a) **Means of Communication**
The quarterly, half-yearly and annual Audited Financial Results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. The results are published in accordance with the guidelines of Stock Exchanges and are posted on the Web-site of the Company.

b) **Investor Grievances**
As mentioned earlier, the Company has constituted a Investors Grievance Committee for redressing shareholders and investors' complaints. Shri Nitesh Raj Sinha , Company Secretary is the Secretary to the Committee as well as Compliance Officer.

c) **Share Transfers**

All share transfers are handled by Company's Registrar and Share Transfer Agent M/s. MCS Limited, F-65, Okhla Industrial Area Phase -I New Delhi 110 020 a Category – I Registrar registered with SEBI.

d) **General Body Meetings**

Details of the last three Annual General meetings are as under:

Year	Location	Date	Time	Special Business	Resolution
2008-09	Block No: 229-230, Village: Valthera Taluka: Dholka Dist: Ahmedabad 387 810	13.06.09	11.00 a.m	Nil	N.A
2007-08	Block No: 229-230, Village: Valthera Taluka: Dholka Dist: Ahmedabad 387 810	23.08.08	11.00 a.m	Nil	N.A
2006-07	Block No: 229-230, Village: Valthera Taluka: Dholka Dist: Ahmedabad 387 810	29.07.07	11.00 a.m	Nil	Ordinary

No Special Resolution was passed at the AGM (s) held on 13.06.09.

e) **Postal-Ballot**

During the year ended 31st March, 2010, there has been no ordinary or special resolution passed by the Company's Shareholders through postal ballot.

Additional shareholders information

a) **Annual General Meeting**

Date : 30th September, 2010

Venue : Block No: 229-230, Village: Valthera, Taluka: Dholka, Dist: Ahmedabad 387 810

Time : 11.00 A.M.

b) **Financial Calendar**

Financial year: 1st April to 31st March

c) **Book Closure**

The Register of Members and Share Transfer Books of the Company shall remain closed from 23rd September, 2010 to 30th September, 2010 (Both days inclusive)

d) **Listing at stock exchanges and stock codes**

The name of the Stock Exchanges at which the equity shares are listed and the stock code is as under:

Name of the Stock Exchange	Stock Code No.
Bombay Stock Exchange Ltd.	531454

Listing fee to the Bombay Stock Exchange Limited for the financial year ended 31.03.2010 has been paid.

The ISIN numbers allotted to the Company for demat of Shares are as under:

NSDL - INE 323D01012

CDSL - INE 323D01012

f) **Stock Data**

High/Low of market price of the Company's equity shares traded on the Bombay Exchange Mumbai Ltd. during the financial year ended 31st March, 2010 was as follows:

Month	High	Low	Sensex
April, 2009	1.91	1.21	11,403.25
May, 2009	2.11	1.75	14,625.25
June, 2009	3.38	1.96	14,493.84
July, 2009	3.4	2.15	15,670.31
August, 2009	2.53	1.93	15,666.64
September, 2009	3.15	2.35	17,126.84
October, 2009	3.53	2.6	15,896.28
November, 2009	4.59	3.25	16,926.22
December, 2009	5.47	3.09	17,464.81
January, 2010	7.9	5	16,357.96
February, 2010	5.95	4.97	16,429.55
March, 2010	5.9	3.91	17527.77

g) **Distribution of Shareholding as on 31st March, 2010**

Shareholding Pattern

Sharholders	%
Promoter and Associates	68.74
Fis / Banks	3.2
NRI / OCB	0.015
Public	28.02

h) **Shares held in electronic form**

Shareholders holding shares in electronic form may give instruction regarding bank details which they wish to incorporate on their dividend warrant to their depository participants. As per the regulations of NSDL and CDSL the Company is obliged to print the bank details on the dividend warrants, as furnished by these depositories to the Company.

As on 31st March, 2010, 45.38% of shares were held in dematerialised form and 55.62% in physical form.

i) **Outstanding GDR's/ADR's/Warrants/convertible instruments and their impact on equity**

Nil

j) **Plant Locations**

Block No: 229-230,Village: Valthera, Taluka: Dholka, Dist: Ahmedabad 387 810

k) **Address for correspondence**

Polylink Polymers India Limited, 2B, Sector – 126, Noida, - 201304 Gautam Budh Nagar, Uttara Pradesh.

Telephone : 0120- 3090100,
Fax : 0120-3090111
Website : www.polylinkpolymers.com
E-Mail : investor@ polylinkpolymers.com

To the Members of Polylink Polymers (India) Limited

Declaration

I, R.P.Goyal, Executive Director of Polylink Polymers (India) Limited do hereby declare that the Company had received affirmation from all the members of the Board and Senior Management personnel stating compliance of the code of conduct for the year 2009-10 pursuant to the requirement of the Clause 49 of the Listing Agreement as amended.

for Polylink Polymers (India) Limited

Place: Noida, U.P.
Date: 12th May, 2010

R.P.Goyal
Executive Director

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS STIPULATED IN CLAUSE 49 OF THE LISTING AGREEMENTS WITH STOCK EXCHANGE

To the Members of Polylink Polymers India Limited.

We have examined the compliance of conditions of corporate governance by **Polylink Polymers India Limited** ("the Company") for the year ended 31st March 2010, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange.

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

In our opinion and to the best of our information and according to the explanations sought and replies given to us by the Company, its Directors and Officers. We certify that the Company has complied with, in all materials respect, the mandatory conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement except that its code of conduct was not available on the company's website.

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.

PLACE : NEW DELHI
DATED : 12TH MAY, 2010

FOR K.N. GUTGUTIA & COMPANY
CHARTERED ACCOUNTANTS
ICAI'S FRN 304153E

(B.R. GOYAL)
PARTNER
M.NO. 12172

AUDITORS' REPORT
TO THE MEMBERS OF POLYLINK POLYMERS (INDIA) LIMITED

We have audited the attached Balance Sheet of **POLYLINK POLYMERS (INDIA) LIMITED** as at 31st March 2010, the Profit and Loss Account and the Cash Flow Statement of the Company 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.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Further to above, we report that:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

2. In our opinion proper books of account as required by law have been kept by the Company, so far as appears from our examination of the books.

3. The Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account.

4. In our opinion the Balance Sheet, Profit & Loss Account and Cash Flow Statement complies with the mandatory Accounting Standards (AS) referred in section 211(3c) of the Companies Act, 1956.

5. On the basis of written representation received from the Directors of the Company as on 31st March, 2010, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2010 from being appointed as Director under section 274(1)(g) of the Companies Act, 1956.

6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with accounting policies and notes thereon and together with Schedules annexed thereto and; ***subject to "Note No 2(G)" in Schedule "L" to the accounts regarding the fact that accounts of the company have been prepared on the basis that the company is a going concern, though its entire net worth has eroded, on the basis and belief that the company shall survive in view of the "Negotiated settlement (as mentioned in Note 2 F in Schedule "L" to the Accounts) arrived at with the stressed Assets stabilisation fund" during the earlier years and the assured support of the promoter/promoter Group Companies as informed to us as well as reference to BIFR where it hopes to get relief under Rehabilitation Scheme and (ii) that in the event of non-fulfilment of any condition of the said negotiated settlement, the company shall be liable to pay full amount of waiver (Rs. 12.22 Crore) alongwith further interest thereon*** 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 Standards generally accepted in India.

a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010 and
b) In the case of Profit & Loss Account, of the Loss (without considering Prior-period adjustments) for the year ended on that date.
c) In the case of Cash Flow Statement, of the cash flows for the said year ended on that date.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate, we further state that:

I. In respect of Fixed Assets:

a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

b) The Fixed Assets were physically verified by the management during the period and discrepancies noticed on such verification have been properly dealt with in the accounts.

c) No substantial / major fixed assets have been disposed off during the year.

II. In respect of Inventory:

a) The inventory has been physically verified during the year by the management at reasonable intervals.

b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

c) The Company is maintaining proper records of inventory and the discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.

III. In respect of Loans:

a) The Company has taken interest free unsecured loan from two Companies listed in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount of loan availed during the year was Rs. 90.00 lacs and the year end balance of such loans was Rs 345.03 Lacs (including Opening Balance).

b) In our opinion, the terms and conditions on which unsecured loans have been taken are not, prima facie, prejudicial to the interest of the Company.

c) The said loans do not carry any specific repayment term , hence, we are enable to comment as to its regularity in its repayment and no comment as to the regularity in respect of payment of interest is required in view of the fact that the said loans do not carry any interest.

d) The Company has not granted unsecured Loans to the Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 and hence clause (iii)(a) to (iii)(d) of para 4 of the said Order is not applicable to it.

iv. In our opinion, and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchases of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in internal control system of the Company.

v a). According to the information and explanations given to us, we are of the opinion that the particulars of all contacts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

b) In our opinion and according to the information and explanations given to us the transaction made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices/ rates which are reasonable having regard to prevailing market prices at the relevant time.

vi In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the Public.

vii In our opinion, the Company has an Internal Audit System commensurate with the size and nature of its business.

viii According to the information given to us, 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.

ix According to the records of the Company, it is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Investor Education and Protection Fund, Sales tax ,Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and Other Statutory dues applicable to it and there were no arrears of such dues at the end of the year which have remained outstanding for a period of more than six months from the date they become to payable.

x According to the information and explanation given to us, there are no dues of Sale Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess which have not been deposited on account of any dispute.

xi ***The Company has been registered for a period of more than five years and its accumulated losses at the end of the financial year are more than 50% of its net worth and it has not incurred cash losses during the year covered by our audit. However, it incurred cash losses in the immediately preceding financial year.***

xii Based upon our audit procedures and according to the information and explanation given to us by the management, we are of the opinion that the company has not defaulted in repayment of dues to the Bank /Institution or in payment of interest to the Bank. No interest was payable during the year to the said Stressed Assets Stabilisation Fund.

xiii The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

xiv The provisions of any special statute applicable to chit fund/ nidhi / mutual benefit fund / soc s are not applicable to the Company.

xv In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.

xvi The Company has not given, during the year, any guarantee for loans taken by others from bank or Financial Institutions.

xvii During the year, the Company has not raised any fresh Term loan from Bank / Financial Institution, except certain loans have been renamed as working capital Term Loan.

xviii According to the information and explanations given to us and on the basis of an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis has been used for long term investments.

xix Accordingly to the information and explanations given to us, during the year the Company has not made, preferential allotment of shares to parties and Companies covered in the register maintained under Section 301 of the Companies Act, 1951.

xx The Company has not issued debentures during the year.

xxi The Company has not raised any money by public issues during the year.

xxii Based upon on our audit procedure performed and according to the information and explanation given to us and to the best of our knowledge and belief no fraud on or by the Company has been noticed or reported during the year.

Place: New Delhi,
Date : 12.05.2010

FOR K.N.GUTGUTIA & COMPANY
CHARTERED ACCOUNTANTS

(B.R. GOYAL)
PARTNER
M.NO. 12172
ICAI'S FRN 304153E

BALANCE SHEET AS AT 31ST MARCH, 2010

		SCHEDULE		AS AT 31ST MARCH, 2010 Rs.		AS AT 31ST MARCH, 2009 Rs.
I	**SOURCES OF FUNDS :**					
1	**SHARE HOLDERS FUNDS**					
	a) Share Capital	A		155105000		155105000
	b) Reserve & Surplus	B		2500000		2500000
2	**LOAN FUNDS**	C				
	a) Secured Loans			123754879		179575870
	b) Unsecured Loans			50249252		43162005
			TOTAL	331609131		380342875
II	**APPLICATION OF FUNDS :**					
1	**FIXED ASSETS**	D				
	GROSS BLOCK		331108420		327557925	
	Less: DEPRECIATION		209692176		190790277	
	NET BLOCK			121416244		136767648
2	CURRENT ASSETS, LOANS AND ADVANCES	E				
	Inventories		22717995		25492601	
	Sundry Debtors		37234997		60611190	
	Cash and Bank Balances		3154513		3356502	
	Loan & Advances		16042181		15701138	
			79149686		105161431	
3	LESS : CURRENT LIABILITIES AND PROVISIONS	F				
	Current Liabilities		29051047		34956451	
	Provisions		1900142		1363539	
			30951189		36319990	
4	**NET CURRENT ASSETS**			48198497		68841441
5	DEBIT BALANCE IN PROFIT & LOSS ACCOUNT			161994390		174733786
			TOTAL	331609131		380342875
	SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	K				

SCHEDULE A TO F & K FORM AN INTEGRAL PART OF THE BALANCE SHEET.

IN TERMS OF OUR REPORT OF EVEN DATE.

FOR **K N GUTGUTIA & CO.**
CHARTERED ACCOUNTANTS

For and on behalf of the Board

B R GOYAL
PARTNER
M. NO.12172

U.S.BHARTIA
CHAIRMAN

NEW DELHI
DATE :12TH MAY, 2010

NITESH RAJSINHA
COMPANY SECRETARY

R. P. GOYAL
DIRECTOR (Finance & Comm.)

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

		SCHEDULE	FOR THE YEAR ENDED 31ST MARCH,2010 (RS.)	FOR THE YEAR ENDED 31ST MARCH,2009 (RS.)
I	**INCOME :**			
	GROSS SALES		328,173,404	562,741,820
	LESS : EXCISEDUTY		19,324,744	51,739,972
	NET SALES		308,848,660	511,001,848
	JOB-WORK CHARGES(Including TDS Rs. 1,36,415/- Prev.Year Rs.1,08,628/-)		10,612,976	4,124,587
	OTHER INCOME	G	3,100,794	8,647,416
	INCREASE /(DECREASE) IN STOCKS	H	6,350,860	(12,550,657)
	TOTAL		328,913,290	511,223,194
II	**EXPENDITURE :**			
	MANUFACTURING & OTHER EXPENSES	I	303,313,075	493,445,753
	EXCISEDUTY		980,615	409,793
	INTEREST & FINANCE CHARGES (Refer Note 2E of Scheduled K)	J	15,045,603	27,674,444
	DEPRECIATION		18,963,761	18,132,298
	PROVISION FOR IMPAIRMENT OF FIXED ASSETS (Refer Note 2D(iii) of Schedule K)		0	1,599,586
	WRITE DOWN's/WRITTEN OFF's (Refer Note 2D (iii) of schedule K)		2,213,082	7,229,213
			340,516,136	548,491,087
	PROFIT / (LOSS) BEFORE TAXATION & PRIOR PERIOD ADJUSTMENTS		(11,602,846)	(37,267,893)
	PROVISION FOR FRINGE BENEFIT TAX		0	200,000
	ADJUSTMENT OF PRIOR PERIOD INTEREST (Refer Note 2D(iv) of Schedule K)		24,342,242	(15,419,250)
	NET(LOSS) / PROFIT FOR THE YEAR		12,739,396	(52,887,143)
	ADD : LOSS BROUGHT FORWARD FROM PREVIOUS YEAR		(174,733,786)	(121,846,643)
	TOTAL NET LOSS CARRIED TO BALANCE SHEET		(161,994,390)	(174,733,786)
	SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	K		
	Number of Equity Shares Outstanding during the Period (Rs.10/- each)		15,510,500	15,510,500
	Basic Earning per share		0.82	(3.41)

SCHEDULE G TO K FORM AN INTEGRAL PART OF THE PROFIT & LOSS ACCOUNT.
IN TERMS OF OUR REPORT OF EVEN DATE.

FOR **K N GUTGUTIA & CO.**
CHARTERED ACCOUNTANTS

For and on behalf of the Board

B R GOYAL
PARTNER
M. NO.12172

U.S.BHARTIA
CHAIRMAN

NEW DELHI
DATE :12TH MAY, 2010

NITESH RAJSINHA
COMPANY SECRETARY

R. P. GOYAL
DIRECTOR (Finance & Comm.)

SCHEDULES FORMING PART OF THE BALANCE SHEET

	AS AT 31ST MARCH,2010 (RS.)	AS AT 31ST MARCH,2009 (RS.)
SCHEDULE "A" SHARE CAPITAL		
A AUTHORISED		
25000000 Equity Shares of Rs.10/- each	250,000,000	250,000,000
B ISSUED, SUBSCRIBED AND PAID UP		
15510500 Equity Shares of Rs 10/- each fully paid up (Including Rs.250 Lacs as conversion of loan into equity)	155,105,000	155,105,000
TOTAL	155,105,000	155,105,000
SCHEDULE "B"		
RESERVE AND SURPLUS		
CAPITAL RESERVE		
: Capital Subsidy of the Government of Gujarat	2,500,000	2,500,000
TOTAL	2,500,000	2,500,000
SCHEDULE "C"		
(A)SECURED LOANS		
(I) TERM LOANS		
a) FROM IDBI / SASF		
- Negotiated Settlement dues (See Note 2 F of schedule 'K')*	46,200,000	65,010,000
- Interest Payable to SASF	1,225,000	24,342,242
(II) WORKING CAPITAL FACILITIES		
a) Cash Credit Facilities From Axis Bank Ltd	34,596,349	73,819,994
b) WCTL Loan-Axis Bank Ltd	30,000,000	
c) Outstandings under Letter of Credit from Axis Bank Ltd	11,733,530	16,403,634
TOTAL	123,754,879	179,575,870
(B) UNSECURED LOAN		
Un secured loan From Body Corporates(Interest Free)	34,502,974	25,502,974
Sales Tax Defferment(Interest Free)	8,095,265	8,095,266
(Payable within a yearRs.16.19 lacs,Previous year Rs.16.19 lacs)		
Electricity Duty Defferment(Interest Free)	7,651,013	9,563,765
(Payable within a yearRs.19.12 lacs,Previous year Rs.19.12 lacs)	50,249,252	43,162,005

NOTES :-

1. Term loans facilities from IDBI and/or Negotiated Settelment Dues of Stressed Assets Stabilization Fund (SASF) are secured by way of charge by deposit of title deeds and mortgage of all immovable properties of the compay including its movable plants & machinery machinery spares, tools and other movable both present and future (save and except-book debts) subject to the charge created / to be created by the company in favour of its bankers on the company's stock and book debts to secure its working capital requirement; and personally guarenteed by a Director and an Ex-Director of the company. Also certain promotors / Group companies / Associates belonging to the promoters have pledged their shareholdings.

2. Working capital facilities from Axis Bank Ltd is secured by hypothecation of current assets(by way of first charge) including company's stock (present & future) of Raw materials,Semi finished and finished goods,Consumable stores and Book Debts and also by way of second charge over all immovable properties of the company and personally guaranteed by one Director ,and also by way of corporate guarantee of an associate company,Namely Facit Commosales Private Ltd.and further pledge of their or its share holdings in certain company.

3. Secured loans due for repayment within one year Rs.268.00 lacs,(Previous year Rs.650.10 lacs).However the company is making efforts to get the repayment dates as rescheduled.

SCHEDULE:D FIXED ASSETS AS AT 31st MARCH, 2010

(Amount in Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2009	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	TOTAL UPTO 31.03.2010	AS AT 01.04.2009	PROVISION DURING THE YEAR	DEDUCTION DURING THE YEAR	TOTAL UPTO 31.03.2010	AS AT 31.03.2010	AS AT 31.03.2009
LAND	2022663	0	0	2022663	0	0	0	0	2022663	2022663
BUILDINGS										
FACTORY	64314381	0	0	64314381	25266347	2148100	0	27414447	36899934	39048034
OTHERS	3923723	0	0	3923723	899232	63967	0	963189	2960534	3024491
PLANT & MACHINERY	231288869	3772909	0	235061778	146906097	15384625	0	162290722	72771056	84382772
ELECTRICAL INSTALLATIONS-AND FITTINGS	17097862	0	0	17097862	10554032	812148	0	11366180	5731682	6543830
OFFICE EQUIPMENTS	1132238	25560	0	1157798	516318	54481	0	570799	586989	615920
COMPUTERS	2905590	70640	0	2976230	2355109	158704	0	2513813	462417	550481
FURNITURE & FIXTURES	3060592	0	0	3060592	2276072	193735	0	2471807	588785	782520
VEHICLES	1811987	0	318604	1493383	415484	148011	61862	501633	991750	1396503
TOTAL	327557925	3869099	318604	331108420	189190691	18963761	61862	208092590	123015830	138367234
PREVIOUS YEAR	324034565	4691406	1168066	327557925	171451062	18132297	392669	189190691		
Less: PROVISION FOR IMPAIRMENT OF FIXED ASSETS									1599586	1599586
									121416244	136767648

* On account of adjustment for impairment of Assets (Origional cost Rs. /-,depriciation to date Rs. /-,Net Rs. /-).(Refer note 2D(iii) Schedule K)

SCHEDULE "E"
CURRENT ASSETS, LOANS AND ADVANCES

	AS AT 31ST MARCH,2010 (RS.)	AS AT 31ST MARCH,2009 (RS.)
A CURRENT ASSETS		
INVENTORIES :		
- Stores/Spares	2,910,281	3,230,475
- Packing Materials	844,711	749,239
- Raw Materials	7,386,620	16,287,364
(Including in Transit Rs.Nil,Prev. year Rs.84,78,802/-)		
- Finished Goods	11,169,324	4,905,791
(Including waste Rs.5,04,732/- Prev.year Rs.3,60,488/-)		
(Including in Transit Rs.659916/-,Prev. year Rs.nil)		
- Work-in-Progress	407,059	319,732
	22,717,995	25,492,601
SUNDRY DEBTORS - Unsecured		
Over six months- Good	1,054,751	388,543
Other Debts- Good	36,180,246	60,222,647
	* 37,234,997	60,611,190
* Including Export Incentive Receivable / to be utilised Rs.48,87,783/-.(Previous year Rs.65,15,659/-)		
CASH & BANK BALANCES :		
- Cash Balance in hand	138,347	100,036
- With Scheduled Banks in Current Accounts	169,304	467,014
- Fixed Deposit With Scheduled Bank for Margin Money	2,846,862	2,789,452
(Including interest accrued Rs.61,387 /-,Prev.year Rs.1,29,557/-)	3,154,513	3,356,502

	AS AT 31ST MARCH,2010 (RS.)	AS AT 31ST MARCH,2009 (RS.)
B LOANS AND ADVANCES		
(Unsecured, Considered Good)		
a) Advances recoverable in cash or in kind or value to be received	3,031,883*	2,480,655
b) Deposits with State Electricity Board	2,049,556	2,049,556
c) VAT Recoverable/adjustable from Sales Tax Authorities	9,477,845	9,722,553
d) Balance with Excise Authorities on current accounts	317,315	436,979
e) Security and Other Deposits	1,165,582	1,011,395
* Including capital advance Rs.18,98,091/-	16,042,181	15,701,138
TOTAL	79,149,686	105,161,431

SCHEDULE "F" CURRENT LIABILITIES AND PROVISIONS

A. CURRENT LIABILITIES		
Sundry Creditors (Excludig Acceptances 1,17,33,530/- Previous year Rs.1,64,03,634/- shown in working capital.)	16,611,227	22,132,066
Other Liabilities	12,439,820	12,824,385
	29,051,047	34,956,451

*According to the records of the company,no party has registered it self with the company under Micro, Small and Medium enterprise Development Act ,2006 and hence,no disclosure of amount payable to them could be made.

B. PROVISIONS		
For Retirement Benefits	919,527	941,371
For Exciseduty on Closing Stock	980,615	409,793
For Fringe Benefit Tax(Net of payments)	0	12,375
	1,900,142	1,363,539
TOTAL	30,951,189	36,319,990

SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH,2010

SCHEDULE "G" OTHER INCOME	FOR THE YEAR ENDED 31ST MARCH,2010 (RS.)	FOR THE YEAR ENDED 31ST MARCH,2009 (RS.)
Insuance Claims	0	235,338
Scrap Sales	571,892	827,430
Export Incentives	1,906,426	3,424,985
Notice Pay	82,476	52,873
Exchange Fluctuation gains (Refer note 2C of schedule K)	0	3,296,790
Rent	540,000	810,000
	3,100,794	8,647,416

SCHEDULE "H"
INCREASE/(DECREASE) IN STOCKS

Closing Stocks	-Process	407,059	319,732
	-waste	504,732	360,488
	-Finished goods	10,664,592	4,545,303
		11,576,383	5,225,523
Opening Stocks	-Process	319,732	396,910
	-waste	360,488	961,093
	-Finished goods	4,545,303	16,418,177
		5,225,523	17,776,180
Net Increase /(Decrease) in Stock		6,350,860	(12,550,657)

	FOR THE YEAR ENDED 31ST MARCH,2010 (RS.)	FOR THE YEAR ENDED 31ST MARCH,2009 (RS.)
SCHEDULE "I" MANUFACTURING & OTHER EXPENSES		
Raw Material consumed (Including for job works)	236,113,085	418,386,797
Stores & spares consumed	1,947,106	1,847,636
Packing Material consumed (Including for job works)	6,500,022	8,941,389
Job work charges Paid	822,221	2,740,140
Power & Fuel	14,304,038	14,967,147
Salaries, Wages,Allowances, Gratuity, etc.	11,793,536	12,318,663
Staff Welfare Expenses	285,814	631,853
Contribution to Provident & Other Funds	626,750	823,936
Travelling expenses	502,041	729,834
Conveyance	382,254	344,802
Vehicle Running & Hire Charges	957,712	1,478,629
Communication Expenses	717,374	754,062
Repairs Maintenance		
- Plant & Machinery	1,239,484	575,874
- Buildings	283,770	368,595
- Others	318,802	381,935
Insurance	809,585	1,042,413
Printing, Stationery and computer expenses	120,208	200,228
Rent, Rates & Taxes	491,435	587,092
Legal & Professional Expenses	1,248,758	1,127,105
BIFR & Restructuring Expenses	1,306,522	0
Security Expenses	334,157	373,162
Office Maintenance	351,636	555,148
Selling and Distribution Expenses(Refer note 2D(i) of schedule 'K')	1,674,267	2,373,041
Freight & Cartage Expenses	10,302,143	11,906,013
Clearing & Forwarding Expenses-Export	7,607,979	8,383,903
Business Promotion Expenses	79,359	48,145
Directors' Sitting Fees	96,000	136,000
Secretarial Expenses	308,987	328,622
Auditors Remuneration - As Audit Fees	100,000	100,000
-For certification	40,000	30,000
- Expenses	64,167	71,738
Internal Audit Fees	40,000	40,000
Prior Period Expenses	359,870	21,496
Miscellaneous Expenses	1,183,993	830,355
	303,313,075	493,445,753

SCHEDULE "J"		
INTEREST & FINANCE CHARGES		
To Bank(On working capital & WCTL)	10,617,579	17,265,286
To IDBI / SASF on negotiated sattlement Dues	1,225,000	8,922,992
To Others	3,971,034**	2,164,534
Less:Received on Bank Deposits and from Others	(768,010)	(678,368)
	15,045,603	27,674,444

**Including Rs.8,61,534/- Cash Discounts, (Previous year Rs.7,03,845/-) and Exchange variation Rs.11,81,519/-(Previous - year Rs.Nil)

SCHEDULE "K"

NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES

1 Significant Accounting Policies

A. RECOGNITION OF INCOME & EXPENDITURE

i) These accounts are prepared on the historical cost basis and on the Accounting principles of going concern,Accounting policies not specifically referred to are in accordance with the Accounting standards issued by the Institute of Chartered Accountants of India. The Company has adopted the Mercantile system of accounting. If not stated otherwise,claims are accounted for as receivable if the management is of the opinion that the chance of recovery is hire than not.

B. FIXED ASSETS : DEPRECIATION

i) Fixed assets are recorded on historical cost inclusive of capitalised portion of Pre-operative Expenses and net of recoverable taxes.

ii) Depreciation is provided on Straight Line Method in the manner and at the rates mentioned in Schedule XIV to the Companies Act, 1956 (as amended) on the cost of assets as referred to above.

C. INVENTORIES

i)	Finished Products	:	at lower of cost or net realisable value
ii)	Stock in process	:	at cost arrived by estimating percentage of completion.
iii)	Raw Materials	:	at lower of cost or estimated net realisable value (FIFO Basis)
iv)	waste and scrap	:	at net realisable value
v)	Stores,Packing Materials & Spares and Chemicals :		at cost or below cost (FIFO Basis)

Costs have been calculated with reference to Conversion cost and the expenses incurred to bring the inventory to its present condition and location.

D. FOREIGN CURRENCY TRANSACTIONS

i) All transactions in foreign currency, are recorded at the rate of exchange prevailing on the dates when the relevant transactions take place.

ii) Balance in form of Current Assets and Current Liabilities in foreign currency outstanding at the close of the year,are converted in Indian currency at the appropriate rates of exchange prevalling on the date of the Balance sheet, and Resultant gain or loss is accounted for in Profit and loss Account.

iii) In respect of Forward Contracts for Foreign Exchange,the cost / premium is spred over the life of the contract.

E. RESEARCH & DEVELOPMENT (R & D)

Revenue expenses on Research and Development are charged to Profit and Loss Account and capital expenditure on R & D is added to Fixed Assets.

F. CONTINGENT LIABILITIES

Contingent liabilities are generally not provided for in the accounts and are shown separately in notes to the Accounts.(Refer note 1(O) and 2(A) of schedule 'K').

G. REVENUE RECOGNITION

Domestic Sales are accounted for at the time of despatch. Export sales are accounted with reference to the date of bill of lading. Sales figures are after deduction of usual Trade / Quantity Discounts,Returns, exciseduty and taxes.

H. EXPORT BENEFITS:

Export benefits are accounted for on accrual basis based upon estimated benefits to accrue.

I. GOVERNMENT GRANTS

Government grants/subsidy in relation to the project and not related to any fixed assets are credited to Capital Reserve.

J. EMPLOYEE BENEFIT

(i) Gratuity liability as per Gratuity Act.has been provided for all the eligible employees on the basis of actuarial valuation are funded with LIC under Group Gratuity Scheme.Leave encashment benefit is accounted for on basis of estimated liability at the year end and not on the actuarial valuation basis in view of the fact that it will not materialy affect in terms of total amount.

(ii) Employer's contribution to Employee's provident fund is accounted for on accrual basis and charged to the Profit and Loss Account.

K. EXCISE DUTY

Excise Duty payable on the closing stock,awaiting removal,has been accounted for and added to the value of closing stock.

L. DEFERRED TAXATION:

The company has adopted Accounting standard-22 (AS-22) as to 'Accounting for Taxation of income' issued by the Institute of Chartered Accountants of India.

M. IMPAIRMENT OF ASSETS

The Company,in accordance with the Accounting Standard 28 (AS-28) in respect of impairment of Assets, issued by the Institute of Chartered Accountants of India,has adopted the practice of assessing at each Balance Sheet date whether there is any indication that an asset may be impaired and if any such exists ,then the company provides for the loss for impairment of Assets after estimating the recoverable amount of the assets.

N. PROVISIONS AND CONTINGENT LIABILITY

The Company recognizes a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligations. A disclosure of the contingent liability, if determinable, is made when there is a possible obligation or a present obligation that may,but probably will not,require and outflow of resources.But where is a possible obligation but the likelihood of outflow of resources is remote,no provision / disclosure is made.

O. i) FINANCE LEASES

In respect of assets acquired on or after 1st April,2001,under finance lease the same are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term.Lease payments are apportioned between the interest charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.Interest component is charged to the Profit and Loss Account.

ii) OPERATING LEASE

The revenue for operating lease is recognised in terms of the agreement.

Notes on Accounts

A. Contingent liabilites, not provided for in respect of the following:

		AS AT YEAR ENDED 31ST MARCH,2010 (Rs.)	AS AT YEAR ENDED 31ST MARCH,2009 (Rs.)
i)	Claims against the company not acknowledged as debt	**1,080,850**	1,080,850
ii)	Bills discount with Axis Bank Ltd	**0**	890,695

B Under the Micro, Small and medium Enterprise Development Act,2006 Which came into force on October 2,2006 certain disclosure are required to be made relating to Micro, Small and Medium Enterprise. The company is in the process of obtaining relevant information from its suppliers about their coverage under the Act. Since the relevent information is not readily available, no disclosures could be made in the Accounts

C. (I) Foreign exchange variation (Net) dealt with in the profit and loss account Rs. 11,81,519/-(Debit) (previous year year Rs.32,96,790/-(Credit)),details of the same are as under :

	FOR THE YEAR ENDED 31ST MARCH,2010 Rs.	FOR THE YEAR ENDED 31ST MARCH,2009 Rs.
(Loss)/ Gain on F/c Loan	0	(244234)
(Loss)/ Gain on Creditors	235097	(335511)
(Loss)/ Gain on Debtors	(1416615)	3876535
Total(Loss)/Gain	(1181519)	3296790

(II) Unhedged Foreign Exchange Explosure : (a) Debtors Rs.57,36,146/-

D. i) Selling and Distribution expenses include Rs.13.16 Lacs as Commission/Discount.(Previous year Rs.20.20 Lacs)

ii) The company identified during 2008-09 certain fixed assets,which were not under use or were unusable / surplus, the relisable value (estimated by management) was lower by Rs.15,99,586/- which was provided.There are no further loss as to assets impairment during the year.

iii) Write downs and Write offs :During the year the Company reviewed the recoverability of claims and upon such review following amounts were written off :

	FOR THE YEAR ENDED 31ST MARCH,2010 (Rs.in lacs)	FOR THE YEAR ENDED 31ST MARCH,2009 (Rs.in lacs)
Non Recoverable Duty Draw Back claims (writen off)	19.45	40.85
Non-Recoverable VAT claims (Writen off)	2.68	31.45
Total Rs.	22.13	72.30

iv) Adjustment for Prior period is the amount of deferred interest waived by SASF, hence,written back during the year .Details as given below :

Year	FOR THE YEAR ENDED 31ST MARCH,2010 (Rs.in lacs)	FOR THE YEAR ENDED 31ST MARCH,2009 (Rs.in lacs)
2006-07	(78.90)	78.90
2007-08	(75.29)	75.29
2008-09	(89.23)	N.A.
	(243.42)	154.19*

* In the year 2008-09,the interest was provided for previous periods.

v) Exciseduty Expenses represents provision on Closing Stocks.

E. i) Stressed Assets Stabilization Fund (SASF),to whom IDBI assigned its debt recoverable from the company,has gave its approval of Negotiated Settelment (NS)(Letter dated June 27,2005 vide letter no.BY/ SASF/POLPIL/906 and further amended by letter dated July 16,2005 vide letter No.BY/SASF/ POLPIL/1146) at a sum of Rs.15.50 crores in full and and final settelement of its principal,Interest and over due interest etc.accrued up to 31.03.2005,for which cut off date was determinded as 01.04.2005 ;against the total outstading of Rs.27,72,66,619/- and accordingly a sum of Rs.12,22,66,619/- was written back as Excess Provision (As Exceptional Income) in the year 2005-06. The said SASF has rescheduled ,from time to time ,repayment dates,however up to 31.03.2010,the total amount of dafaults on account of repayment is Rs.Nil (Previous year Rs.110.00 lacs).The company is contigently liable for past waivers in case of dafaults.

ii) Interest is payable commencing from 1.1.2010 as past interest has been deffered by the said SASF.Interest has been provided from 01.01.2010 to 31.03.2010 at the agreed rate.

iii) As the net worth of the company has been fully eroded as per the Audited Balance sheet of the company as at 31.03.2009, the company has been reffered to BIFR under the SICA provisions.The rehabilitation scheme is under preperation by IDBI,being the Operating Agency appointed by the BIFR.

F. Though Company's entire net worth has been eroded ,it has prepared its accounts on a 'Going Concern Basis' as the management is hopeful that company can be revived in view of the Negotiated Settlement finalised with the Stressed Assets Stabilization Fund (SASF) to whom the IDBI has assigned its debt recoverable from the company and with the continued support of its promoters / promoter group companies as well as the reference to BIFR made by the Company. and the Rehabilation scheme being framed by IDBI

G. Debtors ,Creditors and Advances are subject to confirmations.

H. a) There are certain leasing arrangement for Office premises / House accomodation.Monthly charges in this respect are charged to P & L Account.
b) The company has given Office premises on lease to one of the associates company. The rental income of Rs.5.40 lacs has been recognised in the accounts for the year.

I DEFERRED TAXATION :
The institute of Chartered Accountants of India,has made mandatory,w.e.f.1.4.2001,the Accounting standard-22(AS-22) in respect of 'Accounting for Taxation of Income' Accordingly,the company has computed deferred tax liability and assets as at 30.03.2010 and also based upon the data available ,it is to creat deferred tax assets.However ,no such assets has been recognised keeping in view of preadunce and also as the company is not virtually certain supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

J There is no separate reportable segment as the company is predominently engaged in only one segment,i.e.,'Polymers Compounding' therefore,Accounting standard-17 to Segment Reporting,issued by the Institute of Chartered Accountants of India,is not applicabl to it.

K	EARNING PER SHARE:	FOR THE YEAR ENDED 31ST MARCH,2010	FOR THE YEAR ENDED 31ST MARCH,2009
i)	Profit (Loss)as per Profit & Loss Account(Rs.)	12,739,396	(52,887,143)
ii)	No.of Equity Shares	15,510,500	15,510,500
iii)	Basic Earning per share	0.82	(3.41)

L Disclosure pursuent to AS-15 (Revised)
(a) For Gratuity (Defined Benefit) (Funded with L.I.C as group gratuity policy)

1	**Assumptions**	**As on 31/03/2010**	As on 31/03/2009
	Discount Rate	8.00%	8.00%
	Salary Escalation	7.00%	5.00%
		(Rs.in lacs)	(Rs.in lacs)
2	**Changes in present value of obligations**	**As on 31/03/2010**	As on 31/03/2009
	Present value of obligations as at beginning of year	11.93	18.98
	Interest cost	0.95	1.52
	Current Service Cost	1.34	2.76
	Benefits Paid	(2.09)	(9.35)
	Actuarial (gain)/Loss on obligations	4.44	(1.98)
	Present value of obligations as at end of year	16.59	11.93
3	**Changes in the fair value of plan assets**	**As on 31/03/2010**	As on 31/03/2009
	Fair value of plan assets at beginning of year	5.90	13.28
	Expected return on plan assets	0.53	0.62
	Contributions	1.61	1.35
	Benefits paid	(2.09)	(9.35)
	Actuarial Gain / (Loss) on Plan assets	NIL	NIL
	Fair value of plan assets at the end of year	5.95	5.90

4	**Fair value of plan assets**		
	Fair value of plan assets at beginning of year	**5.90**	13.28
	Actual return on plan assets	**0.53**	0.62
	Contributions	**1.60**	1.35
	Benefits Paid	**(2.09)**	(9.35)
	Fair value of plan assets at the end of year	**5.95**	5.90
	Funded status	**(10.64)**	(6.04)
	Excess of Actual over estimated return on plan assets	**NIL**	NIL
	(Actual rate of return = Estimated rate of return as ARD falls on 31st March)		
5	**The amounts to be in the balance sheet and statements of profit and loss**		
	Present value of obligations as at the end of year	**16.59**	11.93
	Fair value of plan assets as at the end of the year	**5.95**	5.90
	Funded status	**(10.64)**	(6.04)
	Net Asset/(liability) recognized in balance sheet	**10.64**	6.04
6	**Expenses Recognised in statement of Profit & loss**		
	Current Service cost	**1.34**	2.76
	Interest Cost	**0.95**	1.52
	Expected return on plan assets	**(0.53)**	(0.62)
	Net Actuarial (gain)/Loss recognised in the year	**4.43**	(1.98)
	Expenses recognised in statement of Profit & loss	**6.21**	1.68

(b) For Provident fund Defined Contribution Plans

Total amount of Provident fund Expenses recognised in the Profit & Loss Account is Rs. 6.27 lacs,(Previous year Rs.8.24 lacs)

M Related party disclosure as require by Accounting Standard-18 (AS-18) "Related Parties Disclosure" issued by the Institute of Chartered Accountants Of India are given below :

i) LIST OF RETLATED PARTIES :

A. Associate Companies :
-Kashipur Holdings Ltd
-India Glycols Ltd
-Lund & Blockley Pvt Ltd

B. Key Management Personnel & their relatives
-Mr R.P.Goyal -Director (Finance & Commercial)
-Mrs Neeta Goyal (Wife of shri R.P.Goyal)

C. Enterprise over which key managerial personnel or their relatives have control:
-N2N Impex Pvt. Ltd.

ii) Details of Transaction with related parties during the year :

Sr. no.	Transaction Particular	Associated Companies (Rs.)	Key Management Personnel & Enterprises over which Key Management Personnel and / or their relatives have control (Rs.)	Total (Rs.)	Balance as on 31st Mar.2010 (Rs.)
1	Loan received	**7500000** (0) *	**1500000** 0	**9000000** (0) *	**34502974** (25502974) *
2	Lease Rent of Car		**0** (200000) *	**0** (200000) *	**0** (0)*
3	Material Purchase on High Seas basis	**4309423** (0)*		**4309423** (0)*	**4309423** (0)*
4	Rent Received	**540000** (540000)*		**540,000** (540000)	**0** (0)*
5	Rent Paid	**6000** (24000)*		**6,000** (24000)*	**0** (24000)*
6	Advance Paid	**0** 39000		**0** (39000)	**0 **** (0)*

* Figures in brackets represents previous year.

** Since the balance amount in party's account has been written off.

The remuneration to Related party vide note no.'N' below

N. MANAGERIAL REMUNERATION :

A. To Shri R.P.Goyal(Director Finance & Commercial).

		FOR THE YEAR ENDED 31ST MARCH, 2010 (Rs.)	FOR THE YEAR ENDED 31ST MARCH, 2009 (Rs.)
(a)	Salary	900,000	1,050,000
(b)	Contribution to Provident Fund	108,000	126,000
(c)	House Rent Allowance	360,000	383,250
(d)	Special Allowances	0	36,750
(e)	Medical Reimbursements	90,000	105,000
(f)	Leave Travel Allowance	90,000	105,000
(g)	Reimbursement of Electricity Charges	24,000	28,000
(h)	Perks in the shape of Telephone & use of car		

* To shri P.R.Mukherjee (Director Operation) also.(part of theyear)

Note: (I) The Central Government has approved the appointment, vide letter dated 9th January ,2004, of Shri R.P.Goyal Director(Finance & Commercial) and Dr.P.R.Mukherjee,Director (Operation) undersection 269 & 198(4)/309(3) of the Companies Act,1956,with effect from 1st February 2003 and further ammended vide letter dtd.10.2.2006 and 14.2.2006.

(II) The above remuneration details do not include provision of gratuity as the provision is an oveall basis.

(III) Dr. P. R. Mukherjee was retired on 31st May, 2008.His gratuity amount was Rs.5,62,500/- paid in 2008-09

B. Director's Meeting Fees

		FOR THE YEAR ENDED 31ST MARCH, 2010 (Rs.)	FOR THE YEAR ENDED 31ST MARCH, 2009 (Rs.)
I)	Shri U.S.Bhartia	32,000	40,000
ii)	Shri J.S.Baijal	32,000	40,000
iii)	Shri Ajay Bhargava	0	16,000
iv)	Shri K.M.Lal	32,000	40,000

O. Additional Information :

1 Installed Capacity (only in respect of products meant for sale)

Class of goods	Installed Capacity p.a. (MT) As at 31st March, 2010	As at 31st March, 2009
XLPE, MDPE & Other plastic Compounds	14,604	18,523

Notes:- Installed capacity is as certified by the management being a technical matter and relied upon by the Auditors accordingly.

2 Particulars in respect of finished goods and other materials.

	Particulars	FOR THE YEAR ENDED 31 ST MARCH, 2010 Qty MT	Value Rs.	FOR THE YEAR ENDED 31 ST MARCH, 2009 Qty MT	Value Rs.
i)	Opening Stock	62.800	4,545,303	233.285	16,418,177
	XLPE, MDPE & Other Plastic Compounds				
	Waste	12.336	360,488	31.110	961,093
ii)	-Production	7303.436		7726.681	
	XLPE, MDPE & Other Plastics Compounds				
	* Excludes 1468.670 MT Produce on job basi				
	(Previous year 505.800 M.T.)				
	Waste	31.462		61.793	
iii)	Sales	7115.060	327,688,630*	7897.166	561,484,830*
	XLPE, MDPE & Other Plastic Compounds				
	Waste	26.850	484,774*	80.567	1,256,991*

* Gross including Excise Duties

iv)	**Closing Stock**	**251.176**	**10,664,592**	62.800	4,545,303
	XLPE, MDPE & Other Plastic Compounds Waste	**16.948**	**504,732**	12.336	360,488

3 Raw Material Consumed

Particulars	FOR THE YEAR ENDED 31 ST MARCH, 2010 Qty MT	Value Rs.	FOR THE YEAR ENDED 31 ST MARCH, 2009 Qty MT	Value Rs.
LLDPE/LDPE	**1133.308**	**77,929,883**	3813.101	275,197,000
PP/PBT	**2164.175**	**127,704,583**	1277.184	81,509,434
HDPE	**1.225**	**84,152**	135.508	9,563,734
EVA	**20.523**	**1,447,921**	125.160	12,021,773
CARBON BLACK	**15.962**	**1,658,794**	73.198	7,268,138
FILLER (* 91.125 MT used in Job work for other,Prev.Year 24.000 MT)	**4049.321**	**11,633,590**	2397.286	7,737,322
CHEMICALS & PROCESSING ADDITIVES *	**0 ***	**12,484,566**	0*	22,268,692
OTHERS * (Not more than 10% of the total Consumption)	**0 ***	**3,169,596**	0*	2,820,705
	7384.513	**236,113,085**	7821.438	418,386,797

* Quantitative details are not practical to be given.

4 Value of imported and indigenous raw material, stores and spare parts consumed and percentage thereof :

Consumption of raw materials :

	FOR THE YEAR ENDED 31 ST MARCH,2010 Rs.	%	FOR THE YEAR ENDED 31 ST MARCH,2009 Rs.	%
- Imported	**15,147,490**	**6.42%**	31,014,947	7.41%
- Indigenous	**220,965,595**	**93.58%**	387,371,849	92.59%
	236,113,085	**100.00%**	418,386,797	100.00%

* Including Purchase in high seas Purchase.

Consumption of Packing , stores & spare parts:

- Imported	**146,040**	**1.73%**	419,404	3.89%
- Indigenous	**8,301,088**	**98.27%**	10,369,621	96.11%
	8,447,128	**100%**	10789025	100%

		FOR THE YEAR ENDED 31 ST MARCH,2010 Rs.	FOR THE YEAR ENDED 31 ST MARCH,2009 Rs.
5	Expenditure in foreign currency		
	- Foreign Travel	**112,728**	15,170
	- Commission on Export Sale	**118,811**	2,86,111
	- Interest on ECB Loan	**0**	78115
	- Spares	**456579**	0
6	Value of imports on CIF basis		
	- Raw material & chemicals	**1,657,296**	3,32,89,199
	(Includes in Transit Rs. Nil, Prev. year Rs. 84,78,802/-)		

7	Earning in foreign exchange		
	- FOB value of Export *	**64,913,969**	95,101,610

* Excluding Deemed Exports Rs.65,34,625/-(Previous year Rs.77,23,475/-)

P. Previous period's figures have been regrouped / rearranged whererver considered necessary to confirm to this year's classification.

IN TERMS OF OUR REPORT OF EVEN DATE.

FOR **K N GUTGUTIA & CO.**
CHARTERED ACCOUNTANTS

For and on behalf of the Board

B R GOYAL
PARTNER
M. NO.12172

U.S.BHARTIA
CHAIRMAN

NEW DELHI
DATE :12TH MAY, 2010

NITESH RAJSINHA
COMPANY SECRETARY

R. P. GOYAL
DIRECTOR (Finance & Comm.)

BALANCESHEET ABSTRACT AND COMPANY'S GENERAL PROFILE

I Registration Details

Registration No.	32905	State Code	04
Balance Sheet date	31.03.2010		

II Capital raised during the year (Amount in Rs.Thousand)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Preferential Allot.	NIL

III Position of Mobilization and development of funds(Amount in Rs.Thousand)

Total Liabilities	362560	Total Assets	362560
Souece of fund			
Paid up capital	155105	Reserve & Surplus	2500
Secured Loans	123755	Unsecured Loans	50249
Application of Funds			
Net Fixed Assets	121416	Investment	Nil
Net Current Assets	48199	Misc Expenditure (to the extenet not written off or adjustment)	Nil
Accumulated Profit / (Loss)	(161994)		

IV Performance of the Company(Amount in Rs.Thousand)

Turnover & other income	341887	Total Expenditure	353490
Profit / (Loss) before Tax	12739	Profit / (Loss) after Tax	(11603)
earning per Share (in Rs.)	0.82	Dividend (%)	NIL

V Generic names of Three Principal Products / Services of the Company (As per Monetary terms)

Item Code No.(ITC Code)	Product Description
(i) 8556	Silane Grafted Polymeric Granuals
(ii) 39016000	Polythelene Granuals
(iii) 39023000	Propylene Granuals

IN TERMS OF OUR REPORT OF EVEN DATE.

FOR **K N GUTGUTIA & CO.**
CHARTERED ACCOUNTANTS

For and on behalf of the Board

B R GOYAL
PARTNER
M. NO.12172

U.S.BHARTIA
CHAIRMAN

NEW DELHI
DATE :12TH MAY, 2010

NITESH RAJSINHA
COMPANY SECRETARY

R. P. GOYAL
DIRECTOR (Finance & Comm.)

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

	01.04.2009 TO 31.03.2010 (Amount In Rs)		01.04.2008 TO 31.03.2009 (Amount in Rs)	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit (Loss) Before Tax and Extraordinary items		12739396		(52887143)
Adjustment for : Depreciation	18963761		18132298	
Interest (Dr.) (net) on working capital	13820603		18751452	
Interest (Dr.) (net) on Term Loan IDBI	1225000		8922992	
Interest for prior period	0		15419250	
Write Back of Interest	(24342242)		0	
Bad Debts Written off /Advances Written off	(546295)		(863248)	
Advance Licence/VAT Written off	2213082		7229213	
Loss on Sale/Write off of Fixed Assets	116742		146377	
Provision for Impairment of fixed Assets	0		1599586	
Unrealised Foreign Exchange (Gain) / Loss	98492	11549143	(175334)	69162586
Operating profit before working capital changes		24288539		16275443
Adjustment for :				
(Increase)/Decrease in Debtors and Other Curent Assets	20723576		32368939	
(Increase)/Decrease in Inventories	2774606		33818037	
Increase/(Decrease) in Trade & other Payables and Provisions	(4822506)	18675676	(1537800)	64649176
Interest (Dr.)		(14588613)		(19429820)
Net Cash Inflow/(outflow) from Operating Activities (A)		28375602		61494799
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets & Capital Advances		(3869099)		(4691406)
Proceeds from sale of Fixed Assets		140000		629000
Interest Received on FDR		768010		678368
Net Cash Inflow/(outflow) from Investing Activities (B)		(2961089)		(3384038)
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from / (payment of) Long term/short term Borrowings		(32703749)		(27094105)
Increase /(Decrease) in unsecured loan (Net)		7087247		(31482405)
Net cash Inflow/(outflow) from financing activities (C)		(25616502)		(58576510)
Net increase/ (Decrease) in cash and cash equivalents (A+B+C)		(201989)		(465749)
Cash and cash equivalents at the beginning of the year (Opening Balance)		3356502		3822251
Cash and cash equivalents at the closing of the year (Closing Balance)		3154513		3356502

Note : Previous period's figures have been regrouped / rearranged whererver considered necessary to confirm to make them comparatable

IN TERMS OF OUR REPORT OF EVEN DATE.

FOR **K N GUTGUTIA & CO.**
CHARTERED ACCOUNTANTS

For and on behalf of the Board

B R GOYAL
PARTNER
M. NO.12172

U.S.BHARTIA
CHAIRMAN

NEW DELHI
DATE :12TH MAY, 2010

NITESH RAJSINHA
COMPANY SECRETARY

R. P. GOYAL
DIRECTOR (Finance & Comm.)

FORM OF PROXY

POLYLINK POLYMERS (INDIA) LIMITED)

Registered Office : 229-230, Village - Valthera, Taluka - Dholka, Dist. : Ahmedabad - 387 810

DP ID*	
Client ID*	

Registered Folio No.	

I/WE _____

of _____ in the disrtict

_____ being member/s of the above named Company hereby appoint

Mr./Mrs. _____ of _____ in the

district of _____ or failing him / her Mr./Mrs. _____ of

_____ in the district of _____

as my / our proxy to vote for me/us on my behalf at the ANNUAL GENERAL MEETING to be held on Thursday 30th September, 2010.

Signed this _____ day of _____ 2010

Signature _____ Affix Revenue Stamp _____

* Applicable for members holding shares in dematerialised form

1. This proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting. Unless otherwise instructed. the proxy will vote as he/she thinks fit.
2. members who hold the shares in the dematerialised form are requested to qoute their DP ID and Client ID for identification.

POLYLINK POLYMERS (INDIA) LIMITED)

Registered Office : 229-230, Village - Valthera, Taluka - Dholka, Dist. : Ahmedabad - 387 810

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Full name of the
Member attending : _____

Name of Proxy : _____

I hereby record my presence at the 17th Annual Generel Meeting being held at the Registered Office of the Company on Thursday 30th September, 2010.

Registered Folio No.	
DP ID*	
Client ID*	
No. of Shares held	

Member's.Proxy's Signature
(To be signed at the time of handing over this slip)

* Applicable for members holding shares in dematerialised form

Note : Persons attending the Annual General meeting are requested to bring their copies of Annual Report

Book - Post

To,

If undelivered, please return to
POLYLINK POLYMERS (INDIA) LIMITED
229-230, Village - Valthera,
Taluka - Dholka,
Dist. : Ahmedabad-387 810