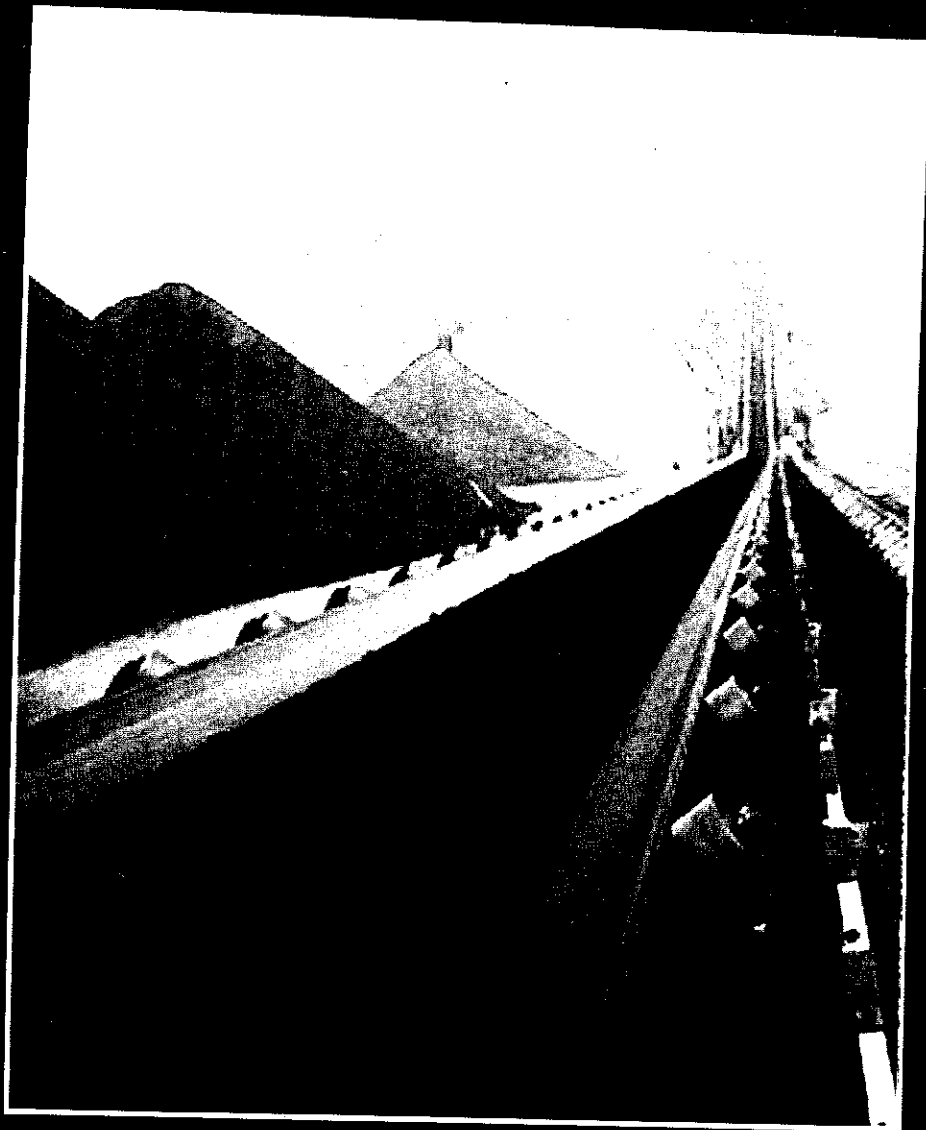


OM BHANSALI GROUP



SOMI CONVEYOR BELTINGS LTD.



10th Annual Report 2009-10



COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. O.P. Bhansali	Chairman & Managing Director
Mr. Vimal Bhansali	Whole Time Director
Mr. Gaurav Bhansali	Whole Time Director
Mr. Mahendra Rakecha	Independent & Non-Executive Director
Mr. Yogesh Maheshwari	Independent & Non-Executive Director
Mr. Ramesh Narayan Rathi	Independent & Non-Executive Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Amit Baxi

AUDITORS

M/s. P. Singhvi & Associates
Chartered Accountants
Jodhpur

BANKERS

Punjab National Bank
Ratanada Colony Branch,
Near Bhati Chowrah,
Ratanada, JODHPUR

REGISTERED OFFICE

4 F-15, "Oliver House"
New Power House Road, JODHPUR - 342001

WORKS

- H-2, 463-466, Sangaria Industrial Area, JODHPUR
- K.No-58, 58/5, 58/6, Village Tanawara, Tehsil Luni, District JODHPUR

REGISTRAR AND TRANSFER AGENT

Mondkar Computers Pvt. Limited
21, Shakil Niwas, Opp. Satya Sai Baba Temple,
Mahakali Caves Road, Andheri (East), MUMBAI - 400 093
Tel: (+91 22) 28257641, 28366620 Fax: (+91 22) 28262920



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NOTICE

NOTICE is hereby given that the TENTH Annual General Meeting of the members of the Company will be held on THURSDAY, 30th September, 2010 at 11:30 A.M. at its registered office at 4F-15, "Oliver House", New Power House Road, Jodhpur-342001 transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the company as at 31st March, 2010, Profit & Loss Account for the year ended on that date and the Reports of the Director's and Auditor's thereon.
2. To appoint a director in place of Mr. Mahendra Kumar Rakecha, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting up to the conclusion of next Annual General Meeting and to fix their remuneration.

BY ORDER OF THE BOARD

For **SOMI CONVEYOR BELTINGS LIMITED**

(AMIT BAXI)

Company Secretary

Place: JODHPUR

Date: 1st September, 2010

Registered Office

4F-15, "Oliver House"
New Power House Road
Jodhpur-342 001

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, SHOULD BE COMPLETED, STAMPED AND SIGNED AND MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR COMMENCEMENT OF THE MEETING. A PROXY FORM IS ENCLOSED.
2. A shareholder or his proxy will be required to produce at the entrance of the Meeting Hall, the Attendance Slip sent herewith duly completed and signed. Neither photocopies nor torn/mutilated Attendance Slips will be accepted. The Validity of the Attendance Slip will, however, be subject to the Shareholder continuing to hold shares on the date of meeting.
3. A Member or his Proxy is requested to bring his copy of the Annual Report to the Meeting as extra copies will not be provided.
4. Members are informed that in case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.

5. The Register of Members and the Share Transfer Books of the Company will remain closed from 24th September, 2010 to 30th September, 2010 (both days inclusive).
6. Documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days between 11:00 AM to 1:00 PM upto the date of Annual General Meeting and will also be available for inspection at the meeting.
7. Mondkar Computers Private Limited is our Registrar and Share Transfer Agent. All the investor related communication may be addressed to them at their following address:
MONDKAR COMPUTERS PRIVATE LIMITED
 21, Shakil Niwas, Opp. Satya Sai Baba Temple,
 Mahakali Caves Road, Andheri (East),
 MUMBAI - 400 093
 Tel.: +91-22-28257641, 28366620 Fax: +91-22-28262920
8. As required under the provisions of Clause 49(IV) (G) (i) of the Listing Agreement, particulars relating to Mr. Mahendra Kumar Rakecha, Independent Director, who retires by rotation and whose reappointment has been proposed at the forthcoming Annual General Meeting, is enclosed in the Appendix to this Notice. Mr. Mahendra Kumar Rakecha has confirmed that he is not disqualified for being appointed as a Director of the company and has filed Form DD-A with the company, for this purpose.

BY ORDER OF THE BOARD
 For **SOMI CONVEYOR BELTINGS LIMITED**

(**AMIT BAXI**)
 Company Secretary

Place: JODHPUR
 Date: 1st September, 2010

Registered Office
 4F-15, "Oliver House"
 New Power House Road
 Jodhpur-342 001

APPENDIX TO ANNUAL GENERAL MEETING NOTICE

Information on the Directors Seeking Re-Appointment at the Forthcoming Annual General Meeting
 (Pursuant to Clause 49(IV) (G) (i) of the Listing Agreement)

Name of Director	Age	Date of Original Appointment	Expertise In Specific Functional Areas	Qualifications	Directorships in Other Public Limited Companies	Membership of Board Committees In Other Public Limited Companies	Other Information	Remarks
Mr. Mahendra Kumar Rakecha	41 Years	30/09/2006	15 years of experience in field of Computer and Information Technology.	Post Graduate in Commerce	NIL	NIL	Independent & Non-Executive Director	Retires by rotation at the forth-coming Annual General Meeting



SOMI CONVEYOR BELTINGS LIMITED

Registered Office: 4 F-15 "Oliver House", New Power House Road, Jodhpur - 342001

PROXY FORM

10TH ANNUAL GENERAL MEETING, 30TH SEPTEMBER, 2010

Reg. Folio No. DP ID No.# Client ID No.#

Applicable for Member holding Shares in electronic form

I/We of in the District of being a member/members of the above named company, hereby appoint of or failing him..... of as my/our proxy to vote for me/us on my/our behalf at the TENTH ANNUAL GENERAL MEETING of the company, to be held on Thursday, September, 30th, 2010 at 11:30AM at 4F-15, "Oliver House" New Power House Road, Jodhpur-342001 and at any adjournment thereof.

Signed this day of 2010

Signature

Affix 15
paise
revenue
Stamp

Note: This form in order to be effective should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

(Tear Across Line)



SOMI CONVEYOR BELTINGS LIMITED

Registered Office: 4 F-15 "Oliver House", New Power House Road, Jodhpur - 342001

ATTENDANCE SLIP

10TH ANNUAL GENERAL MEETING, 30TH SEPTEMBER, 2010

Reg. Folio No. DP ID No.# Client ID No.#

Applicable for Member holding Shares in electronic form

I certify that I am a registered Member/Proxy for registered member of the Company.

I hereby record my presence at the TENTH ANNUAL GENERAL MEETING of the company on Thursday, September, 30th, 2010 at 11:30 AM at 4F-15, "Oliver House" New Power House Road, Jodhpur-342001.

Members/Proxy's name in BLOCK Letters

Members/Proxy's Signature

Note: Please fill in this attendance slip and hand it over at the entrance of the hall.

CHAIRMAN'S MESSAGE

Dear Fellow Stakeholder,

Namaskar!



Impressive growth of Indian Economy of 7.4% during 2009-10 in comparison to the growth of 6.7% in 2008-2009 demonstrated the resilience of the country to tackle and cope up with every kind of economic crisis. While other countries were still struggling to surface from the bad times of previous year, India emerged from tough times with great ease. Over the last decade or so, world's economic order has shifted in favour of India. India, (along with China) has emerged as the fastest growing global economies. India is expected to grow at 8.75% annually for next few years.

All this represents a massive growth opportunity for the company to expand its business and the company is well aware and poised to meet these future challenges. Foreseeing the times to come, your company has added one more conveyor belt manufacturing facility at its existing plant at Tanawara Village, Jodhpur, Rajasthan. This would definitely help the company in increasing its production capacity and would also provide a platform to the company to enter the league of major players of conveyor belt manufacturing industry. With its cost competitiveness, quality products and efficient delivery systems, it is on the way to become a formidable player in the conveyor belt manufacturing industry.

The Key Figures for Financial Year 2009-2010 stood as follows:

- Net sales for this year was Rs. 233974941.00, which was a 15.92 percent increase from Previous year.
- Earnings Before Taxes were Rs. 19759476.00, which were 7.84 percent below the previous year Earnings.
- Earnings After Taxes were Rs. 12258078.00, which were 26.77 percent above the previous year Earnings.

Consistent growth is the buzzword for long-term survival. However, growth without retaining core values of the company is completely meaningless. The core values in which the company believes are:

- Continuous commitment towards Integrity including honesty, fairness and mutual trust.
- Continuous commitment towards caring for stakeholders.
- Continuous commitment towards Excellence.

I strongly believe that now, the company is ready to grow at a speedy pace, ready to deliver value to its stakeholders, which however, cannot be achieved without the continuing support and encouragement of the stakeholders.

O.P. BHANSALI

Chairman & Managing Director



DIRECTORS' REPORT

To,
The Members,

The Directors of your company have pleasure in presenting the Tenth Annual Report together with the audited statement of accounts for the year ended on 31st March, 2010.

SUMMARISED FINANCIAL RESULTS

	2009-10 (Rs. in lacs)	2008-09 (Rs. in lacs)
Total Sales	2339.74	2018.41
Profit Before Interest, Depreciation and taxation	566.55	443.63
Interest	111.60	104.65
Depreciation	257.35	124.56
Profit Before Tax	197.60	214.42
Provision for Tax	46.80	27.21
Add/(Less) Deferred Tax	4.61	(64.63)
Profit After Tax	155.40	122.58
Add: Balance Brought Forward	400.99	278.40
Balance Carried Forward	556.38	400.99

OPERATIONS

Your company has achieved sales of Rs. 23,39,74,941.00 in year 2009-10 and recorded a net profit of Rs. 15540307.00 during the year. The Board is confident of higher growth in the current year.

ADDITIONAL MANUFACTURING FACILITY

The company is also setting up two Additional conveyor manufacturing facilities (Lines) at its existing plant located at Village Tanawara, Jodhpur, Rajasthan. This will not only help the company in increasing its production capacity but will also help the company in becoming a formidable player in the conveyor belt manufacturing industry.

The Financial outflows on setting up these lines are mostly met out from internal accruals of the company and bank financing.

RESEARCH AND DEVELOPMENT

Research and developments are on going activities, which have a significant role in providing inputs for developing new products, devising energy saving measures, upgrading methods of production and quality of products. These activities have helped the company in attaining leadership in its conveyor beltings products and substantial qualitative change in other operational areas.

DIVIDEND

As a matter of sound and consistent accounting practice and management philosophy, your directors are of the opinion to make strong economic base for the company and in order to conserve the valued resources; your directors do not recommend any dividend for the financial year under review.



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CONSOLIDATED FINANCIAL STATEMENTS

In terms of Clause 41 of the Listing Agreement entered into with the Stock Exchanges and Accounting Standard (AS) 21 prescribed by the Institute of Chartered Accountants of India, the consolidated financial statements of the company are attached herewith.

PUBLIC DEPOSITS

Your company has not accepted any deposit, within the meaning of section 58-A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 made there under.

CORPORATE GOVERNANCE

Your Company has always remained proactive in following the principles and practices of good Corporate Governance as an important step towards building investor confidence, improve investor's protection and maximize long-term shareholder value.

In compliance with one of the Corporate Governance requirements as per Clause 49 of the Listing Agreement, your Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company, who have affirmed the compliance thereto.

A separate report on Corporate Governance Compliance as stipulated by the Clause 49 of the Listing Agreement forms part of the Annual Report along with the requisite Certificate from the company auditors regarding compliance of the conditions of Corporate Governance as stipulated by revised Clause 49 of the Listing Agreement.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In compliance with the requirements of the Listing agreement, the Management's Discussion and Analysis on Company's Operational performance – industry trends and other material changes with respect to company has been comprehensively discussed under the head Management Discussion and Analysis Report which forms part of this Annual Report.

LISTING WITH STOCK EXCHANGE

The equity shares of the company continue to remain listed with Bombay Stock Exchange Limited and the stipulated listing fees for 2010-11 has been paid.

DIRECTOR'S

As per the provisions of Section 256 of the Companies Act, 1956 and provisions of the Articles of Association of the company Mr. Mahendra Kumar Rakecha, Independent Director of the company retires by rotation and being eligible, offers himself for re-appointment at the forthcoming Annual General Meeting. Necessary resolution relating to re appointment is included in the notice convening the Annual General Meeting. The Board recommends the appointment of Mr. Mahendra Kumar Rakecha.

In compliance with Clause 49 IV (G) of the listing Agreement, brief resume, expertise and other details of the Director proposed to be reappointed is attached along with the Notice to the ensuing Annual General Meeting.

DIRECTOR'S RESPONSIBILITY STATEMENT

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

- (a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;



- (b) that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of affairs of the Company as at 31st March, 2010 and of the profit of the Company for the year ended on that date;
- (c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that they have prepared the annual accounts on a going concern basis.

AUDITORS

Your company's Auditors M/s. P. Singhvi & Associates, Chartered Accountants, Jodhpur retire at the end of forthcoming Annual General Meeting and being eligible, have offered themselves for re-appointment. The Company has received a written certificate from the auditors to the effect that their re-appointment, if made, would be within the prescribed limit under Section 224(1B) of the Companies Act, 1956.

AUDITORS' REPORT

The Explanations/information in respect of the observations of the Auditors in their report on the Standalone accounts for the accounting year ended 31st March, 2010 are given in detail in Notes to Accounts. These Notes read with the relevant audit observations are self-explanatory and need no comments or explanations under Section 217(3) of the Companies Act, 1956.

INSURANCE

Assets of your Company remain adequately insured against various perils.

HEALTH, SAFETY AND ENVIRONMENT

The Company has Health & Safety policy, which has been implemented across all its locations. Health, Safety and Environment policies involve identifying the risks involved in daily activities of the Company and minimize its impact on personnel and environment. Your Company's management approach to Health, Safety and Environment involves proactive approach to create safe working environment, continuous safety education and training, periodic review of programs and evaluation of incidents. Proper segregation of hazardous and non-hazardous waste is being implemented on a regular basis.

EMPLOYEES

During the year under review, there was no employee who came in the purview of Section 217 (2A) of the Companies Act, 1956.

CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

Information in accordance with the Provisions of section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are as follows:

Continuous and substantial efforts were made to ensure optimum consumption of fuel and electricity at all the plants of the company. These efforts resulted in general improvement in energy consumption in the business.

(Rs. in Lacs)

	2009-10	2008-09
Power and fuel Consumption	105.63	55.32
Foreign Exchange Earnings	258.80	25.11
Foreign Exchange Outgo	469.34	274.69

ACKNOWLEDGEMENT

The Directors extend their sincere thanks to the Bankers, Financial Institutions, Government authorities, Customers, Shareholders of your Company and all others who have been associated with the Company for their cooperation, continued support and for the confidence reposed by them in the Management of the Company. The Directors also appreciate all the employees of the Company for their hard work and commitment. Their dedication and competence has ensured that the Company continues to be a significant and leading player in its sector.

FOR AND ON BEHALF OF THE BOARD

Place: JODHPUR
Date: 1st September, 2010

O.P. BHANSALI
(Managing Director)

GAURAV BHANSALI
(Whole time Director)

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is a set of standards, which aims to improve the company's efficiency, effectiveness and social responsibility. The concept emphasizes on transparency, accountability, independence and integrity of the management, with focus on public interest in particular. It further inspires and strengthens investor's confidence by ongoing commitment to overall growth of the company.

The company's Corporate Governance philosophy encompasses not only regulatory and legal requirements, such as the terms of listing agreement with stock exchanges, but also several voluntary practices at a superior level of business ethics, effective supervision and enhancement of shareholders value.

The company believes that timely disclosures, transparent accounting policies and a strong and independent board go a long way in protecting shareholders trust while maximizing long term corporate value.

Our philosophy on Corporate Governance begins with our Board of Directors.

- (i) Half of the Board of Directors comprises of Independent Directors.
- (ii) The Audit Committee is comprised of Independent Directors.
- (iii) The Board has established terms of reference for its operation and the operation of Audit Committee in line with Clause 49 of the Listing agreement and section 292A of the Companies Act, 1956.

In compliance with the Disclosure requirements of Clause 49 of the Listing Agreement, the Details are set out as under:

2. BOARD OF DIRECTORS

The business of the company is conducted by the management under the directions of the Board. The Board formulates the strategy, regularly reviews the performance of the company and ensures that the previously agreed objectives are met on a consistent basis.

(a) Composition of Board of Directors

The Company has sufficient number of independent directors on its Board, and the present composition of the Board is as under:

Name	Category**	Attendance at Board & Audit Committee Meeting		Whether Attended AGM Held on 30.09.2009	No. Of Directorship in other Public Limited Companies	No. of Committee Position Held in other Public Limited Companies	
		Board	Audit *			Chairman	Member
Mr. Om Prakash Bhansali	PE CMD	5	NA	YES	NIL	NIL	NIL
Mr. Vimal Bhansali	PE WTD	4	NA	YES	NIL	NIL	NIL
Mr. Gaurav Bhansali	PE WTD	4	4	YES	NIL	NIL	NIL
Mr. Mahendra Rakecha	INE	4	4	YES	NIL	NIL	NIL
Mr. Yogesh Maheshwari	INE	4	NA	YES	NIL	NIL	NIL
Mr. Ramesh Narayan Rathi	INE	4	4	NO	NIL	NIL	NIL

** PE = Promoter Executive, CMD = Chairman cum Managing Director

INE = Independent Non-Executive, WTD = Whole Time Director, NA = Not Applicable.

* Not applicable as the director is not the member of the Audit Committee.

(b) Details of Board Meetings held during the Year:

Date of Board Meeting	25/04/2009	30/07/2009	09/09/2009	30/10/2009	30/01/2010
Board Strength	6	6	6	6	6
No. of Directors Present	6	4	6	5	4

(c) Board Procedure:

The information as required under Annexure-IA to Clause 49 of the Listing Agreement is made available to the Board. The Agenda and the papers for consideration at the Board Meeting are circulated to the Directors in advance. Adequate information is circulated as part of the Board papers and is also made available at the Board Meeting to enable the Board to take informed decisions.

(d) Code of Conduct:

Company's Board has laid down a Code of Conduct for all the Board Members and Senior Management of the company. All Board Members and senior Management personnel have affirmed compliance of the Code of Conduct. A Declaration signed by the Managing Director to this effect is enclosed at the end of this report.

(e) Disclosures Regarding Appointment/Re-Appointment of Directors:

Mr. Mahendra Kumar Rakhecha, director, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

The Brief resume and other information required to be disclosed under this section is provided in the Notice of the Annual General Meeting.

3. COMMITTEES OF THE BOARD

The Board has constituted various Committees as required under clause 49 of the Listing Agreement.

(a) Audit Committee:

The Audit Committee comprises of three Directors, of whom two are Non-Executive and one is Whole Time Director appointed in line with the provisions of Clause 49 of the Listing Agreement of the Stock Exchange read with section 292A of the Companies Act, 1956.

The Audit committee consists of:

1. Mr. Mahendra Rakecha, Chairman of Audit Committee, Non-Executive & Independent Director.
2. Mr. Ramesh Narayan Rathi, Non-Executive & Independent Director.
3. Mr. Gaurav Bhansali, Whole Time Director.

Mr. Amit Baxi, the Company Secretary of the Company acts as Secretary to the Audit Committee.

During the year under scrutiny, Four Audit Committee meetings were held on 25th April, 2009, 30th July, 2009, 30th October, 2010 and 30th January, 2010 All these meetings were attended by all the members of the Audit Committee.

Broad Terms of Reference:

1. Oversight of our company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of the audit fees.
3. Approval of payment to the statutory auditors for any other services rendered by the Statutory Auditors.
4. 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 Directors' 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 the 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.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
 6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems for the purpose of financial reporting.
 7. 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 audits.
 8. Discussion with internal auditors of any significant findings and follow-up thereon.
 9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 10. Discussion with statutory auditors before the audit commences, about the nature and Scope of the audit as well as post audit discussion to ascertain any area of concern.
 11. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 12. To review the functioning of the "whistle blower" mechanism, if and when introduced.
 13. Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and/or other Committee(s) of Directors of our company.

(b) Share Transfer-cum-Investors Grievance Committee:

The Share Transfer-Cum-Investors Grievance Committee comprises of two Non-executives and one Whole Time Director. The committee specifically looks into matters pertaining to redressal of the shareholder and investor complaints like transfer of shares, non-receipt of the declared dividends etc.

The Share Transfer -cum-Investors Grievance Committee consists of:

1. Mr. Vimal Bhansali Chairman of the Committee, Whole Time Director
2. Mr. Mahendra Rakecha, Non-Executive & Independent Director
3. Mr. Ramesh Narayan Rathi, Non-Executive & Independent Director

Mr. Amit Baxi, the Company Secretary of company acts as Secretary to the committee.

One meeting of the Share Transfer cum Investor Grievance Committee was held on 30th January, 2010 and was attended by all the members of the Committee. The Shareholder's complaints received during the year were resolved satisfactorily and at the end of the year no complaints were pending for redressal.

Brief Terms of Reference

This Committee performs *inter alia* the role/various functions as are set out in Clause 49 of the Listing Agreement with Stock Exchange and including but not limited to:

1. Issue of duplicate certificates;
2. To oversee and review all matters connected with the transfer and all other processes relating to the securities of our company;
3. To oversee the redressal of shareholder complaints; and

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4. To oversee the performance of Registrar & Transfer Agents.

(c) Remuneration Committee:

A Remuneration Committee comprising three Non-Executive Director is functional, for review and decisions on the remuneration package of the Managing Director.

The Remuneration Committee consists of:

1. Mr. Yogesh Maheshwari, Chairman of the Committee, Non-Executive & Independent Director
2. Mr. Mahendra Rakecha, Non-Executive & Independent Director
3. Mr. Ramesh Narayan Rathi, Non-Executive & Independent Director

Mr. Amit Baxi, the Company Secretary of company acts as Secretary to the committee.

One meeting of the Remuneration Committee was held on 30th January, 2010 and was attended by all the members of the Committee.

Details of Remuneration to All the Directors:

The Company has one Managing Director Mr. Om Prakash Bhansali and Two Whole time Directors Mr. Vimal Bhansali and Mr. Gaurav Bhansali. The remuneration payable to them has been fixed by the Board of Directors as per Section 198, 269, 309 read with Schedule XIII of the Companies Act 1956 after receiving sanction from the Shareholders in the duly held General Meeting.

Non-Executive Directors are not paid any type of remuneration or sitting fees or share in profits or otherwise.

Annual Amount in Rs.

Name of Directors	Remuneration	Commission	Value of Perquisites/Reimbursement of Expenses	Sitting Fees	Total Remuneration
Mr. Om Prakash Bhansali, Chairman and Managing Director	Rs. 4,32,000/-	NIL	NIL	NIL	Rs. 4,32,000/-
Mr. Vimal Bhansali, Whole time Director	Rs. 2,28,000/-	NIL	NIL	NIL	Rs. 2,28,000/-
Mr. Gaurav Bhansali, Whole time Director	Rs. 2,28,000/-	NIL	NIL	NIL	Rs. 2,28,000/-
TOTAL	Rs. 8,88,000/-	NIL	NIL	NIL	Rs. 8,88,000/-

The company does not have any Employee's Stock Option Scheme and there is no separate provision for payment of Severance fee.

4. SUBSIDIARY COMPANIES

The company does not have any Subsidiary company.

5. GENERAL BODY MEETINGS

Date, Time and Location where last Three AGMS held:

Date	Time	Location
29.09.2007	11.30 a.m	4F-15, "Oliver House", New Power House Road, Jodhpur-342 001
30.09.2008	10.00 a.m	Marudhara Industries Association Hall, 'MIA House', Marudhara Industrial Area, Basni, IInd Phase, Jodhpur-342005
30.09.2009	10.00 a.m	4F-15, "Oliver House", New Power House Road, Jodhpur-342 001

WHETHER ANY SPECIAL RESOLUTIONS PASSED IN THE PREVIOUS THREE AGMs:

- 29th September 2007: One Special Resolution was passed in this AGM
- 30th September 2008: No Special Resolution was passed in this AGM
- 30th September 2009: No Special Resolution was passed in this AGM

WHETHER ANY EXTRA ORDINARY GENERAL MEETING HELD DURING THE YEAR:

- No Extra Ordinary General Meeting was held during the year under review.

WHETHER SPECIAL RESOLUTION WERE PUT THROUGH POSTAL BALLOT EXERCISE:

- No.

DETAILS OF VOTING PATTERN:

- Not Applicable.

PERSON WHO CONDUCTED THE POSTAL BALLOT EXERCISE:

- Not Applicable.

WHETHER ANY RESOLUTIONS ARE PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT:

- None of the resolutions are required to be put through postal ballot.

PROCEDURE FOR POSTAL BALLOT:

- Not Applicable.

6. DISCLOSURES

- (a) There were no materially significant related party transactions and pecuniary transactions that may have potential conflict with the interest of the Company at large. The details of Related Party Transactions are disclosed in financial Section of this Annual Report.
- (b) In the preparation of the financial statements, the Company has followed the Accounting policies and practices as prescribed in the Accounting Standards and there is no change in the accounting treatment during the year under review.
- (c) The implementation of the risk assessment and minimization procedure is under progress and the board members are periodically informed of the status.
- (d) Management Discussion and Analysis Report is set out in a separate section included in this Annual Report and forms part of this Report.
- (e) There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority.
- (f) The Chief Executive Officer & Chief Financial Officer has furnished a Certificate to the Board for the year ended on 31st March, 2010 in compliance with Clause 49 of Listing Agreement.
- (g) The company publishes Quarterly/Half yearly/Annual results as required under the Listing Agreement. The results are normally published in one English and one Hindi daily. During the last year the results were published in the Business Standard/Financial Express and Nafa Nuksaan. The results are also forwarded to the Stock Exchanges as soon as these are taken on record/approved. In addition disclosures with regard to Shareholding Pattern, Quarterly Secretarial Capital Audit Report, Corporate Governance Compliance Report, etc. are sent to the Stock Exchange as required under various regulations.

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7. GENERAL SHAREHOLDERS INFORMATION

(a) Date, time and venue of the 10th Annual General Meeting:

30th September, 2010 at 11:30 A.M at its Registered Office at 4F-15, "Oliver House", New Power House Road, Jodhpur-342001

(b) Financial Calendar:

Financial year is 1st April to 31st March and financial results will be declared as per the following schedule.

Particulars	Tentative Schedule
Quarterly Results	
Quarter ending on 30th June, 2010	July, 2010
Quarter ending on 30th September, 2010	October 2010
Quarter ending on 31 st December, 2010	January 2011
Annual Results of 2010-11	Within 2 months of the close of financial year

(c) Book Closure Date:

The Register of Members and Share Transfer Books of the Company will be closed from Friday, the 24th September, 2010 to Thursday, 30th September, 2010 (both days inclusive) for the purpose of 10th Annual General Meeting.

(d) Listing on Stock Exchanges:

The Company's shares are listed on the Bombay Stock Exchange Limited with effect from 24th July, 2008. Annual Listing fees for 2010-11 has been paid.

BSE CODE: 533001

SCRIP ID: SOMICONV

(e) Market Price Data (in Rs.) (BSE Index):



BSE Index: 1st April, 2009 : 9902
 31st March, 2010 : 17528



(f) Registrars and Share Transfer Agents:

MONDKAR COMPUTERS PRIVATE LIMITED
21, Shakil Niwas, Opp. Satya Sai Baba Temple,
Mahakali Caves Road, Andheri (East),
MUMBAI - 400 093.
Tel.: +91-22-28257641, 28366620
Fax: +91-22-28262920

(g) Shareholding (as on 31st March, 2010):

DISTRIBUTION OF SHAREHOLDING AS AT 31st March 2010

No. of Equity Shares Held	No. of Shares	% to Capital	No. of Holders	% to Total
1 - 500	478066	4.058	2152	68.997
501 - 1000	333340	2.830	464	14.877
1001 - 2000	466592	3.961	333	10.676
2001 - 3000	117622	0.999	46	1.475
3001 - 4000	44499	0.378	13	0.417
4001 - 5000	94986	0.806	20	0.641
5001 - 10000	283948	2.410	37	1.186
10001 & above	9960603	84.558	54	1.731
TOTAL	11779656	100.000	3119	100.000

(h) Dematerialization of Shares and Liquidity:

The Company's shares are compulsorily traded in dematerialized form. The Company's shares are regularly traded on the 'Bombay Stock Exchange Limited'. The shares in physical form are processed by the Registrar and transfer Agent and approved by the Share Transfer Committee. The applications for transfer of shares held in physical form are received at the office of the RTA of the company. All valid transfers are processed within 30 days from the lodgement.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE323J01019.

(i) Outstanding GDRs/ADRs/Warrants or Any Convertible Instrument, Conversion and Likely Impact on Equity:

NIL

(j) Site Location:

- H-2, 463-466, Sangaria Industrial Area, Jodhpur.
- K.No. 58, 58/5, 58/6, Village Tanawara, Tehsil Luni, District JODHPUR.

(k) Address of Correspondence:

Mr. Amit Baxi
COMPANY SECRETARY & COMPLIANCE OFFICER
4 F-15, "Oliver House", New Power House Road, Jodhpur-342001
Tel.: +91-0291-2610472, 2637565, 2637564
Fax: +91-0291-2432307
E-mail: info@ombhansali.com

MANAGEMENT DISCUSSION AND ANALYSIS

As per the requirement of the Listing Agreement as part of the Directors Report or in addition thereto a Management Discussion & Analysis Report forming part of the Tenth Annual Report to the Members is given below discussing the key issues:

FINANCIAL OVERVIEW

- A net sale for this year was Rs. 233974941.00 which was a 15.92 percent increase from previous year.
- Earnings Before Taxes were Rs. 19759476.00, which were 7.84 percent below the previous year Earnings.
- Earnings After Taxes were Rs. 15540307.00, which were 26.77 percent above the previous year Earnings.

INDUSTRY SCENARIO

The Conveyor Beltings form an integral part of BMH (**Bulk Material Handling System**). It serves as a chain right for material handling activities right from the stage of conveying raw material from far off and scattered locations till final rolling out of finished goods from any industry. Today's success mantra revolves around productivity and controlled overhead cost. The role of Conveying System is un-conditionally the nerve centre of any production activity in an industry. Apart from providing easy and uninterrupted logistics support for material handling system it reduces the costing and other over head expenses thereby enabling the user to stay in the main stream of competitive market at most competitive rates. Hence, the industries have woken to the reality that it is next to impossible to sustain production activity and ensure cost effectiveness without the help of the conveyor belts.

The markets are expanding exponentially in perspective of New Projects as well as ever growing Replacement Market for Conveyor Beltings. Today, Somi Conveyor Beltings Limited, a BSE Listed Public Limited Company backed with ISO 9001:2000 certification has captured niche position with reorganization from OEM's like TRF Limited, Jamshedpur; Mecon Limited, Ranchi; F.L. Schmidh Limited; Conweigh Systems P. Limited, Delhi; Hyqip Equipments P. Limited, Hyderabad; Takraf India Limited, Chennai; Humboldt Wedag (I) Pvt. Limited, N. Delhi; to name a few. The globalization has brought the world very near and time is ripe now to enhance country's share in the International Trade in the sphere of Conveyor belts exports.

With exponentially growing Infrastructure Projects basically Steel; Power; Mining and Cement it's estimated that Conveyor Belting Industry is bound to increase by 100% for next 15 years. The Company also proposes to make a big leap in comprehensive solution to Conveyor Beltings Solutions on contractual basis. The Contractual Process will need total solution to the organization like Essel Minings Limited (Grasim Group), JSW Bellary Limited, Bhushal Steels & Power Limited, Orissa, etc right from inventory; commissioning and after sales of conveyor beltings. This novel idea will escalate our Brand and guaranteed business.

International Market → Somi Conveyor Beltings Limited, has been able to penetrate into the international market and establishing sales/service/dealer network at Indonesia, UAE and Turkey. The Vision of Company is to establish as major supplier of conveyor beltings in big potential mining countries like Australia; South Africa; and USA apart from already established network.

COMPANY'S PERFORMANCE

Your company has performed better in comparison to previous year. Your company has achieved sales to the tune of Rs. 2339.75 Lacs and PBDIT to the tune of Rs. 454.94 Lacs, which shows growth of 15.92% and 34.21% over the previous year. During the year export sales of your company has entered into export market and achieved sales to the tune of Rs.261.47 lacs as compared to Rs.25.11 lacs previous year. During the year your company has also secured orders from Tamilnadu Electricity Board and Neyvely Lignite for the first time. Your company has also



started major expansion to facilitate additional Conveyor Belt Manufacturing Capacity and manufacturing of Rubber Sheets and coated fabrics which are widely used in aerospace and defence as well as by railway's, power generation and construction industries.

OUR STRENGTHS

Management → The Company has qualified; experienced and highly successful promoters, management, operations and technical teams who contribute to its growth and help it to successfully craft and implement its strategy. The Company believes that its competent, experienced and skilled operational and technical team is its key strength in sustaining business operations and management team is well placed to provide strategic leadership and direction to explore new emerging opportunities as well as constantly improve the current operations. The Company has recruited several professional who are expert in rubber technology, management and plant operation.

Design, Development & Research → SCBL's strength has been converting the stringent quality parameters of user into new developments meeting specifications. Previous year 2009-10, we have been able to design, develop and conceptualize new generation conveyor beltings:

1. STA[®] Beltings → this development first time in India will revolutionize the beltings technology in India in **technical collaboration with MEP-OLBO, Germany** by replacing Steel Cord Beltings by Our **STA[®] Beltings** made from Aramid Fabric. The Aramid Fabric is 5 times stronger than steel (Same diameter thread) and Equal in terms of elongation and life span as compared to steel. This will yield into substantial profit in years to come.

2. SAR-36[®] (FR&AS) → We are proud to be **The Only Conveyor Belt Manufacturing Company; recognized by DGMS, Dhanbad** (Directorate General Of Mines Safety, Government of India) for manufacturing Rubber Conveyor Belts SAR-36[®] (FR&AS) and Approved by CIMFR (Central Institute for Mining & Fire Research). This recognition has been possible due to intensive Research & Development efforts of our team of technocrats and Polymer Scientists. The demand for this new generation belting will yield and add substantially into profits as SAR-36[®] (FR&AS) has no competition and is a outcome of specific requirements of Underground Mining controlled by DGMS and designed specifically for Coal India in Association with CMPDIL, Ranchi (Technical Consultants to Coal India) and DGMS, Dhanbad.

3. Technology Up-gradation → Indian Market is price sensitive and at times emotionally driven. The customer care needs tender handling which in turn is based on competitive pricing. Irrespective of the Brand backed with unconditional and consistent quality; to remain leaders in the exponentially rising market we tend to keep on updating the technology for better productivity resulting into reduced overheads. The up-coming technology up-gradation includes machineries like 4 Roll PLC Controlled Calendar (fabric coating) with Cooling Drums; Vulcanizing Presses (1400mm and 1600 mm width); Banbury/Intermix (190 Litres); Mixing Mills with Breaker Units for Supply apart from Add-on supporting machineries to made in-house or out-sourced.

RISKS & CHALLENGES

There are certain factors, which may cause our actual results to differ materially from our expectations. Among them are:

- (i) Variations in prices of commodities and raw material;
- (ii) Recruitments and retention of employees with requisite expertise and skills;
- (iii) our ability to successfully implement our strategy, our growth and expansion plans; and
- (iv) the changes in various economic parameters including growth, inflation and interest rate;

INTERNAL CONTROL SYSTEM AND THE ADEQUACY:

Effective and adequate internal control systems are in place to ensure that all assets are safe guarded and protected against unauthorized use and the transactions are recorded and reported correctly. Such controls are

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subject to periodical review to ensure efficiency of operations, accuracy and promptness of financial reporting and compliance with all applicable statutory requirements. Compliance with various applicable laws are monitored through a procedure whereby the units send monthly reports of compliance to the Board regularly. A comprehensive report is placed before the board on risk assessment and minimization procedures adopted by the units.

The company's internal control systems and procedures are subject to comprehensive internal audit by outside experts whose reports are submitted to the audit committee. The Audit Committee comprising of independent Directors oversees the function of internal audit reviews the reports and monitors implementation of suggestions. The audit Committee interacts with the internal auditors about the adequacy of internal control systems

HUMAN RESOURCE DEVELOPMENT

Your company considers that a dedicated and enlightened work force is the back bone of any organization in achieving business goals. The company's HR initiatives stem from this philosophy. Your Company has maintained satisfactory, peaceful and cordial relations with its employees and further plans to improve better for consideration of most valuable asset of Human Resource in the Organization as well as to set a unique trend in the Industry in the coming future.

CAUTIONARY STATEMENT

Statements in this report describing the company's objectives, expectations, predictions and assumptions may be 'forward looking' within the meaning of applicable Securities Laws and Regulations. Actual results may differ materially from those expressed herein. Important factors that could influence the company's operations include global and domestic economic conditions affecting demand, supply, price conditions, natural calamities, change in Government's regulation, tax regimes, other statutes and other factors such as litigation and industrial relations.

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of
Somi Conveyor Beltings Limited

I have examined the compliance of Corporate Governance by Somi Conveyor Beltings Limited ("the Company") for the financial year ended on 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the above-mentioned Listing Agreement.

I 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: JODHPUR
Date: 1st September, 2010

S. SINGHVI & CO.

CS. Shweta Singhvi, Proprietor
Company Secretaries
C.P. No. 7660



DECLARATION

I, O.P. Bhansali, Chairman and Managing Director of Somi Conveyor Beltings Limited hereby declare that as of 31st March, 2010, all the Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct and Ethics for Directors and Senior Management Personnel laid down by the Company.

For **SOMI CONVEYOR BELTINGS LIMITED**

Place: JODHPUR
Date: 1st September, 2010

(O.P. Bhansali)
Chairman & Managing Director

CEO/CFO CERTIFICATION

I, O.P. Bhansali, Chairman, Managing Director & CEO/CFO of the company certify that:

I have reviewed the financial statements and the cash flow statements for the year 2009-10 and that to the best of our knowledge and belief:

1. These statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
4. I accept responsibility for establishing and maintaining internal control system and that i have evaluated the effectiveness of the internal control system of the Company and i have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control system, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
5. I further certify that I have indicated to the auditors and the Audit Committee:
 - (a) There have been no significant changes in internal control system during the year.
 - (b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (c) There have been no instances of significant fraud, of which we have become aware, involving management or an employee having a significant role in the Company's internal control system.

Place: JODHPUR
Date: 1st September, 2010

(O.P. Bhansali)
Chairman, MD & CEO/CFO

AUDITORS' REPORT

TO

THE MEMBERS

SOMI CONVEYOR BELTINGS LTD.,

JODHPUR (RAJASTHAN)

1. We have audited the attached Balance Sheet of Somi Conveyor Beltings Limited as at 31st March 2010, the Profit & Loss Account and Cash Flow Statement for the year ended on that date, annexed thereto. These Financial Statements are the responsibilities of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of section 227(4A) of the 'Companies Act, 1956', of India and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraph 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 were necessary for the purpose of our audit.
 - (ii) In our opinion, proper books of account as required by the law have been kept by the Company so far as it appears from our examination of the books;
 - (iii) The Balance sheet, the Profit & Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance sheet, Profit & Loss account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in subsection (3C) of Section 211 of the Companies Act, 1956.
 - (v) On the basis of written representation received from the directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2010 from being appointed as a Director in terms of section 274 (1) (g) of the Companies Act, 1956;
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with significant accounting policies and notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view;
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - (b) In the case of Profit & Loss Account, of the Profit of the Company for year ended on that date; and
 - (c) In the case of the Cash Flow Statement, of the cash flows, for the year ended on that date.

For P.SINGHVI & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No.113602W

Place: Jodhpur
Dated: 29th May, 2010

(PRAVEENSINGHVI)
Partner
M.No. 71608



ANNEXURE REFERRED TO IN PARAGRAPH 3 OF AUDITORS' REPORT OF EVEN DATE ON THE ACCOUNTS FOR THE PERIOD ENDED 31ST MARCH, 2010 OF SOMI CONVEYOR BELTINGS LTD.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we state that:

- (i) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The fixed assets are physically verified by the management during the year and no material discrepancies between the book records and the physical records have been noticed.
(c) In our opinion and according to the information and explanations given to us, the company has not disposed off a substantial part of fixed assets during the period.
- (ii) (a) The inventory has been physically verified by the management during the period. In our opinion, the frequency of verification is reasonable.
(b) In our opinion, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (iii) (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Company Act, 1956.
(b) The Company has not taken unsecured loans from directors.
(c) The company has taken unsecured loan from two firms covered in the register maintained under section 301 of the Act. The maximum amount involved during the year and the year-end balance of such loan is Rs. 22 lacs each respectively.
- (iv) (a) In our opinion and according to the information and explanations given to us, certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) (a) In our opinion and according to the information and explanations given to us, during the year under audit the contracts and arrangements which need to be entered in the register have been duly entered under section 301 of the Companies Act, 1956.
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the 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 taken any deposit under Sections 58A and 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975.
- (vii) In our opinion the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the management have been commensurate with the size of the company and the nature of its business.
- (viii) As explained to us, the Central government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.

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- (ix) (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, service tax, and cess as at March 31, 2010 on account of any dispute.
- (x) The Company has no accumulated losses as at March 31, 2010 and it has not incurred any cash losses in the year ended on that date or in the immediately preceding financial year.
- (xi) According to the records of the Company examined by us and the information and explanation given to us, the company has not defaulted in repayment of dues to any bank as at the balance sheet date.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statute applicable to Chit Fund/Nidhi/Mutual Benefit Fund/Societies are not applicable to the company.
- (xiv) In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- (xv) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company, for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the company.
- (xvi) In our opinion and according to the information and explanations given to us, the company has taken new term loan of Rs. 13.86 crores in addition to previous year term loan of Rs. 850.00 lacs from Punjab National Bank for expansion work of Unit – II at village tanawara, Jodhpur, which has been applied for the said purpose.
- (xvii) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis, which have been used for long-term investment.
- (xviii) The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Company Act, 1956 during the year.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money by way of public issue during the year. Therefore, the provisions of clause 4(xx) of the Order are not applicable to the company.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor we have been informed of such case by the management.

For P. SINGHVI & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No.113602W

Place: Jodhpur
Dated: 29th May, 2010

(PRAVEEN SINGHVI)
Partner
M.No. 71608



Somi Conveyor Beltings Ltd.

BALANCE SHEET AS AT 31st MARCH, 2010

<i>Particulars</i>	<i>Schedule</i>	<i>As at 31.03.2010 Amount (Rs.)</i>	<i>As at 31.03.2009 Amount (Rs.)</i>
<u>SOURCES OF FUNDS</u>			
SHAREHOLDERS' FUNDS			
Share Capital	"A"	117796560	117796560
Reserves & Surplus	"B"	291911649	260609312
LOAN FUNDS			
Secured Loans	"C"	146860403	81722090
Unsecured Loans	"D"	2200000	—
Deferred Tax Liability	"E"	5674747	6136165
TOTAL		564443359	466264127
<u>APPLICATION OF FUNDS</u>			
FIXED ASSETS			
Gross Block	"F"	288319481	279109067
Less: Depreciation		50657442	24922663
Net Block		237662039	254186404
Capital Work-In-Progress		112337690	31063354
Investments	"G"	9340000	12503000
Security Deposit	"H"	5065865	6264388
<u>CURRENT ASSETS, LOANS & ADVANCES</u>			
Cash and Bank Balances	"I"	5302523	5161628
Inventory	"J"	151524122	102654672
Sundry Debtors	"K"	63933993	37975862
Loans and Advances	"L"	23908220	20779502
		244668858	166571664
<u>LESS: CURRENT LIABILITIES & PROVISIONS</u>			
Sundry Creditors	"M"	48205490	14102120
Provisions for Expenses	"N"	8265196	5022054
		56470686	19124174
Miscellaneous Expenditure (To the extent not written off)	"O"	11839593	14799491
TOTAL	TOTAL	564443359	466264127
Significant Accounting Policies	"T"		
Notes to the Accounts	"U"		

AS PER OUR REPORT OF EVEN DATE ATTACHED.

FOR P. SINGHVI & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(PRAVEEN SINGHVI)
PARTNER
M.No.71608

(O.P. BHANSALI)
MANAGING DIRECTOR

Place: Jodhpur
Dated: 29th May, 2010

(GAURAV BHANSALI)
WHOLE TIME DIRECTOR

(AMIT BAXI)
COMPANY SECRETARY

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

<i>Particulars</i>	<i>Schedule</i>	<i>Year Ended on 31.03.2010 Amount (Rs.)</i>	<i>Year Ended on 31.03.2009 Amount (Rs.)</i>
INCOME			
Sales	"P"	233974941	201841208
Other Income	"Q"	6662450	1762462
TOTAL		240637391	203603670
EXPENDITURE			
Cost of Goods Sold	"R"	165166676	147027062
Other Costs	"S"	29976460	22678772
Depreciation		25734779	12455515
TOTAL		220877915	182161349
Profit Before Tax		19759476	21442321
Provision for Tax		(4680587)	(2622842)
Provision for FBT		0	(98655)
Deferred Tax		461418	(6462746)
Profit After Tax		15540307	12258078
Balance Brought Forward From Previous Year		40098521	27840443
Balance Carried To Balance Sheet		55638828	40098521
Earning Per Share (Basic/Diluted)		1.32	1.24
Significant Accounting Policies	"T"		
Notes to the Accounts	"U"		

AS PER OUR REPORT OF EVEN DATE ATTACHED.

FOR P. SINGHVI & ASSOCIATES
CHARTERED ACCOUNTANTS

(PRAVEEN SINGHVI)
PARTNER
M.No.71608
Place: Jodhpur
Dated: 29th May, 2010

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(O.P. BHANSALI)
MANAGING DIRECTOR

(GAURAV BHANSALI) (AMIT BAXI)
WHOLE TIME DIRECTOR COMPANY SECRETARY



SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2010

<i>Particulars</i>		<i>As at 31.03.2010 Amount (Rs.)</i>	<i>As at 31.03.2009 Amount (Rs.)</i>
SCHEDULE "A"			
SHARE CAPITAL			
AUTHORISED			
25000000 Equity Shares of Rs. 10.00 Each			
(Previous Year 25000000 Equity Shares of Rs. 10.00 Each)			
		250000000	250000000
		250000000	250000000
ISSUED, SUBSCRIBED & PAID UP			
11779656 (Previous Year 11779656)			
Equity Shares of Rs. 10.00 Fully Paid up			
		117796560	117796560
		117796560	117796560
SCHEDULE "B"			
RESERVES AND SURPLUS			
General Reserve			
Net Profit			
As per last Balance Sheet	40098521		
Add: Appropriated during the year	15540307	55638828	40098521
Share Premium			
Add: Addition during the year		181816800	26118000
		181816800	155698800
		181816800	181816800
Re-Valuation Reserve			
		54456021	38693991
		291911649	260609312
SCHEDULE "C"			
SECURED LOANS			
<i>Working Capital Loan</i>			
(Secured by way of Hypothecation of current assets present and future including entire stocks, raw materials, consumable stores and spares, finished goods and book debts.)			
		86210675	41673056
<i>Term Loans from Bank</i>			
(Secured by way of Hypothecation of Land, Building, Plant and Machinery)			
		60649728	40049034
		146860403	81722090
SCHEDULE "D"			
UNSECURED LOANS			
From Directors			
		—	—
From Others			
		2200000	—
		2200000	—
SCHEDULE "E"			
DEFERRED TAX LIABILITY/(ASSETS)			
Deferred Tax			
		5674747	6136165
		5674747	6136165

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2010

SCHEDULE "F"

FIXED ASSETS

Particulars	Gross Block As on 01-04-2009	Additions (Deductions) During the Period	Total	Depreciation		Total Depreciation	Net Block	
				Up to 31-03- 2009	For the Year		As on 31.03.2010	As on 31.03.2009
Land**	52623405	6756520	59379925	NIL	NIL	NIL	59379925	52623405
Building	81756249	—	81756249	8681204	7307504	15988708	65767541	73075045
Computer	832241	281253	1113494	611992	156299	768291	345203	220249
Plant & Machinery	140292889	1831544	142124433	14164240	17677006	31841246	110283187	126128649
Furniture & Fixtures	421153	341097	762250	214330	83888	298218	464032	206823
Vehicles	2912152	—	2912152	1219019	438352	1657371	1254781	1693133
Vehicles (C)	270978	—	270978	31878	71730	103608	167370	239100
Total	279109067	9210414	288319481	24922663	25734779	50657442	237662039	254186404
Capital Work-in- Progress	31063354	81274336	112337690	—	—	—	112337690	31063354
TOTAL	310172421	90484750	400657171	24922663	25734779	50657442	349999729	285249758

** Includes Revaluation on 15th February, 2006 and 16th February, 2006 and 25th March, 2010 by an approved value.

SCHEDULE "G"

INVESTMENTS

National Saving Certificates
Share Application Money

3000	3000
9337000	12500000
9340000	12503000

SCHEDULE "H"

SECURITY DEPOSITS

BSNL Deposit
Earnest Money Deposit
Bombay Stock Exchange Ltd.
G.M.T.D., Jodhpur
Security With JVVN Ltd.
Security With JVVN Ltd. Unit-II
Security With Vodafone
Security With Airtel

700	700
1915462	1839180
2292360	2292360
3000	3000
317967	317967
534126	1807681
250	1500
2000	2000
5065865	6264388

SCHEDULE "I"

CASH AND BANK BALANCES

Cash in Hand
With Scheduled Bank in Current A/c
FDR (For BG/LC Margin)

408573	46187
1648499	394999
3245451	4720442
5302523	5161628



SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2010

<i>Particulars</i>	<i>As at 31.03.2010 Amount (Rs.)</i>	<i>As at 31.03.2009 Amount (Rs.)</i>
<u>SCHEDULE "J"</u>		
<i>INVENTORIES</i>		
Stock of Raw Materials	87171492	79598650
Work-in-Progress	13372612	6666663
Finished Goods	50980018	16389359
	151524122	102654672
<u>SCHEDULE "K"</u>		
<i>SUNDRY DEBTORS & ADVANCES</i>		
(Unsecured and Considered Good)		
More Than Six Months	6755181	11370395
Less Than Six Months	57178812	26605467
	63933993	37975862
<u>SCHEDULE "L"</u>		
<i>LOANS AND ADVANCES</i>		
Advance to Raw Material Suppliers	5309197	1977898
Advance Against Factory Expenses	1396867	808461
Advance to Staff	3583225	2648860
Advance Payment Against Taxes	10310315	12331004
Advance to Others	2936118	2500048
Advance Against IPO Expenses	—	7595
Prepaid Insurance	372498	505636
	23908220	20779502
<u>SCHEDULE "M"</u>		
<i>SUNDRY CREDITORS</i>		
For Capital Goods	16879010	1231591
For Trade	26277453	10086711
For Expenses	3194010	1739880
Advance from Customers	1855017	1043938
	48205490	14102120
<u>SCHEDULE "N"</u>		
<i>PROVISIONS FOR EXPENSES</i>		
Provision for General Expenses	2817044	1781460
Statutory Dues	998152	3240594
	4815196	5022054
<u>SCHEDULE "O"</u>		
<i>MISCELLANEOUS EXPENDITURE</i>		
(To the extent not written off)		
Pre-operative Expenditure	11839593	14799491
	11839593	14799491

**SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED ON 31ST MARCH, 2010**

<i>Particulars</i>		<i>Year Ended on 31.03.2010 Amount (Rs.)</i>		<i>Year Ended on 31.03.2009 Amount (Rs.)</i>
<u>SCHEDULE "P"</u>				
SALES				
Sales (Domestic)		225428045		226111114
Sales (Export)		26147479		2511386
Less: Central Excise Duty		(17600583)		(26781292)
		233974941		201841208
<u>SCHEDULE "Q"</u>				
OTHER INCOME				
Interest on FDR		263455		1060868
Insurance Claim		—		169340
Other Interest Received		19078		159150
Income from DEP B License		794070		326896
Income From Exchange Fluctuation		249129		—
Discount Received		82612		43768
Other Income		4996175		2400
Subsidy Received		257931		—
Bank Interest		—		40
		6662450		1762462
<u>SCHEDULE "R"</u>				
COST OF GOODS SOLD				
Raw Material Consumption				
Opening Stock	79598650		34831943	
Add: Raw Material Purchase	193536082		178307960	
Less: Closing Stock	(87171492)	185963240	(79598650)	133541253
<i>(Increase)/Decrease in Stock</i>				
Opening Stock of W I P	6666663		2090572	
Opening Stock of Finished Goods	16389359		18092981	
Less: Closing Stock of W I P	(13372612)		(6666663)	
Less: Closing Stock of Finished Goods	(50980018)	(41296608)	(16389359)	(2872469)
Manufacturing and Other Expenses				
Power & Fuel	10562925		5532276	
Consumable Stores	3114387		3268099	
Repairs & Maintenance	1721432		972566	
Testing Charges	109304		5323	
Factory Expenses	179859		162054	
Freight Expenses	2629821		5059775	
Packing Expenses	2041268		1304588	
Economic Rent & Ser. Charges	55408		13417	
Water Expenses	85640	20500044	40180	16358278
		165166676		147027062



**SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED ON 31st MARCH, 2010**

<i>Particulars</i>	<i>Year Ended on 31.03.2010 Amount (Rs.)</i>	<i>Year Ended on 31.03.2009 Amount (Rs.)</i>
SCHEDULE "S"		
Other Cost		
Employee Cost	5732370	4168860
Administrative Expenses	905649	1510283
Auditors Remuneration	140000	140000
Finance Charges	1327944	891586
Interest	11159487	10464973
Insurance	415591	707520
Donation	500	500
Selling & Distribution Expenses	6882125	4175941
Office Rent	110000	110000
Preliminary Expenses	2959898	—
Other Expenses	342896	509109
	29976460	22678772

SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT AS ON 31st MARCH, 2010

SCHEDULE "T": SIGNIFICANT ACCOUNTING POLICIES

1. ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention, on accrual basis, in conformity in all material aspects with the generally accepted accounting principles and comply with the Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

2. FIXED ASSETS AND DEPRECIATION

- (a) Fixed Assets are stated at cost (net of cenvat/value added tax) including freight, duties, customs and other incidental expenses relating to acquisition and installation and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any.
- (b) Depreciation has been provided on written down value method (WDV) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

3. INVESTMENTS

Long-term investments intended to be held for more than a year, from the date of acquisition, are classified as long-term investments and are carried at cost.



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4. INVENTORIES

Items of inventories are measured at lower of cost or net realizable value. Cost of Raw material, stores and spares are determined on first in first out basis.

5. REVENUE RECOGNITION

Revenue from sale of goods is accounted for on the basis of dispatch of goods. Sales are inclusive of excise duty and net of sales return and trade discounts.

6. TAXATION

(a) Income Tax Provision

The provision for taxation is based on assessable profits of the company as determined under the Income Tax Act, 1961.

(b) Deferred Tax

As per AS-22 issued by the Institute of Chartered Accountants of India, Company provides for deferred tax using the liability method, based on the tax effect of timing differences resulting from the recognition of items in the financial statements and in estimating its current income tax provision.

Deferred Tax Assets arising from temporary timing differences are recognised to the extent there is reasonable certainty that the assets can be realized in future.

7. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are accounted for at the exchange rate prevailing on the transaction date. Gain/loss arising out of fluctuation in rate between transaction date and settlement date in respect of revenue items are recognised in the Profit and Loss Account.

8. RESEARCH AND DEVELOPMENT

Revenue expenditure on research and development is charged in the year in which it is incurred. Equipment purchased for development is capitalised when commissioned and included in the gross block of fixed assets.

9. RETIREMENT BENEFITS

(i) Defined contribution Plans

Company's contribution paid/payable during the year to provident fund are recognized in the Profit and Loss Account.

(ii) Defined Benefit Plan

The gratuity will be paid as and when employee leaves. Liability towards gratuity is based on actuarial valuation carried out by the an authorized actuary which is in compliance with AS-15 (revised) issued by the Institute of Chartered Accountants of India.

10. BORROWING COST

Borrowing Costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised till the month in which the asset is ready to use as part of the cost of that asset. Interest on working capital is charged to revenue accounts following the AS-16 issued by the Institute of Chartered Accountants of India.



11. IMPAIRMENT OF FIXED ASSETS

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset with future net discounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment is recognized by debiting the profit and loss account and is measured as the amount by which the carrying amount of the assets exceeds the fair value of the assets. Previously recognized impairment is further provided or reversed depending on change in circumstances.

12. SEGMENT REPORTING

The Company has only one reportable segment (AS-17) for the year ended on 31st March, 2010, which is manufacturing and sale of industrial conveyor belts.

SCHEDULE "U": NOTES ON ACCOUNTS

1. WORKING CAPITAL

The Working capital facilities amounting to Rs. 750 lacs (previous year Rs. 600.00 Lacs) have been sanctioned by bank and are secured by hypothecation of stocks, spares and book debts.

2. CONTINGENT LIABILITIES NOT PROVIDED FOR:

	31.03.2010	31.03.2009
Letters of Credit	17219379.00	9916560.00
Bank Guarantees	16641000.00	8880159.00

3. FOREIGN CURRENCY TRANSACTION

The amount of exchange rate difference in respect of foreign currency transactions has been recognised in the Profit and Loss Account amounting to Rs. 249129.00 (previous year Rs. (175635.00)).

4. PRE OPERATIVE EXPENSES

Company has made expenditure on new project to the tune of Rs. 147.99 lacs in last year. Company has amortised Rs. 2959898.00 (1/5th of Rs. 147.99 lacs), which is recognized in Profit & Loss A/c.

5. DEFERRED TAX

The Calculation of Deferred Tax is as under:

	Deferred Tax Asset/(Liability) As on 01.04.2009	Current Year (Change)/Credit	Deferred Tax Asset/(Liability) As on 31.03.2010
Depreciation	(6224069.00)	447158.00	(5776911.00)
Provision for Gratuity	87904.00	14260.00	102164.00
Brought forward Loss	NIL	NIL	NIL
Net	(6136165.00)	461418.00	(5674747.00)

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SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT AS ON 31st MARCH, 2010

6. RELATED PARTY DISCLOSURES

In accordance with the Accounting Standard on "Related Party Disclosures" (AS-18), the disclosure in respect of transactions with the Company's related parties are as follows:

A. List of Related parties with whom transactions have taken place and relationship

<i>Particulars</i>	<i>Financial Year ended 31.03.2010</i>	<i>Financial Year ended 31.03.2009</i>
Nature of Relationship	Name of Party	Name of Party
Key Management Personnel ('KMP')	O.P. Bhansali Vimal Bhansali Gaurav Bhansali	O.P. Bhansali Vimal Bhansali Gaurav Bhansali
Relative of Key Management Personnel ('RKMP')	Om Kumari Bhansali Priya Bhansali Ruchi Bhansali Madhu Mehta	Om Kumari Bhansali Priya Bhansali Ruchi Bhansali Madhu Mehta
Related parties where KMP/RKMP exercise significant influence	Oliver Micon Inc Earth Movers Enterprises Om Prakash Bhansali HUF Vimal Bhansali HUF Gaurav Bhansali HUF	Oliver Micon Inc Earth Movers Enterprises Om Prakash Bhansali HUF Vimal Bhansali HUF Gaurav Bhansali HUF

B. Transaction during the Year with Related Parties:

(Rs. in Lacs)

<i>Particulars</i>	<i>Nature of Relation ship</i>	<i>31.03.2010</i>	<i>31.03.2009</i>
Sale of Goods	Related parties where KMP/RKMP exercise significant influence	7.23	15.40
Purchases	Related parties where KMP/RKMP exercise significant influence	0.35	0.61
Managerial Remuneration	Key Management Personnel ('KMP')	8.88	8.88
Sitting Fee	Key Management Personnel ('KMP')	—	—
Interest Paid	Key Management Personnel ('KMP')	—	—
	Relatives of Key Management Personnel ('RKMP')	—	—
Sales Incentive	Key Management Personnel ('KMP')	—	—
Subscription to Purchase of Equity shares	Key Management Personnel ('KMP')	—	56.25
	Relatives of Key Management Personnel ('RKMP')	—	—
Loan Received	Key Management Personnel ('KMP')	—	—
	Relatives of Key Management Personnel ('RKMP')	10.00	—
Loan Paid	Key Management Personnel ('KMP')	—	—
	Relatives of Key Management Personnel ('RKMP')	—	—

C. Out Standing Balances:

Sales of Goods	Related parties where KMP/RKMP exercise significant influence	—	15.45
Loans	Key Management Personnel ('KMP')	—	22.68
	Relatives of Key Management Personnel ('RKMP')	10.00	—



SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT AS ON 31ST MARCH, 2010

7. EARNING PER SHARE (EPS):

(Rs. in Lacs)

<i>Particulars</i>	31.03.2010	31.03.2009
Net Profit After Tax	155.40	123.82
No. of Equity Shares Weighted Average	11779656	9953927
Earning Per Share*	1.32	1.24
Price Per Share	10	10

* EPS (Basic/Diluted) CALCULATED ACCORDING TO AS-20

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the cash flow statement comprises of cash at bank, cash in hand and liquid investments as per AS-3 on cash flow statement.

9. CAPITAL WORK-IN-PROGRESS

In respect of supply-cum-erection, the value of supplies received at site and accepted is treated as Capital Work-in-Progress.

Incidental Expenditure during construction (net) including corporate office expenses for the year is apportioned to capital Work-in-Progress on the basis of accretion thereto.

10. SUPPLEMENTARY STATUTORY INFORMATIONS

(a) Managing Director's Remuneration

<i>Particulars</i>	Year ended 31st March, 2010	Year ended 31st March, 2009
Salaries	432000	432000
Total	432000	432000

(b) Executive Director's and Whole Time Directors Remuneration

<i>Particulars</i>	Year ended 31st March, 2010	Year ended 31st March, 2009
Salaries	456000	456000
Total	456000	456000

(c) Computation of Net Profit in accordance with section 349 of the Companies Act, 1956 for Calculation of Remuneration to the Managerial Personnel.

<i>Particulars</i>	Year ended 31st March, 2010	Year ended 31st March, 2009
Profit Before Tax as per Profit and Loss Account*	19759476	21442321
Add: Managerial Remuneration	888000	888000
Depreciation as per Books	25734779	12455515
Less: Deduction under section 349 and 350	NIL	NIL



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Particulars	Year ended 31 st March, 2010	Year ended 31 st March, 2009
Depreciation under Section 349	25734779	12455515
Net Profit for the purpose of Managerial Remuneration	20647477	22330321
Maximum Remuneration Payable up to 10% of the above to Whole-time Directors	2064748	2233032

* The Profit and Loss account include Rs. 888000/- (Previous Year Rs. 888000/-) towards remuneration to the Managerial personnel.

(d) Details of Payment to Auditors

Particulars	Year ended 31 st March, 2010	Year ended 31 st March, 2009
For Internal Audit	40000	40000
For Statutory Audit	100000	100000
Total	140000	140000

11. The company has reported a profit to the tune of Rs. 49.95 Lacs on account of surplus and unused land disposed off during the year, which has been included in Other Income head of Profit & Loss A/c.

12. The company is in the process of identifying Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium enterprises Development Act, 2006. Hence disclosure relating to amounts unpaid as at the year end together with interest payable thereon has not been given.

13. Previous year's figures have been re-cast, regrouped and re-arranged wherever considered necessary to make them comparable.

ADDITIONAL INFORMATION PURSUANT TO PART- II OF SCHEDULES VI TO THE COMPANIES ACT, 1956.

LICENSED CAPACITY			Not Applicable			
			31.03.2010		31.03.2009	
A	Capacity Production	Mtrs	302400		302400	
B	Production (Conveyor Belt)	Mtrs	164170.17		112923.39	
			Qty.	Value (Rs. in lacs)	Qty.	Value (Rs. in lacs)
C	Turnover	Mtrs/Rs.	153992.65	2339.75	115779	2302.20
D	Opening Stock	Mtrs/Rs.	5083.00	163.89	7939.00	180.93
E	Closing Stock	Mtrs/Rs.	15260.52	509.80	5083.00	163.89
F	Purchases of Raw Material	Kgs/Rs.	2926685.70	1935.36	2087763.23	1783.08
G	Consumption of Raw Material	Kgs/Rs.	2799820.50	1859.63	1866613.93	1335.41
H	Consumable Stores	Rs.		31.14		32.68
I	CIF Value of Imports	Rs.		475.73		267.95
	Raw Material	Rs.		359.57		267.95
	Capital Goods	Rs.		116.16		—



Somi Conveyor Beltings Ltd.

LICENSED CAPACITY		Not Applicable	
		31.03.2010	31.03.2009
J	Expenditure in Foreign Currency	Rs. 469.34	274.69
	Raw Material	Rs. 315.32	274.69
	Capital Goods	Rs. 154.02	—
K	Earnings in Foreign Currency	Rs. 258.80	NIL
L	Amount Remitted in foreign currency on account of dividend	Rs. NIL	NIL

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

Particulars	For the year ended 31.03.2010	For the year ended 31.03.2009
<u>A. CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit Before Tax	19759476	21442321
Depreciation Charged	25734779	12455515
Preliminary Expenses written off	2959898	0
Interest Charged	11159487	10464973
Interest Received	(282533)	(1220058)
Other Income	(5252421)	(171740)
Operating Profit Before Working Capital Changes	54078686	42971011
Trade and Other Receivable	(25958131)	(17020190)
Inventories	(48869450)	(47639176)
Trade Payables & Provisions	33818796	(9562461)
Loans & Advances and Other Current Assets	(598718)	(1373417)
Advance Tax Paid	(2530000)	(981263)
Cash Generated from Operations	9941183	(33605496)
Direct Taxes paid	(1152871)	(9473859)
Net Cash From Operating Activities (a)	8788312	(43079355)
<u>B. CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase/Acquisition of Fixed Assets	(83728230)	(57388309)
Sale of Fixed Assets	9005510	
Security Deposit	1198523	(1225727)
Purchase/Sales of Investment	3163000	(12500000)
Preliminary Expenses Incurred	0	(8705885)
Other Income	5252421	171740
Interest Received	282533	1220058
Net Cash used in Investing Activities (b)	(64826243)	(78428123)
<u>C. CASH FLOW FROM FINANCING ACTIVITIES</u>		
Proceeds From Issuance of Shares	0	62279520



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<i>Particulars</i>	<i>For the year ended 31.03.2010</i>	<i>For the year ended 31.03.2009</i>
Share Application Money (Pending allotment)	0	(46850000)
Share Premium Received	0	155698800
Secured Loans	65138313	(37092867)
Unsecured Loans	2200000	0
Interest Paid	(11159487)	(10464973)
Net cash from Financing Activities (c)	56178826	123570480
Net Increase/(Decrease) in Cash & Cash Equivalents (a+b+c)	140895	2063002
Cash & Cash Equivalent At The Beginning of The Year	5161628	3098626
Cash & Cash Equivalent At The End of The Year	5302523	5161628

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 (Revised) on Cash Flow Statements as prescribed by Companies (Accounting Standard) Rules, 2006.
2. Previous year's figures have been re-cast, re-grouped and re-arranged wherever considered necessary to make them comparable.

AS PER OUR REPORT OF EVEN DATE ATTACHED.

FOR P. SINGHVI & ASSOCIATES
CHARTERED ACCOUNTANTS

(PRAVEEN SINGHVI)
PARTNER
M.No.71608
Place: Jodhpur
Dated: 29th May, 2010

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(O.P. BHANSALI)
MANAGING DIRECTOR

(GAURAV BHANSALI)
WHOLE TIME DIRECTOR

(AMIT BAXI)
COMPANY SECRETARY



**INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

I. Registration Details

Registration No

0	1	6	4	8	0
---	---	---	---	---	---

 State Code

1	7
---	---

Balance Sheet Date

3	1
---	---

0	3	2	0	1	0
---	---	---	---	---	---

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

Public Issue

N	I	L
---	---	---

 Right Issue

N	I	L
---	---	---

Bonus Issue

N	I	L
---	---	---

 Private Placement

N	I	L
---	---	---

III. Position of Mobilisation and Deployment of Funds (Amount in Rs Thousands)

Total Liabilities

5	6	4	4	4	3
---	---	---	---	---	---

3	6
---	---

 Total Assets

5	6	4	4	4	3
---	---	---	---	---	---

3	6
---	---

SOURCES OF FUNDS

Paid-up capital

1	1	7	7	9	6
---	---	---	---	---	---

5	6
---	---

Secured Loans

1	4	6	8	6	0
---	---	---	---	---	---

4	0
---	---

DEFERRED TAX LIABILITIES

0	0	5	6	7	4
---	---	---	---	---	---

7	5
---	---

APPLICATION OF FUNDS

Net Fixed Assets

3	4	9	9	9	9
---	---	---	---	---	---

7	3
---	---

Net Current Assets

1	8	8	1	9	8
---	---	---	---	---	---

1	7
---	---

Accumulated Losses

N	I	L
---	---	---

Reserves & Surplus

2	9	1	9	1	1
---	---	---	---	---	---

6	5
---	---

Unsecured Loan

0	0	2	2	0	0
---	---	---	---	---	---

0	0
---	---

Investments

0	0	9	3	4	0
---	---	---	---	---	---

0	0
---	---

Misc. Expenditure

0	1	1	8	3	9
---	---	---	---	---	---

5	9
---	---

Security Deposits

0	0	5	0	6	5
---	---	---	---	---	---

8	7
---	---

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

Total Income

2	4	0	6	3	7
---	---	---	---	---	---

3	9
---	---

Profit Before Tax (-)

0	1	9	7	5	9
---	---	---	---	---	---

4	8
---	---

Earning per Share (Rs.)
(Basic/Diluted)

1	3	2
---	---	---

Total Expenditure

2	2	0	8	7	7
---	---	---	---	---	---

9	2
---	---

Profit After Tax (-)

0	1	5	5	4	0
---	---	---	---	---	---

3	1
---	---

Dividend Rate %

N	I	L
---	---	---

V. Generic Name of Two Principal Products/Services of Company

(As per monetary terms)

Item Code No. (ITC Code)

N	O	T	A	P	P	L	I	C	A	B	L	E
---	---	---	---	---	---	---	---	---	---	---	---	---

Products Description

C	O	N	V	E	Y	O	R	B	E	L	T	S
---	---	---	---	---	---	---	---	---	---	---	---	---

Item Code No. (ITC Code)

N	O	T	A	P	P	L	I	C	A	B	L	E
---	---	---	---	---	---	---	---	---	---	---	---	---

Production Description

N	O	T	A	P	P	L	I	C	A	B	L	E
---	---	---	---	---	---	---	---	---	---	---	---	---

AS PER OUR REPORT OF EVEN DATE ATTACHED.

FOR P. SINGHVI & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(PRAVEEN SINGHVI)
PARTNER
M.No.71608

(O.P. BHANSALI)
MANAGING DIRECTOR

Place: Jodhpur
Dated: 29th May, 2010

(GAURAV BHANSALI)
WHOLE TIME DIRECTOR

(AMIT BAXI)
COMPANY SECRETARY

BOOK POST

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