

SUNITI COMMERCIALS LIMITED

82, Maker Chambers No. III, Nariman Point, Mumbai – 400 021

Tel: 22817051, 52 Fax: 22875197

NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the Members of SUNITI COMMERCIALS LIMITED will be held on Saturday, the 14th day of August, 2010 at 11.30 p.m. at the Registered Office of the Company at 82, Maker Chambers No. III, Nariman Point, Mumbai to transact the following:

AS ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet as at March 31, 2010, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Virendra Jain, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Messrs H. H. Bandukwala & Co., Chartered Accountants, the retiring auditors as Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and fix their remuneration.

By order of the Board of Directors

Director

Dated: 29th May, 2010
Mumbai

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.
- 2) The instrument appointing a proxy or Power of Attorney, if any, under which it is signed should be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the aforesaid meeting.
- 3) The Register of Members and Share Transfer books will remain closed from Monday, 9th August, 2010 to Saturday, the 14th day of August, 2010 (both days inclusive)

By order of the Board of Directors

Director

Dated: 29th May, 2010
Mumbai

Aqueel A. Mulla
B.Com., L.L.M., F.C.S., A.C.I.S (U.K.), D.I.T.

A. A. MULLA & ASSOCIATES

Company Secretaries

D-201, Trade Corner, Sakinaka Junction, Andheri (East), Mumbai – 400 072

Tel : 28524536 / 0464 Fax : 28523435 Email : aqueel_mulla@yahoo.com ,
aqueelmulla@gmail.com M : 9892237418

Registration No.11-036686

Nominal Capital: Rs.28,00,000/-

SECRETARIAL COMPLIANCE CERTIFICATE

To,

The Members,

M/s. SUNITI COMMERCIALS LIMITED

82, Maker Chambers III, Nariman Point, Mumbai-400 021.

I have examined the registers, records, books and papers of **M/s. SUNITI COMMERCIALS LIMITED**, as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended 31st March, 2010 (financial year). In my opinion and to the best of my information and according to the examination carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Register of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the act and the rules made thereunder.
3. The Company being a public limited Company, comments are not required.
4. The Board of Directors duly met 06 times on 01/04/2009, 19/06/2009, 30/07/2009, 31/10/2009, 28/01/2010 and 31/03/2010 in respect of which meetings proper notices were given and the proceeding were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.

Contd...2/-



: 2:

5. The Company has closed its Register of Members and Transfer Books from 22-07-2009 to 27-07-2009 and necessary compliance of Section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on 31st March, 2009 was held on 27-07-2009 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting (s). Was/were held during the financial year.
8. The Company has not advanced any loan to its Directors or persons or firms or companies referred to in section 295 of the Act.
9. The Company has not entered into any contract falling within the purview of section 297 of the Act.
10. The Company has made entries in the register maintained under Section 301 of the Act.
11. There were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government, as the case may be.
12. The Company has not issued any duplicate certificates during the financial year.
13. During the year :
 - a) There was no allotment /transfer/transmission of securities during the financial year.
 - b) The company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - c) The company was not required to post warrants to any member of the Company as no dividend was declared during the financial year.

Contd...3/-



: 3:

- d) The Company has not declared any dividend and there were no deposit matured, or matured debentures and the interest accrued thereon etc. the provision of transfer of unclaimed or unpaid Accounts to the Investors Education and Protection Fund does not apply to the Company.
- e) The company duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional Directors, alternate Director and Directors to fill casual vacancy during the financial year.
15. The Company has a Whole-time Director designated as Director (Works) and he has been paid remuneration for the services rendered to the company.
16. The Company has not appointed any sole selling agent during the financial year.
17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar of Companies or such other authorities as prescribed under various provision of the Act.
18. The Directors have disclosed their interest in the firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares/debentures/other securities during the financial year
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transaction necessitating the Company to keep in abeyance the right to dividend, right shares and bonus shares pending registration of the shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the provisions of Section 58A during the financial year.



Contd...4/-


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24. The Company has not made any borrowing during the financial year ended 31st March, 2010.
25. The Company has not made any loan or advances or given guarantee or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum of Association with respect to the situation of the Registered Office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum of Association with respect to the object of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum of Association with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum of Association with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There were no prosecution(s) initiated against or show cause notices received by the Company, during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not constituted Provident Fund pursuant to Section 418 of the Act, during the financial year.

For A.A. MULLA & ASSOCIATES
Company Secretaries



Place: Mumbai
Dated : 29th May 2010


(AQUEEL A. MULLA)
Proprietor
C.P. No.3237
FCS NO. 2973

ANNEXURE 'A'
M/s. SUNITI COMMERCIALS LIMITED


Statutory Registers

1. Register of Member U/s 150
2. Register of Directors, Managing Director, Manager and Secretary U/s 303
3. Register of Directors shareholdings U/s 307
4. Register of contracts U/s 301
5. Minutes Book of all Board Meetings and general Meetings U/s 193 of the Act

Other Registers

1. Register of Transfer

For A.A. MULLA & ASSOCIATES
Company Secretaries


(AQUEEL A. MULLA)
Proprietor
C.P. No.3237
FCS NO. 2973

Place : Mumbai
Dated : 29th May 2010

ANNEXURE 'B'
M/s. SUNITI COMMERCIALS LIMITED

1. Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the Financial Year 31st March, 2010.

Sr. No.	Form No.	Filed U/Section	For	Dt of Filing	Whether filed on time Yes/No.	If delay in filing whether requisite additional fee paid Yes/ No.
1	Balance Sheet Form No. 23AC/ACA	220	Annual requirement for the year ended 31 st March, 2009	06/10/09	No.	Yes.
2	Annual return Form No. 20B	159	Annual requirement for the year ended 31 st March, 2009	18/09/09	No.	Yes.
3	Form No.66	383A	Secretarial Compliance certificate year ended 31 st March, 2009	05/08/09	No.	Yes.

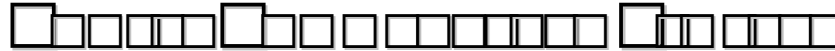
2. Regional Director- Nil
3. Central Government- Nil
4. Other Authorities- Nil

For A.A. MULLA & ASSOCIATES
 Company Secretaries

(Signature)
 (AQUEEL A. MULLA)
 Proprietor
 C.P. No.3237
 FCS NO. 2973



Place : Mumbai
 Dated : 29th May 2010



82, Maker Chambers No. III, Nariman Point, Mumbai – 400 021
Tel: 22817051, 52 Fax: 22875197

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 25th Annual Report of your Company together with the Audited Financial Results for the year ended on 31st March, 2010.

Financial Results:

(Amount in Rs. thousands)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
Profit/(Loss) before Depreciation, Interest, Income-tax and adjustment for prior period items	5187.23	1384.90
Less: Interest & Finance Charges	1.23	1.93
Depreciation	<u>3372.06</u>	<u>3786.96</u>
Profit/(Loss) before Income-tax and adjustment for prior period items	1814	(2404)
Less: Provision for Taxation		
Current Tax	126.7	-
MAT Credit	(123.03)	-
Fringe Benefit Tax	-	-
Deferred Tax	-	-
Profit/(Loss) after tax but before adjustment for prior period items	1810.71	(2404)
Less: Prior Period Adjustments (Net)	11.13	2.92
Less: Income-Tax of earlier years	(34)	-
Transferred to Balance Sheet	<u>1787</u>	<u>24583.55</u>

Operations:

During the year under review, your Company has recorded a turnover of Rs. 14,768 thousands as compared to Rs. 1,877 thousands in the previous year.

Dividend:

In view of loss for the year your Directors do not recommend any dividend.

Fixed Deposits:

During the period under consideration, your Company has not accepted deposits within the meaning of Section 58A of the Companies Act, 1956.

Directors:

In accordance with the provisions of the Companies Act, 1956 and Company's clause 119 of the Articles of Association, Mr. Virendra Jain by rotation and being eligible have recommended for re-appointment.

Directors' Responsibility Statement:

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is, hereby, confirmed:

- i) that in the preparation of the accounts for the financial year ended 31st March, 2010, applicable accounting standards have been followed along with proper explanation relating to material departure;
- ii) that appropriate accounting policies have been selected and applied consistently and have made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2010 and of the loss of the Company for the year ended on that date;
- iii) that proper and sufficient care has been taken 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;
- iv) that accounts for the financial year ended 31st March, 2010 have been prepared on a 'going concern' basis.

Auditors and Auditors' report:

Messrs H. H. Bandukwala & Co., Chartered Accountants, holds office as the Auditors of your company until the conclusion of the ensuing Annual General Meeting. Your Company had received a certificate from them to the effect that their appointment if made, would be within the prescribed limit under Section 224 (1B) of the Companies Act, 1956.

The notes to the Accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further explanation.

Disclosure of particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo:

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988, are given in Annexure A forming part of this Report.

Particulars of Employees:

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is not given as during the year, as none of the employee was paid any remuneration exceeding the sum prescribed under the same section and rules.

Compliance Certificate:

Secretarial Compliance certificate as required under the provisions of Section 383A of the Companies Act, 1956 is annexed hereto and forms part of the Report.

Industrial relations:

The relations with the employees at all levels were cordial and satisfactory.

Acknowledgements

Your Directors expresses their appreciation for the assistance and co-operation received from the Banks, Governments and other departments during the year under review and also place on record their deep sense of appreciation for the devoted services of the executives, staff and workers of your Company.

For & on behalf of the Board of Directors

Sd/-
Director

Dated: 29th May, 2010
Place: Mumbai

AUDITORS' REPORT

TO THE MEMBERS OF SUNITI COMMERCIALS LIMITED

1. We have audited the attached Balance Sheet of Suniti Commercials Limited as at 31st March 2010 and Profit and Loss Account of the Company for the year ended on that date which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have 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 also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial 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 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order to the extent applicable to the Company.
4. Further to our comment in the Annexure referred to in Paragraph 3 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, the company has kept proper books of accounts as required by law so far as it appears from our examination of those books.
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (v) On the basis of the written representations received from the Directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon and attached thereto give the information required by the Companies Act, 1956 in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India:
- (a) in the case of Balance Sheet of the state of affairs of the Company as at 31st March, 2010 and
 - (b) in the case of Profit and Loss Account, of the profit for the year ended on that date.
 - (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Mumbai.
Dated: 29-05-2010



For H.H. Bandukwala & Co.
Chartered Accountants
FRN - 100965W

H.H. Bandukwala
Partner
Membership No. 016940

Annexure To Auditors' Report

Annexure referred to in Paragraph 3 of our report of even date.

In our opinion and according to the information and explanations given to us and on the basis of relevant records and documents produced for our verification, we report that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) As explained to us, the management has at reasonable intervals, physically verified fixed assets and no material discrepancies between physical inventories and book records were noticed.
(c) The Company has not sold / disposed off any significant portion of fixed assets during the year.
2. Inventories were physically verified by the management at reasonable intervals.
(a) The procedure of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
(b) The Company has maintained proper records of its inventory. The discrepancies noticed on physical verification between physical stock and book records were not material.
3. The company has neither granted nor taken any loans, secured or unsecured to / from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
4. There are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to fixed assets. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5. (a) In our opinion the transactions which need to be entered into the register maintained in pursuance of section 301 of the Companies Act, 1956 have been so entered.
(b) These contracts or arrangements have been made at prices which are *prima facie* having regard to the prevailing market price at the relevant time.
6. The company has not accepted any deposits from the public during the year.
7. The Company does not have formal internal audit system.
8. (a) The Company has been generally regular in depositing undisputed statutory dues including income tax and other statutory dues applicable to it with the appropriate authorities during the year.
(b) No undisputed amounts payable in respect of income tax, wealth tax and cess were in arrears, as on 31st March, 2010 for a period of more than six months from the date they became payable.
(c) There are no dues of income tax, wealth tax and cess, which have not been deposited on account of any dispute.
9. The Company does not have any accumulated losses at the end of the year. The Company has not incurred cash losses during the current and the immediately preceding financial year.
10. The Company has neither taken any loans from banks or financial institution nor issued any debentures.

11. No loans or advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
12. The Company is not a chit fund or a nidhi / mutual benefit fund / society. The provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are therefore not applicable to the Company.
13. The Company has not given any guarantee for loans taken by others from banks and financial institutions during the year.
14. The Company has not taken any term loan from the banks and financial institutions during the year.
15. On an overall examination of the Balance Sheet of the Company, funds raised on short term basis have not *prima facie*, been used during the year for long term investments and vice versa.
16. 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, 1956.
17. No fraud on or by the Company has been noticed or reported during the year.

Mumbai.
Dated: 29-05-2010



For H.H. Bandukwala & Co.
Chartered Accountants
FRN - 100965W

H.H. Bandukwala
Partner
Membership No. 016940

Suniti Commercials Limited
Balance Sheet as at 31st March, 2010

(Amount in Rupees)

SOURCES OF FUNDS	AS AT 31-03-10	AS AT 31-03-09
Share Capital	2,400,000	2,400,000
Reserves & Surplus	30,384,519	28,596,716
	32,784,519	30,996,716
APPLICATION OF FUNDS		
Fixed Assets		
(a) Gross Block	39,948,472	41,482,379
(b) Depreciation	18,207,028	15,753,669
(c) Net Block [(a)-(b)]	21,741,444	25,728,710
Work-in-Progress	1,194,600	-
Investments	2,617,044	3,446,994
(a) Current Assets, Loans & Advances	8,178,883	3,565,455
(b) Current Liabilities & provisions	947,453	1,744,443
(c) Net Current Assets [(a)-(b)]	7,231,430	1,821,012
	32,784,519	30,996,716

Significant accounting policies and notes on accounts

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The schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date.

For H.H. Bandukwala & Co.,

Chartered Accountants.

*For and on behalf
of the Board of Directors*

(Pankaj Goel)

H.H. Bandukwala.
Partner.

Mumbai.

Dated : 29-05-2010

(Bijay Saraf)

Directors

Suniti Commercials Limited

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

(Amount in Rupees)

	SCH	YEAR ENDED 31-03-10	YEAR ENDED 31-03-09
INCOME			
Sales [Net of Excise]	-	14,768,024	1,877,410
Miscellaneous	G	390,781	334,591
Increase in Stock of Finished Goods	H	2,005,755	638,798
Profit on Sale of Investments	-	96,915	566
Profit on Sale of Fixed Assets	-	3,049	10,392
		17,264,524	2,861,757
EXPENDITURE			
Manufacturing Expense	I	11,450,361	1,232,476
Administrative & Other Expense	J	627,721	246,309
		12,078,082	1,478,785
PROFIT BEFORE DEPRECIATION			
Depreciation	C	5,186,442	1,382,972
		3,372,065	3,786,960
PROFIT / (LOSS) BEFORE TAX			
Provision for Taxation		1,814,377	(2,403,988)
Current Tax		126,700	-
MAT Credit		(123,033)	-
PROFIT / (LOSS) AFTER TAX			
Taxes of Earlier Years		1,810,710	(2,403,988)
Prior Period Adjustment (Net)		(34,038)	-
		11,130	(2,921)
SURPLUS / (DEFICIT) CARRIED TO BALANCE SHEET			
		1,787,802	(2,406,909)

Significant accounting policies and notes on accounts K

The schedules referred to above form an integral part of the Profit & Loss Account.

As per our report of even date.
For H.H. Bandukwala & Co.,
Chartered Accountants.

*For and on behalf
of the Board of Directors*

(Pankaj Goel)

H.H. Bandukwala.
Partner.

Mumbai.
Dated : 29-05-2010

(Bijay Saraf)
Directors

Suniti Commercials Limited

Schedules forming part of the Balance Sheet and Profit & Loss Account
(Amount in Rupees)

SCHEDULE - A - SHARE CAPITAL

AUTHORISED

2,40,000 (2,40,000) Equity Shares of Rs. 10 each

40,000 (40,000) 6 % Non Convertible Non-Cummulative Redeemable Preference Shares of Rs 10 each

ISSUED SUBSCRIBED & PAID UP

2,40,000 (2,40,000) Equity Shares of Rs 10 each fully paid up

SCHEDULE - B - RESERVES & SURPLUS

GENERAL RESERVE

Balance as on 01-04-09

CAPITAL REDEMPTION RESERVE

Balance as on 01-04-09

PROFIT & LOSS ACCOUNT

Balance as on 01-04-09

Add : Profit / (Loss) transferred from Profit & Loss Account

	31-03-10	31-03-09
	2,400,000	2,400,000
	400,000	400,000
	2,800,000	2,800,000
	2,400,000	2,400,000
(A)	3,697,223	3,697,223
(B)	315,950	315,950
	24,583,543	26,990,452
	1,787,802	(2,406,909)
(C)	26,371,345	24,583,543
(A)+(B)+(C)	30,384,519	28,596,716

SCHEDULE - C - FIXED ASSETS

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01-04-09	ADDITION	DEDUCTION	AS AT 31-03-10	AS AT 01-04-09	DJUSTMENT	FOR THE YEAR	AS AT 31-03-10	AS AT 31-03-10	AS AT 31-03-09
Freehold Land	1,882,477	-	-	1,882,477	-	-	-	-	1,882,477	1,882,477
Building	5,521,590	-	-	5,521,590	2,758,967	-	276,262	3,035,229	2,486,361	2,762,623
Plant & Machinery	34,013,867	11,750	1,545,657	32,479,961	12,946,749	918,706	3,091,852	15,119,895	17,360,065	21,067,118
Computer	36,250	-	-	36,250	29,896	-	2,541	32,437	3,813	6,354
Office Equipment	16,344	-	-	16,344	7,829	-	1,184.00	9,013	7,331	8,515
Furniture & Fixture	11,850	-	-	11,850	10,227	-	226	10,453	1,397	1,623
AS AT 31-03-10	41,482,379	11,750	1,545,657	39,948,472	15,753,669	918,706	3,372,065	18,207,028	21,741,444	25,728,710
AS AT 31-03-09	40,600,896	1,135,400	253,917	41,482,379	12,052,017	85,309	3,786,960	15,753,669	25,728,710	

Suniti Commercials Limited
Schedules forming part of the Balance Sheet & Profit & Loss Account

(Amount in Rupees)

SCHEDULE - D - INVESTMENTS

IN UNITS OF MUTUAL FUNDS, VALUED AT COST.

Nil (2,91,179.140) ICICI Pru. Liquid Plan - Weekly Div.
11,635.326 (Nil) ICICI Pru. Liquid Instl. Plan - Growth

31-03-10	31-03-09
-	3,446,994
2,617,044	-
2,617,044	3,446,994

SCHEDULE - E - CURRENT ASSETS, LOANS & ADVANCES

(A) CURRENT ASSETS

1. Stock in Trade

(as valued, verified and certified by the management)

Fibre Waste (at lower of the cost or market value)

3,786,266	1,411,464
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2. Sundry Debtors (Unsecured, considered good)

For a period more than six months

55,741	13,520
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Others

1,129,990	42,221
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1,185,731	55,741
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3. Cash and Bank Balances

Cash on hand

2,903	15,404
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Balances with scheduled bank

- In Current account

133,946	11,457
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- In Term Deposits

1,285,000	785,000
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1,421,849	811,861
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(A) 6,393,847	2,279,066
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(B) LOANS & ADVANCES

(Unsecured, considered good)

Advances recoverable in cash or kind or for the value to be received

1,479,043	506,692
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Income Tax ,TDS & TCS

299,243	755,948
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Fringe Benefit Tax

3,750	23,750
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Deposit

3,000	-
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(B) 1,785,036	1,286,390
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(A)+(B) 8,178,883	3,565,455
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SCHEDULE - F - CURRENT LIABILITIES & PROVISIONS

(A) CURRENT LIABILITIES

Book Overdraft

-	584,187
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Sundry Creditors

Dues of creditors other than small scale industrial undertaking(s)

784,456	590,009
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(A) 784,456	1,174,195
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Schedules forming part of the Balance Sheet & Profit & Loss Account

(Amount in Rupees)

(B) PROVISIONS		
Income Tax	126,700	533,209
Fringe Benefit Tax	2,750	19,204
Others	33,547	17,835
	(B) 162,997	570,248
	(A)+(B) 947,453	1,744,443
SCHEDULE - G - MISCELLANEOUS INCOME		
Job Work	267,000	-
Rent	18,000	-
Interest [TDS Rs. 4,812 (Rs. 16,931)]	87,390	164,903
Income from Units of MF	18,135	140,075
Sundry	256	29,614
	390,781	334,591
SCHEDULE - H - INCREASE IN STOCK OF FINISHED GOODS		
Opening Stock	1,223,294	584,496
Closing Stock	3,229,049	1,223,294
	2,005,755	638,798
SCHEDULE - I - MANUFACTURING EXPENSE		
CONSUMPTION OF RAW MATERIAL		
Opening Stock	188,169	721,752
Add : Purchase	8,698,840	529,000
	8,887,009	1,250,752
Less : Closing Stock	557,217	188,169
	8,329,792	1,062,582
Consumption during the year	440,977	-
Payment to Factory Workers	542,666	-
Job Work	1,276,936	72,172
Power & Fuel	151,055	7,800
Freight, Loading & Unloading	699,735	88,141
Stores, Spares and Consumables	9,200	1,781
Freight Outward	11,450,361	1,232,476
SCHEDULE - J - ADMINISTRATIVE & OTHER EXPENSE		
Payment to Personnel	144,920	-
Provident Fund	47,824	-
Employees Welfare	15,943	-
Rent, Rates & Taxes	39,375	18,375
Repairs & Maintenance	171,309	20,204
Telephone	5,300	-
Postage & Courier	60	-
Printing & Stationery	3,985	2,286
Conveyance	12,709	-

Suniti Commercials Limited

Schedules forming part of the Balance Sheet & Profit & Loss Account

SCHEDULE - J - ADMINISTRATIVE & OTHER EXPENSE (Contd...)

Insurance	37,088	59,725
Profession Tax	2,500	2,500
Filing & Listing Fees	13,530	14,284
Auditor's Remuneration :		
- Statutory Audit	49,635	56,180
- Tax Audit	5,515	-
- Certification	9,927	21,349
Legal & Professional Fees	31,750	11,250
Advertisement	13,642	-
PF Administrative Charges	4,248	-
Interest	313	178
Small Balances written off	-	24,819
Bank Charges	915	1,756
General Expense	17,233	13,403
	627,721	246,309

SCHEDULE - K - SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

1. Significant Accounting Policies :

- (a) Basis of Preparation of Financial Statements - The financial statements have been prepared under the historical cost convention, in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956 as adopted consistently by the company. All income and expenditure having a material bearing on the financial statements are recognised on accrual basis.
- (b) Use of Estimates - The presentation of financial statements is in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual and the estimates are recognized in the period in which the results are known / materialized.
- (c) Fixed Assets - Fixed assets are stated at cost of acquisition or construction, net of cenvat / value added tax, less accumulated depreciation. All costs, including trial production and financing costs till commencement of commercial production are capitalized.
- (d) Depreciation - Depreciation on fixed assets is provided at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956, on written down value method.
- (e) Investments - Long term investments are carried at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of management. Current investments are carried at the lower of costs and market value / net assets value, computed individually.
- (f) Inventories - In general, all inventories of finished goods, work-in-progress etc., are stated at lower of cost or net realisable value. Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. Raw material and stores and spares are stated at cost on FIFO basis. Scrap is valued at estimated net realisable value. Inventories of finished goods and scrap includes excise duty whenever applicable.
- (g) Foreign Currency Transaction - (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
(ii) Monetary items denominated in foreign currencies at the year end are restated at the year end rates.
(iii) Non-monetary foreign currency items are carried at cost.
Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account.
- (h) Preliminary Expenses - The preliminary expenses are amortized / charged to the profit and loss account over a period of ten years.
- (i) Turnover - Turnover include sales of scrap, service charges, export incentive and excise duty but excludes sales tax / value added tax.
- (j) Employee benefits - All employee benefits, allowances and perquisites are provided on mercantile basis. Gratuity is charged to the Profit and Loss account on the basis of actuarial valuation and Leave encashment are taken on actual basis.
- (k) Borrowing Cost - Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.
- (l) Impairment of Assets - An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of the recoverable amount.

SCHEDULE - K - SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS (Contd...)

(m) Provision, Contingent Liabilities and Contingent Assets - Provision involving substantial degree of estimation in measurement is recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets neither recognized nor disclosed in the financial statement.

2. Auditors Remuneration :

	2009-10	2008-09
Statutory Audit Fees	49,635	56,180
Tax Audit Fees	5,515	-
Certification	9,927	21,349
(including Service Tax)	65,077	77,529

3. As the Company does not have distinguishable business segments, the requirement to give segment reporting as per Accounting Standard (AS 17) on Segment Reporting issued by the Institute of Chartered Accountants of India is not applicable.

4. Related Party Disclosure :

Related parties with whom the company had transactions during the year are as under :

(Rs. in '000)

NAME OF THE PARTY	NATURE OF TRANSACTION	2009-10	2008-09
Jai Corp Ltd.	Sales	-	467.32
Polyole Fibres Pvt. Ltd.	Sales	15,558.88	-
Polyole Fibres Pvt. Ltd.	Purchase	9.69	1,423.29
Sunshine Fibre Ltd.	Sales	152.70	-
Sunshine Fibre Ltd.	Job Work Charges received	267.00	-
Sunshine Fibre Ltd.	Purchase	9,607.22	572.83
Techfeb India (Inds.) Ltd.	Sale of Fixed Assets	-	226.90
Ultra Nonwoven	Sales	-	10.82

Note : Related party relationship is as identified by the management.

5. Deferred tax asset of Rs. 27,48,261 as on 31-03-10 is in respect of timing difference in claim of depreciation and unabsorbed losses. However in the absence of virtual certainty that sufficient future taxable income is available against which such deferred tax asset can be realized, the same has not been recognized in the books of account in line with Accounting Standard 22 dealing with "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.

6. Additional Information pursuant to Part II of Schedule VI of the Companies Act, 1956

Quantitative Information :

(Rs. in '000)

	F.Y. 2009-10		F.Y. 2008-09	
	QTY (M.T.)	VALUE (Rs.)	QTY [M.T.]	VALUE (Rs.)
Opening Stock				
Raw Materials	130.18	188.17	175.58	721.75
Consumable, Stores & Spares	-	-	N.A.	17.51
Wastage / Scrap	6.37	60.50	N.A.	82.32
Finished Goods	55.86	1,162.80	15.84	502.18
Closing Stock				
Raw Materials	167.08	557.22	130.18	188.17
Wastage / Scrap	6.37	60.50	6.37	60.50
Finished Goods	174.21	3,168.55	55.86	1,162.80

SCHEDULE - K - SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS (Contd...)

Sale and purchase of materials

(Rs. in '000)

	F.Y. 2009-10		F.Y. 2008-09	
	QTY (M.T.)	VALUE (Rs.)	QTY [M.T.]	VALUE (Rs.)
Sales Finished Goods	705.04	14,768.02	58.28	1,877.41
Consumption Raw Materials	832.98	8,329.79	98.30	1,062.58
Purchase Raw Materials				
- Pet Fine Flakes	-	-	50.70	586.58
- Polyester Stable Fibre	869.88	8,698.84	52.90	529.00

7. Basic and Diluted Earnings per Share :

(Rs. in '000)

	2009-10	2008-09
(a) Net Profit available for equity holders	1,776.67	(2,403.99)
(b) Weighted Average Number of equity shares	240,000	240,000
(c) Basic and Diluted Earning per Share (Rs.)	7.40	(10.02)

8. Balance of debtors, creditors and other advances are subject to confirmation. However, in the opinion of the Board, Current Assists, Loans and Advances have value which on realization, in the ordinary course of business would at least be equal to the amount at which they are stated.

9. Previous year's figures have been regrouped wherever necessary.

For H.H. Bandukwala & Co.,
Chartered Accountants.

*For and on behalf
of the Board of Directors*

H.H. Bandukwala.
Partner.

(Pankaj Goel)

Mumbai.
Dated : 29-05-2010

*(Bijay Saraf)
Directors*

Suniti Commercials Limited
Statement pursuant to part IV of Schedule VI to the Companies Act, 1956.

(Amount in '000)

Balance Sheet abstract and Company's general business profile

REGISTRATION DETAILS

CIN	L51900MH1985PTC036686
State Code	11
Balance Sheet Date	31-03-10

CAPITAL RAISED DURING THE YEAR

Nil

POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

Total Liabilities	32,785
Total Assets	32,785

SOURCES OF FUNDS

Paid-up Capital	2,400
Reserves & Surplus	30,385

APPLICATION OF FUNDS

Net Fixed Assets	21,741
Work-in-progress	1,195
Investments	2,617
Net Current Assets	7,231

PERFORMANCE OF THE COMPANY

Total Revenue	17,265
Total Expenditure	15,450
Profit Before Tax	1,814
Profit After Tax	1,777
Earning per share [in Rs.]	7.40
Dividend Rate %	-

GENERIC NAME OF THE PRINCIPAL PRODUCT OF THE COMPANY
(AS PER MONETARY TERMS)

Item Code No. [ITC Code]	5506.20
Product Description	Fibre Waste

Suniti Commercials Limited

Cash Flow Statement

(Amount in Rupees)

	YEAR ENDED 31-03-10	YEAR ENDED 31-03-09
CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit after tax as per Profit & Loss A/c	1,787,802	(2,406,909)
Adjustments : Depreciation (Net of Adjustment)	2,453,359	3,701,651
Net Profit after adjusting depreciation	4,241,161	1,294,742
Adjustments of Income		
- Rent	(18,000)	-
- Income from Units of MF	(18,135)	(140,075)
- (Profit) / Loss on sale of investments	(96,915)	(566)
Operating profit before working capital changes	4,108,111	1,154,102
Adjusted for		
Sales / (Additions) to Fixed Assets	339,307	(881,483)
Decrease / (Increase) in Trade & Other Receivables	(4,003,439)	(38,746)
(Decrease) / Increase in Trade Payables & Other Liabilities	(212,804)	20,580
Cash inflow from operating activities	[A] 231,175	254,452
CASH FLOW FROM INVESTING ACTIVITIES		
Interest & Other Income	133,050	140,640
(Additions) / Reduction in Investments	829,950	(2,070,641)
Net cash outflow from investing activities	[B] 963,000	(1,930,000)
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	[A+B] 1,194,175	(1,675,548)
CASH & CASH EQUIVALENTS		
At the start of the year	227,674	1,903,222
At the close of the year	1,421,849	227,674
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	1,194,175	(1,675,548)

For and on behalf of the Board of Directors

(Pankaj Goel)

(Bijay Saraf)

AUDITOR'S CERTIFICATE

We have verified the above Cash Flow of Suniti Commercials Limited derived from audited financial statements and the books and records maintained by the Company for the year ended on 31st March, 2010 and found the same in agreement therewith.

For H.H. Bandukwala & Co.
Chartered Accountants

Mumbai.
Dated :29-05-2010

H.H. Bandukwala
Partner