

A leap towards
a better tomorrow.
Today.



Board of Directors

Mr. Dadi B. Engineer	- Director
Mr. K. R. Ramamoorthy	- Director
Mr. Mahendra V. Doshi	- Director
Mr. Mufazzal S. Federal	- Director
<i>(Appointed w.e.f. 25th January, 2011)</i>	
Mr. Rajendra P. Goyal	- Director
Mr. Rajesh G. Kapadia	- Director
<i>(Resigned w.e.f. 9th July, 2010)</i>	
Mr. Rajesh R. Mandawewala	- Director
<i>(Appointed w.e.f. 1st August, 2010)</i>	
Mr. Hiten V. Parekh	- Executive Director
Mr. Manish V. Parekh	- Executive Director
Mr. Nayan S. Parekh	- Executive Director
Mr. Sharad V. Parekh	- Managing Director
Mr. Vamanrai V. Parekh	- Chairman

Financial Controller

Mr. Paresh B. Mehta

Company Secretary

Ms. Priti P. Dave

Auditors

M/s. Dalal & Shah
M/s. Vora & Associates

Bankers

State Bank of India
Corporation Bank
IDBI Bank Ltd.
DBS Bank
HSBC

Barjora Factory

Plot No. 1498/2613, WBIDC,
Barjora Mejia Road, P.S. Barjora,
District: Bankura, West Bengal.

Hosur Factory

Part of Survey No.149, 151 to 153,
227/ 2K3 and 299/1, Next to GNB Factory,
Koneripalli Post, Nallaganakothapalli Village,
Hosur Taluk, Krishnageri District,
Tamilnadu - 635 117.

Jammu Factory

Plot No. 1107, IGC, Phase – II, Samba – 184 121,
Jammu & Kashmir.

Kharadpada Factory

Survey No. 389, 391, 393, 396, 401,
Naroli – Kharadpada Road,
Village : Kharadpada, Silvassa - 396 230.

Noida Factory

Plot No.26, B/C Sector No.31,
Surajpur – Kasna Road, Greater Noida – 203 207 (U.P.).

Puducherry Factory

19/3-5, 18/1 & 21/6, Pit -Olaivaikkal Village,
Koodapakam Villianoor Road, Villianoor Taluk,
Puducherry – 605 110.

Sinnar Factory

STICE, Plot No.971/1A, Sinnar Shirdi Road,
Sinnar - 422 103, District - Nashik, Maharashtra.

Registered Office and Vasona Factory

Survey No.354/2 and 354/3, Near Rakholi Bridge,
Silvassa Khanvel Road, Village Vasona,
U.T. of D & NH, Silvassa - 396 230.

Corporate Office

Nilkamal House, Plot No.77/78, Road No.13/14, MIDC,
Andheri (E), Mumbai – 400 093.

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DIRECTORS REPORT**REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS FOR THE YEAR ENDED 31ST MARCH, 2011.**

Dear Members,

Your Directors have pleasure to present this **25th ANNUAL REPORT** of the Company together with the Audited Accounts for the Financial Year ended 31st March, 2011.

FINANCIAL HIGHLIGHTS:

(Rs.in Lacs)

	2010-2011	2009-2010
Gross Turnover and Other Income	142,677.33	116,639.51
Net Turnover and Other Income	125,230.42	103,281.93
Profit before Depreciation and Tax	10,296.92	9,806.26
Less: Depreciation on Fixed Assets	3,293.16	3,217.51
Profit before Tax	7,003.76	6,588.75
Less: Provision for Taxes	1,757.98	1,864.89
Profit after Tax	5,245.78	4,723.86
Amount Available for Appropriations	12,215.25	9,615.73
Less: Appropriations:		
i) Proposed Final Dividend	596.90	383.47
ii) Interim Dividend	-	255.65
iii) Total Tax on Dividend	96.83	107.14
iv) Transfer to General Reserves	524.58	1,900.00
Leaving a Balance to be carried forward	10,996.94	6,969.47
Earnings Per Share (Rs.)	36.80	36.96
Cash Earnings Per Share (Rs.)	59.91	62.13
Book Value Per Share (Rs.)	238.42	196.50

DIVIDEND

Based on the Company's performance, the Board of Directors of your Company recommends a Final Dividend of Rs. 4/- per equity share (40%) which is subject to consideration and approval of the Shareholders at the ensuing Annual General Meeting of the Company. The requisite amount of Rs. 693.73 Lacs (including distribution tax, surcharge and education cess) has been provided in the accounts for the purpose of Dividend.

YEAR IN RETROSPECT

The Financial Year 2010-2011 has witnessed Indian economy moving back to pre-recession growth trajectory. The robust growth rate of 8.6% and steady fiscal consolidation have been the hallmark of the Indian economy in the year under review. However, food inflation, higher commodity prices and volatility in global commodity markets have been a cause of concern.

The year in retrospect brought some opportunities and many challenges to your Company as it moved ahead with steady steps on the chosen path of sustainable growth. One of the major challenge faced by your Company was volatility in the prices of commodities like crude oil which was exacerbated by political turmoil in the Middle East and other parts of the world.

Your Company has performed satisfactorily during the year under review. The gross turnover of the Company has increased to Rs. 142,355.77 Lacs from Rs. 116,162.60 Lacs for the previous financial year. The operating profit of the Company has increased to Rs. 12,969.98 Lacs as compared to Rs. 12,275.89 Lacs in the previous year. The plastic business has achieved a volume growth of 11% and value growth of 19%.

The retail business of the Company i.e. @home division has achieved a break even. During the year under review, the Company had 16 @home stores in 11 cities. The gross turnover of @home division was Rs. 19,088 Lacs resulting into a growth of 44%. The profit of the @home division was Rs. 28 Lacs as compared to loss of Rs. 1,423 Lacs of the previous year.

RESERVES

Your Directors have proposed to carry a sum of Rs. 524.58 Lacs to the General Reserve Account out of the profits available.

AWARDS AND RECOGNITIONS

During the year under review, your Company was awarded with 'Silver Certificate of Merit' for Indian Manufacturing Excellence from Frost and Sullivan in collaboration with Economic Times.

QUALIFIED INSTITUTIONS PLACEMENT (QIP) AND SHARE CAPITAL

During the year under review, your Company raised long term funds of Rs. 60 Crores from Qualified Institutional Buyers (QIBs) by way of Qualified Institutions Placement (QIP) in accordance with Chapter VIII of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009. Pursuant to the QIP your Company has allotted 2,140,181 equity shares having face value of Rs.10/- each at a premium of Rs. 270.35 per equity share, to the QIBs on 24th July, 2010.

Consequent to the above issue, the Paid up Equity Share Capital of your Company has increased from Rs. 127,823,440/- to Rs. 149,225,250/-.

ALTERATION OF OBJECTS CLAUSE

Your Company proposes to add/ amend the existing Other Objects of Clause III of the Memorandum of Association by inserting Clause 56I to Clause 56V as set out in Item No. 7 of the Notice calling the 25th Annual General Meeting of the Company. The Directors recommend shareholder's consent for the amendment in Other Objects of Clause III of the Memorandum of Association.

GREEN FIELD PLANT AT HOSUR

During the year under review, your Company has established a Green Field Plant at Hosur in the state of Karnataka. Production has been started thereat on trial basis and the plant is expected to become fully operative during the current Financial Year.

MANAGEMENT'S DISCUSSION & ANALYSIS REPORT

A detailed review of the progress and the future outlook of the Company and its business, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is presented in a separate section forming part of the Annual Report.

SUBSIDIARIES & JOINT VENTURE

Your Company has three subsidiaries namely, Nilkamal Eswaran Plastics Private Limited and Nilkamal Eswaran Marketing Private Limited at Sri Lanka and Nilkamal Crates and Bins-FZE at U.A.E.

The Company has obtained consent of the Board of Directors of the Company for not attaching the accounts and reports of all its subsidiaries under Section 212 of the Companies Act, 1956. Shareholders requiring the same may write to the Company.

The business of Joint Venture Company viz. Nilkamal Bito Storage Systems Private Limited in its fourth year of operation has performed satisfactorily and has achieved a cash break even during the year under review. The total turnover was Rs. 3,852 Lacs as compared to Rs. 3,630 Lacs for previous year and had incurred net loss of Rs. 66 Lacs against net loss of Rs. 807 Lacs of the previous year.

During the year under review, your Company has entered into a Joint Venture with M/s. Cambro Manufacturing Company, USA ("Cambro") to carry out the business of manufacturing and importing of the extensive range of quality products for the food service industry and its distribution.

EXPORTS

Company's Exports (including deemed exports) during the year were Rs. 4,588.22 Lacs as compared to Rs. 2,003.88 Lacs in the previous year.

FIXED DEPOSITS

The Company has not accepted any Public Deposits covered under Section 58A of the Companies Act, 1956 from the Members or the Public during the year.

AUDITORS AND AUDITORS' REPORT

The Joint Auditors M/s. Dalal & Shah and M/s. Vora & Associates, retire at the ensuing Annual General Meeting. It has been decided that M/s. Dalal & Shah and M/s. Vora & Associates, would be re-appointed as the Joint Statutory Auditors of the Company.

M/s. Dalal & Shah and M/s. Vora & Associates are entitled for re-appointment as Statutory Auditors. Both M/s. Dalal & Shah and M/s. Vora & Associates, have expressed their willingness to act as Auditors of the Company, if appointed and have further confirmed that the said appointment would be in pursuance to the provisions of Section 224(1B) of the Companies Act, 1956.

The notes to accounts referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further comments.

DIRECTORS

Mr. Rajesh R. Mandawewala and Mr. Mufazzal S. Federal were appointed as Additional Directors on the Board of Directors of the Company with effect from 1st August, 2010 and 25th January, 2011, respectively, to hold office till the conclusion of the ensuing Annual General Meeting.

Notice in writing, pursuant to the provisions Section 257 of the Companies Act, 1956, by member, signifying the intention to propose the candidature of Mr. Mufazzal S. Federal, to the office of Director of the Company, has been received by the Company.

Mr. Manish V. Parekh and Mr. Mahendra V. Doshi, Directors of the Company, retire by rotation at the ensuing Annual General Meeting. All the retiring Directors being eligible have offered themselves for re-election.

Brief resume of the Directors proposed to be appointed/ reappointed, nature of the expertise in specific functional areas, name of the Companies in which they hold Directorships and Memberships/ Chairmanships of the Board Committees and shareholding as stipulated under Clause 49 of the Listing Agreements with Stock Exchanges in India forms part of the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) 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;
- ii) 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 the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) 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;
- iv) that the annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE

A report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges forms part of the Annual Report.

A certificate from Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is annexed to this Report.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-27 on Financial Reporting of Interest in Joint Ventures, your Directors have pleasure in attaching the Consolidated Financial Statements which form part of the Annual Report and Accounts.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended, the name and other particulars of employees are set out in the annexure to the Directors' Report.

However, having regard to the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under the Clause (e) of sub-section (1) of Section 217 of the Companies Act, 1956, read with the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 and as amended and forming part of the Directors' Report for the year ended 31st March, 2011 is given in the Annexure to this Report.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation for the encouragement and co-operation received by the Company from the Bankers, State Government Authorities, Local Authorities and its Employees during the year.

Place: Mumbai
Date: May 20, 2011

For and on behalf of the Board
Vamanrai V. Parekh
Chairman

ANNEXURE TO DIRECTORS' REPORT

Additional information given, as required under the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY.

Energy being a scarce resource, your Company is very sensitive towards energy conservation and has taken several initiatives which resulted in saving of energy consumption.

- VFD (Variable frequency Drive) have been installed in existing machine resulting in saving in energy consumption up to 30%.
- New generation machine have been installed having servo motor and drive in place of conventional machine which are more energy efficient and consume less power.
- Servo voltage stabilizers have been installed to the main transformer to ensure constant voltage supply resulting in energy saving and reduction in breakdown of machine due to voltage variation.

In addition to above there is continuous focus on right product mix to improve tonnage and monitor units consumed per kg to save energy and cost.

B. TECHNOLOGY ABSORPTION.

Disclosure of particulars in Form B, with respect to Technology Absorption:

RESEARCH AND DEVELOPMENT (R & D):

1. Specific areas in which R & D has been carried out by the Company.
Moulded plastic furniture, material handling products etc.
2. Benefits derived as a result of the above R & D.
 - The introduction of totally different shades and pattern of double color which is not only unique but a way ahead of competition to perceive the new technology which has been patented.
 - Stress simulation software (Hyper mesh) have been installed which gives dual benefit of optimization of product performance and a tool to the customer for comparative analysis for choosing the right product.

3. Future Plan of Action.

The prime focus of your Company is on development of technical capabilities to sustain its competitive position in the market place and to address the needs of the customers in a rapidly changing market place. Building on earlier activities that have paid off, your Company will continue to develop advanced technical capabilities and technology platforms to support its product plans, improve its manufacturing and open new applications.

4. Expenditure on R & D.

a)	Capital	Nil
b)	Recurring	Rs. 92.28 Lacs
c)	Total	Rs. 92.28 Lacs
d)	Total R&D as percentage of total turnover	0.07 %

TECHNOLOGY ABSORPTION ADAPTATION AND INNOVATION:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.
 - Your Company has introduced largest injection molding machine of 3000 ton capacity with latest technology of servo control and drive including fully automatic and robot controlled to eliminate Human intervention and variation.
 - New product category have been developed such as Office Seating Systems (OSS), Bent wood and other similar product line which have improved the Company's perception as a high end manufacturer of furniture products.
 - Innovative method of carrying out machine health check have been introduced to improve the internal and external health of the machine resulting in improved OEE and better consistency.

2. Benefits derived as a result of the above efforts.
 - Improvement in quality and productivity and reduction in cost.
 - Improvement in utilisation of plant capacities.
 - Advancement of basic knowledge and skills.
 - Development of new product, improvement in the product yield and quality.
3. The Company has not imported any technology or process know-how.

FOREIGN EXCHANGE EARNINGS AND OUTGO.

Total foreign Exchange used and earned-

(Rs. in Lacs)

	2010-2011	2009-2010
Foreign Exchange Earned	2,621.00	1,776.28
Foreign Exchange Used	21,917.18	12,010.64

For and on behalf of the Board

Place: Mumbai
Date: May 20, 2011

Vamanrai V. Parekh
Chairman

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The Company's Corporate Governance philosophy embraces the canons of trusteeship, empowerment and accountability, control and ethical corporate citizenship. The Company emphasises on maintaining high standards of ethical behaviour, both within organization as well as in external relationships.

The Company believes that sound governance practices leads to the overall value creation for the organisation. The Company continuously strives to strengthen the governance system and processes to enhance the shareholder's value.

Keeping in line with the above philosophy, the Company has implemented the requirements of the code of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement. Given below are the requisite information relating to corporate functions of your Company for the purpose of due transparency on this aspects.

2. BOARD OF DIRECTORS

The Composition of the Board

The current policy is to maintain optimum combination of Executive and Non Executive Directors. The Non-Executive Directors brings independent judgment in the Board's deliberations and decisions. The Board consists of Eleven Directors, out of which seven are Non-Executive Directors which includes a Non-Executive Chairman. Six out of the Seven Non-executive Directors are Independent Directors. The Non-Executive Directors are eminent professionals and bring wealth of their professional expertise and experience to the Management of the Company.

Attendance of Directors at Board Meetings, last Annual General Meeting and number of other Directorships and Chairmanships / Memberships of Committees of each Director in various Companies.

Name of Director	Category	Attendance at the Board Meetings during the F.Y. 2010-2011	Attendance at the Last AGM held on 31 st July, 2010	AS ON 31-3-2011		
				No. of Directorships in other Public Co.*	Committee membership in other Companies#	Chairmanship in committees in which they are members#
D. B. Engineer	Independent, Non-Executive Director	4	No	8	7	4
K. R. Ramamoorthy	Independent, Non-Executive Director	4	Yes	7	4	0
Mahendra V. Doshi	Independent, Non-Executive Director	3	No	4	3	1
R. P. Goyal	Independent, Non-Executive Director	4	No	2	2	2
Rajesh G. Kapadia**	Independent, Non-Executive Director	-	No	N.A.	N.A.	N.A.
Rajesh R. Mandawewala***	Independent, Non-Executive Director	-	No	12	5	1
Mufazzal S. Federal****	Independent, Non-Executive Director	1	No	--	--	--
Hiten V. Parekh	Promoter, Executive Director	3	Yes	--	--	--
Manish V. Parekh	Promoter, Executive Director	4	Yes	--	--	--
Nayan S. Parekh	Promoter, Executive Director	4	Yes	--	--	--
Sharad V. Parekh	Promoter, Executive Director	4	Yes	--	--	--
Vamanrai V. Parekh	Promoter, Non Executive Director	4	Yes	--	--	--

** Resigned w.e.f. 9th July, 2010.

*** Appointed as an Additional Director w.e.f. 1st August, 2010.

**** Appointed as an Additional Director w.e.f. 25th January, 2011.

* Excluding Directorship in Foreign Companies, Private Limited Companies and Companies under Section 25 of the Companies Act, 1956.

Includes Audit Committee and Shareholders' Grievance Committee only.

Number of Board Meetings held and the dates on which held

There were four Board Meetings of the Company held during the financial year 2010-2011, on the following dates: 15th May, 2010, 30th July, 2010, 23rd October, 2010, and 25th January 2011.

Mr. Vamanrai V. Parekh and Mr. Sharad V. Parekh are brothers. Further, Mr. Hiten V. Parekh & Mr. Manish V. Parekh are sons of Mr. Vamanrai V. Parekh and Mr. Nayan S. Parekh is son of Mr. Sharad V. Parekh.

Except the above there are no inter-se relationships among the Directors.

3. AUDIT COMMITTEE

The Company has constituted the Audit Committee as required under Section 292A of the Companies Act, 1956 and under Clause 49 of the Listing Agreements with the Stock Exchanges. The scope of activities and powers of the Audit Committee includes the areas prescribed under the Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

Details of the composition of the Audit Committee and attendance of the Members are as follows:

Name of Director	Category	No. of Meetings	
		Held	Attended
K. R. Ramamoorthy	Independent, Non- Executive Chairman	4	4
Mahendra V. Doshi	Independent, Non-Executive	4	3
D. B. Engineer	Independent, Non-Executive	4	4
R. P. Goyal	Independent, Non-Executive	4	4
Vamanrai V. Parekh	Promoter, Non-Executive	4	4

The Company Secretary acts as the Secretary to the Committee.

The Managing Director, Executive Directors, Senior Executives representing Finance, Accounts and Internal Audit functions of the Company, Statutory Auditors and Internal Auditors are invitees to the Meeting.

Terms of Reference:

The Terms of Reference of Audit Committee are wide enough to cover the matters specified for Audit Committees under Clause 49 the Listing Agreement, as well as in Section 292A of the Companies Act, 1956, and are as follows:

- to oversee the Company's financial reporting process and disclosure of financial information to reflect a true and fair position of the Company;
- to review the adequacy of Internal Audit function and discussion with internal auditors of any significant findings and follow-up thereon;
- to review with the management, performance of Statutory Auditors and Internal Auditors, the adequacy of Internal Control Systems;
- to recommend to the Board, appointment, and replacement or removal of External Auditors, fixation of audit fees and approval for payment of other services;
- to review with the Management and External Auditors, the quarterly and annual financial statements before submission to the Board;
- to discuss with Statutory Auditors before commencement of their audit, nature and scope of audit as well as have post audit discussion to ascertain any area of concern.

4. REMUNERATION COMMITTEE

The composition and attendance of the Remuneration Committee Members at the respective meetings is as under:

Name of Director	Category	No. of Meetings	
		Held	Attended
K. R. Ramamoorthy	Independent, Non- Executive Chairman	1	1
Mahendra V. Doshi	Independent, Non-Executive	1	1
D. B. Engineer	Independent, Non-Executive	1	1

The Company Secretary acts as the Secretary to the Committee.

Terms of Reference:

- i) To determine on behalf of the Board of Directors and on behalf of the shareholders of the Company with agreed terms of reference, the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment;
- ii) To determine on behalf of the Board of Directors the remuneration payable to the other Non Executive Directors;
- iii) To approve remuneration payable to managerial personnel in terms of Schedule XIII of the Companies Act, 1956 in the event of the Company not having profits or its profits being inadequate in any Financial Year.

Remuneration Policy

The Remuneration package of the Executive Directors is decided after taking into account performance of the Company, trend in industry, appointee's qualifications, experience, past performance, past remuneration, etc.

5. REMUNERATION OF DIRECTORS

The Company pays remuneration to its Managing Director and Executive Directors by way of salary, perquisites and allowances (a fixed component) within the range as approved by the Shareholders.

The Non-Executive Directors are paid remuneration by way of sitting fees for attending the meetings of the Board of Directors, Audit Committee and Remuneration Committee as applicable to each of them.

The details of remuneration paid to the Directors during the Financial Year 2010-2011 are given below:

Director	Salary & perquisites (Rs.)	**Sitting fees (Rs.)	Total (Rs.)	No. of Shares held as on 31-3-2011
D.B. Engineer	N.A.	140,000	140,000	Nil
K.R. Ramamoorthy	N.A.	140,000	140,000	Nil
Mahendra V. Doshi	N.A.	105,000	105,000	32,000
Mufazzal S. Federal	N.A.	20,000	20,000	Nil
R.P. Goyal	N.A.	130,000	130,000	100
Rajesh G. Kapadia	N.A.	Nil	Nil	Nil
Rajesh R. Mandawewala	N.A.	Nil	Nil	Nil
Vamanrai V. Parekh	N.A.	130,000	130,000	1,730,006
Hiten V. Parekh	8,362,677	N.A.	8,362,677	1,139,455
Manish V. Parekh	7,842,485	N.A.	7,842,485	671,789
Nayan S. Parekh	6,802,100	N.A.	6,802,100	1,017,440
Sharad V. Parekh	8,466,715	N.A.	8,466,715	1,292,908

**Sitting fees include fees for attending the Board Meetings, Audit Committee Meetings and Remuneration Committee Meetings.

Note:- No amount by way commission was paid to any Directors during the Financial Year ended 31st March, 2011.

6. CODE OF CONDUCT

As per the provisions of Clause 49 of the Listing Agreement, the Company has framed a Code of Conduct for the Board Members and Senior Management which was approved and adopted by the Board of Directors of the Company. The Code of Conduct has been posted on the website of the Company (www.nilkamal.com). The Code has been circulated to all members of the Board and Senior Management of the Company who have confirmed compliance therewith.

7. SHAREHOLDERS'/ INVESTORS GRIEVANCE COMMITTEE

The Board has constituted Shareholders'/Investors Grievance Committee which looks into redressal of shareholders and investors grievances. The following are the members of the Committee:

Name	Designation	Category
Vamanrai V. Parekh	Chairman	Non-executive
Sharad V. Parekh	Director	Executive
Hiten V. Parekh	Director	Executive

The Company Secretary is the Compliance Officer to this Committee.

Report on complaints received from the Investors during the period 1st April, 2010 to 31st March, 2011.

Opening Balance	No. of complaints/letters received during the Year	No. of complaints/letters attended	Closing Balance
Nil	9	9	Nil

The Company has assigned its share transfer and dematerialisation work to M/s. Link Intime India Private Limited, Registrars and Transfer Agents. As on 31st March, 2011 there were no dematerialisation requests and share transfer applications pending for approval with the Registrars.

8. GENERAL BODY MEETINGS

Details of the location of the last three Annual General Meetings (AGM) and details of the resolutions passed or to be passed by Postal Ballot:

Annual General Meeting (AGM)	Date	Time	Venue	Special Resolution Passed
24 th AGM	31-7-2010	11.00 a.m.	Survey No. 354/2 & 354/3, Near Rakholi Bridge, Silvassa Khanvel Road, Vasona, Union Territory of Dadra & Nagar Haveli - 396 230.	1) Re-appointment of Mr. Sharad V. Parekh as the Managing Director of the Company alongwith the change in the terms of his remuneration. 2) Re-appointment of Mr. Hiten V. Parekh, Mr. Manish V. Parekh and Mr. Nayan S. Parekh as the Executive Directors of the Company alongwith the changes in the terms of their remuneration.
23 rd AGM	13-8-2009	11.30 a.m.	Survey No. 354/2 & 354/3, Near Rakholi Bridge, Silvassa Khanvel Road, Vasona, Union Territory of Dadra & Nagar Haveli - 396 230.	NIL
22 nd AGM	9-8-2008	11.00 a.m.	Survey No. 354/2 & 354/3, Near Rakholi Bridge, Silvassa Khanvel Road, Vasona, Union Territory of Dadra & Nagar Haveli - 396 230.	1) To raise funds by offer and issue of further securities. 2) To issue equity shares through Qualified Institutions Placement.

No Special Resolutions were passed through Postal Ballot during the last Financial Year.

Transactions at Sr. No. 7 of the notice of the Annual General Meeting will be conducted through Postal Ballot.

9. DISCLOSURES

- There were no materially significant related party transactions entered into by the Company with its Promoters, Directors or Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large. The details of transactions with related parties are disclosed in the Accounts.
- There has been no non-compliance by the Company nor were any penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority, on any matter related to Capital Markets during the last three years.
- The process of identification and evaluation of various risks inherent in the business environment and the operations of the Company and initiation of appropriate measures for prevention and / or mitigation of the same is dealt with by the concerned operational heads under the overall supervision of the Managing and Executive Directors of the Company. The Management periodically reviews the adequacy and efficacy of overall risk management system.

10. MEANS OF COMMUNICATION

- The financial results are published in Financial Express (English) and Daman Ganga Times.
- The Company's results, official news releases and presentations made to analyst and institutional investors are displayed on the Company's website www.nilkamal.com.

11. GENERAL SHAREHOLDER INFORMATION**Annual General Meeting**

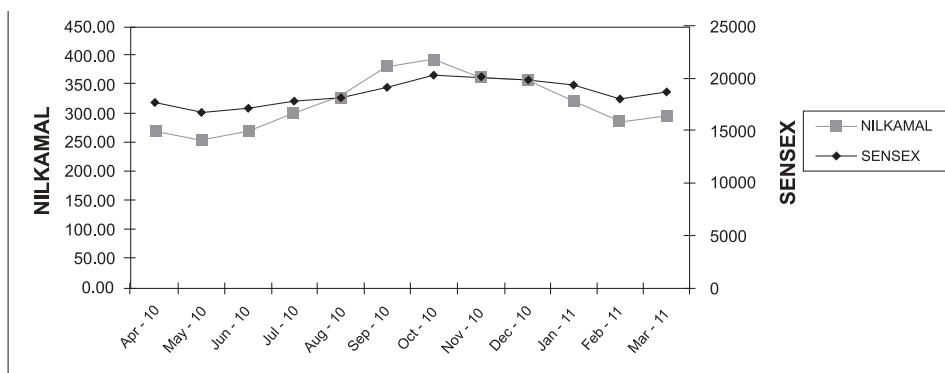
Date & Time	: 30 th July, 2011 at 11.30 a.m.								
Venue	: Survey No. 354/2 & 354/3, Near Rakholi Bridge, Silvassa Khanvel Road, Village Vasona, Union Territory of Dadra & Nagar Haveli-396 230.								
Financial Calendar	: Financial Year : 1 st April, 2011 to 31 st March, 2012. Results for Quarter ending : <table border="1" data-bbox="534 419 1257 594"> <tr> <td>June 30, 2011</td> <td>- Before 14th August, 2011.</td> </tr> <tr> <td>September 30, 2011</td> <td>- Before 14th November, 2011.</td> </tr> <tr> <td>December 31, 2011</td> <td>- Before 14th February, 2012.</td> </tr> <tr> <td>March 31, 2012</td> <td>- Before 30th May, 2012.</td> </tr> </table>	June 30, 2011	- Before 14 th August, 2011.	September 30, 2011	- Before 14 th November, 2011.	December 31, 2011	- Before 14 th February, 2012.	March 31, 2012	- Before 30 th May, 2012.
June 30, 2011	- Before 14 th August, 2011.								
September 30, 2011	- Before 14 th November, 2011.								
December 31, 2011	- Before 14 th February, 2012.								
March 31, 2012	- Before 30 th May, 2012.								
Date of Book Closure	: From 23 rd July, 2011 to 30 th July, 2011 (both days inclusive).								
Dividend Payment Date	: Credit/ dispatch between 5 th August, 2011 to 13 th August, 2011.								
Listing on Stock Exchanges	: 1. The Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001. 2. National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.								
Stock Code	: 1. The Bombay Stock Exchange Limited - 523385 2. National Stock Exchange of India Limited - NILKAMAL								
Demat ISIN in NSDL and CDSL for Equity Shares	: INE310A01015								

The Company has paid the Annual Listing fees to each of the above Stock Exchanges, for the Financial Year 2010-2011.

Market Price Data

The Bombay Stock Exchange Ltd.			National Stock Exchange of India Ltd.		
Month	High	Low	Month	High	Low
April, 2010	284.00	254.15	April, 2010	284.50	257.00
May, 2010	270.70	237.40	May, 2010	297.00	237.25
June, 2010	289.00	251.15	June, 2010	288.70	252.00
July, 2010	330.70	270.00	July, 2010	332.00	272.10
August, 2010	351.90	306.05	August, 2010	351.75	306.05
September, 2010	441.65	322.60	September, 2010	441.20	320.15
October, 2010	421.95	363.70	October, 2010	422.00	370.00
November, 2010	412.80	310.05	November, 2010	420.30	306.10
December, 2010	396.00	319.00	December, 2010	398.00	322.00
January, 2011	388.85	251.80	January, 2011	388.95	259.05
February, 2011	309.00	263.00	February, 2011	307.90	251.40
March, 2011	316.80	273.25	March, 2011	343.00	272.60

Performance in comparison to broad-based indices such as BSE Sensex Share Price Movement during each month of the Financial Year 2010-2011. *



* Sources www.bseindia.com.

Registrars and Transfer Agents

M/s. Link Intime India Private Limited (Link Intime), C-13, Kantilal Maganlal Estate, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai 400 078. Tel: 022-25946970, Fax: 022-25946969, Email: rnt.helpdesk@linkintime.co.in are the Registrar and Share Transfers Agents for physical shares of the Company. Link Intime is also the depository interface of the Company with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Distribution of Shareholding as on 31st March, 2011

Slab of Equity Shares	No. of Shareholders	% of Shareholders	Amount (Rs.)	% of Shareholding
0-5000	6671	92.87	7,135,780	4.78
5001 to 10000	257	3.58	2,031,410	1.36
10001 to 20000	110	1.53	1,688,050	1.13
20001 to 30000	24	0.33	579,050	0.39
30001 to 40000	16	0.22	555,430	0.37
40001 to 50000	14	0.20	651,130	0.44
50001 to 100000	29	0.41	2,042,190	1.37
100001 and above	62	0.86	134,542,210	90.16
Total	7183	100.00	149,225,250	100.00

Categories of Shareholders as per Clause 35 of the Listing Agreement

Category	No. of Shareholders	Voting Strength (%)	No. of shares
Promoter and Promoter Group	27	61.03	9,107,385
Mutual Funds & UTI	6	16.72	2,494,750
Banks, Financial Institutions, Insurance Companies	3	0.97	145,268
FII	5	1.44	214,078
Bodies Corporate	250	4.52	674,691
Individuals	6804	13.74	2,050,202
NRIs & OCB	88	1.58	236,151
Total	7183	100	14,922,525

Dematerialisation of shares and liquidity

98.25% of the Company's Share Capital is dematerialised as on March 31, 2011. The Company's shares are regularly traded on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

Plant Locations

Barjora Unit	Plot No. 1498/2613, WBIDC, Barjora Mejia Road, P.S. Barjora, District: Bankura, West Bengal.
Hosur Unit	Part of Survey No.149, 151 to 153, 227/ 2K3 and 299/1, Next to GNB Factory, Koneripalli Post, Nallaganakothapalli Village, Hosur Taluk, Krishnageri District, Tamilnadu- PIN-635117.
Jammu Unit	Plot No. 1107, IGC, Phase - II, Samba - 184 121, Jammu & Kashmir.
Kharadapada Unit	Survey No. 389, 391, 393, 396 & 401, Naroli - Kharadpada Road, Village: Kharadpada, Silvassa -396230, U.T. of Dadra & Nagar Haveli.
Noida Unit	Plot No.26, B/C Sector No.31, Surajpur - Kasna Road, Greater Noida - 203 207, (U.P.).
Pondicherry Unit	19/3-5, 18/1 & 21/6, Pit -Olaivaikkal Village, Koodapakam Villianoor Road, Villianoor Taluk, Puducherry - 605 110.
Sinnar Unit	STICE, Plot No.971/1A, Sinnar Shirdi Road, Sinnar-422 103, Dist, Nashik, Maharashtra.
Vasona Unit	Survey No. 354/2 & 354/3, Near Rakoli Bridge, Silvassa- Khanvel Road, Vasona, Union Territory of Dadra & Nagar Haveli - 396 230.
Registered Office	Survey No. 354/2 & 354/3, Near Rakoli Bridge, Silvassa- Khanvel Road, Vasona, Union Territory of Dadra & Nagar Haveli - 396 230.
Corporate Office	Nilkamal House, Plot No.77/78, Road No.13/14, MIDC, Andheri (E), Mumbai - 400 093.

Address for Correspondence

Investors can communicate at the following addresses:

- Ms. Priti P. Dave - Company Secretary
Nilkamal Limited
Nilkamal House, Plot No.77/78,
Road No. 13/14, MIDC,
Andheri-East, Mumbai 400 093.
E-mail:- investor@nilkamal.com
Tel:- 022-42358888 Fax:- 022-26818080
- M/s. Link Intime India Private Limited
Registrars and Transfer Agents
C-13, Kantilal Maganlal Estate,
Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai 400 078.
Email: rnt.helpdesk@linkintime.co.in
Tel: 022-25946970
Fax: 022-25946969

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The Members,
Nilkamal Limited

We have examined the compliance of conditions of Corporate Governance by Nilkamal Limited, for the year ended 31st March 2011, as stipulated in Clause 49 of the Listing Agreements of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Dalal & Shah

Firm Registration Number: 102021W
Chartered Accountants

S. Venkatesh

Partner

Membership Number: F-037942

Place: Mumbai

Date: May 20, 2011

For Vora & Associates

Firm Registration Number: 111612W
Chartered Accountants

Bharat B. Chovatia

Partner

Membership Number: 031756

MANAGEMENT DISCUSSION AND ANALYSIS**INDUSTRY STRUCTURE AND DEVELOPMENT OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK:**

The global economic recovery slowly gained momentum in the Financial Year 2010-11. While growth in the emerging economies remained strong, that in the developed economies like the US and Europe started showing signs of recovery during the year.

But, the natural calamity that hit Japan and the sharp increase in oil prices consequent to the escalating political unrest in the Middle East and the North African countries is fuelling the uncertainty to the pace of global recovery.

Despite new risks, the Indian economy continued to register an improvement in its growth. GDP growth, estimated at 8.6 per cent during 2010-11, reverted to the high growth trajectory.

While the growth trajectory of the Indian economy is expected to persist in the coming year, the continuing uncertainties about energy and commodity prices may vitiate the investment climate. Inflation remains a challenge for the Indian Economy and the key risks are tighter monetary conditions and rising prices which is eating away most of the disposable income of the consumers.

Plastic Division

The **Plastic Business** has achieved a volume growth of 11% and value growth of 21%. During the Financial Year 2010-11, it has achieved total turnover of Rs.123,268 Lacs as compared to Rs.102,884 Lacs in the previous year.

The **Moulded Furniture Business** of the Company saw a top line growth of 13% in revenue terms over the previous Financial Year with a market share of around 39%. This vertical of the Company is enjoying a strong leadership position in the market with a lead of nearly two times of its closest competitor. In the Financial Year 2010-11, the raw material cost witnessed a rise of more than 20% over the last year's average and the said rise was mainly evident during the second half of the Financial Year 2010-11. However a stable demand equation helped the division to pass on the increase in the raw material price to some extent.

The Furniture business is well geared for 15%-20% growth on year-on-year basis, with the introduction of more value added products like Office Seating Solutions and hybrid designer chairs for commercial establishments like food courts, malls, etc. The Division has over the years developed a large network of 1,000 plus distributors and has plans to leverage this channel strength with traded furniture products like Computer Tables, TV Trolleys and other home furniture like Dining Table, Wardrobes, etc. The Division also plans to foray into retailing through "Nilkamal Home Idea" Stores in all 2/3 tiers cities in India. We strongly believe that the Indian growth story, if well in place, would unfold a lot of opportunities and our pan India penetration and the ability to serve the remotest rural market through our depots and the increased service quotient would further augment our leadership position in the days to come.

A further rise in raw material prices, if the crude gallops much above the current levels, can result in a negative impact on the net realisations in the forthcoming Financial Year.

The **Material Handling Business** has achieved value growth of 29%. The Company already a market leader for its one stop material handling shop philosophy of all under one roof, consolidated its position in crates, bins, pallets, material handling equipments, vertical storage systems & also automated storage & retrieval systems.

Various new products introduced in the roto moulded, vacuum formed, blow moulding, PU filled insulated segments have been received well in the market.

Material Handling Equipment business witnessed strong growth driven by focus within the Indian industrial sector to increase intra-logistic efficiencies & the flow of raw material, work-in-process, and finished goods while decreasing dependency on labor.

The coming-of-age of India's Industrial Sector coupled with the ever-increasing focus on improved factory output with less dependency on labor continues to serve well for material handling products.

Growth in the automotive, food processing, soft-drink beverage & hospitality segments in India remains robust. The Company will gain by selling strong line-up of branded products to these segments.

The Government's thrust on development of agriculture & horticulture sectors with focus on efficient methods of handling of produce, poses an enormous opportunity for the Company.

The Company will concentrate its efforts on new products in segments like disposal management & road safety in lieu of an increase in Government spending in these areas.

The Company is also in the process of developing a product as well as services to be offered in the building & construction segment. The Company will start selling light, easy-to-erect & quick-to-dismantle injection molded plastic formwork systems with a lower cost of ownership compared to the wood & metal formwork that is ubiquitously used in construction projects today.

The Company will roll out a Customer Relationship Management (CRM) initiative using high end software with a goal to increase sales productivity. We envisage that this initiative will have the same impact on the sales process which the investment in SAP Enterprise Resource Planning had on production & distribution processes.

The implementation of GST regime would bring enormous opportunities for Material Handling Business by requirements of large, efficient, planned warehousing for all sectors.

The rise in price of crude & its effective rise in price of plastic raw material & uncertainties in its availability will remain a major concern for the business.

Lifestyle Furniture, Furnishing and Accessories Division:

Amidst economic upturn, @home, retail business division of the Company, has posted a turnover of Rs.191 Crore for FY 2010-11 reflecting 44% growth in turnover as compared to FY 2009-10. After couple of years hard work, dedication, focused approach and zeal to learn & practice, made @home to achieve profit in the current Financial Year 2010-11. This reinforces the positive outlook in @home. The division hopes to achieve 20%-25% growth out of the sales of its existing stores for the FY 2011-12. On the path of its expansion, @home shall set up four new stores in next six months and look for more opportunities to expand. At present, 16 @home stores are spread across 11 cities in India covering a total retail space of 2.68 Lacs sq. ft. carpet area.

@home has become a trusted brand among the consumers & acquired a reputation of being a serious player in the Indian retail industry in the home décor category.

@home is being positioned as a 'home stylist', with the brand promise of 'we help make your home, a home'. This has been achieved due to investments in product lines, store layout, value added services like free interior planning, right human resources - a highly skilled & specialized team has been formed to drive this business with a competitive edge. Recently @home has started investing in back end systems such as Business Intelligence (BI) solution for quicker, easier and integrated information availability for key decision making. @home has also taken first step towards e-commerce with the sales of @home gift voucher from its online portal.

In order to widen the scope of its existing activities in the segment of lifestyle furniture, other furnishings and accessories, the Company is planning to venture into activities related to manufacturing, dealing and trading etc. of all kinds of mattresses made up of materials like coir, spring, foam etc. and other related products.

The organized sector of the Indian furniture market is only 10% of the total market size of 70,000 crores & it is growing by 30% CAGR. The main threat for the business is economic uncertainty coupled with adverse currency fluctuations. Home furniture is not purchased frequently, thus involves a lot of deliberation and needs a larger outlay of funds for our target customer. However, urban housing demand, higher disposable incomes, nuclear family & time paucity are the major drivers for the category.

It is encouraging to witness the major shift in customer's preference for readymade furniture and entry of more organized players in the market which will facilitate the consumers with benefits such as wide product range, quality products, home décor ideas, easy finance options, warranty and after sales service.

Financial Review

Operating Profit

The Company registered Operating Profit of Rs.12,970 Lacs against Rs.12,276 Lacs in the previous year, an increase of 5.65 % over the previous year.

The operating margin dropped to 10.38% as compared to 11.94 % in the previous year. This is on account of increase in material consumption ratio, employee cost & operating expenses.

Interest

Interest and Financial cost has been increased by Rs. 203 Lacs i.e. from Rs. 2,470 Lacs to Rs. 2,673 Lacs. This is due to increase in average utilisation of borrowed funds & it's cost.

Net Profit

The Company has made net profit after tax of Rs. 5,245 Lacs as against Rs. 4,723 Lacs, an increase of 11%.

Dividend

The Company has proposed final dividend of Rs. 4/- per equity share (40%) for the current year. The total outflow amounts to Rs. 693.73 Lacs including dividend distribution tax.

Capital Employed

The total capital employed stood at Rs. 65,824 Lacs against Rs. 53,221 Lacs of previous year. Return on Capital employed is 13.30 % against 13.98% of previous year while Return on Equity is 17.29% against 20.42% of previous year.

The total debt to equity stands at 0.85 time against 1.12 time of the previous Financial Year.

Subsidiary and Joint Venture Performance

The Sri Lankan Subsidiary has achieved turnover of SLR 12,168 Lacs and net profit of SLR 696 Lacs as compared to previous year turnover of SLR 8,129 Lacs and net profit of SLR 652 Lacs.

During the year under review, the Company has received Rs. 127 Lacs (previous year Rs. 85 Lacs) towards Technical and Management Fees and dividend of Rs. 61 Lacs (previous year Rs. 87 Lacs) from the said subsidiary.

The Subsidiary at Ajman has achieved a turnover of AED 99 Lacs with net profit of AED 2 Lacs against previous year turnover of AED 89 Lacs with net profit of AED 11 Lacs. This lackluster performance is result of the local economic condition in which the Subsidiary is operating.

The Joint Venture Company - Nilkamal BITO Storage Systems Private Limited is in manufacturing of storage systems of metal. In fourth year of operation, it has achieved turnover of Rs. 3,852 Lacs and has incurred a total loss of Rs. 66 Lacs as compare to previous year turnover of Rs. 3,630 Lacs and net loss of Rs. 807 Lacs. This turnaround attributes to increase in small-to-medium high realization orders while continuing to pick-&-choose large low realization orders. JV Company has also tightened control on costs. The net result of the said activities was that the JV Company for the year achieved a milestone of cash break even. The ever increasing cost of real estate coupled with the requirement for factories to expand operations to keep up with demand in all sectors will continue to serve well for racking & storage business. The Company has received Rs. 116 Lacs (previous year Rs.107 Lacs) towards Technical and Management Fees from the said Joint Venture Company.

During the year under review, your Company has entered into a Joint Venture with M/s. Cambro Manufacturing Company, USA ('Cambro') to carry out the business of manufacturing and importing of the extensive range of quality products for the food service industry and its distribution. The Company has contributed Rs. 200.50 Lacs towards equity contribution.

Internal Control Systems and Their Adequacy

Your Company conducts its business with integrity and in compliance with the laws and regulations that governs its business. The Company has proper and adequate Internal Control Systems. It regularly upgrades its operating systems and software with new and improved versions to enhance the level of transparency in its working. In the view of the same, the Company is in the process of upgrading its current system from SAP 4.7 to SAP ECC 6.0 and plans to further implement other improved Business Analytical Tools. Implementation of such improved tools helps the Company to further strengthen its Internal Control Systems by detecting and preventing the occurrences of errors and frauds, mitigating the risks and hence improving the overall performance of the Company.

The Company has implemented suitable controls to assure that all resources are utilized optimally, financial transactions are reported with the accuracy and all applicable laws and regulations are strictly complied with. The audit findings are reviewed by the Audit Committee of Directors and corrective actions as deemed necessary are taken.

Human Resources Management and Industrial Relations

The Company believes that employees are the key to achievement of the Company's objectives and strategies. The Company provides employees with a fair and equitable work environment and support from the peers to develop their capabilities. The Company has created a pool of dedicated personnel to share a common passion and vision which will put the Company on sustainable growth trajectory.

Your Company's industrial relations continued to be harmonious during the year under review. The employee strength of your Company is currently 2690.

Cautionary Statement

The Management Discussions and Analysis Statement made above are on the basis of available data as well as certain assumptions as to the economic conditions, various factors affecting raw material prices, selling prices, trend and consumer demand and preference, governing and applicable laws and other economical and political factors. The Management cannot guarantee the accuracy of the assumptions and projected performance of the Company in future. It is therefore, cautioned that the actual results may differ from those expressed and implied therein.

To
The Members,

Nilkamal Limited

1. We have audited the attached Balance Sheet of Nilkamal Limited (the "Company") as at 31st March, 2011, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, 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 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 of 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 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, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order"), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') 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 give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) 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 Act;
 - (e) On the basis of written representations received from the directors, as on 31st March, 2011 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give, in the prescribed manner, the information required by the Act, and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Dalal & Shah

Firm Registration Number: 102021W
Chartered Accountants

For Vora & Associates

Firm Registration Number: 111612W
Chartered Accountants

S. Venkatesh

Partner
Membership Number: F-037942

Bharat B. Chovatia

Partner
Membership Number: F-031756

Place: Mumbai
Date: May 20, 2011

REFERRED TO IN PARAGRAPH 3 OF THE AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF NILKAMAL LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2011

1. (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 according to a phased programme, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
(c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
2. (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable. Inventories lying with outside parties have been confirmed by them at the close of the year.
(b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) 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.
3. (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 Act.
(b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
4. In our opinion and according to the information and explanations given to us, 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.
5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
(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.
6. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
8. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
9. (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, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth 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, the particulars of dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, excise duty and cess as at 31st March, 2011 which have not been deposited on account of a dispute, are as follows:

Nature of dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where the dispute is pending
Sales Tax (including Value Added Tax)	49.42	2005 to 2007	High Court
	24.63	2002 to 2004, 2005-06 and 2007-08	Departmental Authorities
Excise Duty	4.81	1999 to 2001	High Court

10. The Company has no accumulated losses as at 31st March, 2011 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. 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 financial institution or bank or debenture holders as at the balance sheet date.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
14. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
15. In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained, except that amounts unutilised as at the close of the year of Rs. 1,054.45 Lacs, are lying in bank accounts.
16. 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.
17. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
18. The Company has not raised any money by public issue during the year.
19. 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, except for frauds identified by the Company, referred to in Note No.10(ii) in Schedule Q, by three employees of the Company involving estimated embezzlement of funds aggregating Rs. 29.97 Lacs.
20. The other clauses, (iii)(b), (iii)(c), (iii)(d), (iii)(f), (iii)(g), (xiii) and (xix) of paragraph 4 of the Companies (Auditor's Report) Order 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, are not applicable in the case of the Company for the year, since in our opinion there is no matter which arises to be reported in the aforesaid Order.

For Dalal & Shah

Firm Registration Number: 102021W
Chartered Accountants

For Vora & Associates

Firm Registration Number: 111612W
Chartered Accountants

S. Venkatesh

Partner
Membership Number: F-037942

Bharat B. Chovatia

Partner
Membership Number: F-031756

Place: Mumbai
Date: May 20, 2011

BALANCE SHEET AS AT 31ST MARCH, 2011

	SCHEDULE	AS AT 31.03.2011 Rs. in Lacs	AS AT 31.03.2010 Rs. in Lacs
I SOURCES OF FUNDS			
1. SHAREHOLDERS' FUND			
(a) Share Capital	A	1,492.25	1,278.23
(b) Reserves and Surplus	B	34,085.64	23,839.18
		35,577.89	25,117.41
2. LOAN FUNDS			
(a) Secured Loans	C	28,595.84	28,103.41
(b) Unsecured Loans	D	1,650.34	-
		30,246.18	28,103.41
3. DEFERRRED TAX LIABILITY (NET) [Refer Note 18]		1,564.33	1,351.68
TOTAL		67,388.40	54,572.50
II APPLICATION OF FUNDS			
1. FIXED ASSETS			
(a) Gross Block	E	52,202.60	44,931.80
Less: Depreciation / Amortisation		26,377.67	23,410.16
Net Block		25,824.93	21,521.64
(b) Capital Work In Progress [Refer Note 7]		4,429.94	869.44
		30,254.87	22,391.08
2. INVESTMENTS	F	2,529.59	2,429.09
3. CURRENT ASSETS, LOANS AND ADVANCES			
(a) Inventories		22,467.79	15,640.03
(b) Sundry Debtors		14,448.92	13,250.00
(c) Cash and Bank Balances		2,644.66	1,533.13
(d) Loans and Advances		7,617.97	11,199.80
		47,179.34	41,622.96
LESS:CURRENT LIABILITIES AND PROVISIONS			
(a) Current Liabilites	H	10,685.11	10,481.18
(b) Provisions	I	1,890.29	1,389.45
		12,575.40	11,870.63
NET CURRENT ASSETS		34,603.94	29,752.33
TOTAL		67,388.40	54,572.50
SIGNIFICANT ACCOUNTING POLICIES	P		
NOTES TO ACCOUNTS	Q		

AS PER OUR REPORT OF EVEN DATE

For DALAL & SHAH

Firm Registration No. : 102021W

Chartered Accountants

For and on behalf of the Board

S. Venkatesh

Partner

Membership No. : F-037942

For VORA & ASSOCIATES

Firm Registration No. : 111612W

Chartered Accountants

Sharad V. Parekh

Managing Director

Hiten V. Parekh

Executive Director

Bharat B. Chovatia

Partner

Membership No. : F-031756

Paresh B. Mehta

Financial Controller

Priti P. Dave

Company Secretary

Place: Mumbai

Date: May 20, 2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2011

	SCHEDULE	Year Ended on 31.03.2011 Rs. in Lacs	Year Ended on 31.03.2010 Rs. in Lacs
I INCOME			
Gross Sales and Income from Services	J	142,355.77	116,162.60
Less : Duties and Levies		17,446.91	13,357.58
NET SALES		124,908.86	102,805.02
Other Income	K	321.56	476.91
TOTAL		125,230.42	103,281.93
II EXPENDITURE			
Materials consumed / Cost of goods traded / Variation in stocks	L	77,485.47	62,844.94
Employees' Remuneration and Benefits	M	7,577.90	5,660.56
Operating and other expenses	N	27,218.63	22,500.54
Financial Expenses	O	2,673.06	2,469.63
Depreciation/Amortisation		3,293.16	3,217.51
		118,248.22	96,693.18
Less : Trial Run Expenses Capitalised [Refer note 7(c)]		21.56	-
TOTAL		118,226.66	96,693.18
Profit before Taxation		7,003.76	6,588.75
Provision for taxation			
Current Tax		1,675.00	1,850.00
Deferred Tax [Refer Note 18]		212.65	(26.35)
Taxation for earlier years written off / (written back)		(129.67)	41.24
NET PROFIT AFTER TAX		5,245.78	4,723.86
BALANCE OF PROFIT BROUGHT FORWARD		6,969.47	4,891.87
PROFIT AVAILABLE FOR APPROPRIATION		12,215.25	9,615.73
III APPROPRIATIONS			
Proposed Dividend		596.90	383.47
Interim Dividend		-	255.65
Tax on Dividend		96.83	107.14
Transfer to General Reserve		524.58	1,900.00
Balance carried to Balance Sheet		10,996.94	6,969.47
		12,215.25	9,615.73
Earnings per Equity Share of Rs. 10/- Each [Refer Note 23]			
Basic and Diluted Earnings per Share		36.80	36.96
SIGNIFICANT ACCOUNTING POLICIES	P		
NOTES TO ACCOUNTS	Q		

AS PER OUR REPORT OF EVEN DATE

For **DALAL & SHAH**
Firm Registration No. : 102021W
Chartered Accountants

For and on behalf of the Board

S. Venkatesh

Partner
Membership No. : F-037942
For **VORA & ASSOCIATES**
Firm Registration No. : 111612W
Chartered Accountants

Sharad V. Parekh
Managing Director

Hiten V. Parekh
Executive Director

Bharat B. Chovatia

Partner
Membership No. : F-031756

Paresh B. Mehta
Financial Controller

Priti P. Dave
Company Secretary

Place: Mumbai
Date: May 20, 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	2010 - 2011		2009 - 2010	
	<u>Rs. in Lacs</u>	<u>Rs. in Lacs</u>	<u>Rs. in Lacs</u>	<u>Rs. in Lacs</u>
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		7,003.76		6,588.75
Adjustments for :				
Depreciation and Amortisation	3,293.16		3,217.51	
Loss on Fixed Assets sold / discarded (Net)	33.70		186.88	
Financial Expenses (Net)	2,673.06		2,469.63	
Provision/(Write back) for doubtful debts and advances (Net)	70.76		35.21	
Bad Debts Written off	29.38		30.54	
Exchange (Gain) / Loss on Foreign Currency Loans	(13.29)		(167.16)	
Dividend Received	(60.64)		(86.87)	
Wealth Tax Provision	6.62		5.50	
Written off Investment in Subsidiary Company	-		438.00	
		<u>6,032.75</u>		<u>6,129.24</u>
Operating Profit before Working Capital changes		13,036.51		12,717.99
Adjustments for :				
Trade and Other Receivables	(665.60)		(1,418.99)	
Inventories	(6,708.00)		(1,929.30)	
Trade Payable & Other Liabilities	426.54		1,590.46	
		<u>(6,947.06)</u>		<u>(1,757.83)</u>
Direct Taxes Paid (Net of Refund)	(1,816.11)		(1,940.61)	
		<u>(1,816.11)</u>		<u>(1,940.61)</u>
Net Cash Flow from Operating Activities.....A		4,273.34		9,019.55
B. CASH FLOW FROM INVESTING ACTIVITIES				
Addition to Fixed Assets and Capital Work in Progress	(11,380.27)		(2,144.67)	
Capital Subsidy Received	(25.00)		-	
Sale of Fixed Assets	219.13		76.81	
Sales of Shares in a Subsidiary	-		0.50	
Loans Given to Erstwhile Subsidiary	-		(3,178.24)	
Loans Repaid by Erstwhile Subsidiary	3,178.24		-	
Interest Received on loans	624.04		376.91	
Equity contribution to the joint venture company	(200.50)		(390.00)	
Short Term Investment in Mutual Fund	-		(100.00)	
Redemption of Investment	100.00		-	
Dividend received from Subsidiary	60.64		86.87	
Net Cash Flow from Investing Activities.....B		(7,423.72)		(5,271.82)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Long Term Borrowings	4,344.38		500.00	
Repayment of Long Term Borrowings	(4,222.49)		(3,662.29)	
Proceeds of Unsecured Loans (Net)	1,650.34		(3,000.00)	
Increase / (Decrease) of Working Capital Loans (net)	383.84		5,912.40	
Issue of Equity Share Capital	5,908.43		-	
Interest Paid (Net)	(2,965.09)		(2,949.94)	
Dividend paid (including tax on dividend)	(447.16)		(598.20)	
Net Cash Flow from Financing Activities.....C		4,652.25		(3,798.03)
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)		1,501.87		(50.30)
Cash and Cash Equivalents as at the beginning of the year	1,070.31		1,120.61	
Cash and Cash Equivalents as at the year end	2,572.18		1,070.31	
		1,501.87		(50.30)
Reconciliation to Cash and Bank Balances given in Schedule G - is as follows :-				
Cash and Bank Balance as at the year end		<u>2,644.66</u>		<u>1,533.13</u>
Less:				
Balances in Fixed Deposit accounts pledged with various - government authorities	71.36		71.70	
Balances in Fixed Deposit accounts kept as margin money with - the bankers	1.12		391.12	
		<u>72.48</u>		<u>462.82</u>
Cash and Cash Equivalent as at the year end		2,572.18		1,070.31
Previous year's figures have been regrouped / recast wherever necessary.				

AS PER OUR REPORT OF EVEN DATE

For **DALAL & SHAH**

Firm Registration No. : 102021W

Chartered Accountants

For and on behalf of the Board

S. Venkatesh

Partner

Membership No. : F-037942

For **VORA & ASSOCIATES**

Firm Registration No. : 111612W

Chartered Accountants

Sharad V. Parekh
Managing Director

Hiten V. Parekh
Executive Director

Bharat B. Chovatia

Partner

Membership No. : F-031756

Paresh B. Mehta
Financial Controller

Priti P. Dave
Company Secretary

Place: Mumbai
Date: May 20, 2011

SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31.03.2011 Rs. in Lacs	As at 31.03.2010 Rs. in Lacs
SCHEDULE : 'A'		
SHARE CAPITAL		
AUTHORISED:		
2,20,00,000 Equity Shares of Rs. 10/-each	2,200.00	2,200.00
30,00,000 Preference Shares of Rs. 10/- each	300.00	300.00
	2,500.00	2,500.00
ISSUED, SUBSCRIBED AND PAID UP:		
1,49,22,525 Equity Shares (Previous year 1,27,82,344 Equity Shares) of Rs. 10/- each (Of the above 42,07,644 Equity Shares of Rs. 10/- each have been issued pursuant to the Scheme of amalgamation for consideration other than cash) (During the year 21,40,181 Equity shares of Rs. 10/- each issued to Qualified Institutional Investors at a premium of Rs. 270.35/- each)	1,492.25	1,278.23
TOTAL	1,492.25	1,278.23
SCHEDULE : 'B'		
RESERVES AND SURPLUS		
CAPITAL RESERVE		
As per last Account	1,115.16	1,115.16
SECURITIES PREMIUM ACCOUNT		
As per last Account	754.55	754.55
Add: Received during the year on issue of 21,40,181 Equity Shares	5,785.98	-
Less: Expenses incurred for issue of Equity Shares	91.57	-
	6,448.96	754.55
GENERAL RESERVE		
As per last Account	15,000.00	13,100.00
Add: Transfer from Profit and Loss Account	524.58	1,900.00
	15,524.58	15,000.00
PROFIT AND LOSS ACCOUNT		
Surplus as per Annexed Account	10,996.94	6,969.47
TOTAL	34,085.64	23,839.18
SCHEDULE : 'C'		
SECURED LOANS		
(A) Working Capital Loans From Banks [Refer Note 6 (A)(a)]		
(i) Rupee Loans	17,897.98	17,514.14
(B) Term Loans From Banks [Refer Note 6 (A)(b) and (c)]		
(i) Rupee Loans	8,793.33	9,462.83
(ii) Foreign Currency Loans	1,904.53	1,126.44
TOTAL	28,595.84	28,103.41
SCHEDULE : 'D'		
UNSECURED LOANS:		
From Banks :-		
Short Term Rupee Loans	1,500.00	-
From Others	150.34	-
Commercial Paper [Refer Note 6 (B)]	-	-
TOTAL	1,650.34	-

SCHEDULE "E"

FIXED ASSETS

(Rs. in Lacs.)

ASSETS	GROSS BLOCK				DEPRECIATION/AMORTISATION				NETBLOCK	
	AS ON 01.04.2010	ADDITIONS DURING THE YEAR	DEDU/ ADJU DURING THE YEAR	AS ON 31.03.2011	AS ON 01.04.2010	ADDITIONS DURING THE YEAR	DEDU/ ADJU DURING THE YEAR	AS ON 31.03.2011	AS ON 31.03.2011	AS ON 31.03.2010
A - TANGIBLE ASSETS										
1 FREEHOLD LAND	146.50	746.08	-	892.58	-	-	-	-	892.58	146.50
2 LEASEHOLD LAND [a and b]	224.72	-	-	224.72	19.16	2.50	-	21.66	203.06	205.56
3 BUILDING	8,791.70	796.10	14.33	9,573.47	1,962.70	276.27	2.91	2,236.06	7,337.41	6,829.00
4 PLANT & MACHINERY	25,827.10	5,107.45	(c) 253.42	30,681.13	17,901.81	1,926.61	186.86	19,641.56	11,039.57	7,925.29
5 FURNITURE FIXTURES & OFFICE EQUIPMENTS	4,324.42	664.68	19.26	4,969.84	1,690.81	372.69	12.07	2,051.43	2,918.41	2,633.61
6 VEHICLES	1,038.38	508.98	291.47	1,255.89	280.61	108.98	123.81	265.78	990.11	757.77
7 VEHICLES UNDER HIRE PURCHASE SCHEME	164.88	-	-	164.88	27.67	15.66	-	43.33	121.55	137.21
8 INTERIORS AT SHOWROOM	2,220.13	1.74	-	2,221.87	359.14	143.83	-	502.97	1,718.90	1,860.99
B - INTANGIBLE ASSETS										
1 MODELS, DESIGNS AND OTHER COMMERCIAL RIGHTS	2,012.52	-	-	2,012.52	1,039.79	402.50	-	1,442.29	570.23	972.73
2 SOFTWARE	181.45	24.25	-	205.70	128.47	44.12	-	172.59	33.11	52.98
GRAND TOTAL	44,931.80	7,849.28	578.48	52,202.60	23,410.16	3,293.16	325.65	26,377.67	25,824.93	21,521.64
PREVIOUS YEAR	43,101.76	2,308.70	478.66	44,931.80	20,407.93	3,217.51	215.28	23,410.16	21,521.64	

- a) Leasehold Land acquisition value includes Rs. 0.01 Lac (Previous year Rs. 0.01 Lac) paid by way of subscription of shares for membership of co-operative housing society.
- b) Pending completion of the relevant formalities for transfer of some of the fixed assets which vested in the Company pursuant to the scheme of amalgamation, such assets continue to be in the name of the erstwhile amalgamated companies.
- c) It includes Rs. 25.00 Lacs being Capital Subsidy Received from Government of Jammu & Kashmir.

**AS AT
31.03.2011
Rs. In Lacs.**

**AS AT
31.03.2010
Rs. In Lacs.**

SCHEDULE : 'F'

INVESTMENTS (Unquoted, unless otherwise stated)

i) Long Term Investment :

Investments in Government Securities at cost

National Savings Certificates
(Pledged with Government Authorities) **0.32** 0.32

Investments in Subsidiary Companies :

15,20,000 (15,20,000) Equity Shares of SLR 10/- each
of Nilkamal Eswaran Plastics Pvt. Ltd., Sri Lanka. **93.62** 93.62

1 (1) Equity Shares of DHS 1,85,000
of Nilkamal Crates & Bins, FZE **19.65** 19.65

Investments in Joint Ventures :

22,20,000 (22,20,000) Equity Shares of Rs. 10/- each
of Nilkamal Bito Storage Systems Private Limited [Refer Note 8] **2,215.50** 2,215.50

1,05,000 (Nil) Equity Shares of Rs. 10/- each
of Cambro Nilkamal Private Limited **200.50** -

ii) Current Investment :

SBIMF Magnum Insta Cash Fund - 100.00

TOTAL

2,529.59

2,429.09

	As at 31.03.2011 Rs. in Lacs	As at 31.03.2010 Rs. in Lacs
SCHEDULE : 'G'		
CURRENT ASSEST, LOANS AND ADVANCES		
a) Inventories		
Stores and Spare parts	1,392.55	1,074.20
Packing Materials	215.31	158.87
Stock in Trade		
Raw Materials	4,171.64	3,014.33
Semi-Finished Goods / Work in Process	1,484.48	1,272.66
Finished Goods and Traded Goods	15,203.81	10,119.97
TOTAL	22,467.79	15,640.03
b) Sundry Debtors [Refer Note 9]		
i) Outstanding for a period exceeding Six months		
a) Considered Good	578.54	549.32
b) Considered Doubtful	185.31	158.20
	763.85	707.52
ii) Other Debts (Considered Good)	13,870.38	12,700.68
	14,634.23	13,408.20
Less: Provision for Doubtful Debts	185.31	158.20
TOTAL	14,448.92	13,250.00
c) Cash and Bank Balances		
Cash on hand	503.53	308.97
(includes Cheques on hand Rs. 260.08 Lacs (Previous year Rs. 230.02 Lacs))		
Balance with Scheduled Banks		
i) Current Accounts	1,068.65	761.34
ii) On Fixed Deposit Accounts [Includes Rs. 71.36 Lacs Pledged with various government authorities (Previous year Rs. 71.70 Lacs), Rs. 1.12 Lacs kept as margin money with the bankers, (Previous year Rs. 391.12 Lacs)]	1,072.48	462.82
TOTAL	2,644.66	1,533.13
d) Loans and Advances		
(Unsecured Considered Good, Unless otherwise Specified)		
Advances Recoverable in Cash or in kind or for the value to be received [Refer Note 10]		
Considered Good	3,630.33	7,664.35
Considered Doubtful	56.66	56.66
	3,686.99	7,721.01
Less: Provision for Doubtful advance	(56.66)	(56.66)
	3,630.33	7,664.35
Employee Loans	229.96	207.98
Balance with Excise Department	20.92	8.54
Taxes paid in Advance (Net of Provisions)	267.13	537.91
Deposits [Refer Note 11]	3,469.63	2,781.02
TOTAL	7,617.97	11,199.80

	As at 31.03.2011 Rs. in Lacs	As at 31.03.2010 Rs. in Lacs
SCHEDULE : 'H'		
CURRENT LIABILITIES		
Sundry Creditors (Refer Note 12)	5,506.28	4,456.25
Unclaimed Dividend (Refer Note below)	19.53	20.04
Other Liabilities	5,013.87	5,850.67
Interest Accrued but not due on loans	145.43	154.22
TOTAL	10,685.11	10,481.18

SCHEDULE : 'I'		
PROVISIONS		
Provision for Excise Duty on Closing Stock	417.93	298.17
Provision for Product Warranties [Refer Note 5]	113.68	156.24
Provision for Wealth Tax	7.45	6.03
Proposed Dividend	596.90	383.47
Tax on Proposed Dividend	96.83	63.69
For Employee Benefits	657.50	481.85
TOTAL	1,890.29	1,389.45

Note :- There are no amounts due for transfer to Investor Education and Protection Fund.

	YEAR ENDED ON 31.03.2011 Rs. In Lacs.	YEAR ENDED ON 31.03.2010 Rs. In Lacs.
SCHEDULE : 'J'		
GROSS SALES AND INCOME FROM SERVICES		
a) Gross Turnover of Goods		
Local	137,429.74	113,839.00
Exports [Includes Deemed Exports of Rs. 2,039.26 Lacs, (Previous year Rs. 331.14 Lacs)]	4,588.22	2,003.88
	142,017.96	115,842.88
b) Gross Income from Services		
Service Charges	258.83	222.93
Export of Services	78.98	96.79
	337.81	319.72
TOTAL	142,355.77	116,162.60

SCHEDULE : 'K'		
OTHER INCOME		
Technical and Management Fees	242.46	192.39
Dividend from a Subsidiary Company	60.64	86.87
Proceeds on Maturity of KEYMAN Policy	-	186.70
Miscellaneous Receipts	18.46	10.95
TOTAL	321.56	476.91

	Year ended on 31.03.2011 Rs. in Lacs	Year ended on 31.03.2010 Rs. in Lacs
SCHEDULE : `L'		
MATERIALS CONSUMED / COST OF GOODS TRADED / VARIATION IN STOCKS :		
a) Opening Stock of Raw Materials	3,014.33	1,783.90
b) Purchases	47,666.25	40,413.24
c) Total of [a] + [b]	50,680.58	42,197.14
LESS:		
d) Closing Stock of Raw Materials	4,171.64	3,014.33
I RAW MATERIALS CONSUMED [c-d]	46,508.94	39,182.81
II TRADING PURCHASES	36,210.73	24,705.27
III VARIATION IN THE STOCK OF FINISHED/ SEMI-FINISHED / WORK IN PROCESS / TRADED GOODS		
Opening Stock		
Work in Process	444.60	242.45
Semi Finished Goods	828.06	614.59
Finished and Traded Goods	10,119.97	9,436.57
	11,392.63	10,293.61
Closing Stock		
Work in Process	406.76	444.60
Semi Finished Goods	1,077.72	828.06
Finished and Traded Goods	15,203.81	10,119.97
	16,688.29	11,392.63
Add / (Less) : Variation in excise duty on Opening and Closing stock of Finished Goods	61.46	55.88
TOTAL (III)	(5,234.20)	(1,043.14)
TOTAL (I+II+III)	77,485.47	62,844.94

SCHEDULE : `M'

EMPLOYEES' REMUNERATION AND BENEFITS

Salary, Wages and Bonus	6,768.72	5,058.96
Contribution to Provident and Other funds	191.92	148.38
Workmen and Staff Welfare Expenses	617.26	453.22
TOTAL	7,577.90	5,660.56

	Year ended on 31.03.2011 Rs. in Lacs	Year ended on 31.03.2010 Rs. in Lacs
SCHEDULE : 'N'		
OPERATING AND OTHER EXPENSES		
Stores and Spare Parts Consumed	1,444.23	1,306.79
Power and Fuel	3,861.97	3,332.91
Repairs :		
Building	74.75	171.83
Machinery	140.51	180.16
Others	622.05	402.37
Labour Charges Paid	3,831.88	2,594.60
Rent	2,471.84	2,321.81
Rates and Taxes	146.79	104.74
Insurance	127.50	121.13
Postage and Telephone Expenses	360.36	354.99
Loss on Fixed Assets Sold / Discarded (Net)	33.70	186.88
Packing Material Consumed	972.45	747.76
Travelling Expenses	987.15	792.98
Commission	411.81	476.18
Advertisements and Publicity Expenses	1,786.33	1,422.51
Computer Expenses	96.84	121.33
Carriage Outward	6,139.67	4,390.95
Land Lease Rent	3.10	3.10
Board Meeting Fees	6.65	6.25
Provision for Wealth Tax	6.62	5.50
Bad Debts written off	29.38	30.54
Provision / (Write back) for Doubtful Debts and Advances	70.76	35.21
Discounts & Schemes	884.40	1,005.13
Payment to Auditors		
- Audit Fees	16.00	16.00
- In Other Capacity	18.52	9.84
- Reimbursement of Expenses	0.26	0.20
Loss on Sale of Investments in Subsidiary	-	438.00
Sundry Expenses	2,673.11	1,920.85
TOTAL	27,218.63	22,500.54
SCHEDULE : 'O'		
FINANCIAL EXPENSES		
Interest -		
On Term Loans	1,123.79	1,378.01
Other Interest	1,638.10	1,326.45
	2,761.89	2,704.46
Less:		
Interest Received		
On Loans (TDS Rs. 19.28 Lacs, Previous year Rs. 47.99 Lacs)	192.77	479.96
On Others (TDS Rs. 0.18 Lacs, Previous year Rs. 1.49 Lacs)	142.27	45.26
Interest Capitalised	90.48	-
	2,336.37	2,179.24
Bank Charges	259.75	188.68
Processing and other charges on Loans	76.94	101.71
TOTAL	2,673.06	2,469.63

SCHEDULE - P**SIGNIFICANT ACCOUNTING POLICIES****a) Basis of preparation of Financial Statements:**

The financial statements of the Company have been prepared under historical cost convention on an accrual basis and in compliance with the applicable Accounting Standards notified under Section 211(3C) and other relevant provisions of the Companies Act, 1956.

b) Use of Estimates:

The presentation of financial statements 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 results and estimates are recognised in the period in which the results are known.

c) Fixed Assets:

Fixed assets are recorded at cost of acquisition or construction, net of Cenvat credit wherever eligible. Cost includes all expenses related to acquisition or construction, including attributable borrowing cost on qualifying assets.

Fixed assets, which are not in use or are held for disposal are stated at cost less accumulated depreciation or at net realisable value, whichever is lower.

d) Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceed 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.

e) Depreciation and Amortisation:

i) Depreciation on tangible fixed assets is provided on Straight Line Method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956, except in the case of improvements to the leasehold assets, which are depreciated on straight line basis over the total period of lease;

ii) Cost of Leasehold land is amortised over the period of lease;

iii) Depreciation on addition to assets or on sale / discardment of assets, is calculated pro rata from the date of such addition or upto the date of such sale / discardment, as the case may be;

iv) Assets like mobile phones, telephone instruments, etc. are fully depreciated in the year of purchase / acquisition;

v) a) Software (intangible assets) is amortised on a straight-line basis over a period of 36 months from the date of its implementation or based on the management's estimate of useful life over which the economic benefits will be derived.

b) Models, Designs and other Commercial rights (intangible assets) is amortised on a straight-line basis over a period of 60 months from the date of its put to use or based on the management's estimate of useful life over which the economic benefits will be derived.

f) Valuation of Inventories:

Inventories of Raw Materials, Packing Materials, Stores and Spares, Work-in Process, Semi-finished goods and Finished goods (including Goods for trade) are valued 'at cost or net realisable value' whichever is lower. Cost comprises all cost of purchase, appropriate direct production overheads and other costs incurred in bringing the inventories to their present location and condition. The excise duty in respect of the closing inventory of finished goods is included as part of the finished goods. Cost formulae used is 'Weighted Average Cost'.

g) Investments:

Investments are classified into Current and Long Term Investments. Current Investments are stated at lower of cost and fair value. Long Term Investments are stated at cost less provision, if any, for other than temporary diminution in value.

h) Employee Benefits:**Short Term Employee Benefits**

All employee benefits payable within twelve months of rendering the service are recognised in the period in which the employee renders the related service

Post Employment / Retirement Benefits

Contribution to Defined Contribution Plans such as Provident Fund etc., are charged to the Profit and Loss Account as incurred.

Defined Benefit Plans - The present value of the obligation under such plans, is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the Profit and Loss Account. In the case of gratuity, which is funded, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Other Long Term Employee Benefits are recognised in the same manner as Defined Benefit Plans.

Termination Benefits

Termination benefits are recognised as and when incurred.

i) Foreign Currency Translations:

All transactions in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place;

Monetary items in the form of Current Assets, Current Liabilities and Loans in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is accounted during the year;

In respect of Forward Exchange contracts entered into to hedge foreign currency risks, the difference between the forward rate and exchange rate at the inception of the contract is recognised as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognised as income or expense along with the exchange differences on the underlying assets / liabilities. Profit or Loss on cancellations / renewals of forward contracts is recognised during the year.

j) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

k) Recognition of Income and Expenditure:

- i) Sale of Goods is recognised on transfer of significant risks and rewards of ownership, which is generally on the dispatch of goods. Gross sales are inclusive of excise duty, sales tax, but are net of trade discounts and sales returns.
- ii) Income from Services is recognised on completion of service.
- iii) Revenue/Income and Cost/Expenditure are generally accounted on accrual as they are earned or incurred, except in case of significant uncertainties.
- iv) Benefit on account of entitlement to import duty-free raw materials under Advance License is estimated and accounted in the year of export as an adjustment to raw material consumption, provided there is a reasonable degree of certainty with regard to its ultimate realisation.
- v) Liability for Excise duty payable on stock in bonded warehouse at the year-end is provided for.
- vi) Dividend income is recognised when the right to receive the same is established.
- vii) Interest income is accrued over the period of loan / deposit / investment.
- viii) Product warranty expenses are determined / estimated and provided for on the basis of the past experience of the Company.

l) Assets taken on Lease:

Lease arrangements where the risks and rewards incident to ownership of an asset substantially vest with the lessor are recognised as operating lease. Lease rents under operating leases are recognised in the Profit and Loss account on accrual basis.

Assets acquired on finance lease are capitalised at their fair market value on the date of acquisition and a corresponding lease liability is created for the same.

m) Taxation:

Income-tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year.

The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognised only to the extent there is reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of deferred tax assets are reviewed to reassure realisation

n) Expenditure during Construction Period:

In case of new Projects and in case of substantial modernisation / Expansion at existing units of the Company, all directly attributable expenditure specifically for the project, incurred upto the date of installation, is capitalised and added pro-rata to the cost of fixed assets.

o) Government Grants:

Grants received against specific fixed assets are adjusted to the cost of the assets and those in the nature of contribution towards the Company's total capital outlay are credited to Capital Reserve. Revenue grants are recognized in the Profit and Loss Account in accordance with the related scheme and the period in which these are accrued.

p) Provisions:

A provision is recognized when there is a present obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and in respect of which reliable estimate can be made. At each Balance Sheet date, the carrying value of provisions is reviewed and adjusted to reflect the best current estimate.

SCHEDULE: Q

NOTES TO THE ACCOUNTS:

1. Contingent Liabilities not provided for in respect of:

(Rs.in Lacs)

		31st March, 2011	31st March, 2010
i)	Excise matters	10.94	10.94
ii)	Sales Tax matters *	1048.12	923.23

* Includes Rs. 972.61 Lacs paid in full against the disputed Sales Tax liability (Previous Year contingent liability Rs. 844 Lacs, paid there against Rs. 600 Lacs) under the Kerala General Sales Tax Act, 1963 The matter is pending for hearing in the Honorable Supreme Court of India.

Note : The Excise and Sales Tax demands are being contested by the Company at various levels. The Company has been legally advised that it has a good case and the demands are not tenable.

2. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 1,747.28 Lacs (Previous Year Rs.653.24 Lacs).

3. Remuneration to Directors comprise of (a) Salary, allowances, etc. Rs. 313.16 Lacs (Previous Year Rs. 315.51 Lacs) and (b) Other Perquisites Rs.1.58 Lacs (Previous year Rs.1.58 Lacs)

4. Sundry Expenses include net effect of changes in the foreign currency rates :

Loss / (Gain) on revenue items included in Profit and Loss account for the year Rs. 58.43 Lacs. (Previous Year Rs. (294.80) Lacs)

5. Disclosure relating to provisions in respect of Product Warranty is as follows :

(Rs. In Lacs)

	2010-11	2009-10
Opening Balance	156.24	118.08
Additions	346.53	308.42
Utilisations	389.09	270.26
Closing Balance	113.68	156.24

6(A) Secured Loans :

- a) The Working Capital Facilities amounting to Rs. 17,897.98 Lacs. (Previous Year 17,514.14 Lacs.) and a Term Loan amounting to Rs. 375 Lacs (Previous Year Rs. 1,125 Lacs) from Banks are secured on first pari passu basis by way of hypothecation of current assets of the Company, second pari passu charge by way of equitable mortgage on the Company's immoveable property and personal guarantees of Director/s.
- b) Other Term Loans from Banks amounting to Rs. 7,968.39 Lacs (Previous Year Rs. 9,408.59 Lacs) are secured on first pari passu basis by way of Equitable mortgage created on Company's immoveable properties situated at Sinnar (Maharashtra), Barjora (West Bengal), Noida (Uttar Pradesh), Vasona (UT of D & NH), Puducherry, Kharadpada (UT of D & NH), Jammu (Jammu & Kashmir) together with all building and structures thereon and all Plant & Machinery, second pari passu charge by way of hypothecation of current assets of the Company and personal guarantee of a Director and Rs.2,344.37 lacs (Previous Year Rs.Nil) are secured on first pari passu basis by way of Equitable mortgage for which charge has since been created.
- c) Vehicle Loans amounting to Rs. 10.10 Lacs (Previous Year Rs. 55.68 Lacs) are secured against respective assets.

(B) Unsecured Loans :

Maximum balance outstanding during the year by way of issue of Commercial Papers Rs. 5,000 Lacs (Previous Year Rs. 2,000 Lacs)

7. a) Capital Work in Progress includes advances for Capital Expenditure Rs. 479.24 Lacs (Previous Year Rs. 565.21 Lacs) and Intangible Asset (Software) of Rs.127.62 Lacs. (Previous Year Rs.Nil)
- b) Capital Expenditure directly attributable to a project at Hosur is as under

(Rs. in Lacs)

Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
Opening Balance	-	-
Add : Expenditure		
Power and Fuel	2.21	-
Salaries, Wages, etc.	40.19	-
Others	23.62	-
Total	66.02	-
Total Expenditure	66.02	-

- c) Expenditure incurred during trial run at Hosur has been capitalised on the estimates made and certified by the management. The amounts so capitalised are as under :

(Rs. in Lacs)

Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
Raw Material Consumption	72.42	-
Stores and Spares Consumption	12.72	-
Salaries, Wages, etc.	3.94	-
Power and Fuel	6.51	-
Other Expenditure	14.85	-
Total	110.44	-
Less: Sales of trial run Product	37.50	-
<u>Stock of trial run product :</u>		
Finished Goods	41.05	-
Work-in-Process	10.33	-
Net Trial Run Expenditure Capitalised	21.56	-

8. The Company has an investment of Rs. 2,215.50 Lacs in Nilkamal Bito Storage Systems Private Limited (NBSSPL), a Joint Venture Company. NBSSPL has incurred losses over the years, however, it has earned cash profit during the year. The Company has, at the close of the year, assessed the carrying value of investment in NBSSPL and no provision thereagainst is considered necessary at present for diminution in the carrying value of the investment.

9. Sundry Debtors :

- (a) Outstanding for more than six months includes Secured debts Rs. 0.51 Lacs (Previous Year Rs. 3.93 Lacs).
- (b) Other Debts includes Secured debts Rs. 1,835.86 Lacs (Previous Year Rs. 1,544.97 Lacs).
- (c) Includes Rs. 23.44 Lacs (Previous Year Rs. 78.77 Lacs), outstanding from Nilkamal Bito Storage Systems Pvt. Ltd., a joint venture company.

10. Advance recoverable in Cash or in Kind includes

- i) Rs.10.84 Lacs (Previous Year Rs. 442.11 Lacs) being Interest Receivable on Loans and other Deposits.
- ii) Rs.29.97 lacs (Previous Year Rs.Nil) being claims lodged with Insurance Company on account of three employee related frauds by way of embezzlement of funds during the year, estimated at Rs. 29.97 lacs (Previous Year Rs.Nil). Appropriate steps and Legal proceeding against the concerned employees have been taken.

11. Deposits include Security Deposit for premises, etc., of Rs. 720 Lacs (Previous Year Rs. 720 Lacs), Maximum balance during the year Rs. 720 Lacs (Previous Year Rs.720 Lacs) being amounts paid to a firm in which the Directors of the Company are interested and Rs. Nil (Previous Year Rs. 10 Lacs) to the Directors of the Company, Maximum balance during the year Rs. 10 Lacs (Previous Year Rs. 10 Lacs)

- 12. i) Principal outstanding of amount payable as on 31st March 2011, relating to Supplier registered as Micro, Small and Medium Enterprises Development Act, 2006 is Rs. Nil (Previous Year Rs. Nil) interest due thereon is Rs. Nil (Previous Year Rs. Nil).
- ii) Amount of interest paid along with the amount of payments made beyond the amount due is Rs. Nil (Previous Year Rs. Nil).
- iii) Amount of interest due and payable where the principal is already due is Rs. Nil (Previous Year Rs. Nil).
- iv) The amount of interest accrued and remaining unpaid at the end of each accounting year Rs. Nil (Previous Year Rs. Nil).

13. Additional information pursuant to paragraphs 3, 4 and 4D of Schedule VI of the Companies Act, 1956.

- a) Details of Capacity, Product manufactured, Turnover, Opening Stock and Closing Stock of finished goods (excluding products manufactured on job work basis);

Particulars	2010-11				2009-10			
	Opening Stock		Production	Net Turnover		Closing Stock		
	Quantity (pcs. in Lacs)	Amount (Rs. in Lacs)	Quantity (pcs. in Lacs)	Quantity* (pcs. in Lacs)	Amount (Rs. in Lacs)	Quantity (pcs in Lacs)	Amount (Rs. in Lacs)	
Installed Capacity **	88,680 TPA				75,120 TPA			
Product Manufactured	Moulded Plastics Articles				Moulded Plastics Articles			
2010 - 11	26.38	3,710.36	394.63	392.69	76,748.84	28.32	5,034.51	
2009 - 10	16.76	2,581.50	362.74	353.12	66,339.95	26.38	3,710.36	

* Including samples

** As certified by the Management and being a technical matter, accepted by the Auditors as correct.

b) Purchase for Resale:-

	Opening Stock		Purchase		Net Turnover		Closing Stock	
	Quantity (in Lacs)	Amount (Rs. in Lacs)	Quantity. (in Lacs)	Amount (Rs. in Lacs)	Quantity * (in Lacs)	Amount (Rs. in Lacs)	Quantity (in Lacs)	Amount (Rs. in Lacs)
2010-11								
Moulded Plastic Articles and Others - Pcs	159.35	3,014.87	1,028.20	23,810.75	538.41	28,280.41	649.14	5,374.56
Polymers (Kgs.) & Others	0.37	21.45	30.39	2,138.55	27.17	1,991.40	3.59	278.46
Readymade Home furniture, Furnishing, Accessories & Others — Pcs	5.45	3,373.29	20.50	10,261.43	16.77	17,180.56	9.18	4,516.28
2009-10								
Moulded Plastic Articles and Others - Pcs	13.59	3,322.06	626.50	16,185.03	480.74	21,826.92	159.35	3,014.87
Polymers (Kgs.) & Others	1.01	54.24	31.77	2,030.82	32.41	2,179.88	0.37	21.45
Readymade Home furniture, Furnishing, Accessories & Others — Pcs	4.60	3,478.77	11.52	6,489.42	10.67	11,946.12	5.45	3,373.29

* Including Samples.

c) Sale of Process Scrap Rs.369.84 Lacs (Previous Year Rs.192.43 Lacs)

d) Details of Raw Material Consumed:-

Particulars	(Rs. in Lacs)			
	2010-11		2009-10	
	Qty. (Tonnes)	Value	Qty. (Tonnes)	Value
Polyethylene	35,842	23,036.47	31,050	20,165.86
Polypropylene	30,002	19,865.79	28,943	16,609.91
Others		3,606.68		2,407.04
Total		46,508.94		39,182.81

e) Details of Imported and Indigenous Raw Material Consumed:-

Particulars	(Rs. in Lacs)			
	2010-11		2009-10	
	Value	%	Value	%
Imported	9,644.65	20.74	5,018.77	12.81
Indigenous	36,864.29	79.26	34,164.04	87.19
Total	46,508.94	100.00	39,182.81	100.00

f) Details of Imported and Indigenous Stores and Spares Consumed:-

Particulars	(Rs. in Lacs)			
	2010-11		2009-10	
	Value	%	Value	%
Imported	157.41	10.90	52.09	3.99
Indigenous	1,286.82	89.10	1,254.70	96.01
Total	1,444.23	100.00	1,306.79	100.00

g) Earnings in Foreign Currency :-

- i) FOB Value of exports Rs. 2,354.44 Lacs (Previous year Rs. 1,507.83 lacs).
- ii) Technical and Management Fees Rs. 126.94 Lacs (Previous year Rs. 84.79 Lacs).
- iii) Income earned from export of services Rs. 78.98 Lacs (Previous Year Rs. 96.79 Lacs).
- iv) Dividend Received from a Subsidiary Company Rs. 60.64 Lacs (Previous Year Rs. 86.87 Lacs).

h) CIF Value of Imports:-

(Rs. in Lacs)

Particulars	2010-11	2009-10
Capital Goods	4,020.17	593.83
Raw Material	9,696.39	6,767.13
Traded Goods	7,801.64	4,328.41
Stores, Spares & Others	162.03	90.21
Total	21,680.23	11,779.58

i) Expenditure in Foreign Currency:-

(Rs. in Lacs)

Particulars	2010-11	2009-10
Travelling Expenses	105.18	79.11
Interest	60.59	90.81
Legal and Professional Charges	21.93	11.79
Others	49.25	49.35
Total	236.95	231.06

14. Disclosure in respect of derivative instruments:-

a) Derivatives contracts entered by the Company and outstanding as on 31st March, 2011 :-

(In Lacs)

Particulars	Currency	2010-11		2009-10	
		Forward	Swap	Forward	Swap
Loan Taken - Principal	USD	-	12.50	-	25.00
Others	USD	12.18	-	-	-

b) All derivative and financial instruments acquired by the Company are for hedging purpose only.

c) Foreign currency exposure that are not hedged by derivative instruments as on 31st March, 2011.

(In Lacs)

Particulars	Currency	2010-11	2009-10
Receivables	USD	24.13	21.65
	EURO	2.41	1.13
	GBP	0.03	-
	JPY	7.61	-
Payables	USD	22.73	20.46
	EURO	1.04	0.92
	GBP	-	0.02
	SCG	0.18	-
Loan Taken	USD	42.50	25.00
Cash & Bank Balances	USD	1.20	1.32
	EURO	0.55	0.27

15. Related Party Disclosures:

(Rs. in Lacs)

	Subsidiaries	Joint Ventures	Key Management Personnel	Enterprises owned or significantly influenced by Key Management Personnel or their relatives	Total	Subsidiaries	Joint Venture	Key Management Personnel	Enterprises owned or significantly influenced by Key Management Personnel or their relatives	Total
	20-10-11	2010-11	2010-11	2010-11	2010-11	2009-10	2009-10	2009-10	2009-10	2009-10
Sales of Finished Goods / Others	429.17	31.85	-	-	461.02	205.70	4.13	-	-	209.83
Nilkamal Eswaran Plastic Pvt Ltd	130.30					6.60				
Nilkamal Eswaran Marketing Pvt Ltd	44.07					65.78				
Nilkamal Crates & Bins, FZE.	254.80					116.56				
Nilkamal Bito Storage Systems Pvt. Ltd.		31.85					4.13			
Nilkamal Padma Plastics Pvt. Ltd.						16.76				
Purchases of raw materials, intermediaries and finished goods	-	445.25	-	-	445.25	8.13	100.73	-	-	108.86
Nilkamal Bito Storage Systems Pvt. Ltd.	-	445.25	-	-			100.73			
Nilkamal Crates & Bins, FZE.	-	-	-	-		1.74				
Nilkamal Padma Plastics Pvt. Ltd.	-	-	-	-		6.39				
Paid for services & labour charges	-	-	-	48.19	48.19	-	-	-	39.40	39.40
Nilkamal Crates & Containers				48.19					39.40	
Received for services & labour charges	-	131.98	-	-	131.98	-	122.77	-	-	122.77
Nilkamal Bito Storage Systems Pvt. Ltd.		131.98					122.77			
Technical and Management Fees received	126.94	123.79	-	-	250.73	84.79	118.68	-	-	203.47
Nilkamal Eswaran Plastic Pvt Ltd	126.94					84.79				
Nilkamal Bito Storage Systems Pvt. Ltd.		123.79					118.68			
Dividend received	60.64				60.64	86.87				86.87
Nilkamal Eswaran Plastic Pvt Ltd	60.64					86.87				
Purchase of fixed assets	25.82	225.18	200.20	-	451.20	71.03	6.84	-	-	77.87
Nilkamal Eswaran Plastic Pvt Ltd	25.82					71.03				
Nilkamal Bito Storage Systems Pvt. Ltd.		225.18					6.84			
Shri Vaman V. Parekh			120.12					-		
Shri Sharad V. Parekh			80.08					-		
Rent paid	-	-	45.29	77.51	122.80	-	-	60.39	77.51	137.90
Remuneration to Directors	-	-	314.74	-	314.74	-	-	317.09		317.09
Lease Charges Received	1.34				1.34					
Loan Given	-	-		-	-	4470.79	-			4470.79
Starshine Land Developers Pvt. Ltd.	-	-		-	-	4470.79	-			
Re-payment of Loans Given	-	-		3,178.24	3,178.24	3183.00	-			3183.00
Starshine Land Developers Pvt. Ltd.	-	-		3,178.24 (*)	-	3183.00	-			-
Interest on Loan Given	-	-		192.77	192.77	168.91	-		311.05	479.96
Starshine Land Developers Pvt. Ltd.	-	-		192.77		168.91	-		311.05	
Equity contribution	-	200.50	-	-	200.50	-	390.00	-	-	390.00
Nilkamal Bito Storage Systems Pvt. Ltd.	-	-	-	-		-	390.00	-	-	-
Cambro Nilkamal Private Limited	-	200.50								
Reimbursement of Expenses (net of recovery)	-	10.64	-	-	10.64	-	8.46	-	-	8.46
Balances Outstanding at the year end:										
Loan Receivable	-	-	-	-	-	-	-	-	3178.24	3178.24
Starshine Land Developers Pvt. Ltd.	-	-	-	-	-	-	-	-	3178.24	
Interest Receivable	-	-	-	-	-	-	-	-	431.97	431.97
Starshine Land Developers Pvt. Ltd.	-	-	-	-	-	-	-	-	431.97	
Deposits Receivable	-	-	-	720.00	720.00	-	-	10.00	720.00	730.00
Nilkamal Crates & Containers	-	-	-	720.00		-	-	-	720.00	
Others	-	-	-	-		-	-	10.00	-	
Other Receivables / (Payables) (Net)	150.18	23.44	-	(1.33)	172.29	97.49	87.54	-	(2.84)	182.19
Others	150.18	23.44		(1.33)		97.49	87.54		(2.84)	

(*) Maximum balance of Loan outstanding during the Year Rs.3,178.24 lacs (Previous Year Rs.upto 23rd July,2009 is Rs.6005.74 lacs and Rs.3178.24 lacs there after)

Certain Key Management Personnel have extended personal guarantees as security towards the borrowings of the company.

NOTES:

Names of related parties and description of relationship

i	Subsidiaries	
	a) Foreign	Nilkamal Eswaran Plastics Pvt Ltd. Nilkamal Eswaran Marketing Pvt.Ltd. Nilkamal Crates & Bins, FZE. Nilkamal Padma Plastics Pvt.Ltd. (Ceased to be a Subsidiary w.e.f 1st January , 2010)
ii	Joint Venture	Nilkamal Bito Storage Systems Pvt Ltd. Cambro Nilkamal Private Limited.
iii	Key Management Personnel	Shri Vamanrai V. Parekh Shri Sharad V. Parekh Shri Hiten V. Parekh Shri Manish V. Parekh Shri Nayan S. Parekh
iv	Enterprise owned or significantly influenced by key Management personnel or their relatives, where transactions have taken place	Nilkamal Crates & Containers Starshine Land Developers Pvt.Ltd. (Ceased to be a Subsidiary w.e.f 23rd July,2009)

Note:

Following individuals and entities taken together with persons and entities shown above under 'Related Party Transactions' disclosure will constitute to form a 'Group'.

Mrs. Nalini V. Parekh, Mrs. Maya S. Parekh, Mrs. Smriti H. Parekh, Mrs. Manju M. Parekh, Mrs. Purvi N. Parekh, Mrs. Rajul M Gandhi, Mrs. Dhruvi Nakul Kumar, Miss Priyanka H. Parekh, Mr. Mihir H. Parekh, Master Eashan M. Parekh, Master Dhanay N. Parekh, Miss Dhaniti N. Parekh, Mr. Manoj K. Gandhi, Mr. Nakul Kumar, Vamanrai V. Parekh (HUF), Sharad V. Parekh (HUF), Hiten V. Parekh (HUF), Manish V. Parekh (HUF), Nayan S. Parekh (HUF), Parekh Plasto Industries Pvt. Ltd., Shrimant Holding Pvt. Ltd., Heirloom Finance Pvt. Ltd., Nilkamal Builders Pvt. Ltd.

Related Parties is as identified by the Management and relied upon by the auditors.

16. 'Nilkamal' brand used by Nilkamal Limited, is owned by Nilkamal Crates & Containers against interest free deposit of Rs. 370 Lacs.

17. Interest Expense in Schedule 'O' represents Interest on Fixed Loans and Debentures Rs. 1,123.79 Lacs (Previous Year Rs. 1,416.42 Lacs); Discount on issue of Commercial Papers Rs. 172.54 Lacs (Previous Year Rs. 59.86 Lacs) and Other Interest Rs. 1,465.56 Lacs (Previous Year Rs. 1,228.18 Lacs)

18. Deferred Tax Asset / Liabilities:

Major components of Deferred Tax Assets and Liabilities arising on account of timing differences are:

(Rs. in Lacs)

Particulars	2010-11		2009-10		2008-09	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Depreciation		1,828.88		1,578.17	-	1580.60
Employee Benefits	192.82		150.89		134.48	-
Provision for Doubtful Debts	56.49		52.55		33.91	-
Others	15.24		23.05		34.18	-
Total	264.55	1,828.88	226.49	1,578.17	202.57	1580.60

19. (a) (i) Operating Lease in respect of Property taken on Lease:

(Rs. in Lacs)

Particulars	2010-11	2009-10
a Lease payments recognised in the Profit and Loss Account (includes contingent rent of Rs. 135.91 Lacs (Previous year 3.95 Lacs))	2,465.42	2,321.81
b Future minimum Lease Payments under non cancelable agreements.		
i) Not later than one year	360.53	756.08
ii) Later than one year and not later than 5 years	392.14	505.59
iii) Later than 5 years	-	-

The agreements are executed for the period of 36 to 240 months with a non cancelable period from 0 to 60 months having a Renewable Clause.

For certain properties taken on Lease, contingent rent payable as a percentage of revenue from the respective stores, subject to a minimum rent.

(a) (ii) Operating Lease in respect of Other Assest taken on Lease:

(Rs. in Lacs)

Particulars	2010-11	2009-10
a Lease payments recognised in the Profit and Loss Account	6.42	-
b Future minimum Lease Payments under non cancelable agreements.		
i) Not later than one year	25.68	-
ii) Later than one year and not later than 5 years	70.62	-
iii) Later than 5 years	-	-

The agreement is executed with a non cancelable period from 0 to 48 months.

(b) Assets acquired under finance lease arrangement:

(Rs. in Lacs)

Particulars	2010-11	2009-10
Future minimum Lease Payments under agreements.		
i) Not later than one year	10.30	49.16
ii) Later than one year and not later than 5 years	-	10.30
iii) Later than 5 years	-	-
Present Value of Minimum Lease Payment	10.10	55.68
Reconciliation between the total of minimum lease payments at the Balance Sheet date and their present value		
Total Minimum Lease Payments	10.30	59.46
Less : Interest	0.20	3.78
Present Value of Minimum Lease Payment	10.10	55.68

20. Disclosure pursuant to Accounting Standard - 15 "Employee Benefits"

- a) Amount of Rs. 191.92 Lacs (Previous Year Rs.148.38 Lacs) towards defined contribution plans is recognised as expense in the Profit and Loss Account.

b) Defined Benefit Plan Disclosures:

(Rs. in Lacs)

Sr. No.	Particulars	2010-11 Gratuity	2009-10 Gratuity
1	Components to Employer Expense		
	a) Current Service Cost	78.01	51.88
	b) Interest Cost	25.76	19.96
	c) Expected return of plan assets	(8.25)	(4.46)
	d) Past Service Cost	-	26.58
	e) Actuarial (Gain)/Loss	73.74	(25.94)
	f) Total expense recognised in the Profit and Loss Account	169.26	68.02
2	Net (Asset)/Liability recognised in Balance Sheet		
	a) Present Value of Obligation	475.60	308.49
	b) Fair Value of Plan Assets	(143.91)	(85.01)
	c) (Asset)/Liability recognised in the Balance Sheet	331.69	223.48
3	Change in Defined Benefit Obligation (DBO) during the year		
	a) Present Value of Obligation as at beginning of the year	308.49	234.81
	b) Current Service cost	78.01	51.88
	c) Interest Cost	25.76	19.96
	d) Past Service Cost	-	26.58
	e) Actuarial (Gain)/Loss	74.39	(17.39)
	f) Benefits paid	(11.05)	(7.35)
	g) Present Value of Obligation as at the close of the year	475.60	308.49
4	Changes in the Fair Value of Plan Assets		
	a) Present Value of Plan Assets as at beginning of the year	85.01	47.00
	b) Contribution to the fund	50.00	25.00
	c) Expected return of plan assets	8.25	4.46
	d) Actuarial Gain/(Loss)	0.65	8.55
	e) Fair Value of Plan Assets as at the close of the year	143.91	85.01
5	Actuarial Assumptions		
	a) Discount Rate (per annum)	8.35%	8.50%
	b) Expected Rate of Return on Assets (per annum)	7.50%	7.50%
	c) Salary Escalation Rate	6.50%	5.00%
6	Percentage of each Category of Plan Assets to total Fair Value of Plan Assets		
	Insurer Managed Funds	100%	100%

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

c)

(Rs. in Lacs)

Sr. No.	Particulars	2010-11	2009-10	2008-09
1	Present Value of the defined benefit obligation	475.60	308.49	234.80
2	Fair value of the plan assets	143.91	85.01	47.00
3	Surplus / (deficit) in the plan	(331.69)	(223.48)	(187.81)
4	Experience adjustment on plan assets	0.65	8.55	(7.98)
5	Experience adjustment on plan liabilities	0.30	13.86	23.98
6	The estimated contribution to be paid to the plan during the annual period beginning after balance sheet date is Rs. 75.00 Lacs (Previous Year Rs.50.00 Lacs)			

21. Information on Joint Ventures:

a) Jointly Controlled Entities :

(Rs. in Lacs)

Name of the Joint Venture	Country of Incorporation	Percentage of Ownership Interest
Nilkamal Bito Storage Systems Pvt. Ltd.	India	50
Cambro Nilkamal Private Limited (with effect from 31st December,2010)	India	50

b) Contingent Liability in respect of the Jointly Controlled Entities :

(Rs. in Lacs)

Particulars	2010-11	2009-10
a) Directly incurred by the Company	-	-
b) Share of the Company in contingent liabilities which have been incurred jointly with other ventures	-	-
c) Share of the Company in contingent liabilities incurred by jointly controlled entity (to the extent ascertainable)	-	-
d) Share of other ventures in contingent liabilities incurred by jointly controlled entity.	-	-

c) Capital Commitment in respect of the Jointly Controlled Entities:

(Rs. in Lacs)

Particulars	2010-11	2009-10
a) Direct Capital commitments by the Company	-	-
b) Share of the Company in capital commitments which have been incurred jointly with other ventures	149.50	-
c) Share of the Company in capital commitments of the jointly controlled entity.	-	-

22. Interest in the Assets, Liabilities, Income and Expenses with respect to Jointly Controlled Entities:

(Rs. in Lacs)

	2010-11	2009-10
A) Assets :		
a) Fixed Assets (Net Block)	1,088.84	1,203.48
Capital Work-in-Progress	-	-
b) Current Assets, Loans and Advances		
Inventories	291.06	398.84
Sundry Debtors	454.81	649.31
Cash and Bank Balances	197.59	3.95
Loans and Advances	20.93	23.14
Other Current Assets	58.12	143.11

(Rs. in Lacs)

	2010-11	2009-10
B) Liabilities :		
a) Loan Funds :		
Secured Loans	268.28	647.58
b) Current Liabilities and Provisions :		
Current Liabilities	325.82	406.76
Provisions	27.14	37.61
c) Deferred Tax Liability (Net)	47.00	49.20
C) Income:		
Net Sales	1,916.22	1,806.40
Other Income	9.86	8.84
D) Expenditure:		
Material Costs	991.40	1,275.90
Manufacturing and Other Costs	302.78	300.64
(Increase) / decrease in Stock	30.56	29.85
Employment Costs	210.75	198.11
Administrative, Selling and General Expenses	245.11	210.95
Financial Expenses (Net)	51.36	74.32
Depreciation and Amortisation	118.19	118.93
Provision for Taxes	2.02	(9.44)
Prior Period Items	(16.04)	-

23. Computation of Profit for Earnings per share :

	2010-11	2009-10
Profit for the year after tax (Rs. in Lacs)	5,245.78	4,723.86
Nominal Value per Share in Rupees	10.00	10.00
Weighted average number of equity shares Outstanding during the year	14,254,085	12,782,344

24. In accordance with Accounting Standard 17 "Segment Reporting", segment information has been given in the Consolidated Financial Statement of Nilkamal Limited and therefore no separate disclosure on segment information is given in these financial statements.

25. Previous year's figures have been regrouped/rearranged wherever necessary.

AS PER OUR REPORT OF EVEN DATE

For **DALAL & SHAH**
Firm Registration No. : 102021W
Chartered Accountants

For and on behalf of the Board

S. Venkatesh

Partner
Membership No. : F-037942
For **VORA & ASSOCIATES**
Firm Registration No. : 111612W
Chartered Accountants

Sharad V. Parekh
Managing Director

Hiten V. Parekh
Executive Director

Bharat B. Chovatia

Partner
Membership No. : F-031756

Paresh B. Mehta
Financial Controller

Priti P. Dave
Company Secretary

Place: Mumbai
Date: May 20, 2011

Balance Sheet Abstract and Company's General Business Profile
Additional Information as required under Part IV of Schedule VI to the Companies Act, 1956

I. Registration Details

Registration No.

1	2	5	2	0	9	D	N	2	0	0	2	P	L	C	1	6	2
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

 State Code

5	4
---	---

Balance Sheet Date

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

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

Public Issue

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

 Rights Issue

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

Bonus Issue

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

 Private Placement

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

Note: 42,07,644 Equity Shares of Rs. 10/- each were allotted to shareholders of Nilkamal Crates & Bins Pvt. Ltd. and Stackwell Marketing Services Pvt. Ltd. on Amalgamation with the Company effective from April 1, 2007.

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

Total Liabilities

		6	7	3	8	8
--	--	---	---	---	---	---

 Total Assets

		6	7	3	8	8
--	--	---	---	---	---	---

Source of Funds

Paid Up-Capital

			1	4	9	2
--	--	--	---	---	---	---

 Reserves & Surplus

		3	4	0	8	6
--	--	---	---	---	---	---

Secured Loans

		2	8	5	9	6
--	--	---	---	---	---	---

 Unsecured Loans

			1	6	5	0
--	--	--	---	---	---	---

Deferred Tax

			1	5	6	4
--	--	--	---	---	---	---

Application of Funds

Net Fixed Assets

		3	0	2	5	5
--	--	---	---	---	---	---

 Investments

			2	5	2	9
--	--	--	---	---	---	---

Net Current Assets

		3	4	6	0	4
--	--	---	---	---	---	---

Misc. Expenditure

					-	-
--	--	--	--	--	---	---

 Accumulated Losses

					-	-
--	--	--	--	--	---	---

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

Turnover (Including other Income)

	1	2	5	2	3	0
--	---	---	---	---	---	---

 Total Expenditure

	1	1	8	2	2	7
--	---	---	---	---	---	---

Extra Ordinary Items

					-	-
--	--	--	--	--	---	---

 Profit / (Loss) before Tax

			7	0	0	4
--	--	--	---	---	---	---

Profit / (Loss) after Tax

			5	2	4	6
--	--	--	---	---	---	---

 Earning Per Share (Rs.)

		3	6	.	8	0
--	--	---	---	---	---	---

Dividend Rate (%)

					4	0
--	--	--	--	--	---	---

V. Generic Names of three principal products of the Company (As per Monetary Terms)

Item Code No.

3	9	2	3	.	9	0
---	---	---	---	---	---	---

 Product Description

Material Handling Crates

Item Code No.

9	4	0	1	.	0	0
---	---	---	---	---	---	---

 Product Description

Plastic Moulded Furniture

Item Code No.

9	4	0	3	.	8	9
---	---	---	---	---	---	---

 Product Description

Readymade Furniture

For and on behalf of the Board

Sharad V. Parekh
Managing Director

Hiten V. Parekh
Executive Director

Paresh B. Mehta
Financial Controller

Priti P. Dave
Company Secretary

Auditor's Report on the Consolidated Financial Statements of Nilkamal Limited**The Board of Directors of Nilkamal Limited**

1. We have audited the attached consolidated balance sheet of Nilkamal Limited (the "Company") and its subsidiaries and its jointly controlled entities; hereinafter referred to as the "Group" (refer Note B on Schedule P to the attached consolidated financial statements) as at 31st March, 2011, the related consolidated Profit and Loss Account and the consolidated Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with 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 of 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 the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of (i) three subsidiaries and a jointly controlled entity included in the consolidated financial statements, which constitute total assets of Rs. 3051.85 lacs and net assets of Rs. 2192.08 lacs as at 31st March, 2011, total revenue of Rs. 5684.37 lacs, net profit of Rs. 288.10 lacs and net cash flows amounting to Rs. 156.47 lacs for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.
4. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements and Accounting Standard (AS) 27 - Financial Reporting of Interests in Joint Ventures notified under sub-section 3C of Section 211 of the Companies Act, 1956.
5. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components of the Group as referred to above, and to the best of our information and according to the explanations given to us, in our opinion, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2011;
 - (b) in the case of the consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date: and
 - (c) in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For Dalal & Shah

Firm Registration Number: 102021W
Chartered Accountants

S. Venkatesh

Partner
Membership Number: F-037942

For Vora & Associates

Firm Registration Number: 111612W
Chartered Accountants

Bharat B. Chovatia

Partner
Membership Number: F-031756

Place: Mumbai

Date: May 20, 2011

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

SCHEDULE		AS AT 31.03.2011 Rs. in Lacs.	AS AT 31.03.2010 Rs. in Lacs.
I SOURCES OF FUNDS			
1. SHAREHOLDERS' FUND			
(a) Share Capital	A	1,492.25	1,278.23
(b) Reserves and Surplus	B	34,452.72	24,078.16
		35,944.97	25,356.39
2. MINORITY INTEREST			
		335.51	292.46
3. LOAN FUNDS			
(a) Secured Loans	C	28,885.68	8,762.37
(b) Unsecured Loans	D	1,650.34	-
		30,536.02	28,762.37
4. DEFERRED TAX LIABILITY (NET)			
(Refer Note 6)		1,666.58	1,459.21
	TOTAL	68,483.08	55,870.43
II APPLICATION OF FUNDS			
1. FIXED ASSETS			
(a) Gross Block	E	56,201.35	48,692.42
Less: Depreciation and Amortisation		28,491.22	25,293.84
Net Block		27,710.13	23,398.58
(b) Capital Work In Progress		4,433.89	869.44
(including advances on capital account)		32,144.02	24,268.02
2. INVESTMENTS			
	F	161.37	411.20
3. CURRENT ASSETS, LOANS & ADVANCES			
(a) Inventories		23,720.60	16,792.87
(b) Sundry Debtors		15,296.99	14,287.77
(c) Cash and Bank Balances		2,968.36	1,698.31
(d) Loans And Advances		7,811.41	11,363.78
		49,797.36	44,142.73
LESS:CURRENT LIABILITIES AND PROVISIONS			
(a) Current Liabilities	H	11,600.56	11,370.06
(b) Provisions	I	2,019.11	1,581.46
		13,619.67	12,951.52
NET CURRENT ASSETS			
	TOTAL	36,177.69	31,191.21
		68,483.08	55,870.43
SIGNIFICANT ACCOUNTING POLICIES			
NOTES TO ACCOUNTS			

AS PER OUR REPORT OF EVEN DATE

For and on behalf of

For and on behalf of the Board

DALAL & SHAH

Firm Registration No. 102021W

Chartered Accountants

S. Venkatesh

Partner

Membership No. F-037942

Sharad V. Parekh

Managing Director

Hiten V. Parekh

Executive Director

For and on behalf of

VORA & ASSOCIATES

Firm Registration No. 111612W

Chartered Accountants

Bharat B. Chovatia

Partner

Membership No. F-031756

Paresh B. Mehta

Financial Controller

Priti P. Dave

Company Secretary

Place: Mumbai

Date: May 20, 2011

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2011

SCHEDULE

		Year Ended 31.03.2011 Rs. in Lacs.	Year Ended 31.03.2010 Rs. in Lacs.
I	INCOME		
	Gross Sales and Income from Services	J 149,944.43	123,499.23
	Less : Duties and Levies	18,165.02	13,999.23
	NET SALES	131,779.41	109,500.00
	Other Income	K 45.71	230.68
	TOTAL	131,825.12	109,730.68
II	EXPENDITURE		
	Materials consumed / Cost of goods traded / Work in Process	L 81,309.86	66,730.63
	Employees Remuneration and Benefits	M 8,182.31	6,238.49
	Operating and Other Expenses	N 28,708.38	23,334.06
	Financial Expenses	O 2,746.99	2,626.38
	Depreciation/Amortisation	3,510.62	3,508.71
		124,458.16	102,438.27
	Less: Trail run Expenses Capitalised	21.56	-
	Profit before Taxation	7,388.52	7,292.41
	Less: Provision for taxation		
	Current Tax	1,881.51	2,049.35
	Deferred Tax	206.02	(23.55)
	Taxation of earlier years	(122.03)	60.79
	NET PROFIT AFTER TAX	5,423.02	5,205.82
	Add / (Less) : Prior Period Adjustments (Net)	(16.04)	-
	Less : Minority Interest	(66.37)	(55.60)
	NET PROFIT FOR THE YEAR	5,340.61	5,150.22
	BALANCE OF PROFIT BROUGHT FORWARD	7,060.26	4,556.30
	PROFIT AVAILABLE FOR APPROPRIATION	12,400.87	9,706.52
III	APPROPRIATIONS		
	Proposed Dividend	596.90	383.47
	Interim Dividend	-	255.65
	Tax on Dividend	97.05	107.14
	Transfer to General Reserve	524.58	1,900.00
	Balance carried to Balance Sheet	11,182.34	7,060.26
	TOTAL	12,400.87	9,706.52
	Earnings per Equity Share of Rs. 10/- Each (Refer Note 10)		
	Basic and Diluted Earnings per Share	37.47	40.29
	SIGNIFICANT ACCOUNTING POLICIES	P	
	NOTES TO ACCOUNTS	Q	

AS PER OUR REPORT OF EVEN DATE

For and on behalf of

For and on behalf of the Board

DALAL & SHAH

Firm Registration No. 102021W

Chartered Accountants

S. Venkatesh

Partner

Membership No. F-037942

For and on behalf of

VORA & ASSOCIATES

Firm Registration No. 111612W

Chartered Accountants

Bharat B. Chovatia

Partner

Membership No. F-031756

Sharad V. Parekh

Managing Director

Hiten V. Parekh

Executive Director

Paresh B. Mehta

Financial Controller

Priti P. Dave

Company Secretary

Place: Mumbai
Date: May 20, 2011

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	2010 - 2011		2009 - 2010	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		7,388.52		7,292.41
Adjustments for :				
Depreciation and Amortisation	3,510.62		3,508.71	
Loss on Fixed Assets sold / discarded (Net)	35.64		176.84	
Interest Payments (Net)	2,746.99		2,626.38	
Provision for doubtful debts written off (written back)	94.05		35.21	
Bad Debts Written Off	37.51		58.84	
Exchange (Gain) / Loss on Foreign Currency Loans	(13.29)		(167.16)	
Profit on sales of Investment	-		(25.59)	
Provision for Wealth Tax	6.62		5.50	
		6,418.14		6,218.73
Operating Profit before Working Capital changes		13,806.66		13,511.14
Adjustments for :				
Trade and Other Receivables	(484.04)		(4,110.07)	
Inventories	(7,044.39)		(2,085.15)	
Trade Payable & Other Liabilities	701.48		2,168.00	
		(6,826.95)		(4,027.22)
Direct Taxes Paid (Net of Refund)	(2,112.02)		(2,151.16)	
		(2,112.02)		(2,151.16)
Net Cash Flow from Operating Activities.....A		4,867.69		7,332.76
B. CASH FLOW FROM INVESTING ACTIVITIES				
Addition to Fixed Assets	(11,662.10)		(2,193.29)	
Capital Subsidy received	25.00		-	
Sale of Fixed Assets	235.90		176.61	
Loans Given to erstwhile Subsidiary	-		(3,178.24)	
Loans Repaid by erstwhile Subsidiary	3,178.24		-	
Current investment	-		(410.88)	
Redemption of current investment	249.84		-	
Interest Received	775.71		394.80	
Divestment of Business	-		(142.32)	
Net Cash Flow from Investing Activities.....B		(7,197.41)		(5,353.32)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds / (Repayment) of Long Term Borrowings (Net)	21.59		(3,310.30)	
Proceeds / (Repayment) of Unsecured Loans	1,650.34		(1,109.54)	
Increase in Working Capital Loans (Net)	104.26		5,819.80	
Interest Paid (Net)	(3,191.06)		(2,739.92)	
Issue of Equity Share Capital	5,907.34		-	
Dividend paid (including Tax on Dividend)	(448.05)		(611.25)	
Net Cash Flow from Financing Activities.....C		4,044.42		(1,951.21)
D. CHANGE IN FOREIGN CURRENCY FLUCTUATION RESERVE ARISING ON CONSOLIDATION		(3.34)		(106.09)
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C + D)		1,711.36		(77.86)
Cash and Cash Equivalents as at the beginning of the year	1,184.52		1,262.38	
Cash and Cash Equivalents as at year end	2,895.88		1,184.52	
		1,711.36		(77.86)
Reconciliation to Cash and Bank Balances given in Schedule G - is as follows :-				
Cash and Bank Balances	2,968.36		1,698.31	
Add: Balance of Divestment of Business	-		10.83	
		2,968.36		1,709.14
Less:				
Balances in Fixed Deposit accounts pledged with various - government authorities	71.36		72.39	
Balances in Fixed Deposit accounts kept as margin money with - the bankers	1.12		452.23	
		72.48		524.62
Cash and Cash Equivalents as at the year end		2,895.88		1,184.52

Previous year's figures have been regrouped / recast wherever necessary.

AS PER OUR REPORT OF EVEN DATE

For and on behalf of

DALAL & SHAH

Firm Registration No. 102021W

Chartered Accountants

S. Venkatesh

Partner

Membership No. F-037942

For and on behalf of

VORA & ASSOCIATES

Firm Registration No. 111612W

Chartered Accountants

Bharat B. Chovatia

Partner

Membership No. F-031756

Place: Mumbai

Date: May 20, 2011

For and on behalf of the Board

Sharad V. Parekh

Managing Director

Hiten V. Parekh

Executive Director

Paresh B. Mehta

Financial Controller

Priti P. Dave

Company Secretary

SCHEDULES FORMING PART OF THE ACCOUNTS

	Consolidated with Subsidiaries Rs. in Lacs.	Share of Joint Ventures Rs. in Lacs.	AS AT 31.03.2011 Rs. in Lacs.	Consolidated with Subsidiaries Rs. in Lacs.	Share of Joint Venture Rs. in Lacs.	AS AT 31.03.2010 Rs. in Lacs.
SCHEDULE : `A'						
SHARE CAPITAL						
AUTHORISED:						
2,20,00,000 Equity Shares of Rs. 10/- each	2,200.00	-	2,200.00	2,200.00	-	2,200.00
30,00,000 Preference Shares of Rs.10/- each	300.00	-	300.00	300.00	-	300.00
			<u>2,500.00</u>			<u>2,500.00</u>
ISSUED, SUBSCRIBED AND PAID UP:						
1,49,22,525 Equity Shares of Rs. 10/- each (Previous year 1,27,82,344 Equity Share of Rs. 10/- each) (Of the above 42,07,644 Equity Shares of Rs. 10/- each have been issued pursuant to the Scheme of amalgamation for consideration other than cash). (During the year 21,40,181 Equity shares of Rs. 10/- each issued to Qualified Institutional Investors at a premium of Rs. 270.35/- each)	1,492.25	-	1,492.25	1,278.23	-	1,278.23
TOTAL			<u>1,492.25</u>			<u>1,278.23</u>
SCHEDULE : `B'						
RESERVES AND SURPLUS						
CAPITAL RESERVE						
As per last Balance Sheet	1,115.16	15.00	<u>1,130.16</u>	1,115.16	15.00	<u>1,130.16</u>
			1,130.16			1,130.16
SECURITIES PREMIUM ACCOUNT						
As per last Account	754.55	3.83	758.38	754.55	3.83	758.38
Add / (Less): Received During the Year	5,785.98	-	5,785.98	-	-	-
Add / (Less): Share Issue Expenses	(91.57)	(1.09)	(92.66)	-	-	-
			<u>6,451.70</u>			<u>758.38</u>
TRANSLATION RESERVE						
As per last Account	92.96	-	92.96	191.01	-	191.01
Add / (Less): During the year	34.58	-	34.58	(98.05)	-	(98.05)
			<u>127.54</u>			<u>92.96</u>
GENERAL RESERVE						
As per last Account	15,036.40	-	15,036.40	13,136.40	-	13,136.40
Add: Transfer from Profit and Loss Account	524.58	-	524.58	1,900.00	-	1,900.00
			<u>15,560.98</u>			<u>15,036.40</u>
PROFIT AND LOSS ACCOUNT						
Surplus / (Deficit) as per Annexed Account	12,456.47	(1,274.13)	<u>11,182.34</u>	8,013.91	(953.65)	<u>7,060.26</u>
			<u>11,182.34</u>			<u>7,060.26</u>
TOTAL			<u>34,452.72</u>			<u>24,078.16</u>
SCHEDULE : `C'						
SECURED LOANS						
(A) Working Capital Loans From Banks						
(i) Rupee Loans	17,897.98	128.05	18,026.03	17,514.14	396.80	17,910.94
(B) Term Loans From Banks						
(i) Rupee Loans	8,814.89	140.23	8,955.12	9,474.21	250.78	9,724.99
(ii) Foreign Currency Loans	1,904.53	-	1,904.53	1,126.44	-	1,126.44
TOTAL			<u>28,885.68</u>			<u>28,762.37</u>
SCHEDULE : `D'						
UNSECURED LOANS						
Rupee Loans	1,500.00	-	1,500.00	-	-	-
Others	150.34	-	150.34	-	-	-
TOTAL			<u>1,650.34</u>			<u>-</u>

SCHEDULE 'E'
FIXED ASSETS

(Rs. in Lacs)

NAME OF ASSETS	GROSSBLOCK As on 31.03.2011	ACCUMULATED DEPRECIATION / AMORTISATION As on 31.03.2011	NET BLOCK As on 31.03.2011	GROSSBLOCK As on 31.03.2010	ACCUMULATED DEPRECIATION / AMORTISATION As on 31.03.2010	NET BLOCK As on 31.03.2010
Consolidated with Subsidiaries:						
A. TANGIBLE ASSETS:						
Freehold Land	997.44	-	997.44	248.98	-	248.98
Leasehold Land (a) and (b)	224.72	21.66	203.06	224.71	19.15	205.56
Buildings	10,065.81	2,401.75	7,664.06	9,272.39	2,108.61	7,163.78
Plant and Machinery	(c) 32,360.57	21,089.85	11,270.72	27,350.16	19,264.54	8,085.62
Furniture, Fixtures and Office Equipments	5,041.89	2,080.92	2,960.97	4,381.67	1,719.45	2,662.22
Vehicles	1,327.94	282.66	1,045.28	1,077.38	293.62	783.76
Vehicles on Hire Purchase	216.07	54.60	161.47	194.08	35.61	158.47
Interiors at Showroom	2,221.87	502.97	1,718.90	2,220.14	359.13	1,861.01
B. INTANGIBLE ASSETS:						
Models, Designs and Other Commercial Rights	2,012.52	1,442.30	570.22	2,012.52	1,039.80	972.72
Software	205.70	172.58	33.12	181.45	128.47	52.98
	54,674.53	28,049.29	26,625.24	47,163.48	24,968.38	22,195.10
Add : Share in Joint Venture	1,526.82	441.93	1,084.89	1,528.94	325.46	1,203.48
TOTAL	56,201.35	28,491.22	27,710.13	48,692.42	25,293.84	23,398.58

- a) Leasehold Land acquisition value includes Rs.0.01 Lacs (Previous year Rs. 0.01 Lacs) paid by way of subscription of shares for membership of co-operative housing society.
- b) Pending completion of the relevant formalities for transfer of some of the fixed assets which vested in the Company pursuant to the scheme of arrangement, such assets continue to be in the name of the erstwhile amalgamated companies.
- c) It includes Rs. 25.00 Lacs being Capital Subsidy received from Government of Jammu and Kashmir.
- d) Proportionate share in Joint Venture in Depreciation / Amortisation for the year Rs. 118.19 Lacs (Previous Year Rs. 118.93 Lacs)
- e) Capital Work in Progress includes:
- 1) Proportionate share in Joint Venture Rs. 3.95 Lacs (Previous Year Rs. Nil)
 - 2) Intangible Asset (Software) of Rs.127.62 Lacs, (Previous Year Rs. Nil).

	Consolidated with Subsidiaries	Share of Joint Ventures	AS AT 31.03.2011	Consolidated with Subsidiaries	Share of Joint Venture	AS AT 31.03.2010
	Rs. in Lacs.	Rs. in Lacs.	Rs. in Lacs.	Rs. in Lacs.	Rs. in Lacs.	Rs. in Lacs.

SCHEDULE : 'F'**INVESTMENTS****1 Long Term Investment**

Investment in Government Securities at Cost
National Savings Certificates (Pledged with
Government Authorities)

0.32	-	0.32	0.32	-	0.32
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2 Current Investment

SBIMF Magnum Insta Cash Fund	-	-	-	100.00	-	100.00
Sri Lankan Government Treasury Investment	161.05	-	161.05	310.88	-	310.88
TOTAL			161.37			411.20

SCHEDULE : 'G'**CURRENT ASSETS, LOANS AND ADVANCES****a) INVENTORIES**

Stores and Spare parts	1,392.55	10.93	1,403.48	1,074.20	16.02	1,090.22
Packing Materials	234.65	-	234.65	167.06	-	167.06
Stock in Trade						
Raw Materials	4,576.97	205.62	4,782.59	3,300.43	270.85	3,571.28
Semi-Finished Goods / Work in Process	1,484.48	3.43	1,487.91	1,272.66	25.51	1,298.17
Finished Goods and Traded Goods	15,764.15	47.82	15,811.97	10,509.84	86.47	10,596.31
Goods in Transit (at Cost)	-	-	-	69.83	-	69.83
TOTAL			23,720.60			16,792.87

b) SUNDRY DEBTORS

i) Outstanding for a period exceeding Six months						
a) Considered Good	587.65	55.85	643.50	549.32	79.34	628.66
b) Considered Doubtful	185.31	7.09	192.40	158.20	-	158.20
			835.90			786.86
ii) Other Debts (Considered Good)	14,254.53	398.96	14,653.49	13,089.15	569.96	13,659.11
			15,489.39			14,445.97
Less: Provision for Doubtful Debts	185.31	7.09	192.40	158.20	-	158.20
TOTAL			15,296.99			14,287.77

	Consolidated with Subsidiaries	Share of Joint Ventures	AS AT 31.03.2011	Consolidated with Subsidiaries	Share of Joint Venture	AS AT 31.03.2010
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
c) CASH AND BANK BALANCES						
Cash on hand (including cheques on hand)	506.01	4.31	510.32	312.80	0.21	313.01
Balance with Banks						
i) Current Accounts	1,192.28	92.54	1,284.82	857.64	3.04	860.68
ii) Fixed Deposit Accounts	1,072.48	100.74	1,173.22	523.92	0.70	524.62
[includes Rs. 71.36 Lacs pledged with various Government authorities, (Previous Year Rs. 72.39 Lacs), Rs. 1.12 Lacs kept as margin money with the bankers (Previous Year Rs. 452.23 Lacs)]						
TOTAL			2,968.36			1,698.31

d) LOANS AND ADVANCES						
(Unsecured, considered good)						
Advances Recoverable in Cash or in kind or for the value to be received	3,709.96	64.66	3,774.62	7,661.43	41.76	7,703.19
Considered Doubtful	56.66	-	56.66	56.66	-	56.66
Less: Provision for Doubtful Advances	(56.66)	-	(56.66)	(56.66)	-	(56.66)
Interest Accrued on Deposit	-	0.14	0.14			
Employee Loans	264.73	-	264.73	210.08	22.23	232.31
Balance with Excise Department	20.92	12.12	33.04	8.54	92.44	100.98
Taxes paid in Advance (Net of Provisions)	267.13	0.79	267.92	536.44	9.84	546.28
Deposits	3,469.63	1.33	3,470.96	2,781.02	-	2,781.02
TOTAL			7,811.41			11,363.78

SCHEDULE : 'H'

CURRENT LIABILITIES

Sundry Creditors	5,967.26	316.80	6,284.06	4,773.26	385.34	5,158.60
Unclaimed Dividend	19.53	-	19.53	20.04	-	20.04
Other Liabilities	5,142.74	7.29	5,150.03	6,015.76	19.00	6,034.76
Interest Accrued but not due on loans	145.43	1.51	146.94	154.22	2.44	156.66
TOTAL			11,600.56			11,370.06

SCHEDULE : 'I'

PROVISIONS

Provision for Wealth Tax	7.45	-	7.45	6.03	-	6.03
Provision for Income Tax (Net of Advance tax)	49.13	-	49.13	115.17	8.16	123.33
Final Dividend	596.90	-	596.90	383.47	-	383.47
Tax on Proposed Dividend	96.83	-	96.83	63.69	-	63.69
For Employee Benefits	709.83	18.78	728.61	521.08	17.99	539.07
Provision for Excise Duty	417.93	8.36	426.29	298.17	11.46	309.63
Provisions for Warranties [Refer Note 3]	113.68	-	113.68	156.24	-	156.24
Other Provisions	-	0.22	0.22	-	-	-
TOTAL			2,019.11			1,581.46

SCHEDULE : 'J'

GROSS SALES AND INCOME FROM SERVICES:

	Consolidated with Subsidiaries	Share of Joint Ventures	Year Ended 31.03.2011	Consolidated with Subsidiaries	Share of Joint Venture	Year Ended 31.03.2010
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Sales of Manufactured / Traded Goods	147,771.90	1,774.33	149,546.23	121,173.69	1,968.33	123,142.02
Gross Income from Services:						
Services Charges	337.81	60.39	398.20	319.72	37.49	357.21
TOTAL			149,944.43			123,499.23

SCHEDULE : 'K'

OTHER INCOME

Miscellaneous Receipts	38.29	7.42	45.71	43.65	0.33	43.98
Proceeds on maturity of keymen Insurance	-	-	-	186.70	-	186.70
Technical and Management Fees	115.52	(115.52)	-	107.60	(107.60)	-
TOTAL			45.71			230.68

	Consolidated with Subsidiaries Rs. in Lacs	Share of Joint Ventures Rs. in Lacs	Year Ended 31.03.2011 Rs. in Lacs	Consolidated with Subsidiaries Rs. in Lacs	Share of Joint Venture Rs. in Lacs	Year Ended 31.03.2010 Rs. in Lacs
SCHEDULE : 'L'						
MATERIALS CONSUMED / COST OF GOODS TRADED / WORK IN PROCESS						
a) Opening Stock of Raw Materials	3,300.43	270.85	3,571.28	2,078.66	242.70	2,321.36
b) Purchases	50,261.02	893.40	51,154.42	42,513.79	1,156.36	43,670.15
c) Stock on divestment of business	-	-	-	53.90	-	53.90
d) Total of [a] + [b] - [c]			54,725.70			45,937.61
Less:						
e) Closing Stock	4,576.97	205.62	4,782.59	3,300.43	270.85	3,571.28
I. RAW MATERIALS CONSUMED [d - e]			49,943.11			42,366.33
II. TRADING PURCHASES	36,713.79	-	36,713.79	25,273.09	151.39	25,424.48
III. VARIATION IN THE STOCK OF FINISHED/ SEMI-FINISHED / WORK IN PROCESS / TRADED GOODS						
Opening Stock						
Work in Process	444.60	25.51	470.11	247.86	10.41	258.27
Semi Finished Goods	828.06	-	828.06	614.59	-	614.59
Finished and Traded Goods	10,509.84	86.47	10,596.31	9,876.96	123.44	10,000.40
			11,894.48			10,873.26
Less: Stock on divestment of business				99.15	-	99.15
Closing Stock						
Work in Progress	406.76	3.43	410.19	444.60	25.51	470.11
Semi Finished Goods	1,077.72	-	1,077.72	828.06	-	828.06
Finished and Traded Goods	15,764.15	47.82	15,811.97	10,509.84	86.47	10,596.31
			17,299.88			11,894.48
Add / (Less): Variation in excise duty on Opening and Closing Stock of Finished Goods	61.46	(3.10)	58.36	55.89	4.30	60.19
			(5,347.04)			(1,060.18)
IV. VARIATION IN THE WORK-IN-PROGRESS (LAND)						
Opening Work-in-Progress	-	-	-	11,389.98	-	11,389.98
Less: Stock on divestment of business	-	-	-	(11,389.98)	-	(11,389.98)
			-			-
TOTAL (I+II+III+IV)			81,309.86			66,730.63
SCHEDULE : 'M'						
EMPLOYEES' REMUNERATION AND BENEFITS						
Salary, Wages and Bonus	7,116.61	192.17	7,308.78	5,371.25	181.87	5,553.12
Cont. to Provident and Other funds	216.89	4.32	221.21	170.17	3.59	173.76
Workmen and Staff Welfare Expenses	638.06	14.26	652.32	498.96	12.65	511.61
TOTAL			8,182.31			6,238.49
SCHEDULE : 'N'						
OPERATING AND OTHER EXPENSES						
Stores and Spare Parts Consumed	1,461.08	139.79	1,600.87	1,314.24	148.92	1,463.16
Power and Fuel	4,002.55	53.98	4,056.53	3,485.72	58.98	3,544.70
Repairs to:						
Building	98.40	-	98.40	176.58	-	176.58
Machinery	157.36	0.15	157.51	190.25	0.23	190.48
Others	623.59	2.05	625.64	410.66	6.54	417.20
Labour Charges Paid	3,831.88	45.65	3,877.53	2,594.59	31.36	2,625.95
Rent	2,537.65	2.67	2,540.32	2,396.85	1.51	2,398.36
Rates and Taxes	156.77	0.56	157.33	104.74	0.13	104.87
Insurance	139.40	3.53	142.93	137.94	3.70	141.64
Postage and Telephone Expenses	363.38	-	363.38	356.34	-	356.34

	Consolidated with Subsidiaries	Share of Joint Ventures	Year Ended 31.03.2011	Consolidated with Subsidiaries	Share of Joint Venture	Year Ended 31.03.2010
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
SCHEDULE : 'N' (Contd..)						
Loss on Fixed Assets sold / discarded (Net)	33.84	1.80	35.64	175.95	0.89	176.84
Packing Materials Consumed	1,021.89	-	1,021.89	781.56	-	781.56
Travelling Expenses	1,006.14	25.13	1,031.27	818.96	33.52	852.48
Commission, Discounts and Rebates	1,447.19	-	1,447.19	1,694.64	-	1,694.64
Advertisements and Publicity Expenses	1,928.43	-	1,928.43	1,522.28	2.61	1,524.89
Carriage Outward	6,252.40	69.86	6,322.26	4,508.54	46.34	4,554.88
Land Lease Rent	3.10	0.54	3.64	3.10	0.54	3.64
Directors' Fees	6.65	-	6.65	6.25	-	6.25
Provision for Wealth Tax	6.62	-	6.62	5.50	-	5.50
Bad Debts written off	30.56	6.95	37.51	58.84	-	58.84
Provision / (Write back) for Doubtful Debts	86.96	7.09	94.05	35.21	-	35.21
Sundry Expenses	3,093.64	59.15	3,152.79	2,171.34	48.71	2,220.05
TOTAL			28,708.38			23,334.06

**SCHEDULE : 'O'
FINANCIAL EXPENSES**

Interest Expense	2,765.15	54.78	2,819.93	2,778.89	83.31	2,862.20
Less :-						
Interest Received	335.04	8.85	343.89	530.80	12.32	543.12
Interest Capitalised	90.48	-	90.48	-	-	-
			2,385.56			2,319.08
Bank Charges	270.16	9.05	279.21	190.76	11.73	202.49
Processing and other charges on Loans	76.94	5.28	82.22	101.71	3.10	104.81
TOTAL			2,746.99			2,626.38

SCHEDULE - 'P'

SIGNIFICANT ACCOUNTING POLICIES

A) Basis of preparation of Financial Statements:

The financial statements of the Subsidiary Companies and Joint Venture Companies used in the consolidation are drawn upto the same reporting date as that of the Companies i.e. year ended 31st March 2011.

The financial statements of the Company and the Joint Venture Companies have been prepared under historical cost convention on an accrual basis and comply with Accounting Standards. The financial statements of the foreign Subsidiary Companies have been prepared in accordance with the local laws and the applicable accounting standards / generally accepted accounting principles.

B) Principles of Consolidation:

The consolidated financial statements relate to Nilkamal Limited ("the Company") and its majority owned Subsidiary Companies and Joint Venture Companies. The consolidated financial statements have been prepared on the following basis.

- The financial statements of the Company and Subsidiary Companies have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating material intra-group balances and intra-group transactions and the unrealised profits or losses.
- Interest in Joint Ventures have been accounted by using the proportionate consolidation method as per "Accounting Standard - 27 (AS-27) Financial Reporting of Interest in Joint Ventures".
- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.
- The Subsidiary Companies considered in the consolidated financial statements are :

Name of the Company	Country of Incorporation	% Ownership held as at 31st March, 2011	% Ownership held as at 31st March, 2010
Nilkamal Eswaran Plastics Private Limited	Sri Lanka	76%	76%
Nilkamal Eswaran Marketing Private Limited	Sri Lanka	76%	76%
Nilkamal Crates and Bins FZE	Ajman, UAE	100.00%	100.00%

- The Joint Venture Companies considered in the consolidated financial statement is:

Name of the Company	Country of Incorporation	% Ownership held as at 31 st March, 2011	% Ownership held as at 31 st March, 2010
Nilkamal Bito Storage Systems Private Limited	India	50.00%	50.00%
Cambro Nilkamal Private Limited	India	50.00%	-

C) Exchange Translation:

All the foreign subsidiaries have been identified as non-integral operations. Accordingly, the summarised revenue and expense transactions of the Subsidiary Companies at the year-end reflected in the Profit and Loss Account have been translated into Indian Rupees at average monthly exchange rate.

The assets and liabilities in the Balance Sheet have been translated into Indian Rupees at the closing exchange rate at the year end.

The resultant translation exchange gain/loss has been disclosed as Translation Reserve under the Reserve and Surplus.

D) Use of Estimate:

The presentation of financial statements 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 results and estimates are recognised in the period in which the results are known/materialised.

E) Fixed Assets:

Fixed assets are recorded at cost of acquisition or construction net of Cenvat credit wherever eligible. Cost includes all expenses related to acquisition or construction, including attributable borrowing cost on qualifying assets.

Fixed assets, which are not in use or are held for disposal, are stated at cost less accumulated depreciation or at net realisable value, whichever is lower.

F) Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets 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.

G) Depreciation and Amortisation:

(i) Depreciation on fixed assets is provided on Straight Line Method at the rates permissible under the local laws of each company or rates based on useful life of assets, whichever is higher.

(ii) Improvements to the leasehold assets are depreciated on straight line basis over the total period of lease.

(iii) Cost of Leasehold land is amortised over the period of lease.

(iv) Depreciation on additions / deletions is calculated on a pro-rata basis.

H) Valuation of Inventories:

Inventories of Raw Materials, Packing Materials, Stores and Spares, Work-in-Progress, Semi-finished goods and Finished goods (including Goods for trade) are valued at 'cost' or 'net realisable value', whichever is lower. Cost comprises all cost of purchase, appropriate direct production overheads and other costs incurred in bringing the inventories to their present location and condition. The excise duty in respect of the closing inventory of finished goods is included as part of the finished goods. Cost formulae used is 'Weighted Average Cost'.

I) Investments:

Investments are classified into Current and Long Term Investments. Current Investments are stated at lower of cost and fair value. Long Term Investments are stated at cost less provision, if any, for other than temporary diminution in value

J) Employee Benefits:

Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are recognised in the period in which the employee renders the related service

Post Employment / Retirement Benefits

Contribution to Defined Contribution Plans such as Provident Fund etc., are charged to the Profit and Loss Account as incurred.

Defined Benefit Plans - The present value of the obligation under such plans, is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the Profit and Loss Account. In case of funded Defined Benefit Plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Other Long Term Employee Benefits are recognised in the same manner as Defined Benefit Plans.

Termination Benefits

Termination benefits are recognised as and when incurred.

K) Foreign Currency Translations:

All transactions in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place;

Monetary items in the form of Current Assets, Current Liabilities and Loans in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is accounted during the year;

In respect of Forward Exchange contracts entered into to hedge foreign currency risks, the difference between the forward rate and exchange rate at the inception of the contract is recognised as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognised as income or expense along with the exchange differences on the underlying assets / liabilities. Profit or Loss on cancellations / renewals of forward contracts is recognised during the year.

L) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

M) Recognition of Income and Expenditure:

- i) Sale of goods is recognised on transfer of significant risks and rewards of ownership, which is generally on the dispatch of goods. Gross sales are inclusive of Excise Duty, Sales Tax, but are net of trade discounts and sales returns.
- ii) Income from Services is recognised on completion of service.
- iii) Revenue/income and Cost/Expenditure are generally accounted on accrual as they are earned or incurred, except in case of significant uncertainties.
- iv) Benefit on account of entitlement to import duty-free raw materials under Advance License is estimated and accounted in the year of export as an adjustment to raw material consumption provided there is a reasonable degree of certainty with regard to its ultimate realisation.
- v) Liability for Excise duty on goods lying in warehouse at the year end is provided for.
- vi) Dividend income is recognised when the right to receive the same is established.
- vii) Interest income is accrued over the period of loan / deposit / investment.
- viii) Product warranty expenses are determined / estimated and provided for on the basis of the past experience of the Company.

N) Assets taken on Lease:

Lease arrangements where the risks and rewards incident to ownership of an asset substantially vest with the lessor are recognised as operating lease. Lease rents under operating leases are recognised in the Profit and Loss account on accrual basis.

Assets acquired on finance lease are capitalised at their fair market value on the date of acquisition and a corresponding lease liability is created for the same.

O) Taxation:

Income-Tax expense comprises of current tax and deferred tax charge or credit. Provision for Current Tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognised only to the extent there is reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of deferred taxes is reviewed to reassure realisation.

P) Expenditure during Construction and Expenditure on New Projects:

In case of new Projects and in case of substantial modernisation / Expansion at existing units of the Company, all directly attributable expenditure specifically for the project, incurred upto the date of installation, is capitalised and added pro-rata to the cost of fixed assets.

Q) Government Grants:

Grants received against specific fixed assets are adjusted to the cost of the assets and those in the nature of contribution towards the Company's total capital outlay are credited to Capital Reserve. Revenue grants are recognized in the Profit and Loss Account in accordance with the related scheme and the period in which these are accrued.

R) Provisions:

A provision is recognised when there is a present obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and in respect of which reliable estimate can be made. At each Balance Sheet date, the carrying value of provisions is reviewed and adjusted to reflect the best current estimate.

SCHEDULE: 'Q'**NOTES TO THE ACCOUNTS:**

Notes to consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding the consolidated financial statements. Recognising this purpose the Company has disclosed only such notes from individual financial statements, which fairly present the needed disclosure.

1. (a) Contingent Liabilities not provided for in respect of:

(Rs. in Lacs)

	31st March, 2011	31st March, 2010
i) Excise matters	96.94	10.94
ii) Sales Tax matters *	1,048.59	923.23

* includes Rs. 972.61 Lacs paid in full against the disputed Sales Tax liability (Previous Year contingent liability Rs. 844 Lacs, paid there against Rs. 600 Lacs) under the Kerala General Sales Tax Act, 1963. The matter is pending for hearing in the Honorable Supreme Court of India.

Note: The Excise and Sales Tax demands are being contested by the Company in appeals at various levels. The Company has been legally advised that it has a good case and the demand is not tenable.

2. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance payment) Rs. 1,747.28 Lacs (Previous year Rs. 653.24 Lacs).**3. Disclosure relating to provisions in respect of Product Warranty is as follows:**

(Rs. in Lacs)

	2010-11	2009-10
Opening Balance	156.24	118.08
Additions	346.53	308.42
Utilisations	389.09	270.26
Closing Balance	113.68	156.24

4. Aggregated Related Party Disclosures:

(Rs. in Lacs)

	Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives
	2010 - 2011	2010 - 2011	2009 - 2010	2009 - 2010
Paid for Services and Labour Charges	-	48.19	-	39.40
Rent Paid	45.29	77.51	60.39	77.51
Purchase of Fixed Assets	200.20	-	-	-
Remuneration paid	314.74	-	317.09	-
Loan Repaid	-	3,178.24	-	-
Interest on Loan Given	-	192.77	-	311.05
Other receivable / (Payables) (Net) :	-	(1.33)	-	(2.84)
Loan Receivable	-	-	-	3,178.24
Interest Receivable	-	-	-	431.97
Deposits receivable	-	720.00	10.00	720.00

Certain Key Management Personnel have extended personnel guarantees as security towards the borrowings of the Company.

NOTES:**(1) Names of related parties and description of relationship**

i)	Key Management Personnel	Shri Vamanrai V. Parekh Shri Sharad V. Parekh Shri Hiten V. Parekh Shri. Manish V. Parekh Shri Nayan S. Parekh
ii)	Enterprise owned or significantly Influenced by Key Management personnel or their relatives, where transactions have taken place	Nilkamal Crates & Containers Starshine Land Developers Pvt. Ltd. (w.e.f. 23 rd July, 2009)

Note:

Following individuals and entities taken together with persons and entities shown above under 'Related Party Transactions' disclosure will constitute to form a 'Group'.

Mrs. Nalini V. Parekh, Mrs. Maya S. Parekh, Mrs. Smriti H. Parekh, Mrs. Manju M. Parekh, Mrs. Purvi N. Parekh, Mrs. Rajul M Gandhi, Mrs. Dhruvi Nakul Kumar, Miss Priyanka H. Parekh, Mr. Mihir H. Parekh, Master Eashan M. Parekh, Master Dhanay N.Parekh, Miss Dhaniti N. Parekh, Mr. Nakul Kumar, Mr. Manoj K. Gandhi, Vamanrai V. Parekh (HUF), Sharad V. Parekh (HUF), Hiten V. Parekh (HUF), Manish V. Parekh (HUF), Nayan S. Parekh (HUF), Parekh Plasto Industries Pvt. Ltd., Shrimant Holding Pvt. Ltd, Heirloom Finance Pvt. Ltd. Nilkamal Builders Pvt. Ltd,

Related Parties is as identified by the Management and relied upon by the auditors.

5. 'Nilkamal' brand used by Nilkamal Limited is owned by Nilkamal Crates & Containers against interest free deposit of Rs. 370 Lacs.

6. Deferred Tax Asset / Liabilities:

Major components of deferred tax assets and liabilities arising on account of timing differences are;

(Rs. in Lacs)

	2010 - 2011		2009 - 2010		2008 - 2009	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Depreciation		1,947.88		1,698.21		1,687.88
Employee's Benefits	112.83		163.17		144.93	
Provision for Doubtful Debts	56.49		52.55		33.92	
Others	111.98		23.28		34.45	
Total	281.30	1,947.88	239.00	1,698.21	213.30	1,687.88
Above includes share in joint ventures (Net)	-	47.00		49.20		(20.65)

7. (a) (i) Operating Lease in respect of Property taken on Lease:

(Rs. in Lacs)

	Particulars	2010-11 Rs. in Lacs	2009-10 Rs. in Lacs
a	Lease payments recognised in the Profit and Loss Account (includes contingent rent of Rs. 135.91 Lacs (Previous year 3.95 Lacs))	2,540.32	2,398.36
b	Future minimum Lease Payments under non cancelable agreements.		
	i) Not later than one year	360.53	756.08
	ii) Later than one year and not later than 5 years	392.14	505.59
	iii) Later than 5 years	13.26	-

The agreements are executed for the period of 36 to 216 months with a non cancelable period from 0 to 36 months and having a renewable option.

For certain properties taken on Lease, contingent rent payable as a percentage of revenue from the respective stores, subject to a minimum rent.

(a) (ii) Operating Lease in respect of Other Asset taken on Lease:

	Particulars	2010-11 Rs. in Lacs	2009-10 Rs. in Lacs
a	Lease payments recognised in the Profit and Loss Account	6.42	-
b	Future minimum Lease Payments under non cancelable agreements.		
	i) Not later than one year	25.68	-
	ii) Later than one year and not later than 5 years	70.62	-
	iii) Later than 5 years	-	-

The agreement is executed with a non cancelable period from 0 to 48 months.

(b) Assets acquired under finance lease arrangement:

Particulars	2010-11 Rs. In Lacs	2009-10 Rs. In Lacs
Future minimum Lease Payments under agreements.		
i) Not later than one year	67.09	49.16
ii) Later than one year and not later than 5 years	128.85	10.30
iii) Later than 5 years	-	-
Present Value of Minimum Lease Payment	171.84	55.68
Reconciliation between the total of minimum lease payments at the Balance Sheet date and their present value		
Total Minimum Lease Payments	195.94	59.46
Less : Interest	24.10	3.78
Present Value of Minimum Lease Payment	171.84	55.68

8. SEGMENT INFORMATION**Segment Wise Revenue, Results and Other Information****A. Business Segment:**

(Rs. In Lacs)

Particulars	2010-11				2009-10				
	Plastics	Lifestyle Furniture, Furnishings & Accessories	Others	Total	Plastics	Lifestyle Furniture, Furnishings & Accessories	Others	Total	
1	Segment Revenue(Net Sales)	113,654.45	17,196.56	1,625.99	132,477.00	96,278.89	11,958.16	1,806.40	110,043.45
	Less: Inter Segment Revenue	697.59	-	-	697.59	543.37	0.08	-	543.45
	Net Income from Operations	112,956.86	17,196.56	1,625.99	131,779.41	95,735.52	11,958.08	1,806.40	109,500.00
2	Segment Result before Tax & interest	10,737.83	190.02	41.72	10,969.57	12,092.46	(1,312.13)	(305.53)	10,474.80
	Add/(Less): Minority Interest	66.37	-	-	66.37	55.60	-	-	55.60
		10,671.46	190.02	41.72	10,903.20	12,036.86	(1,312.13)	(305.53)	10,419.20
	Less: Unallocated expense(Net of Unallocated Income)				834.06				556.01
	Operating Profit				10,069.14				9,863.19
	Less: Interest (Net)				2,746.99				2,626.38
	Add: Exceptional Income				-				-
	Add/(Less): Prior Period Adjustment				(16.04)				-
	Profit Before Tax				7,306.11				7,236.81
	Less: Provision for Taxes(Net)				1,965.50				2,086.59
	Net Profit After Tax				5,340.61				5,150.22
3	Other Information								
	Segment Assets	66,342.20	10,467.94	1,884.12	78,694.26	49,950.94	8,718.67	2,417.88	61,087.49
	Add: Unallocated Assets	-			3,408.49				6,276.14
	Total Assets				82,102.75				67,363.63
	Segment Liabilities	9,925.29	2,428.23	349.37	12,702.89	8,047.29	2,258.92	433.77	10,739.98
	Add: Minority Interest	335.51	-	-	335.51	292.46	-	-	292.46
		10,260.80	2,428.23	349.37	13,038.40	8,339.75	2,258.92	433.77	11,032.44
	Add: Unallocated Liabilities								
	Loan Liabilities				30,536.02				28,762.37
	Others				2,583.36				2,212.43
	Total liabilities				46,157.78				42,007.24
	Capital Expenditure	11,337.14	331.22	14.77	11,683.13	2,334.47	259.16	11.37	2,605.00
	Depreciation and Amortisation	3,116.54	275.89	118.19	3,510.62	3,143.78	246.00	118.93	3,508.71
	Significant Non Cash Expenses other than Depreciation and Amortisation	147.43	5.73	14.04	167.20	78.57	191.43	0.89	270.89

B. Geographical Segment:

Sr. No.	Particulars	Year Ended 31st March, 2011			Year Ended 31st March, 2010		
		India	Rest of The World	Total	India	Rest of The World	Total
1	Segment Revenue(Net Sales)	123,933.75	7,845.66	131,779.41	102,888.94	6,611.06	109,500.00
2	Carrying cost of Segment Assets	76,440.58	2,253.68	78,694.26	59,488.52	1,598.97	61,087.49
3	Addition to Fixed Assets and -Intangible Assets	11,428.50	254.63	11,683.13	2,595.47	9.53	2,605.00

Notes:

a) Segments have been identified in line with the Accounting Standard on Segment Reporting (AS 17) taking into account the Company's organisation structure as well as the differential risk and returns of these segments.

b) The Company has disclosed business segment as the primary segment.

c) Types of Products and Services in each business segment:

Sr No	Business Segment	Types of Products and Services
i.	Plastics	Injection Moulded plastic articles, Polymers and others.
ii.	Lifestyle Furniture, Furnishings and Accessories	Home Furniture, Home Furnishing and Accessories.
iii.	Property Development	Property Development.
iv.	Others	Storage System of Metal etc.

d) The segment Revenues, Results, Assets and Liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.

e) Inter segment transactions are carried out at arms length price.

9. Disclosure of cash flow in terms of Accounting Standard 24 Discontinuing Operations of property development business is as follows

(Rs. in Lacs)

	2010 - 2011	2009 - 2010
Net Cash (out Flow)/In Flow from Operating Activities	-	-
Net Cash (out Flow)/In Flow from Financing Activities	-	1,287.79
Net Cash (out Flow)/In Flow from Financing Activities	-	-

10. Earning per share has been computed as under:

	2010 - 11	2009 - 10
Net Profit as per Profit and Loss Account (Rs. in Lacs)	5,340.61	5,150.22
Weighted average number of Equity shares	1,42,54,085	1,27,82,344

11. Statement of Subsidiaries:

(Rs. in Lacs)

Sr. No.	Particulars	Nilkamal Eswaran Plastics Private Limited, Sri Lanka	Nilkamal Eswaran Marketing Private Limited, Sri Lanka	Nilkamal Crates and Bins - FZE (Ajman - UAE)
1	Share Capital	60.44	-	22.28
2	Reserve and Surplus	992.11	6.58	504.29
3	Total Assets	1,989.97	44.13	659.52
4	Total Liabilities	766.09	35.47	132.95
5	Investment other than investment in Subsidiary	161.05	-	-
6	Turnover and Other Income	4,365.35	93.75	1,214.41
7	Profit Before Taxation	477.44	9.71	14.52
8	Provision for Taxation (incl. Deferred Tax)	206.29	3.25	-
9	Profit after Tax	271.15	6.46	14.52
10	Dividend	61.41	2.13	-

12. Previous year's figures have been regrouped / rearranged, wherever necessary.

As per our report of even date

For and on behalf of the Board

For DALAL & SHAH
Firm Registration No.: 102021W
Chartered Accountants

S. Venkatesh
Partner
Membership No. : F-037942

For and on behalf of
For VORA & ASSOCIATES
Firm Registration No.: 111612W
Chartered Accountants

Bharat B. Chovatia
Partner
Membership No. : F-031756

Sharad V. Parekh
Managing Director

Hiten V. Parekh
Executive Director

Paresh B. Mehta
Financial Controller

Priti P. Dave
Company Secretary

Place: Mumbai
Date: May 20, 2011

PERFORMANCE AT A GLANCE

(Rs. In Lacs)

Particulars	2006-07	2007-08	2008-09	2009-10	2010-11
Net Sales	46,492	75,731	88,909	102,805	124,909
Profit Before Tax	740	7,785	1,182	6,589	7,004
Profit After Tax	695	5,736	610	4,724	5,246
Share Capital	857	1,278	1,278	1,278	1,492
Reserves and Surplus	12,215	19,521	19,862	23,839	34,086
Shareholder's Funds	13,072	20,799	21,140	25,117	35,578
Loan Funds	14,746	32,064	28,520	28,103	30,246
Total Capital Employed	27,818	52,863	49,660	53,221	65,824
Deffered Tax Liability	718	1,200	1,378	1,352	1,564
Gross Block	23,854	40,176	43,696	45,801	56,633
Net Block	10,977	22,811	23,288	22,391	30,255
Investments	1,978	2,898	2,378	2,429	2,530
Net Current Assets	15,582	28,354	25,373	29,752	34,604

RATIO

Financial Performance %	2006-07	2007-08	2008-09	2009-10	2009-10
Domestic Turnover/Total Turnover	98.43	98.12	98.23	98.16	97.99
Exports/Total Turnover	1.34	1.75	1.59	1.43	1.79
Other Income/Total Turnover	0.23	0.13	0.17	0.41	0.23
Raw Material/Total Turnover	64.71	55.23	54.45	53.76	54.31
Duties & Levies/Total Turnover	12.75	14.92	13.68	11.45	12.23
Overheads/Total Turnover	13.35	16.65	18.94	19.41	19.08
Adv & Sales Exps/Total Turnover	0.81	1.41	1.46	1.29	1.06
Interest/Total Turnover	1.60	3.02	3.84	2.12	1.87
Profit Before Interest & Tax /Total Turnover	2.98	6.54	4.99	7.77	6.78
Profit Before Tax/Total Turnover	1.38	3.52	1.15	5.65	4.91
Depreciation//Total Turnover	2.88	2.61	3.02	2.76	2.31
Tax/Total Turnover	0.08	1.12	0.55	1.60	1.23
Net Profit After Tax /Total Turnover	1.39	2.41	0.59	4.05	3.68
Cash Profit /Total Turnover	4.47	5.02	3.61	6.81	5.98
Return on Capital Employed	6.44	20.89	8.92	13.98	13.30
Return on Net Worth	5.40	33.87	2.91	20.42	17.29

All Above Ratio is calculated after excluding Exceptional Income/Expenses.

Balance Sheet Ratios					
Debt-Equity	1.13	1.54	1.35	1.12	0.85
Debtors Turnover (days)	44	54	38	42	38
Inventory Turnover	50	77	56	56	66
Current Ratio	4.80	4.41	4.09	3.51	3.75
Quick Ratio	3.25	2.49	2.43	2.19	1.97
Depreciation/Gross Block (%)	6.85	6.01	7.23	7.16	6.31
Asset Turnover	4.84	3.54	3.92	4.78	4.84

Per Share Data - Rs.

EPS	8.10	16.79	4.77	36.96	35.16
CEPS	26.05	35.01	29.16	62.13	57.23
Book Value	152.45	162.72	165.38	196.50	238.42

Shareholder Statitics

DPS	3.00	6.50	2.00	5.00	4.00
Dividend (%)	30	65	20	50	40
Dividend Payout (Rs)	3.01	9.72	2.99	7.46	6.94
Dividend Payout (%)	43.31	16.95	49.03	15.79	13.23



@home stores

• **AHMEDABAD:** Next to Grand Bhagwati Hotel, S.G. Highway. Tel: (079) 26855536/37 • **BANGALORE: KORAMANGALA:** Opp. Forum Mall. Tel: (080) 25501012/13/14 • **BANGALORE: MARATHAHALLI:** Ring Road. Tel: (080) 42197133/34 • **CHENNAI:** Nelson Manickam Road, Aminjikarai. Tel: (044) 23741531/32 • **COIMBATORE:** D.B. Road, R.S. Puram. Tel: (0422) 2473975/76 • **GHAZIABAD:** Sahibabad, Link Road Highway, Next to Bikanerwala. Tel: (0120) 4163632/33 • **HYDERABAD:** Next to Taj Krishna, Banjara hills. Tel: (040) 23316015/16 • **KOCHI:** Opp. Lulu Mall, Edappally Junction, Kochi. Tel: (0484) 2541864/65 • **MUMBAI: ANDHERI (W):** Crystal Point Mall, Above Star Bazaar, New Link Road. Tel: (022) 67251283/87 • **MUMBAI: GHATKOPAR (W):** R-City Mall, L.B.S. Marg. Tel: (022) 25186023/24 • **MUMBAI: MULUND:** Nirmal Lifestyle Mall, L.B.S. Marg. Tel: (022) 25675191/25926995 • **NAVI MUMBAI:** Near Galleria Mall, Sector 19, Palm Beach Road, Vashi. Tel: (022) 27884012/13 • **PUNE: YERWADA:** Ishanya, Off Airport Road. Tel: (020) 66405726/27 • **PUNE: SHIVAJINAGAR:** Next to Shopper's Stop. Tel: (020) 25520401/11 • **SURAT:** Crossway Mall, Ramchowk, Ghoddod Road. Tel: (0261) 2235702/04 • **THANE:** 2nd Floor, Korum Mall, Near Cadbury Compound, Off E.E. Highway. Tel: (022) 25376513/14 • **VADODARA:** Centre Square Mall, Near Sarabhai Circle. Tel: (0265) 3926662/66

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