



*Annual Report
2009-10*

TECHNOCRAFT INDUSTRIES (INDIA) LTD

TECHNOCRAFT INDUSTRIES (INDIA) LTD.
POWER PLANT. MURBAD





GENERAL INFORMATION

Board of Directors

Mr. M.D. Saraf	Chairman
Mr. S.K. Saraf	Managing Director
Mr. S.M. Saraf	Managing Director
Mr. Atanu Choudhary	Whole time Director
Mr. S.B. Agarwal	Independent Director
Mr. G.K. Gupta	Independent Director
Mr. Anand Didwania	Independent Director
Mr. Pankaj Toprani	Independent Director

Senior Management

Mr. Navneet Kumar Saraf,	COO
Mr. Ashish Kumar Saraf.	CFO
Mr. Subhash Khandelwal	President Mktg.

Company Secretary & Compliance Officer

Mr. Manoj Jain

Bankers

Bank of India
IDBI Bank
HDFC Bank
CITI Bank NA

Auditors

M.L. Sharma & Co.
Chartered Accountants
107, First Floor, Chartered House
297/299, Dr. Cawasji Hormashi Street
Marine Lines, Mumbai- 400002

Registrar & Share Registrar Agent

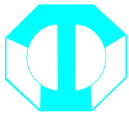
Datamatics Financial Services Limited
Plot No. A16 & A17, MIDC, Part B
Cross lane, Marol, Andheri (E)
Mumbai- 400093

Registered & Corporate Office

"Technocraft House"
A-25, MIDC, Marol Industrial Area,
Road No. 3, Opp. ESIS Hospital,
Andheri (E), Mumbai- 400093.
Maharashtra, India
Tel: 022-40982222, Fax No. 022-2835655

The Annual General Meeting will be held on 16th September, 2010 at A-25, MIDC, Marol Industrial Area, Road No.3, Andheri (E) at 11.00 a.m. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

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NOTICE

Notice is hereby given that the **18th** Annual General Meeting of the Members of Technocraft Industries (India) Limited will be held on **Thursday 16th September, 2010** at **11.00 a.m.** at Technocraft House , A-25, MIDC, Road No. 3, Opp. ESIS Hospital, Andheri (E), Mumbai, 400093 to transact with or without modification (s) as may be permissible, the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010, Profit & Loss Account for the year ended on that date together with the report of the Directors and Auditors thereon.
2. To Declare Dividend on 3, 15, 26,750 Equity Shares for the year ended 31st March 2010.
3. To appoint a Director in place of Mr. Ganesh Kumar Gupta, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Anand Didwania, who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and if thought fit, to pass, following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to provision of section 224 and other applicable provision, if any, of the Companies Act, 1956 M/s M.L.Sharma & Co, Chartered Accountants, (Registration No. 109963W) be and is hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting on the remuneration as may be fixed by the Board of Directors of the Company."

By the Order of Board of Directors
For Technocraft Industries (I) Limited

Mumbai, 04th August, 2010

Manoj Jain
Company Secretary

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** PROXY FORM SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC MUST BE SUPPORTED BY APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.
2. The corporate members intended to send their authorised representative to attend the meeting are required to send certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting
3. The Register of members and Share Transfer Register of the Company will remain closed from **Friday 10th September 2010 to Thursday, 16th September, 2010**, both days inclusive. If the final dividend as recommended by the Board of Directors is approved at the meeting, payment of such dividend will be made on or after **16th September, 2010** to all beneficial owners of the shares held in electronic forms as per the data as may be available by the NSDL and CDSL as at the close of business hour on 09th September 2010.
4. Members are requested to notify immediately any change in their address along with Pin code Number to the Company/ Share Transfer Agent.

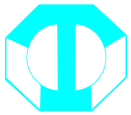


5. The Non Resident Indian Members are requested to inform the Company's Registrar and Share Transfer Agent immediately:
 - a. The change in the residential status to return to India for permanent settlement
 - b. The particulars of the Bank Accounts maintained in India with complete name, branch, type of accounts, account numbers and address of the Bank with PIN code no. if not furnished earlier
6. The Company's Equity Shares are listed at National Stock Exchange & Bombay Stock Exchange. Annual listing fee has been paid to the said exchange in time.
7. Members who wish to seek any further information/clarification at the meeting, on the annual accounts or operation of the Company are requested to send their queries at least one week in advance from the date of the Meeting to the Company Secretary at the registered office.
8. Members may kindly note that their Bank accounts details, as furnished by their Depositories to the Company, will be printed on their dividend warrant, as per the applicable regulations of the depositories and Company will not entertain any direct request from such members for deletion of or change in bank account details. Members who wish to change such bank accounts details are therefore requested to advise their depositories participants about such change with complete details of bank accounts.
9. Those shareholders who have not encashed their warrants are requested to immediately return the outdated warrants to the Company or to write to the Company or Company's Registrar to enable the Company to issue Demand Draft in lieu thereof.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Member holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts.
11. Members are requested to bring their attendance slip along with their copy of annual report to the meeting.

By Order of the Board of Directors
For Technocraft Industries (India) Limited

Place: Mumbai
Date: 04th August, 2010

Manoj Jain
Company Secretary



Details of Directors Seeking Appointment/Reappointment at the Annual General Meeting

Particulars	Anand Didwania	Ganesh Kumar Gupta
Date of Birth	14.03.1946	09.12.1952
Date of Appointment	05.06.2009	28.02.2006
Qualification	Graduate in Science	Graduate
Expertise in specific functional area	Having 40 years of experience in Logistics Industries and he has served as the president of A.C.A.C.I from 1997-99 He has been on board of many consultation committees	Rich Industrial Experience
Directorship held in other public companies (excluding foreign, private and section 25 companies)	<ul style="list-style-type: none">• Modern Mill Limited• Avant Grade Carpets Ltd	<ul style="list-style-type: none">• Vijay Silk House (Mumbai) Limited• Vijay Silk House (Surat) Limited• Vijay Silk House (Bangalore) Limited• Vinayak Power Limited
No of Shares held in the Company	Nil	385371



DIRECTORS' REPORT

Dear Members,

Directors of your Company have pleasure in presenting the Eighteenth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2010.

FINANCIAL HIGHLIGHTS

(Rs. In Lacs)

Particulars	2009-10 (Current Year)	2008-09 (Previous Year)
Gross Turnover and Other Income	40835.70	43885.04
Profit Before Interest, Depreciation and Taxation	7196.14	4966.42
Less: Interest	570.92	1073.48
Profit before Depreciation and Taxation	6625.22	3892.94
Less: Depreciation	2151.62	2364.45
Profit Before Tax (PBT)	4473.60	1528.49
Less: Provision for Taxation (including deferred Tax)	1496.17	839.39
Net profit for the Year	2977.43	689.11
Add: Surplus brought forward from previous year	3252.40	2983.22
Profit available for Appropriation	6212.69	3672.33
Appropriation		
Transfer to General Reserve	3200.00	0.00
Proposed Dividend	472.90	157.63
Dividend Distribution Tax	80.37	26.80
Balance Carried to Balance Sheet	2459.42	3487.16

PERFORMANCE

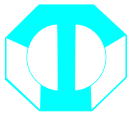
The performance of the Company during the year was satisfactory and business grew strongly. Net profit after tax of the Company has increased at yoy 332% of Rs. 2977.44 Lakhs from Rs. 689.11 Lakhs of the same period of last year. Total revenue for the year stood at Rs. 40835.70 Lakhs from 43885.04 Lakhs which is 7% decreased that of a year ago. EPS for the year stood at Rs. 9.44 per equity share of Rs. 10/- each

DIVIDEND

Your Directors are pleased to recommend final dividend of Rs. 1.50 i.e.15% per equity share of Rs. 10/-, subject to the approval of shareholders at their Annual General Meeting. The final dividend, if declared as above, would involve an outflow of Rs. 472.90 Lacs towards dividend and Rs. 80.37 Lacs towards Dividend Distribution tax, resulting in a total outflow of Rs. 553.27 Lacs.

DEPOSIT

During the year ended on 31st March 2010 the Company has not accepted any Fixed Deposits from the public under section 58A and 58AA of the Companies Act, 1956 r/w Companies (Acceptance of Deposit) Rules, 1975.



AMALGAMATION

During the year, pursuant to the sanction of the Hon'ble High Court of Bombay of the scheme of amalgamation between Mulox Sacks Private Limited (Mulox), a wholly owned subsidiary and the Company, Mulox has been amalgamated with the Company with appointed date as April 1, 2008.

The Company has filed a petition in the High Court of Bombay for amalgamation of Technocraft Exports Private Limited a wholly owned subsidiary and the Company. The amalgamation will help the company to run its business more economically. It will further lead to reduction in Operational, Administrative and overhead cost substantially that will improve the financials of Technocraft.

DIRECTORS

Mr. Ganesh Kumar Gupta & Mr. Anand Didwania, Directors, retire from the Board by rotation and eligible have offered themselves for re-appointment at ensuing Annual General Meeting. The Notice convening Annual General Meeting includes the proposals of re-appointment of Directors.

Brief resume of the above Directors, their expertise in specific functional area, name of the Public Limited companies in which they hold the directorship and their shareholdings in the Company, as stipulated under clause 49 of the Listing Agreement are given in the Report on Corporate Governance forming part of Annual Report.

AUDITORS

The present Statutory Auditors of the Company M/s M.L.Sharma & Co, Chartered Accountants (Registration No. 109963W), Mumbai, retire as statutory auditors at the conclusion of this Annual General Meeting of the Company. They are eligible for re-appointment and Company received a certificate from them that their reappointment, if made, would be within the limit specified under section 224 (1B) of the Companies Act, 1956 and they are not disqualified for such an appointment within the meaning of sub section (3) and (4) of section 226 of the Companies Act, 1956. Their appointment is recommended by the Board.

AUDITORS' REPORT

The observation made in the Auditors' Report, read together with the relevant notes thereon are self-explanatory and hence, do not call for any comments under section 217(3) of the Companies Act, 1956. The Auditors' Report on consolidated Accounts is also attached. The Consolidated Accounts have been prepared in accordance with the Accounting Standards prescribed by The Institute of Chartered Accountants of India.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a Management Discussion & Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report.

SUBSIDIARIES

The Consolidated financial statements presented by the Company include financial information of its subsidiaries prepared in compliance with applicable Accounting Standard. Annual Accounts of the subsidiary companies and related details information will be made available to the holding company's investors seeking such information at any point of time. Details of the subsidiaries are covered in this Annual Report.

PARTICULARS OF EMPLOYEES

Particulars of Employees of the Company, as required under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 for the year ended 31st March, 2010



Employees employed throughout the financial year 2009-2010 and who received remuneration for the financial year in the aggregate of not less than Rs. 24, 00,000/- per annum

Name	Designation	Age	Qualification	Experience	Date of Commencement of employment	Gross Remuneration
Mr. S.K.Saraf	Managing Director	63	B.Tech.	38 Years	28.10.1992	49,20,000
Mr.S.M.Saraf	Managing Director	61	B.Tech.	37 Years	28.10.1992	49,20,000
Mr. Navneet Saraf	Chief Operation Officer	31	B.E.(Mech.)	10 Years	23.12.2006	49,20,000
Mr. Ashish Saraf	Chief Financial Officer	28	C.A.(Inter)	8 Years	23.12.2006	49,20,000

Notes:

- Gross Remuneration includes Salary, Bonus, Allowances & Commission

DIRECTORS' RESPONSIBILITY STATEMENT

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

- in the preparation of annual accounts, the applicable accounting standards has been followed along with proper explanation relating to material departure;
- the selected accounting policies were applied consistently and the Directors 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 as at 31st March, 2010 and of the Profit of the Company for the year ended on that date;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act,1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Annual Accounts have been prepared on a 'going concern' basis

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

In compliance with the requirement of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, the statement showing the particulars in relation to conservation of energy, technology absorption and foreign exchange earning and outgoing is furnished and form part of this report as per annexure-A.

ACKNOWLEDGEMENT

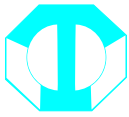
Your Directors would like to thank all Bankers, Central Government, State Government, Reserve Bank of India, Financial Institutions, Share Holders, Customers, Dealers, Suppliers and all other business associates for the continued support given by them to the Company and their confidence in its management. Your Directors also place on record their deep sense of appreciation for the services rendered by the employees of the Company.

For & On behalf of the Board

M.D. Saraf
Chairman

S.M.Saraf
Managing Director

Place: Mumbai
Date: 04th August, 2010



Annexure of Directors' Report

Conservation of Energy

Power and Fuel Consumption	2009-10	2008-09
1. Electricity		
(a) Purchase Unit (KWH)	34703761	28071661
Total Amount	184116530	132760418
Rate per Unit (Rs.)	5.30	4.73
(b) Own Generation		
Through diesel generator		
Units (KWH)	14632828	17562135
Unit per ltr of Diesel Oil	4.60	3.95
Cost /Unit (Rs.)	8.20	7.77
2. Coal		
Total Quantity (Tons)	811.00	830.23
Total Cost (Rs.)	3123505	4325015
Average rate (Rs.)	4.00	5.21
3. Furnace Oil		
Quantity (Ltr)	3490304	4449494
Total Amount	82358614	102141732
Average Rate	23.60	22.96

Technical Absorption

(a) Specific areas in which R & D is carried out by the Company

Company undertakes continuous research and development activities with an objective to reduce operational costs and improve the efficiency of our plants

(b) Benefits derived as a result of the R&D

Reduction of manufacturing cost and it improves the efficiency and profitability of the Company.

Future plan of Act

Your Company intends to continue focus on core strength by adding new products, increase the production capacity, installation of Power plant for further reduction of costs.

Technology Absorption, Adoption and Innovation

(a) Efforts, in brief, made towards technology Absorption, adoption and Innovation

(b) Benefits derived as a result of the above effort:



To deliver highest possible quality product and solutions that satisfies our customer.

In case of Imported Technology, following Information is furnished:

- a. Technology Imported :
- b. Year of Import : Not Applicable as no imported
- c. Has technology been fully absorbed : technology is put to use
- d. If not fully absorbed, area where this has not taken place, reasons there for and future plan of act :

Foreign Exchange Earning & Outgo

Foreign Exchange Earning	2009-2010 (Rs in Lakhs)	2008-2009 (Rs in Lakhs)
Exports (FOB values Rs.)	29556.12	29134.42

Foreign Exchange Expenditure	2009-2010 (Rs in Lakhs)	2008-2009 (Rs in Lakhs)
CIF values of Import of RM & Capital Goods	3451.12	1870.70
Other Expenditures	724.05	897.90

Activities relating to Export

Your Company has taken various initiatives to increase export turnover by introducing new products and established foreign subsidiaries worldwide to sell, market and promote the various products of the Company. Further, the management of the Company made continuous efforts to explore the new markets for its products. Company also appoints some foreign officers to capture the untapped market for its products.

For & On behalf of the Board

M.D. Saraf
Chairman

S.M.Saraf
Managing Director

Place: Mumbai
Date: 04th August, 2010



Management Discussion & Analysis Report

Economy Overview

As we know, 2008-09 was a very difficult year for the world economy, the stock, money and financial markets crashed. Every developed country suffered negative GDP growth. And with it, economic and social pain. Among the major emerging markets, China and India continued to grow but at significantly lower rates. The good news for China and India was that the two emerging market giants shrugged off the downturn remarkably quickly.

The steel Industries in India has been moving from strength to strength and accordingly to the annual report of 2009-10 by the Ministry of Steel, India has emerged as the 5th largest producer of steel in the world and likely to become the second largest producer of crude steel by 2015.

Performance Review

Drum Closure

The performance of the drum division is significant. The sale of the drum closure increased to Rs 14100.60 Lakhs from Rs 12526 lakhs. The increase of sale is due to substantial de-bottlenecking and improvement in efficiency of Drum Closure manufacturing facilities. The profit of drum closure stood at Rs. 3554.55 Lakhs compared to Rs.3556 Lakhs of last year.

Scaffoldings

The performance of Scaffolding segment was quite satisfactory despite of adverse market conditions. To improve the growth prospectus of the division the Company has signed a joint venture with a Canadian partner to produce very high quality and high technology Formwork particularly suitable for high rise buildings. The Formwork gives substantial economy by facilitating flat beamless slabs as against the traditional structure of beams and slabs. The company expects to add a substantial turnover in FY 10-11.

Textile

The textile division is passing through a good period and has recorded substantial improvement over last year. 26,000 spindles of yarn mill are being upgraded by new state-of-the-art Ring Frames with auto-doffing at a capital cost of about Rs. 15 crores. Total Income of yarn increased to Rs. 15105 lakhs from Rs. 12797 lakhs of previous year.

The performance of garment segment was quite significant. In view of present buoyant situation and improved market conditions in textiles, the company has planned a capital expenditure of Rs. 5 crores to upgrade the process house in order to produce high quality open width fabrics, thereby increasing the production and capacity utilization of the process house.

Business Outlook

Drum Closure

Technocraft is further pleased to announce significant growth in Drum Closure sales with a strong order book. The increased sale is due to substantial de-bottlenecking and improvement in efficiency of Drum Closure manufacturing facility.

Scaffolding

Technocraft Industries (India) Ltd. (Technocraft) announced the start of commercial production of Scaffolding in its wholly owned subsidiary factory Anhui Reliable Steel Technology Co., Ltd. (ARST) in Anhui Province in China. ARST has successfully commenced production of scaffolding components from 1st January 2010 and has achieved stable commercial production. The rated capacity will be achieved in about Second quarter of 2010-11. ARST is likely to give substantial support to Technocraft Scaffolding Division by increasing both top line and bottom line.



The Company has signed a joint venture with the world famous Canadian form work Company Tabla Construction Systems Inc., who has developed one of the most modern form work systems in the world. With the present spurt in infrastructure projects, Tabla JV will substantially expand the base of Scaffolding division, since now the Company will be able to offer scaffolding and formwork to clients under one roof

Power Plant

Technocraft also announced the commissioning of 15 MW power plant. About 50% capacity will be consumed internally and balance 50% will be sold to MSTCL.

The present sale will be done on 22 KV line. Technocraft is also erecting suitable Switch Yard with an investment of about Rs10 crores (financed internally) for supplying power to the grid on open access basis on 100 KV line. This will give substantially better sale price. Captive power plant is likely to add approximately Rs. 10 crores to the PAT of the company. Plans are afoot for doubling the capacity of power plant by installing another 15 MW power plant at the same site as an independent power plant for supplying power to the grid. Necessary coal linkage permission has also been received.

Strength & Opportunity

Technocraft has its own marketing companies in UK, Hungary, Poland, Australia and Germany with warehouse and showrooms, thereby resulting in a far wider reach in the international markets. Almost 100% of the company's production is exported to about 60 countries world wide.

Extensive network of Sales and Marketing offices throughout the world

Superior Product qualities of all Products

Experience Selling and Marketing Team & Strategic tie up with suppliers

Large domestic market potential which increase the top line of the Company

Introduction of Tabla Formwork Systems will increase not only turnover but also profit of the Company.

Threats and Weakness:

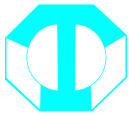
Competition from both the organized and unorganized sectors. Even with a diversified product portfolio, quality approach, manufacturing flexibility and modern technology we may have to face intense competitive pressures.

Fluctuation in Raw material price & Exchange Rate

Further in the free trade regime, there will be intense competition both in domestic and international markets. Some countries have the advantage of being located in proximity to our main markets of US and EU. These countries can shorten the lead time required by being able to deliver products to the customers in shorter time. We also face competition from manufacturers in other cost efficient supplier countries, which have low labour costs.

Internal Control System and their adequacy

The Company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported and applicable statutes and corporate policies are duly complied with. The internal control system is supplemented through an independent extensive internal audit program and periodic review by management and audit committee.



Segment wise financial performance

The summarized segment-wise performance of the Company for the financial year 2009-2010 is as follows

(Rs. In Lakhs)

Business Segment	Drum Closures	Scaffolding	Yarn	Garment	Power	Total
A. Segment Revenue	14100.60	9441.72	14369.49	1652.71	0.00	39564.62
B. Segment Results (profit and loss before interest)	4216.86	870.37	1565.83	56.00	0.00	6709.06
Less: i) Interest						357.73
ii) Other unallocable expenditure net of unallocable income						1876.73
Total Profit before tax						4474.60
C. Capital Employed (Segment assets-Segment liabilities)	6962.18	1562.84	5033.58	825.92	5729.34	20114.46

Industrial Relation

During the year under review, development of leadership and people capability in the organization continued to be the focus. However, as several companies are witnessing in this economic slowdown reduction in labour cost and other cost cutting measures. This has resulted in some cut.

Cautionary Statement

Statement made in Management Discussion and Analysis Report describing the Company's objectives, estimates and expectation or predications are "Forward looking Statement" within the meaning of applicable laws and regulations. They are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operation include global and Indian demand- supply condition, raw material availability, trained manpower, changes in Government regulations, tax regimes, economic development within India and the countries within which the company conducts business and other incidental factors.



Corporate Governance Report for the year 2009-2010

(As required under clause 49 of the Listing Agreements entered into with the Stock Exchanges)

1. Company's Philosophy on Corporate Governance

The Company believes that good corporate governance practices enable the management to direct and control the affairs of a company in an efficient manner and to achieve its ultimate goal of maximizing value for all its stakeholders. The Board of Directors supports the Board principles of Corporate Governance and lays strong emphasis on its trusteeship role to align and direct the actions of the organization to achieve its objective of transparency, accountability and integrity. The objective extends, not merely to meet with statutory requirement but also to go beyond them by putting into place procedures and systems which are in accordance with best practices for governance.

2. Board of Directors

Composition

The Board of Directors Consists of Professional draw from diverse fields. The Board headed by a Non-Executive Chairman. One- half of the Board consist of independent directors

The day to day management of the Company is conducted by the Committee of the Director subject to the supervision and control of Board of Director.

During the year 2009-2010, the Board of Directors met Five times on the following dates:

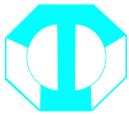
24th April, 2009, 28th July, 2009, 31st August, 2009, 23rd October, 2009 and 18th January, 2010. The gap between any two meetings had been less than four months, thus complying with the Clause 49 requirement. The dates of the meeting were decided well in advance. The information as required under Annexure I to Clause 49 is being made available to the Board.

The Details of composition of the Board, Directors attendance at the Board Meetings and at the last Annual General Meeting, Outside Directorship and the Board Committee Membership as at 31st March, 2010 is tabulated hereunder

Name	Category	No. of Board Meeting attended during 2009-2010	Whether attended last AGM held on 30 th Sep. 2009	No of Directorship held in Indian public companies (including TIIL)	No. of Board Committees of other Companies in which a member # #
Mr. M.D.Saraf	Chairman, Non Executive	5/5	Yes	5	1 (Chairman)
Mr. S.K.Saraf	Managing Director, Executive	4/5	Yes	5	1(Member)
Mr. S.M.Saraf	Managing Director, Executive	5/5	No	5	1(Member)
Mr.Atanu Choudhary	Whole Time Director	4/5	No	1	-
Mr. G.K.Gupta	Non-Executive-Independent	4/5	No	5	1(Member) 1(Chairman)
Mr. S.B.Agarwal	Non Executive-Independent	3/5	Yes	4	1(Chairman)
Mr. Pankaj Toprani	Non Executive – Independent	4/4	No	1	1(Member)
Mr. Anand Didwania	Non-Executive-Independent	4/4	No	2	1(Member)

excludes alternate directorship in foreign companies, private companies and companies governed by section 25 of the Companies Act, 1956.

Excludes Committee other than Audit Committee and Shareholder/ Investors Grievance Committee



CODE OF CONDUCT

The Company had adopted the code of conduct for all Directors and senior management of the Company, which is posted on the company's web-site. Further all directors and senior management personnel (as per clause 49 of the Listing Agreement) have affirmed compliance with the code. A declaration to this effect signed by the CEO is given in this annual report.

BOARD'S FUNCTIONING AND PROCEDURE

The Technocraft's Board plays a pivotal role in ensuring good governance. Its style of functioning is democratic. The members of the Board have always had complete freedom to express their opinion and decisions are taken on the basis of a consensus arrived at after detail discussion. The Members are also free to bring up any matter for discussion at the Board Meetings with the permission of the Chairman.

The Board's role, function, responsibility and accountability are clear defined. In addition to its primary role of setting corporate goals and monitoring corporate performance it directs and guides the activity of Management towards the set of goal and see the accountability with the view to ensure corporate philosophy and mission.

The items placed at the meeting of the Board include the following:

- Annual operating financial plans and budgets and update
- Corporate performance against the business plan
- The unaudited quarterly/half yearly financial result and the audited annual accounts of the Company, on both stand alone and consolidated basis including segment wise revenue, result and capital employed, for consideration and approval
- Financial statements such as cash flow statements, inventories and debtors
- Internal Audit report and Business risk assessment and step for mitigation risk
- Review compliance of all laws applicable to the company including requirement under listing agreement with the stock exchange and steps taken by the Company to rectify instance of non compliance, if any.
- Material communication from the Government including SCN, demand, prosecution notice and penalty notice, if any.
- Sale of material natures' of Investment, subsidiaries' assets, which is not in normal course of business.
- Opportunities for expansion, modernization, new project, merger, acquisition and divestment;
- Delegation of power of the management
- Information on senior appointment below the board level including the appointment of CFO and the Company Secretary;
- Communication to the stock exchange, the shareholders and the press regarding Company's performance;
- Report on investor grievance, shareholders pattern and Secretarial Audit Report

The Minutes of the Meetings of the Board of Directors are individually given to all directors and confirmed at the subsequent Board Meeting.

Details of Board Meeting held during the financial year and the number of directors present:

Sr. No	Date on which the Board Meeting were held	Total Strength of the Board	No of Directors Present
1	April 24, 2009	7	6
2	July 28, 2009	8	8
3	August 31, 2009	8	6
4	October 23, 2008	8	7
5	January 18, 2010	8	7



COMMITTEE OF THE BOARD

AUDIT COMMITTEE (CONSTITUTED IN 2006)

The Audit Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors. It address itself to matters pertaining to adequacy, accuracy and reliability of financial statements, adequacy of provisioning for liabilities, Working Capital Analysis, time and cost overrun Implementation of projects. The Audit Committee reviews the adequacy and efficacy of Internal Control System and whether the audit tests for Internal Control Systems are appropriate. The role of audit committee includes the following:-

- Review of Management Discussion and Analysis of Financial Condition and result of operation;
- Statement of significant related party transaction;
- Review with Statutory Auditors and Internal Auditor on the adequacy of Internal Control and steps to be taken for strengthening the areas of the weakness on Internal Controls;
- Review the appointment, terms of remuneration and removal of Internal Auditor;
- Review the Company's financial reporting process and disclosure of its financial information to ensure that financial statements are correct and fair;
- Recommending the appointment, reappointment and removal of Statutory auditor, fixing the audit fees and approval of any other services rendered by the auditors;
- Reviewing with the management, the quarterly/annually financial statements before submission to the board for approval with particular reference to:-
 - (a) matters required to be included in the Directors' Responsibility Statements which form part
 - (b) of the Directors' Report as per section 217(2AA) of the Companies Act, 1956;
 - (c) change, if any, in accounting policies and practices and reasons for the same;
 - (d) significant adjustment made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statement;
 - (f) disclosure of any related party transaction;
 - (g) qualification in draft audit report;
- Reviewing of operation and financial statements of Subsidiary Companies;
- To carry out any other function as mentioned in the terms of reference of the Committee and the Internal Audit character;

The members of the Audit Committee comprised of the following:-

Name of the Member	Category	Qualification
Mr. S.B.Agarwal	Non Executive/Independent	CA, LLB
Mr. G.K.Gupta	Non Executive/Independent	B.Com
Mr. Anand Didwania	Non Executive/Independent	B.Sc.
Mr. Pankaj Toprani	Non Executive/Independent	CA, LLB

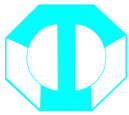
The dates on which the Audit Committee Meetings were held and the attendance of the members at the said meetings are as under:

Sr. No.	Date on which ACM were held	Attendance Record of the Members				
		S.B.Agarwal	J.N.Godbole*	G.K.Gupta	Anand Didwania***	Pankaj Toprani**
1	April 24, 2009	Leave of Absence	Attended	Attended	-	-
2	July 28, 2009	Attended	NA	Attended	Attended	Attended
3	August 31, 2009	Attended	NA	Attended	Attended	Attended
4	October 23, 2009	Leave of Absence	NA	Attended	Attended	Attended
5	January 18, 2010	Attended	NA	Leave of Absence	Attended	Attended

* Mr. Godbole has resigned w.e.f. 18th May, 2009

** Mr. Pankaj Toprani has been appointed w.e.f. 25th June, 2009

***Mr. Anand Didwania has been appointed w.e.f. 5th June, 2009



REMUNERATION COMMITTEE

The Company has formed this Committee to decide and approve the terms, condition and remuneration for appointment of executive directors. The remuneration committee consists of three directors viz. Mr. S.B.Agarwal, Anand Didwania and Mr. G.K.Gupta. All three directors are independent directors.

Board terms of reference of the Remuneration committee includes recommendation to the Board of Salary/perquisites, commission and other retirement benefits to the Company Managing Director/ Whole Time Director within the board parameters approved by the Board/ Shareholders.

No remuneration is paid to Non executive and Independent Directors except sitting fee @ 10,000 per meeting. The sitting fee paid during the year 2009-2010 is within the limit specified by the Govt. of India and Article of the Company.

There was no Employee Stock Option Scheme during the Financial Year ended 31st March, 2010.

INVESTOR RELATION & SHARE TRANSFER COMMITTEE

The investor relation and Share Transfer Committee constituted by the Board to consider the Investor Grievance and other issues relating to shareholders including transfer and transmission of shares as well as non- receipt of dividend , Annual Report. In addition, committee looks into systems and procedure followed to track investors' complaints and suggest measures for improvement from time to time. The present members of the Committee are Mr. G.K.Gupta, Mr. Sharad Kumar Saraf and Mr. Sudarshan Kumar Saraf.

The Company secretary acts as Secretary to the Committee. He is compliance officer of the Company and also responsible for redressal of investors complaints.

During the year under review one meeting of the Committee was held on 15th May, 2009. Details of attendance by Directors for the Committee are as follows:

Name of Director	Category	No of Meeting	Meeting Attended
G.K.Gupta	Chairman	1	1
Sharad Kumar Saraf	Member	1	1

Mr. Sudarshan Kumar Saraf has been appointed as member of this Committee on 15th May, 2009.

Investor grievance received and attended during the year 2009-2010 and pending as on 31.03.10

Received	Attended	Pending
43	43	0

COMMITTEE OF BOARD

Committee of Board has been constituted on 31st October, 2007, to review day to day operations of the Company. The Committee currently constitutes Mr. S.K.Saraf, Mr. S.M. Saraf, Mr. M.D. Saraf and Mr. G.K.Gupta as its member. Mr. Vaibhav Agarwal resigned from the Board on 2nd March, 2009. During the year under review three meetings of the Committee was held on 12th June, 2009, 15th July, 2009 and 25th March, 2010 which was attended by all the members

Composition of Committee of Director

Mr. M.D.Saraf
Mr. S.K. Saraf
Mr. S.M.Saraf
Mr. G.K.Gupta

The Committee has been formed to review the day to day business operation of the Company.

SUBSIDIARIES COMPANIES

The Company does not have a material non listed subsidiary whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively of the listed holding company and its subsidiaries in the immediately preceding accounting year.



DISCLOSURE

- (a) All the related transactions have been entered in to the ordinary course of business and were placed periodically before the audit committee in Summary form. There were no material individual transactions with related parties which were not in the normal course of business, required to be placed before the audit committee and that may have potential conflict with the interest of the Company at large. All individual transactions with related parties or others were on an arm's length.
- (b) The Company, during the year, has not entered into transactions of material nature with the directors, promoters and the management that may have potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in notes of accounts.
- (c) No penalties, strictures have been imposed on the Company by the Stock Exchanges, SEBI and any other statutory authority on any matter related to capital market during the last three years.
- (d) There was no pecuniary relationship or transaction of the Non Executive Directors vis-à-vis the Company during the financial Year 2009-2010.
- (e) The Company has complied with all the mandatory requirements of clause 49 of Listing Agreement.
- (f) All Accounting Standards mandatory required have been followed in preparation of financial statements except those mentioned in the audit report by the Statutory Auditor of the Company.
- (g) The company follows Secretarial Standards (SS) issued by Institute of Company Secretaries of India.

GENERAL BODY MEETING

Location and time of General Meeting

Date	Year	Type	Venue	Time
30/09/2009	2008-09	Annual General Meeting	Technocraft House, A-25, Road No.3, MIDC, Marol Industrial Area, Andheri (E), Mumbai- 400 039	11:00 A.M
14/11/2008	2007-08	Annual General Meeting	Technocraft House, A-25, Road No.3, MIDC, Marol Industrial Area, Andheri (E), Mumbai- 400 039	11:00 A.M
24/03/2008	2007-08	Court Convene Meeting	Technocraft House, A-25, Road No.3, MIDC, Marol Industrial Area, Andheri (E), Mumbai- 400 039	11:00 A.M
07/09/2007	2006-07	Annual General Meeting	Hotel Sun City, 16 TH Road, MIDC, Marol, Andheri (E), Mumbai 400093	10:00 A.M

All resolutions moved at the last Annual General Meeting were passed by a show of hands by the requisite majority of members attending the meeting

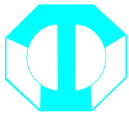
Court Convene meeting was held for approving the scheme of Re- organization and Amalgamation of Danube Fashions Limited with the Company.

MEANS OF COMMUNICATION

The unaudited quarterly and half yearly financial statements are announced within the one month of the end of the each quarter. The aforesaid financial statements are taken on record by the Board of Directors and are communicated to the Stock Exchange where the Company's shares are listed. Once the Stock Exchange have been intimated these results are given by way of press release to various newspapers and published within 48 hours in two leading daily newspaper- one in English and one in Marathi.

The audited annual results are announced as and when prepared. The annual audited result for the year ended on 31st March 2010 on 04th August 2010. The aforesaid financial results are taken on record by the Board of Directors and are communicated to the Stock Exchanges. The audited annual financial results form a part of the Annual Report which is sent to the shareholders prior to the Annual General Meeting.

The Annual and quarterly results are put on the Company's website: www.technocraftgroup.com



GENERAL SHAREHOLDERS INFORMATION

UNCLAIMED DIVIDEND:

Section 205 of the Companies Act, 1956, mandates that companies transfer dividend that has been unclaimed for a period of seven years from the unpaid dividend account to the Investors Education and Protection Fund (IEPF). Accordingly, the dividend for the year 2007, 2008 & 2009, if unclaimed within a period of seven years will be transferred to IEPF.

In case of non receipt/ non encashment of the dividend warrants, Members are requested to correspond with the Company's Registrar.

LISTING OF STOCK EXCHANGE-

The Company's securities are listed on National Stock Exchange of India & the Stock Exchange, Mumbai. Annual Listing fee for the financial year 2009-2010 has been paid to both the Exchanges.

Name of the Stock Exchange	Stock Code
The Bombay Stock Exchange Limited	532804
National Stock Exchange of India Limited	TIIL

MARKET PRICE DATE: HIGH & LOW DURING EACH MONTH IN THE LAST FINANCIAL YEAR:

Month	Bombay Stock Exchange			National Stock Exchange		
	High	Low	No of Shares traded during the Month	High	Low	No of Share traded during the Month
April 2009	30.00	21.00	89,073	30.05	21.00	106100
May 2009	42.20	23.00	2,75,700	41.90	23.00	209268
June 2009	41.40	29.00	1,57,147	42.00	29.10	157412
July 2009	35.00	27.00	91,260	34.80	27.00	75432
August 2009	51.40	30.90	5,87,885	52.00	30.20	454137
September 2009	48.50	39.15	1,89,014	48.00	39.05	84519
October 2009	52.15	41.45	2,44,282	52.50	40.75	101596
November 2009	49.70	42.70	1,67,539	48.90	43.00	76719
December 2009	49.50	43.60	2,20,476	50.20	43.65	137416
January 2010	72.00	45.05	13,28,735	72.00	45.00	936979
February 2010	56.85	44.00	2,81,861	57.95	43.10	171731
March 2010	49.80	44.00	5,68,081	49.95	44.05	481184

REGISTRAR & TRANSFER AGENT:-

Datamatics Financial Services Limited
Plot No. 16 & 17, MIDC Part- B
Crosslane, Marol, Andheri (E)
Mumbai-400093

Tel: 022-66712237

Fax: 022 28350217

Email: salim_shaikh@dfssl.com

SHARE TRANSFER SYSTEM

Technocraft's investor services are handled by Datamatics Financial Services & Software Limited. Company's equity shares are traded only in dematerialization form.



As required under clause 47(C) of Listing Agreement entered into by Technocraft Industries(India) Limited and stock exchanges, a certificate is obtained every six month from a practicing Company Secretary, with regard to inter alia, effecting transfer, transmission, subdivision, consolidation, renewal and exchange of equity shares. The Certificate is forwarded to NSE and BSE, where shares are listed, within 24 hours of issuance and also placed before the Board.

DISTRIBUTION OF SHAREHOLDINGS AS ON 31ST MARCH, 2010

Sr. No	Shares Range		No of Shares	% to Capital	No of Shareholders	% to Total no of Holders
	From	To				
1	1	500	2096905	6.65	17934	93.08
2	501	1000	564758	1.79	690	3.58
3	1001	2000	479673	1.52	311	1.61
4	2001	3000	264179	0.84	104	0.54
5	3001	4000	164664	0.52	46	0.24
6	4001	5000	244781	0.78	51	0.26
7	5001	10000	462156	1.47	63	0.33
8	10001	50000	885811	2.81	41	0.21
9	50001	99999999	26363823	83.62	27	0.14
	Total		31526750	100	19267	100

SHAREHOLDING PATTERN AS ON 31ST MARCH 2010

Category	No of Shares held	% of Holding
Promoters & Promoters Group	23636562	74.97
Bank, Financial Institutions & Insurance Companies	1050434	3.33
Private Corporate Bodies	1038910	3.30
Indian Public	5364904	17.02
NRIs/ OCBs	435940	1.38
Total	3,15,26,750	100.00

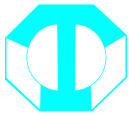
SHAREHOLDING OF THE DIRECTORS

Name	Category	No of Shares
M.D.Saraf	Promoter-Non Executive Director	94759
S.K. Saraf	Promoter-Executive Director	423080
S.M. Saraf	Promoter-Executive Director	8750652
A.A. Choudhary	Executive Director	0.00
S.B. Agarwal	Independent Director	0.00
G.K. Gupta	Independent Director	385371
Anand Didwania	Independent Director	0.00
Pankaj Toprani	Independent Director	0.00

DEMATERIALIZATION OF SHARES & LIQUIDITY

Percentage of Shares held in
Electronic form with NSDL : 90.99%
Electronic form with CDSL : 9.01%

Only 4 shares are held in physical form. The Company's shares are regularly traded on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The International Securities Identification Number (ISIN) is INE545H01011.



DESIGNATED E-MAIL ADDRESS FOR INVESTOR SERVICES:

In terms of clause 47(f) of the Listing Agreement, the designated e-mail address for investor complaints is investor@technocraftgroup.com or you may directly mail to manoj.jain@technocraftgroup.com

FINANCIAL CALENDAR:

Board Meeting for consideration of Accounts for the Financial year ended March, 2010 and recommendation of dividend	04th August, 2010
Posting of Annual Report	20th August 2010
Book Closure Date	10th September to 16th September 2010
Last date of receipts of proxy forms	14th September 2010
Date, Time & Venue of the Annual General Meeting	16th September, 2010 At 11.00 a.m. At Registered office of the Company
Dividend Payment Date	27th September 2010
Probable date of dispatch of warrant	27th September 2010
Board Meeting for consideration of unaudited quarterly result for the financial year ended March 2010.	10.05.10, 04.08.10, 15.11.2010, 15.02.2011

ADDRESS FOR CORRESPONDENCE

Manoj Jain

(Company Secretary & Compliance Officer)
Technocraft House, A-25
Street No.3, MIDC, Marol Industrial Area
Andheri (E), Mumbai- 400093
Ph. 022 4098 2222, 4098 2106
Fax 022 28356559

WORKS & FACTORIES

- **Drum Closure** : Plot No. C-5, Murbad Industrial Area, Dist: Thane. Tel: 02524-223220
- **Pipe & Scaffoldings** : Plot No. 4/1, MIDC Murbad, Dist: Thane. Tel: 02524-222823
- **Yarn, Power & Garment** : Village Dhanivali, Murbad, Dist: Thane. Tel: 02524-22941

For and Behalf of the Board

M.D.Saraf
(Chairman)

S.M.Saraf
(Managing Director)

Place: Mumbai
Date: 04th August, 2010



CEO CERTIFICATION

To the Board of Directors,
Technocraft Industries (India) Limited

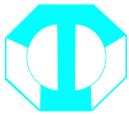
We hereby certify that:

- a) We have reviewed the financial statements and cash flow statement of the Company for the year ended March 31, 2010 and to the best of our knowledge and belief:
 - i) These statements do not contain any material untrue statements or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affair and are in compliance with the existing accounting standard, applicable laws and regulations, except those as mentioned in Auditor Report.
- b) There are, to the best of our knowledge and belief, no transaction entered into by the Company during the year, as fraudulent, illegal or violate the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed the auditors and audit committee, deficiencies in the design or operation of such internal control, if any, of which we are aware and steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and audit committee:
 - i) Significant changes in internal control over financial reporting during the year;
 - ii) Significant changes in accounting policies during the year and that same have been disclosed in the notes to the financial statements; and
 - iii) Instance of significant fraud of which we have become aware and the involvement therein, if any, of the management or employee having a significant role in the Company's internal control systems over financing reporting.
- e) The disclosures have been received from the senior management personnel relating to the financial and commercial transaction in which they or their relatives may have personnel interest. However, none of these transactions have conflict with the Company.

For Technocraft Industries (India) Limited

S.M.Saraf
(Managing Director)

Place: Mumbai
Date: 04th August, 2010



Declaration regarding compliance by Board Members and Senior management personnel with the Code of Conduct

I, Sudarshan Kumar Saraf, Managing Director of the Company, hereby confirm that all members of the Board of Directors and Senior Management Personnel have affirmed Compliance with the code of conduct, in terms of clause 49 (1)(D) (ii) of the Listing Agreement entered into with the stock exchanges, for the year ended 31st March, 2010.

For Technocraft Industries (India) Limited

S.M.Saraf
Managing Director

Place: Mumbai
Date: 04th August, 2010

Auditors' Certificate regarding compliance of condition of Corporate Governance

To
**The Members of
Technocraft Industries (India) Limited**

We have examined the compliance of the conditions of Corporate Governance by **Technocraft Industries (India) Limited**, for the year ended 31st March, 2010 as stipulated in clause 49 of the Listing Agreement(s) of the Company with the Stock Exchange(s) in India

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

Based on such review, In our opinion and to the best of our information and explanations given to us and the representations made to us , we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned in Clause 49 of Listing Agreement.

We state that no investor grievance for a period exceeding one month against the Company as on 31st March, 2010 is pending as per the records maintained by the Company and presented to the Investor/Shareholders Grievance Committee of the Board.

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

M.L.Sharma & Co
Firm Registration No.109963W
Chartered Accountants

C.H.Bandi
Partner
Membership No. 5385

Place: Mumbai
Date: 04th August, 2010



AUDITORS' REPORT

TO THE MEMBERS OF TECHNOCRAFT INDUSTRIES (INDIA) LIMITED

We have audited the attached Balance Sheet of TECHNOCRAFT INDUSTRIES (INDIA) LIMITED as at **31st March, 2010** and also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the 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. Further we report that:

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto, a statement on the matters specified in Paragraphs 4 and 5 of the said Order.

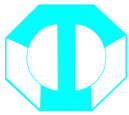
Further to our comments in the Annexure referred to above, we report that:

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper books of account as required by the Companies Act, 1956(as amended) have been kept by the Company so far as appears from our examination of those Books.
3. The Balance Sheet, the Profit & Loss Account and Cash Flow Statement dealt with by the report are in agreement with the Books of Account of the Company.
4. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement complies with the Mandatory Accounting standards referred in section 211(3c) of the Companies Act, 1956 **except as otherwise stated in this report.**
5. On the basis of the written representation received from the Directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as a Director, in terms of clause (g) of Sub-Section (1) of section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information, and according to the explanations given to us, the said accounts **Subject to Note no. 2 (C) regarding finished goods, Note no.2 (F) Regarding Leave encashment Benefits, Note no.2 (Q) Regarding non-provision of interest income, and Note no. 2 (R) Regarding non provision of diminution in value of Investment**, read together with other Notes as per Schedule 21 give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view in conformity with the Accounting Principles generally accepted in India :-
 - a) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2010;
 - b) In the case of the Profit & Loss Account of the **PROFIT** for the year ended on that date; and
 - c) In the case of Cash Flow statement, of the Cash Flows for the year ended on that date.

For M. L. SHARMA & CO.
Firm Reg No. 109963W
Chartered Accountants

Place : Mumbai
Dated: 04th August, 2010

(C. H. Bandi)
Partner
Membership No. 5385



Annexure referred to in Paragraph of our Auditors' Report on even date on the Financial Statements for the year ended 31ST March, 2010 of TECHNOCRAFT INDUSTRIES (INDIA) LIMITED) on the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:-

- 1 a The Company has generally maintained proper records showing particulars including quantitative details and situation of fixed assets.
 - b As explained to us, the said fixed assets have been physically verified by the Management during the year which is reasonable and no material discrepancies have been noticed on such verification.
 - c In our opinion, no substantial parts of Fixed Assets have been disposed of during the year.
- 2 a The stock of Finished Goods, Goods-in-Process, Raw Materials and Stores & Spares parts have been physically verified during the year by the Management and is reasonable in view of the nature of products of the Company.
 - b As explained to us, the procedure of physical verification of the above stocks followed by the Management is, in our opinion reasonable and adequate in relation to the size of the Company and nature of its business.
 - c The Company has maintained proper records of the inventories and the discrepancies noticed between the physical stock and book stock were not significant and the same have been properly dealt with in the Books of Account.
- 3 a In our opinion and according to the information and explanations given to us, the company has granted unsecured loans to 7 parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount of Loan granted during the year was Rs.4645.50 Lakhs and the year ended balance of Loan given to such parties was Rs.3088.56 lakhs.
 - b In our opinion, the rate of interest and other terms and conditions on which Loans have been granted to parties listed in the register maintained under section 301 of the Companies Act, 1956 are not prima facies, prejudicial to the interest of the company.
 - c Payment of Principal amount and interest are regular wherever stipulated.
 - d There is no overdue amount of loans granted to Companies, Firms or other parties listed in the register maintained under section 301 o the Companies Act, 1956.
 - e The Company has not taken any loan, Secured or Unsecured from Companies, firms or other parties covered in the register maintained under section 301 of Companies Act, 1956 and as such provision of sub clause 3(f) & 3 (g) are not applicable.
- 4 On the basis of such checks carried out during the course of Audit and according to the information and explanations given to us, we are of the opinion that there is an adequate internal control system commensurate with the size of the company and nature of its business with regard to purchase of stores, raw materials including components, plant & machinery, equipments and other assets and for sale of goods and services.
- 5 a According to the information and explanation given to us, particulars of contracts or arrangement referred to in Under section 301 of the Companies Act, 1956 have been properly entered in the register required to be maintained under that section;
 - b The transaction made in pursuance of such contract or arrangements have been made at prices which are reasonable having regard to prevailing market prices for such goods, materials or services or the prices at which transaction for similar goods, materials or services have been made with other parties.
- 6 The company has not accepted any deposits from the public to which the provisions of section 58A, 58AA and any other relevant provisions of the Companies Act, 1956 and the rules framed there under apply.
- 7 In our opinion Company has Internal Audit system commensurate with the size and nature of its business.
- 8 We have broadly reviewed the books of account and records maintained by the company relating to manufacturing of cotton yarn pursuant to the Rules made by the Central Government for the



maintenance of cost records under section 209 (1) (d) of the Companies Act 1956 and are of opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made detailed Examination of the records with view to determining whether they are accurate or complete. To the best of knowledge and according to the information given to us, the central government has not prescribed the maintenance of cost records for any other products of the company.

- 9 a As per the records of the company & as explained to us, the Company have generally been regular in depositing provident fund dues, state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues with the appropriate authorities and there are no undisputed amounts payable for the same were outstanding as at 31st March, 2010, for a year exceeding six months from the date they became payable.
- b On the basis of our Examination of the documents and records. The amounts of disputed statutory dues which have not been deposited with the appropriate authorities are as under:-

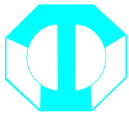
Name of the Statute	Nature of dues	Amount (in lacs)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax & Interest For A.Y. 2002-2003	155.19	I.T.A.T.

10. The company has no accumulated losses and has not incurred any cash losses during the financial Year covered by our audit or in the immediately preceding financial year.
- 11 According to information & explanations given to us and the books and records examined by us, the Company has not defaulted in repayment of dues to Banks.
- 12 The company has not granted any loans and advances to any parties on the basis of security by way of pledge of shares, debentures and other securities.
- 13 In our opinion, the Company is not a Chit-fund or a Nidhi/Mutual benefits fund/Society, therefore the provision of the Clause 4(xiii) of Para 4 of the Order are not applicable to the Company.
- 14 a In respect of investment dealt or traded by the company, proper records are maintained in respect of transaction and contracts and timely entries have been made therein.
- b According to the information and explanations given to us, the shares and units of mutual fund have been held by the company in its own name.
- 15 In our opinion and according to the information and explanations given to us, the terms and conditions on which the company has given guarantee for cash credit taken by others from banks are not prima facial prejudicial to the interest of the company.
- 16 In our opinion and according to the information and explanations given to us, the term loans taken by the company have been applied for the purpose for which the term loans were obtained.
- 17 According to information & explanations given to us, the company has used its funds properly according to the nature and purposes of the funds.
- 18 The company has not made any preferential allotment of shares to parties and Companies covered in the register maintained u/s. 301 of the Companies Act, 1956.
- 19 The Company has not issued any Debentures during the year.
- 20 According to information and explanations given to us, the company has not raised any money by public issue during the year.
- 21 According to information and explanation given to us, no fraud on or by the Company has been noticed or reported during the period.

For M. L. SHARMA & CO.
Firm Reg No. 109963W
Chartered Accountants

(C. H. Bandi)
Partner
Membership No. 5385

Place : Mumbai
Dated: 04th August, 2010



BALANCE SHEET AS AT 31ST MARCH 2010

(Rs. In Lakhs)

PARTICULARS	SCHEDULE NO.	AS AT	
		31.03.2010	31.03.2009
I. SOURCES OF FUNDS			
1. SHAREHOLDER'S FUND			
A. SHARE CAPITAL	1	3,152.68	3,152.68
B. RESERVES & SURPLUS	2	35,239.83	32,850.24
2. LOAN FUNDS	3		
SECURED LOANS		6,056.83	8,187.92
UNSECURED LOANS		7,000.00	1,500.00
TOTAL		51,449.34	45,690.84
II. APPLICATION OF FUNDS			
1. FIXED ASSETS	4		
A. GROSS BLOCK		28,078.56	26,311.14
B. LESS: DEPRECIATION		17,092.36	15,084.46
C. NET BLOCK		10,986.20	11,226.68
D. CAPITAL W.I.P. (including Pre-Operative expenses)		5,182.11	4,429.53
TOTAL		16,168.31	15,656.21
2. INVESTMENTS	5	7,255.58	7,739.18
3. DEFERRED TAX ASSETS		227.01	68.62
4. CURRENT ASSETS, LOANS & ADVANCES			
A. INVENTORIES	6	8,567.61	6,750.55
B. SUNDRY DEBTORS	7	10,047.74	8,697.01
C. CASH & BANK BALANCES	8	5,394.12	2,915.03
D. LOANS & ADVANCES	9	15,988.69	15,248.60
		39,998.16	33,611.19
LESS:			
5. CURRENT LIABILITIES & PROVISIONS			
A. LIABILITIES	10	3,467.38	3,466.63
B. PROVISIONS	11	8,732.33	7,920.96
		12,199.71	11,387.59
NET CURRENT ASSETS		27,798.44	22,223.60
6. MISCELLANEOUS EXP. (TO THE EXTENT NOT W/OFF OR ADJUSTED)	12	-	3.24
TOTAL		51,449.34	45,690.84
Notes forming part of Accounts	21		

As per our Report of Even Date
For M.L.SHARMA & CO.
 Firm Reg.No.109963W
 CHARTERED ACCOUNTANTS

(C.H.BANDI)
 PARTNER
 (M.No.5385)

Place: MUMBAI
 Date :04.08.2010

For & on Behalf of Board of Directors

M.D. SARAF **S.M. SARAF**
 (CHAIRMAN) (MANAGING DIRECTOR)

MANOJ JAIN
 (COMPANY SECRETARY)



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

(Rs. In Lakhs)

PARTICULARS	SCHEDULE NO.	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
A. INCOMES			
SALES	13	37,939.74	41,609.67
OTHER OPERATIVE INCOME	14	2,891.85	2,275.36
INCREASE/(DECREASE) IN STOCK	15	(237.00)	(155.59)
TOTAL		40,594.59	43,729.44
B. EXPENDITURES			
COST OF MATERIAL CONSUMED, MANUFACTURING AND OPERATING EXPENSES	16	27,717.11	31,629.87
SELLING AND OTHER ESTABLISHMENT EXPENSES	17	3,372.62	4,848.21
PAYMENT TO AND PROVISION TO EMPLOYEES	18	2,186.66	2,169.56
INTEREST AND FINANCE CHARGES	19	566.82	1,073.47
DEPRECIATION		2,151.62	2,364.45
AMORTISATION OF GOODWILL		121.92	112.16
PRELIMINARY EXPENSES WRITTEN OFF	20	3.24	3.24
TOTAL		36,119.98	42,200.95
C. PROFIT/(LOSS) FOR THE YEAR		4,474.60	1,528.49
LESS/(ADD) : PROVISION FOR TAX			
CURRENT TAX		1,654.37	439.79
DEFERRED TAX (NET)		(158.20)	382.84
FRINGE BENEFIT TAX		-	16.76
PROFIT AFTER TAX		2,978.43	689.11
ADD : BALANCE BROUGHT FORWARD		3,252.40	2,983.22
		6,230.83	3,672.33
LESS : TAXATION OF EARLIER YEARS		18.14	0.74
PROFIT AVAILABLE FOR APPROPRIATION		6,212.69	3,671.59
LESS : APPROPRIATIONS			
LESS:PROPOSED DIVIDEND		472.90	157.63
LESS:PROV.FOR DIVIDEND DISTRIBUTION TAX		80.37	26.80
LESS:AMALGAMATION ADJUSTMENT OF DENUBE FASHION FOR FINANCIAL YEAR 2007-2008		-	234.67
LESS : DEPRECIATION 07-08		-	0.10
LESS:TRANSFERRED TO GENERAL RESERVES		3,200.00	-
BALANCE CARRIED TO BALANCE SHEET		2,459.42	3,252.40
ADJUSTED EARNING PER SHARE -BASIC & DILUTED		9.45	2.19

Notes forming part of Accounts

21

As per our Report of Even Date
For M.L.SHARMA & CO.
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

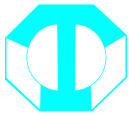
(C.H.BANDI)
PARTNER
(M.No.5385)

Place: MUMBAI
Date :04.08.2010

For & on Behalf of Board of Directors

M.D. SARAF **S.M. SARAF**
(CHAIRMAN) (MANAGING DIRECTOR)

MANOJ JAIN
(COMPANY SECRETARY)



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

	(Rs. In Lakhs)	
	Year ended March 31, 2010	Year ended March 31, 2009
A. Cash flow from operating activities:		
Net (loss)/profit before tax but after exceptional/extraordinary items	4,474.60	1,528.49
Adjustments for:		
Depreciation	2,151.62	2,364.45
Interest Expense	363.92	886.20
Interest Income	(317.09)	(359.03)
Dividend Received	(167.89)	(123.48)
Amoratisation of Goodwill	121.92	112.16
Rent Received	(16.80)	
(Profit)/Loss on Fixed Assets sold	(97.35)	(5.67)
(Profit)/Loss on sale of Investments	(213.48)	(91.26)
Preliminary Expenditure written off	3.24	3.24
Gain on Exchange (Net)	8.92	(206.39)
Operating profit before working capital changes	6,311.62	4,108.71
Adjustments for changes in working capital :		
- (INCREASE)/DECREASE in Sundry Debtors	(1,350.73)	2,109.09
- (INCREASE)/DECREASE in Other Receivables	(2,569.49)	(194.52)
- (INCREASE)/DECREASE in Inventories	(1,817.07)	3,671.92
- INCREASE/(DECREASE) in Trade and Other Payables	770.73	(664.95)
Cash generated from operations	1,345.07	9,030.25
- Taxes (Paid) / Received	(211.61)	(472.02)
- Gain on Exchange (Net)	(8.92)	206.39
Net cash from operating activities (A)	1,124.54	8,764.62
B. Cash flow from Investing activities:		
Purchase of fixed assets	(2,061.72)	(2,903.13)
(Increase)/ Decrease in Capital Work in Progress	(752.58)	(2,505.42)
Proceeds from Sale of fixed assets	108.42	12.51
Net realisation on Sale of Investments	11,265.11	5,139.16
Net additions to investments :		
in subsidiaries	(120.83)	(274.90)
in others	(10,447.21)	(3,276.63)
Interest Received	358.10	179.48
Dividend Received	167.89	123.48
Business Service Inome Received	16.80	-
Net cash used in investing activities (B)	(1,466.02)	(3,505.45)
C. Cash flow from financing activities:		
Rupee Short Term Loan & Foreign Currency Loan From Bank of India	(891.85)	(1,172.40)
Net short term borrowings from Banks	4,260.78	(1,462.03)
Interest Paid	(363.92)	(886.20)
Dividend Paid	(157.63)	(313.10)
Tax on Dividend	(26.80)	(53.58)
Net cash used in financing activities (C)	2,820.57	(3,887.31)
Net Increase/(Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	2,479.10	1,371.86
Cash and cash equivalents at the beginning of the year	2,915.03	1,515.10
Transferor Company	-	28.07
Cash and cash equivalents at the end of the year	5,394.13	2,915.03
Cash and cash equivalents comprise		
Cash on hand	5.13	5.01
Balance with Scheduled Banks	5,389.00	2,910.02
Balance as per Balance Sheet	5,394.13	2,915.03

Notes to the Cash Flow Statement

- 1 The above Cash flow statement has been prepared under the indirect method setout in AS-3 issued by the Institute of Chartered Accountants of India
- 2 Figures in brackets indicate cash outgo.
- 3 Previous period figures have been regrouped and recast wherever necessary to conform to the current preiod Classification
- 4 Cash and cash equivalents includes Rs. NIL which are not available for use by the Company.

As per our Report of Even Date
For M.L.SHARMA & CO.
 Firm Reg.No.109963W
 CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

(C.H.BANDI)
PARTNER
 (M.NO.5385)
 Place: MUMBAI
 Date : 04th August, 2010

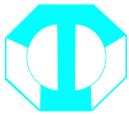
M.D. SARAF **S.M. SARAF**
 (CHAIRMAN) (MANAGING DIRECTOR)

MANOJ JAIN
 (COMPANY SECRETARY)



SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010

PARTICULARS	(Rs. In Lakhs)	
	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE - 1		
SHARE CAPITAL		
AUTHORISED		
3,50,00,000 EQUITY SHARES OF RS.10/- EACH	<u>3,500.00</u>	<u>3,500.00</u>
	<u>3,500.00</u>	<u>3,500.00</u>
ISSUED, SUBSCRIBED & PAID-UP		
3,15,26,750 EQUITY SHARES OF RS.10/- EACH FULLY PAID UP	<u>3,152.68</u>	<u>3,152.68</u>
	<u>3,152.68</u>	<u>3,152.68</u>
OF THE ABOVE EQUITY SHARES :-		
A. 10,000 EQUITY SHARES OF RS. 10/- EACH WERE ALLOTTED AT THE TIME OF INCORPORATION DURING THE YEAR 1992-93.		
B. 622 EQUITY SHARES OF RS. 10/- EACH WERE ALLOTTED PURSUANT TO SCHEMES OF AMALGAMATION WITHOUT PAYMENT BEING RECEIVED IN CASH.		
C. 48,33,010 EQ. SHARES WERE ALLOTTED AS BONUS SHARES BY CAPITALIZATION OF GENERAL RESERVE & 9,55,980 EQ. SHARE WERE ALLOTTED AS BONUS BY CAPITALIZATION OF REVALUATION RESERVE DURING THE YEAR 1994-95.		
D. 8,30,888 EQUITY SHARES OF RS. 10/- EACH WERE ALLOTTED AT THE TIME OF RIGHT ISSUE DURING THE YEAR 1997-98.		
E. 6,63,050 EQUITY SHARES OF RS.10/- EACH BOUGHT BACK DURING THE YEAR 2001-2002 & 8,97,554 EQUITY SHARES OF RS.10/- EACH BOUGHT BACK DURING THE YEAR 2002-2003 IN ACCORDANCE WITH SEC.77A OF THE COMPANIES ACT, 1956.		
F. 15,60,604 EQ. SHARES OF RS 10/- EACH WERE ALLOTTED AS BONUS SHARE BY CAPITALIZATION OF CAPITAL REDEMPTION RESERVE DURING THE YEAR 2002-03 .		
G. 66,30,500 EQUITY SHARES OF RS 10/- EACH WERE ALLOTTED AS BONUS SHARE BY CAPITALIZATION OF GENERAL RESERVE DURING THE YEAR 2004-05 .		
H. 99,45,750 EQUITY SHARES OF RS 10/- EACH WERE ALLOTTED AS BONUS SHARE BY CAPITALIZATION OF GENERAL RESERVE DURING THE YEAR 2005-06		
I. 83,20,000 EQUITY SHARES OF RS. 10/- EACH WERE ALLOTTED DURING THE PUBLIC ISSUE MADE DURING THE YEAR 2006-07.		
SCHEDULE - 2		
RESERVES AND SURPLUS		
<u>GENERAL RESERVES</u>		
BALANCE AS PER LAST BALANCE SHEET	21,800.00	21,800.00
ADD : TRANSFER FROM PROFIT & LOSS A/C	<u>3,200.00</u>	<u>-</u>
	<u>25,000.00</u>	<u>21,800.00</u>
<u>CAPITAL RESERVE</u>		
BALANCE AS PER LAST BALANCE SHEET	20.00	20.00
<u>SECURITIES PREMIUM</u>		
BALANCE AS PER LAST BALANCE SHEET	7,486.84	7,471.06
ADD: DTA CREATED ON SHARE ISSUE EXPENSES	<u>-</u>	<u>15.78</u>
	<u>7,486.84</u>	<u>7,486.84</u>



SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010

(Rs. In Lakhs)

PARTICULARS	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE - 2		
RESERVES AND SURPLUS (Contd...)		
REVALUATION RESERVE		
BALANCE AS PER LAST BALANCE SHEET	291.00	309.66
LESS : DEPRECIATION	17.39	18.66
	273.61	291.00
PROFIT & LOSS APPROPRIATION A/C		
PROFIT AVAILABLE FOR APPROPRIATION	2,459.42	3,252.40
LESS:AMALGAMATION ADJUSTMENT OF MULOX SACKS	0.04	-
	2,459.38	3,252.40
	35,239.83	32,850.24

SCHEDULE - 3 **LOAN FUNDS**

SECURED LOANS

TERM LOAN

BANK OF INDIA	1,779.22	2,671.07
---------------	----------	----------

FROM BANKS

1. BANK OF INDIA - OVERDRAFT ACCOUNT	221.78	10.73
2. BANK OF INDIA (EXPORT PACKING CREDIT AGAINST L/CS CONFIRMED ORDERS)	233.30	1,979.40
3. CITIBANK PCFC ACCOUNT	1,488.73	1,866.23
4. CITI BANK A/C 0351789018	2.06	-
5. H.D.F.C P.C.F.C A/C	411.83	101.44
6. H.D.F.C. LOAN AGAINST FDR	-	1,500.00
7. IDBI OD A/C- 03965500/046	62.01	59.04
8. IDBI BANK LTD. - LOAN A/C	1,331.08	-
9. BOI PCFC \$ A/C	526.82	-
	6,056.83	8,187.92

UNSECURED LOANS

FROM BANKS

ICICI TEMPORARY LOAN	5,000.00	-
HDFC TEMPORARY LOAN	2,000.00	1,500.00
	7,000.00	1,500.00

NOTES :

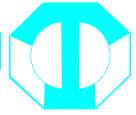
1. TERM LOAN FROM BANK OF INDIA IS SECURED AGAINST HYPOTHECATION OF PROPOSED PLANT & MACHINERY & EQUIPMENT TO BE PURCHASED OUT OF TERM LOAN AND ALSO AGAINST EQUITABLE MORTGAGE OF SPECIFIC IMMOVABLE PROPERTIES OF DRUM CLOSURE & YARN DIVISIONS.
2. OVERDRAFT ACCOUNT WITH BANK OF INDIA AND IDBI BANK ARE SECURED AGAINST THE FDR OF THE COMPANY.
3. CASH CREDIT FROM BANK OF INDIA IS SECURED AGAINST THE HYPOTHECATION OF STOCK AND BOOK DEBTS BOTH PRESENT & FUTURE AND FIXED ASSETS & EQUITABLE MORTGAGE OF COMPANIES SPECIFIC IMMOVABLE PROPERTIES.
4. EXPORT PACKING CREDIT AGAINST L/CS.CONFIRMED ORDERS FROM BANK OF INDIA, CITI BANK LTD, HDFC BANK LTD & IDBI BANK LTD ARE SECURED AGAINST THE HYPOTHECATION OF STOCK & BOOK DEBTS BOTH PRESENT & FUTURE AND FIXED ASSETS & EQUITABLE MORTGAGE OF THE COMPANIES SPECIFIC IMMOVABLE PROPERTIES.

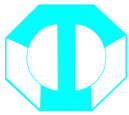
SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010

SCHEDULE 4 - FIXED ASSETS

(Rs. In Lacs)

Description	G R O S S B L O C K			D E P R E C I A T I O N				N E T B L O C K							
	As on 01.04.2009	Revaluation of assets as on 25/07/94	Adjustment due to Foreign Exc-Fluctuation	Addition on Account of Merger	Addition during the period	Sale/ Transfer	As on 31.03.2010	Upto 31.03.2009	On revaluation	Accumulated Depreciation on Merger	On cost	Adjustment	Upto 31.03.2010	As on 31.03.2010	As on 31.03.2009
GOODWILL	560.80	-	-	48.82	-	-	609.62	112.16	-	-	121.92	-	234.08	375.53	448.64
A. LAND AND BUILDING															
1. Land	136.38	-	-	75.94	42.09	-	254.41	-	-	-	-	-	-	254.41	136.38
2. Leasehold Land	54.41	207.00	-	-	-	-	261.41	52.02	2.84	-	0.66	-	55.52	205.89	209.40
3. Factory Building	5,330.84	397.60	-	206.07	273.11	-	6,207.62	1,983.07	8.57	-	322.55	-	2,314.19	3,893.43	3,745.37
3. Office Premises	1.61	227.83	-	-	-	-	229.44	121.17	5.39	-	0.02	-	126.58	102.86	108.28
4. Worker's Quarters	71.13	-	-	-	-	-	71.13	27.09	-	-	2.20	-	29.30	41.83	44.03
5. Staff Quarters	353.87	20.06	-	-	-	-	373.94	100.65	0.47	-	13.19	-	114.32	259.62	273.29
6. Car Parking Space	0.01	4.99	-	-	-	-	5.00	2.64	0.12	-	0.00	-	2.76	2.24	2.36
7. Tube-Well	8.01	-	-	-	0.93	-	8.94	3.49	-	-	0.21	-	3.69	5.25	4.52
B. PLANT & MACHINERY															
1. Plant & Machinery & Pollution equip.	16,658.67	217.64	-	215.11	1,095.07	291.81	17,894.68	11,196.20	-	-	1,683.17	281.15	12,598.22	5,296.46	5,680.10
2. Electrical Installation	488.10	-	-	21.32	31.10	-	540.52	277.86	-	-	33.02	-	310.88	229.64	210.23
3. Computers	141.71	-	-	-	9.60	-	151.31	114.36	-	-	12.20	-	126.55	24.76	27.36
4. Air Conditioner & Office Equipments	88.40	-	-	-	4.11	-	92.51	49.19	-	-	5.53	-	54.72	37.79	39.24
5. Motor Car & Vehicles	145.05	-	-	-	14.53	2.30	157.27	83.87	-	-	18.02	1.88	100.01	57.27	61.18
6. Weighing Scale	5.99	-	-	-	0.08	-	6.06	3.38	-	-	0.37	-	3.76	2.30	2.61
7. Forklift	69.43	-	-	-	-	-	69.43	56.87	-	-	3.49	-	60.36	9.07	12.56
8. Generator	939.07	-	-	-	-	-	939.07	791.01	-	-	41.19	-	832.20	106.87	148.06
9. Weighing Bridge	14.10	-	-	-	8.78	-	22.88	3.20	-	-	0.20	-	3.39	19.48	10.90
10. Tractor (Power Plant)	-	-	-	-	9.34	-	9.34	-	-	-	-	-	-	9.34	-
C. FURNITURE & FIXTURES															
1. Navigation Software	19.85	-	-	-	-	-	19.85	19.56	-	-	0.29	-	19.85	0.00	0.29
2. Computer Software	18.98	-	-	-	-	-	18.98	5.88	-	-	6.08	-	11.96	7.02	13.11
TOTAL	25,236.02	1,075.12	-	567.26	1,494.28	294.11	28,078.56	15,084.46	17.39	-	2,273.54	283.04	17,092.36	10,986.21	11,226.72
Previous Year	20,935.90	1,075.12	-	1,502.04	2,834.41	36.33	26,311.14	11,746.16	18.66	872.53	2,476.61	29.49	15,084.46	11,226.68	10,264.87
Capital Work in Progress	4,383.67	-	-	-	1,099.55	508.07	4,975.14	-	-	-	-	-	-	4,975.14	1,707.87
PREOPERATIVE EXPENSES	42.07	-	-	-	164.90	-	206.97	-	-	-	-	-	-	206.97	21.87
Assets in Transit:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-





SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010

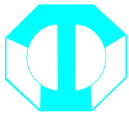
(Rs. In Lakhs)

PARTICULARS	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE - 5		
INVESTMENTS : - (AT COST)		
LONG TERM INVESTMENT		
1. TRADE		
<u>UNQUOTED - OTHERS</u>		
(a) 30 SHARES OF RS.50/- EACH OF MITTAL COURT PREMISES CO-OP. SOCIETY LTD. FULLY PAID UP	0.02	0.02
(b) 15 SHARES OF RS.50/- EACH OF UDIT MITTAL COURT INDUSTRIAL PREMISES CO-OP.SOCIETY LTD.	0.01	0.01
(c) 10 SHARES OF RS.50/- EACH OF GODREJ FLAT	0.01	0.01
2. OTHER THAN TRADE		
<u>UNQUOTED</u>		
<u>A. IN SUBSIDIARY COMPANIES FULLY PAID UP</u>		
(a) TECHNOCRAFT INTERNATIONAL LTD (500002 ORDINARY SHARES OF 1 POUND EACH)	381.77	381.77
(b) TECHNOSOFT INFORMATION TECHNOLOGIES (I) LTD (474930 SHARES OF RS.10/- EACH)	47.49	47.49
(c) TECHNOCRAFT HUNGARY LTD. (24000 SHARES OF HUF 5000 EACH)	242.79	242.79
(d) TECHNOCRAFT TRADING (POLAND) (4500 SHARES OF PLN 500 EACH)	265.07	265.07
(e) TECHNOCRAFT EXPORTS PVT. LTD. (1749999 EQUITY SHARES OF RS.10/- EACH)	174.49	174.49
(f) TECHNOCRAFT AUSTRALIA PVT. LTD. (2 SHARES OF AUS \$ 1 EACH)	0.00	0.00
(g) ANHUI RELIABLE STEEL TEC. CHINA	761.31	590.86
(h) MULOX SACKS PVT LTD (1000 SHARES OF RS. 10/- EACH, P.Y. NIL)	-	49.61
CURRENT INVESTMENT		
QUOTED		
<u>A. INVESTMENTS IN MUTUAL FUNDS</u>		
(a) FRANKLIN TEMPLETON CAPITAL SAFETY FUND (P.Y. 50,00,000 UNITS OF RS.10/- EACH)	-	500.00
(b) SBI ONE INDIA FUND (P.Y. 20,00,000 UNITS OF RS.10/- EACH)	-	200.00
(c) HDFC EQUITY FUND (1,11,230.99 UNITS OF RS.10/- EACH, P.Y. - NIL)	200.00	-
(d) RELIANCE LONG TERM EQUITY FUND (30,00,000 UNITS OF RS.10/- EACH)	300.00	300.00
(e) HDFC GROWTH FUND (5,02,487.312 UNITS OF RS.10/- EACH)	200.00	200.00
(f) KOTAK WEALTH BUILDERS SERIES (P.Y. 50,00,000 UNITS OF RS.10/- EACH)	-	500.00
(g) PRU ICICI FUSION FUND SER II (20,00,000 UNITS OF RS.10/- EACH)	200.00	200.00
(h) ICICI PRUD. INDO ASIA EQ FUND (50,00,000 UNITS of Rs. 10/- EACH)	500.00	500.00



SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010

PARTICULARS	(Rs. In Lakhs)	
	AS AT 31.03.2010	AS AT 31.03.2009
(i) H.D.F.C TOP 200 (9,89,374.122 UNITS of Rs.10/- EACH)	500.00	500.00
(j) H.D.F.C.FMP 18M OCTOBER 2007 (P.Y. 100,00,000 UNITS of Rs. 10/- EACH)	-	1,000.00
(k) FRANKLIN ASIAN EQUITY FUND (24,44,987.775 UNITS of Rs. 10/- EACH)	250.00	250.00
(l) KOTAK INDO WORLD INFRA FUND (25,00,000 UNITS of Rs. 10/- EACH)	250.00	250.00
(m) HDFC INFRASTRUCTURE FUND (25,00,000 UNITS of Rs. 10/- EACH)	250.00	250.00
(n) HDFC CMF TREASURY ADV PLAN (P.Y. 67,68,310.911 UNITS of Rs. 10/- EACH)	-	1,300.23
(o) HDFC LIQUID FUND (6,58,035.44 UNITS OF Rs. 10/- EACH, P.Y. - NIL)	120.00	-
(p) HDFC FIXED MATURITY PLAN -SERIES - XII (100,00,000 UNITS OF Rs. 10/- EACH, P.Y. NIL)	1,000.00	-
(q) HDFC MF MONTHLY INCOME PLAN A/C LTP (4,82,588.22 UNITS OF Rs. 10/- EACH, P.Y. NIL)	100.00	-
(r) HDFC PRUDENCE FUND (57,417.81 UNITS OF Rs. 10/- EACH, P.Y. NIL)	100.00	-
(s) ICICI PRUDENTIAL LONG TERM PLAN (14,97,334.74 UNITS OF Rs. 10/- EACH, P.Y. NIL)	150.00	-
(t) ICICI PRUDENTIAL FMP SERIES -51 (15,00,000 UNITS OF Rs. 10/- EACH, P.Y. NIL)	150.00	-
(u) SUNDARAM BNP PARIBAS MONTHLY INCOME (40,03,303.45 UNITS OF Rs. 10/- EACH, P.Y. NIL)	500.00	-
B. INVESTMENTS IN SHARES		
(a) TSL RIGHTS ISSUE CCPS (P.Y. 180 CUMULATIVE CONV. PREF. SHARES OF RS.100/- EACH)	-	0.18
(b) TATA STEEL LIMITED (P.Y. 40 SHARES OF RS.10/- EACH)	-	0.12
(c) RELIANCE POWER LTD. - SHARES (1,113 SHARES OF RS.10/- EACH)	3.13	3.13
(d) GRASIM INDUSTRIES LTD - SHARES (P.Y. 1,000 SHARES OF RS.10/- EACH)	-	24.98
(e) SADBHAV ENGINEERING LTD- SHARES (P.Y. 750 SHARES OF RS.10/- EACH)	-	8.43
(f) CITI FIN CONS FIN I LTD- NCD (600 DEBENTURES OF RS.1,00,000/- EACH, P.Y. - NIL)	600.00	-
(g) NHPC LTD-SHARES (25,571 SHARES OF RS.10/- EACH, P.Y. - NIL)	9.21	-
(h) TATA STEEL LTD-SHARES (70 SHARES OF RS.10/- EACH, P.Y. - NIL)	0.30	-
	7,255.58	7,739.18
AGGREGATE AMOUNT OF UNQUOTED INVESTMENT	1,872.94	1,752.11
AGGREGATE AMOUNT OF QUOTED INVESTMENT	4,782.64	5,987.06
MARKET VALUE OF QUOTED INVESTMENT	4,814.09	4,950.12



SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010

(Rs. In Lakhs)

PARTICULARS	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE - 6		
INVENTORIES		
(AS TAKEN, VALUED AND CERTIFIED BY MANAGEMENT)		
FINISHED GOODS	889.31	1,291.32
RAW MATERIAL	6,586.00	4,619.60
SCRAP	58.87	39.53
STORES & SPARES	418.08	495.04
PACKING MATERIALS	121.85	80.23
FUEL & OIL	95.79	94.03
INVENTORIES WIP	397.71	130.79
	8,567.61	6,750.55
SCHEDULE - 7		
SUNDRY DEBTORS		
(UN-SECURED CONSIDERED GOOD BY THE MANAGEMENT)		
DEBTS OUTSTANDING FOR MORE THAN SIX MONTHS	369.12	716.64
OTHER DEBTS	9,678.62	7,980.37
	10,047.74	8,697.01
SCHEDULE - 8		
CASH AND BANK BALANCES		
1. CASH IN HAND	5.13	5.01
2. BANK BALANCES		
A. IN CURRENT ACCOUNTS	172.07	213.49
B. IN UNCLAIMED DIVIDEND ACCOUNTS	2.80	2.15
C. IN FIXED DEPOSIT ACCOUNTS	5,214.12	2,694.37
	5,394.12	2,915.03
SCHEDULE - 9		
LOANS AND ADVANCES		
(UN-SECURED CONSIDERED GOOD BY THE MANAGEMENT)		
1. ADVANCES TO SUBSIDIARY COMPANIES	1,674.37	1,709.82
2. ADVANCES TO OTHER COMPANIES	1,416.88	847.49
3. ADVANCES RECOVERABLE IN CASH OR KIND FOR VALUE TO BE RECEIVED	654.42	1,000.42
4. DEPOSITS WITH GOVERNMENT DEPARTMENTS	175.39	146.62
5. BALANCES WITH CENTRAL EXCISE DEPT.	1,709.08	3,227.88
6. BALANCES WITH SALES TAX DEPT.	1,836.02	3.00
7. OTHER DEPOSITS	13.12	15.42
8. ADVANCE TAX	8,465.85	8,254.24
9. PREPAID EXPENSES	43.56	43.70
	15,988.69	15,248.60



SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010

(Rs. In Lakhs)

PARTICULARS	AS AT 31.03.2010	AS AT 31.03.2009
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SCHEDULE - 10 CURRENT LIABILITIES

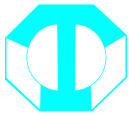
1. SUNDRY CREDITORS FOR GOODS (Other than Micro, Small & Medium Enterprises)	2,483.43	2,241.35
2. SUNDRY CREDITORS FOR EXPENSES (Other than Micro, Small & Medium Enterprises)	373.95	505.41
3. ADVANCES FROM CUSTOMERS	392.85	106.10
4. TECHNOCRAFT YARN - II		
4. OTHER LIABILITIES INCLUDING SUNDRY DEPOSITS	67.06	397.14
5. BANK OF INDIA (TEMPORARY OVERDRAWN)	40.82	125.57
6. STATE BANK OF INDIA (TEMPORARY OVERDRAWN)	105.17	86.52
7. CITI BANK (TEMPORARY OVERDRAWN)	-	2.27
8. UNCLAIMED DIVIDEND	2.92	2.26
9. OTHER DEPOSITS	1.18	-
	3,467.38	3,466.63

SCHEDULE - 11 PROVISIONS

PROVISION FOR TAXATION	8,041.39	7,545.69
PROVISION FOR FRINGE BENEFIT TAX	-	16.76
PROVISION FOR LEAVE SALARY	112.63	99.77
PROVISION FOR GRATUITY	25.04	74.32
PROPOSED DIVIDEND	472.90	157.63
PROVISION FOR DIVIDEND DISTRIBUTION TAX	80.37	26.80
	8,732.33	7,920.96

SCHEDULE - 12 MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED

<u>PRELIMINARY EXPENSES</u>		
AS PER LAST BALANCE SHEET	3.24	6.48
ADD : DURING THE YEAR	-	-
	<u>3.24</u>	<u>6.48</u>
LESS : WRITTEN OFF DURING THE YEAR	<u>3.24</u>	<u>3.24</u>
	<u>-</u>	<u>3.24</u>

**SCHEDULES FORMING PART OF PROFIT & LOSS A/C FOR THE YEAR ENDED 31ST MARCH 2010**

PARTICULARS	(Rs. In Lakhs)	
	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
SCHEDULE - 13 SALES		
SALES	37,939.74	41,609.67
	37,939.74	41,609.67
SCHEDULE - 14 OTHER INCOMES		
OTHER BUSINESS INCOMES	302.64	212.14
CENVAT CREDIT	183.77	166.95
DEPB LICENCE SALE	1,343.95	1,012.06
C.S.T. REFUND RECEIVED	53.87	91.45
INTEREST INCOME	312.98	359.03
(GROSS, INCLUSIVE OF TAX DEDUCTED AT SOURCE OF RS.43.15 LAKHS, PREVIOUS YEAR RS.74.57 LAKHS)		
DIVIDEND RECEIVED	167.89	123.48
(ON LONG TERM INVESTMENT - OTHERS)		
INSURANCE CLAIM RECEIVED	-	6.42
RENT INCOME	16.80	13.78
(INCLUSIVE OF TAX DEDUCTED AT SOURCE OF OF RS.3.86 LAKHS, PREVIOUS YEAR RS.10.51 LAKHS)		
GRATUITY WRITTEN OFF	89.47	-
LONG TERM CAPITAL GAIN	201.75	87.11
SHORT TERM CAPITAL GAIN	11.73	4.14
PROFIT ON SALE OF ASSET	97.38	5.67
PROFIT ON SALE OF VEHICLE	0.03	-
SUNDRY CREDITORS WRITTEN OFF	32.02	3.14
RENT FROM STAFF	0.39	0.38
SALES TAX REFUND	-	3.25
PROVISION FOR LEAVE SALARY WRITTEN BACK	86.10	76.83
DIFF. IN FOREIGN CURRENCY	(45.45)	206.39
DIFF. IN FOREIGN CURRENCY - BOI LOAN	36.53	(96.87)
	2,891.85	2,275.36
SCHEDULE - 15 INCREASE/(DECREASE) IN STOCKS (INCL.UNITS)		
CLOSING STOCKS		
FINISHED GOODS	889.31	1,291.32
SCRAP / WASTE	58.87	39.53
SEMIFINISHED GOODS	193.63	47.96
	1,141.81	1,378.82
LESS :		
OPENING STOCKS		
FINISHED GOODS	1,291.32	1,270.27
SCRAP / WASTE	39.53	165.87
SEMIFINISHED GOODS	47.96	98.27
	1,378.82	1,534.41
	(237.00)	(155.59)



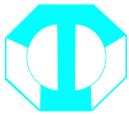
SCHEDULES FORMING PART OF PROFIT & LOSS A/C FOR THE YEAR ENDED 31ST MARCH 2010

(Rs. In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
SCHEDULE - 16		
COST OF MATERIAL CONSUMED, MANUFACTURING AND OPERATING EXPENSES		
A. RAW MATERIAL CONSUMED		
OPENING STOCK OF RAW MATERIAL (NET OF VAT)	4,702.43	8,266.68
ADD : PURCHASES	21,798.67	19,999.16
	<u>26,501.10</u>	<u>28,265.84</u>
LESS : CLOSING STOCKS	6,790.08	4,702.43
	<u>19,711.02</u>	<u>23,563.41</u>
B. TRADING PURCHASES	225.96	1,523.41
C. STORES/SPARES & OTHER COMPONENTS CONSUMED	1,882.29	1,535.68
D. FUEL & OIL CONSUMED	1,173.56	1,412.42
E. PACKING MATERIAL CONSUMED	595.66	579.25
F. POWER & FUEL	1,827.00	1,348.69
G. OTHER MANUFACTURING EXPENSES		
JOB WORK	1,439.35	738.25
LABOUR CHARGES	192.55	184.10
WATER CHARGES	41.47	26.89
OTHER MANUFACTURING EXPENSES	628.25	717.78
	<u>2,301.62</u>	<u>1,667.02</u>
TOTAL OF A TO G	<u>27,717.11</u>	<u>31,629.87</u>

SCHEDULE - 17 SELLING AND OTHER ESTABLISHMENT EXPENSES

A. SELLING & DISTRIBUTION EXPENSES		
FREIGHT, FORWARDING, OCTROI ETC.	1,824.05	2,837.64
BAD DEBTS	0.19	-
EXHIBITION PARTICIPATION EXPENSES	3.11	16.95
COMMISSION/BROKERAGE	34.03	26.74
SALES PROMOTION	86.46	25.16
QUALITY CLAIM	-	195.81
SAMPLE EXPENSES	0.42	4.38
SER.TAX EXPENSES ON G.T.A	3.34	0.60
ART WORK & POSITIVES	0.40	-
DISCOUNT & REBATE	0.01	-
WAREHOUSE & HANDLING CHARGES	34.96	221.09
Sundry Balance Written off	8.00	-
	<u>1,994.97</u>	<u>3,328.38</u>

**SCHEDULES FORMING PART OF PROFIT & LOSS A/C FOR THE YEAR ENDED 31ST MARCH 2010****(Rs. In Lakhs)**

PARTICULARS	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
SCHEDULE - 17 (Contd...)		
B. ESTABLISHMENT & OTHER EXPENSES		
TRAVELLING & CONVEYANCE EXPENSES	112.35	101.79
INSURANCE (GENERAL)	15.55	27.61
PRINTING & STATIONERY	25.18	34.42
ELECTRICITY CHARGES	15.45	17.76
LEGAL & PROFESSIONAL EXPENSES	79.49	79.05
RENT, RATES & TAXES	43.57	56.04
VEHICLE EXPENSES	94.97	91.27
POSTAGE, TELEGRAMS & TELEPHONE EXP.	71.10	87.96
MISCELLANEOUS EXPENSES	39.96	31.73
AMALGAMATION EXPENSES	2.63	4.13
TRAINING & DEVELOPMENT EXPENSES	9.76	9.52
CLAIMS A/C.	16.50	-
LOSS OF ASSET BY FIRE	4.64	-
WATER CHARGES	0.25	0.24
DIRECTOR FEES	3.70	3.30
ENGINEERING & DESIGN CHARGES	38.85	9.77
SECURITIES TRANSACTION TAX	0.57	0.18
STAMP DUTY EXPENSES	14.03	3.99
DONATION	50.00	50.00
D.G.SET HIRE CHARGES	-	0.98
ENGG & DESIGN CHARGES PAID	0.84	2.00
CENTRAL EXCISE EXPENSES	-	0.06
CONVEYANCE REIMBURSEMENT	2.54	2.66
	641.93	614.47
C. DIRECTOR REMUNERATION	101.93	146.40
D. PAYMENT TO AUDITORS		
FOR AUDIT FEES	3.50	3.39
FOR TAX AUDIT FEES	0.50	0.65
FOR EXPENSES	0.12	0.13
FOR CERTIFICATE CHARGES	0.16	0.18
	4.28	4.35
E. REPAIRS & MAINTENANCE		
BUILDING REPAIRS	132.74	130.02
MACHINE REPAIRS	54.69	146.88
OFFICE MAINTENANCE	0.32	0.11
OTHER REPAIRS	441.76	477.60
	629.51	754.61
TOTAL OF A TO E	3,372.62	4,848.21



SCHEDULES FORMING PART OF PROFIT & LOSS A/C FOR THE YEAR ENDED 31ST MARCH 2010

(Rs. In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
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**SCHEDULE - 18
PAYMENT TO AND PROVISION FOR EMPLOYEES**

SALARIES, WAGES, BONUS ETC.	1,976.45	1,934.03
CONTRIBUTION TO P.F., ESIC ETC.	121.74	121.28
GRATUITY	40.19	71.11
STAFF WELFARE EXPENSES	48.28	43.14
	2,186.66	2,169.56

**SCHEDULE - 19
FINANCE & INTEREST CHARGES**

FINANCIAL CHARGES

BANK CHARGES	86.24	82.86
BANK GUARANTEE CHARGES	18.49	17.13
BANK PROCESSING CHARGES	18.45	13.61
STATUS REPORT CHARGES	4.35	8.66
L/C CHARGES	73.31	63.02
	200.84	185.27

(A)

INTEREST PAID

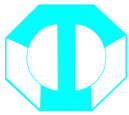
ON FIXED LOAN (TERM)		
INTEREST TO OTHERS	4.01	1.07
INTEREST ON SERVICE TAX	2.15	0.93
INTEREST TO BANK	359.82	886.20
	365.97	888.20

(B)

(A + B)

**SCHEDULE - 20
PRELIMINARY EXPENSES WRITTEN OFF**

PRELIMINARY EXPENSES WRITTEN OFF	3.24	3.24
	3.24	3.24



SCHEDULE 21

NOTES TO THE ACCOUNTS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

I. SIGNIFICANT ACCOUNTING POLICIES

A. GENERAL

- These Financial Statement are prepared on the historical cost basis, in accordance with the Generally Accepted Accounting Principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India (except to the extent otherwise stated herein 2(C), 2(F), 2(Q) & 2(R) below) and the provisions of the Companies Act, 1956, adjusted by valuation of certain Fixed Assets and on the accounting principles of a going concern.
- Accounting Principles not specifically referred to otherwise are consistent and in consonance with the generally accepted accounting principles.

B. RECOGNITION OF INCOME AND EXPENDITURE

Incomes and expenditures are recognized on accrual basis except benefits on Special Import License Premium, Sales Tax set off, Duty Drawback and all cash incentives, Claims receivable and Government taxes, which have been accounted on cash basis.

C. SALES

- Sales are reported net of trade discounts, returns & rebates, Excise Duty and Sales Tax.
- Sales of Scrap/Unusable Waste are reported net of Excise duty and Sales Tax.

D. INVENTORIES

- Inventories of Raw Materials, Finished Goods, Semi-Finished Goods, Trading Goods, Raw Material Scrap and Stores Spares and other components, Packing Materials, Fuel and Oil are valued at cost or net realizable value, whichever is lower.
- Goods in transit is valued at cost or net realizable value, whichever is lower.
- Cost comprise of all cost of purchases, cost of conversion and other costs incurred in bringing the inventory to their present location and conditions.
- Cost is arrived at on FIFO basis.

E. FIXED ASSETS

Fixed Assets are stated at cost of acquisition or construction inclusive of incidental expenses related there to and includes amount added on revaluation less accumulated depreciation & cenvat credit.

F. DEPRECIATION

- Depreciation on Fixed Assets has been provided on pro-rata basis on the written down value method at the rates specified in schedule XIV, of the Companies Act, 1956.
- Leasehold Land is amortized over the period of lease.
- Depreciation on Revalued Assets is charged for each period after deducting the amount of depreciation on the revalued cost, transferred from revaluation reserve.

G. EXPENDITURE DURING CONSTRUCTION PERIOD

Expenditure during construction period is included under Capital Work in Progress and the same is allocated to the respective Fixed Assets on the completion of its construction.

H. DEFERRED REVENUE EXPENDITURE

The expenses disclosed under Miscellaneous Expenditure consist Preliminary expenses and the same have been amortized over a period of 10 years.



I. FOREIGN EXCHANGE TRANSACTIONS

- Transactions denominated in foreign currency are normally accounted for at the exchange rate prevailing at the time of transaction.
- Monetary assets and Liabilities in foreign currency transactions remaining unsettled at the end of the year (other than forward contract transactions) are translated at the year end rates and the corresponding effect is given to the respective account.
- Exchange differences' arising on account of fluctuations in the rate of exchange is recognized in the Profit & Loss Account.
- Exchange rate difference arising on account of conversion/translation of liabilities incurred for acquisition of Fixed Assets is recognized in the Profit & Loss A/c .
- Investment & finance (including loans & equity contribution) in foreign subsidiaries are recorded in rupees by applying the exchange rate prevailing at the time of making Investments and Finance.

J. GOVERNMENT GRANTS

- Capital subsidy/government grants are accounted for where it is reasonably certain that the ultimate collection will be made.
- Capital subsidy/government grants in the form of Capital/Investment Incentives received from government/Semi-government authorities are credited to capital reserve account.
- Capital subsidy/government grants related to specific non depreciable assets are credited to capital reserve account.
- Capital subsidy/government grants related to specific depreciable assets are credited to capital reserve account and are recognized as income in profit and loss statement on a systematic and rational basis over the useful life of assets.
- Other Revenue Grants are credited to Profit & Loss Account under 'Other Income' or deducted from the related Expenses.

K. INVESTMENTS

Long Term Investments are stated at Cost and provision for diminution in value in the perception of the management will only be considered.

L. EMPLOYEE BENEFITS

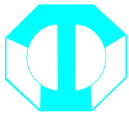
- The Company makes regular contribution to the Employees' Provident Fund and Employees' Pension Fund Schemes and these contributions are charged to Profit and Loss Account.
- Year end liabilities on account of Leave encashment Benefits to employees are accounted for on accrual basis and provision for actual earned leave accrued and provided as per the balance of unclaimed leave at the year end since there is no scheme in the company for leave encashment benefits.
- The gratuity liability is determined by actuarial valuation, using the Project Unit Credit Method as specified in AS 15 (Revised) " EMPLOYEE BENEFITS " and the liability is fully charged to Profit & Loss A/c. Actuarial gains and losses arising on such valuation are also recognized immediately in Profit & Loss A/c

M. BORROWING COST

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of the assets up to the date the assets are put to use. Other borrowing costs are charged to the Profit & Loss Account in the year in which they are incurred.

N. LEASES

Lease rentals in respect of the assets acquired on Lease are charged to Profit and Loss Account.



O. TAXATION

Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred tax resulting from timing difference between book and taxable profit is accounted for using the tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet Date. Deferred tax assets are recognized, only to the extent there is a reasonable certainty of its realisation. At each Balance sheet date, the carrying amount of Deferred tax assets are reviewed to reassure realization.

P. INTANGIBLE ASSETS

Intangible Assets are recognized by the Company only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the same can be measured reliably.

Intangible Assets are amortized on a systematic basis over its useful life and the amortization for each period will be recognized as an expense.

Q. IMPAIRMENT

Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the statement of profit and loss and carrying amount of the asset is reduced to its recoverable amount.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased.

R. PROVISIONS

A Provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

S. CONTINGENT LIABILITY

Contingent Liabilities are not accounted for in the Accounts. These are disclosed by way of Notes to the Accounts to the extent of information available with the Company.

2. NOTES FORMING PART OF THE ACCOUNTS

A. CONTINGENT LIABILITY

(Rs. in Lacs)

SR	Contingent Liabilities and Commitments not provided For	For the Year Ended 31.03.2010 (Rs.)	For the Year Ended 31.03.2009 (Rs.)
I.	Claims made against the Company in respect of Electricity Demand (net of advance) not acknowledged as debts.	NIL	Rs. 4.02
II.	Bank Guarantees aggregating to Euro 17,50,000 and USD 11,00,000 to Banks on behalf of subsidiary Company in Poland.	Rs. 1552.84	Rs 1686.73
III.	Bank Guarantee aggregating to USD 5,00,000 to Banks on behalf of Fellow Subsidiary Company, Impact Engineering Pvt. Ltd.	Rs. 224.475	NIL
IV.	Income Tax and Interest Demands For the A.Y.2001 -2002 A.Y.2002 -2003 A.Y.2005 -2006	NIL Rs.155.19 NIL	Rs.1.93 Rs.352.05 Rs. 68.48



- B.** To comply with the provision of Accounting Standard-2 (Revised), the company has changed its Accounting Policy in respect of Valuation of Raw Material and Stores & Spares (including Packing Material) and the valuation of the same have been made as per the Provision of Accounting Standard -2 (Revised), whereas in earlier year the same has been valued at cost or net realizable value whichever is Lower considering the Cenvat & MVat Credit element as a cost of the stock and accordingly stock of raw material & stores is lower by Rs 530.56 Lacs. However , there is no impact on the profit of the Company because of such deviation.
- C.** Excise duty in respect of finished goods is being accounted at the time of clearance of goods as per the practice followed by the Company.
- D.** The company has not received any memorandum (as required to be filled by the supplier with the notified authority under the Micro Small & Medium Enterprises Development Act-2006) claiming their status as Micro Small & Medium Enterprises, Accordingly the amount paid/payable together with the interest, if any, have not been given.
- E.** The Company is entitled to receive Subsidy refund of Interest as per the Technology upgradation Fund Scheme of the Government of India, Ministry of Textile and accordingly entitled to receive Rs 89.18 lakhs which are credited to Profit & Loss account under "Other Income".

F. RETIREMENT BENEFITS

- The Company has recognizing and accruing the Leave Encashment retirement benefits as per the erstwhile Accounting standard -15 on "Retirement Benefits".
- In respect of gratuity as per the Revised Accounting standard (AS)-15 on "Retirement Benefits", the company has recognized gratuity liability of Rs 40,18,788/-.

Net asset / (liability) recognized in the Balance Sheet

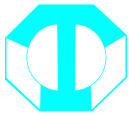
SR	Funded Status	Rs.	Rs.
		31.03.2010	31.03.2009
a)	Present Value of Defined Benefit Obligation	2,91,93,146	3,04,93,342
b)	Fair Value of Plan Assets	2,66,89,031	2,30,61,347
c)	Net Asset/(Liability) Recognized in Balance Sheet	(25,04,115)	(74,31,995)

Total Expenses recognized in the statement of Profit & Loss for year ended on

SR	Components Of Employer Expenses	Rs.	Rs.
		31.03.2010	31.03.2009
a)	Current Service Cost	32,15,527	14,77,548
b)	Interest Cost	20,36,061	18,14,950
c)	Expected return on plan asset	(12,32,800)	(11,73,000)
d)	Acturial Losses/(Gains)	(45,50,622)	53,12,497
e)	Total Expenses recognized in Statement of Profit & Loss account.	40,18,788	74,31,995

Reconciliation of Defined Benefit Obligation and fair Value of Assets for the year ending on

A	Change in Defined Benefit Obligation	Rs.	Rs.
		31.03.2010	31.03.2009
a)	Present Value of DBO at beginning of the year	3,04,93,342	2,34,28,839
b)	Current Service Cost	32,15,527	14,77,548
c)	Interest Cost	20,36,061	18,14,950
d)	Actual (Gains)/losses (*)	(50,30,979)	52,55,925
e)	Benefits Paid	(15,20,805)	14,83,920
f)	Present Value of DBO at the end of year	2,91,93,146	3,04,93,342



B	Change in Fair Value of Assets	31.03.2010	31.03.2009
a)	Plan assets At the Beginning of year	2,30,61,347	2,07,10,889
b)	Expected Return on plan assets	12,32,800	11,73,000
c)	Actual Company contributions	-	27,17,950
d)	Actual Gains/(losses) on plan assets (**)	39,15,689	(56,572)
e)	Benefits paid	(15,20,805)	(14,83,920)
f)	Plan assets at the end of year	2,66,89,031	2,30,61,347

Principal Actuarial Assumptions at the Balance Sheet date

Discount Rate	8.005	7.50%
Rate Of return on plan Assets	5.50%	5.50%
Rate Of increase salaries	4.00%	5.00%
Expected Average remaining working lives of employees (years)	21.76	22.71

* Includes Adjustment of Rs 4282181 of earlier Years.

** Includes Adjustment of Rs 113865 of earlier Years.

G. Loans and advances in the nature of Loans given to Subsidiaries and Associates (Rs. in Lacs)

SR	Name of the Company	Subsidiary/ Associate/ Fellow Subsidiary	Balance As at 31.03.2010	Maximum Balance Outstanding during the Year 2009-10	Balance As at 31.03.2009	Maximum Balance Outstanding during the Year 2008-09
1	Technosoft Information Technologies (I) Ltd	Subsidiary	386.63	485.47	384.57	534.18
2	Technocraft Exports Private Limited	Subsidiary	824.57	1018.22	999.13	1537.43
3	Technocraft International Ltd.U.K	Subsidiary	NIL	371.17	NIL	4.43
4	Technocraft Trading Spolka z.o.o.,Poland	Subsidiary	NIL	NIL	NIL	5.56
5	Technocraft (Hungary) Kft	Subsidiary	0.19	0.56	0.12	0.47
6	Technocraft Australia Pvt Ltd	Subsidiary	NIL	NIL	NIL	0.78
7	Mulox Sacks Pvt Ltd	Subsidiary	NIL	NIL	326.12	326.12
8	Anhui Reliable Steel Tech China- Loan	Subsidiary	460.48	461.32	NIL	NIL
9	Anhui Reliable Steel Tech China- (Capital Investment)	Subsidiary	761.31	761.31	NIL	NIL
10	Impact Engineering Inc.	Fellow Subsidiary	43.74	43.74	NIL	NIL
11	BMS Industries Ltd	Associate	NIL	10.10	NIL	NIL
12	Ashrit Holdings Ltd.	Associate	1416.88	1695.75	794.41	1521.21
13	Technocraft Global Holdings Ltd.	Associate	NIL	603.46	53.08	482.59



H. Debtors include debts due from the following subsidiaries

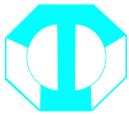
(Rs. In Lacs)

SR	Name of the Subsidiaries / Fellow Subsidiary	Balance As at 31.03.2010	Maximum Balance Outstanding during the Year 2009-10	Balance As at 31.03.2009	Maximum Balance Outstanding during the Year 2008-09
1	Technocraft International Ltd.U.K	293.81	721.03	473.70	1172.94
2	Technocraft Trading Spolka z.o.o.,Poland	74.95	1117.07	1673.12	1673.12
3	Technocraft (Hungary) Kft	55.20	88.88	121.93	121.93
4	Technocraft Australia Pvt Ltd	166.28	529.47	503.88	896.86
5	Technocraft Exports Private Limited	NIL	33.76	NIL	47.90
6	Technosoft Information Technologies (I) Ltd	NIL	NIL	NIL	1.27
7	Ashrit Holdings Ltd.	NIL	55.20	55.20	65.48
8	Impact Engineering Inc.	18.95	19.63	NIL	NIL
9	BMS Industries Ltd	NIL	4.10	189.46	685.09

I. MANAGERIAL REMUNERATION

(Rs.in Lacs)

I.	Sr.No	Particulars	For the Year Ended 31.03.2010 (Rs.)	For the Year Ended 31.03.2009 (Rs.)
	(a)	Directors Remuneration		
		Basic salary	50.03	48.00
		House rent allowance	28.90	28.80
		Bonus	9.76	9.60
		Leave salary	4.19	4.00
		Leave travel & other allowance	9.05	8.00
	(b)	Directors commission	Nil	48.00
		Total	101.93	146.40



II. Computation of Net profit in accordance with section 198 read with Section 349 of the Companies Act, 1956 and calculation of Commission and remuneration payable to directors

(Rs. In Lacs)

Particulars	For the Year Ended 31.03.2010	For the Year Ended 31.03.2009
Profit Before Tax as per Profit and Loss Account	4474.60	1528.49
Add:		
Depreciation charged in accounts	2273.54	2364.45
Directors' Remuneration	101.93	98.40
Directors' Commission	Nil	48.00
Loss on Sale of Assets	4.64	Nil
Loss on Sale of Investments	Nil	Nil
Less		
Depreciation in accordance with Sec.350	2273.54	2364.45
Profit on Sale of Fixed assets	97.41	5.67
Profit on Sale of Investments	213.48	120.44
NET PROFIT	4270.28	1548.78
a) 1% of Net Profit by way of Commission to Director	42.70	15.48
b) 10% Maximum as per provision of the Companies Act, 1956 of Net Profit by way of remuneration (Inclusive of Commission to Directors)	427.03	154.87
Number of Directors getting remuneration	3	2
Number of Directors	8	7

J. EARNING PER SHARE

In compliance with the **AS-20 " EARNINGS PER SHARE"** issued by the Institute of Chartered Accountants of India, being Earning Per Share has been calculated by dividing Net Profit After Tax with the Weighted Average Number of Equity Shares outstanding during the year as per the details given below:

(Rs. In Lacs)

Particulars	For the Year ended 31.03.2010	Previous Year ended 31.03.2009
Net Profit for Equity Shareholders (Rs.)	2978.43	689.11
Weighted average number of Equity Shares outstanding during the year (in Lacs)	315.27	315.27
Adjusted Basic & Diluted Earning Per Share (on nominal value of Rs. 10/- per Share) (Rs.)	9.45	2.19

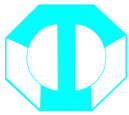


K. DISCLOSURE OF RELATED PARTIES/RELATED PARTY TRANSACTIONS

In compliance with the AS-18 "RELATED PARTY DISCLOSURE", which has become mandatory, the required information are as under:-

(I) List of Related Parties over which control exists

Sr.No	Name of the Related Party
I.	Subsidiary Company/Fellow Subsidiary
	Technocraft International Ltd, U.K.
	Technocraft Trading Spolka Z.o.o., Poland
	Technocraft (Hungary) Kft
	Technocraft Australia Pty Limited
	Technosoft Information Technologies (India) Ltd
	Technocraft Exports Pvt Ltd
	Impact Engineering Inc.
	CAE Systems GMBH
	Anhui Reliable Steel Tec. China
II.	Associates
	Ashrit Holdings Ltd
	Technocraft Global Holding Ltd
	B.M.S.Industries Ltd
	M.D .Saraf Securities Pvt .Ltd.
III.	Key Management Personnel (KMP)
	Sharad Kumar Saraf
	Sudarshan Kumar Saraf
	Madhoprasad Saraf
	Navneet Kumar Saraf
	Ashish Kumar Saraf
IV.	Relatives & Enterprises of KMP
	Shantidevi Saraf
	Shakuntala Saraf
	Suman Saraf
	Nidhi Saraf
	Ritu Saraf
	Priyanka Saraf
	Executor to the estate of Late Rukmani Devi Saraf
	M.T. Information Technologies



(II) Names of the Related Parties with whom transactions were carried out during year and description of relationship

Sr.No	Related Parties
I	Subsidiaries/Fellow Subsidiary
	Technocraft International Ltd, U.K.
	Technocraft Trading Spolka Z.o.o, Poland
	Technocraft (Hungary) Kft
	Technosoft Information Technologies (India) Ltd
	Technocraft Exports Private Limited
	Technocraft Australia Pty Limited
	Anhui Reliable Steel Tec. China
	Impact Engineering Inc
II	Associates
	B.M.S.Industries Ltd
	Ashrit Holdings Ltd
	Technocraft Global Holding Ltd
III	Key Management Personnel (KMP)
	Sharad Kumar Saraf
	Sudarshan Kumar Saraf
	Navneet Kumar Saraf
	Ashish Kumar Saraf
	S.K.Saraf Huf

III Disclosure of Related Party transactions

(Rs. in Lacs)

Sr No	Nature of relationship/ Transactions	Subsidiaries/ Fellow subsidiary	Associates	KMP & Relatives	Total (Rs)
1	Purchase of Goods & Services	58.58 (429.10)	2892.11 (1091.59)	NIL (NIL)	2950.69 (1520.69)
2	Sale of Goods & services	2466.06 (5159.11)	30.62 (156.96)	NIL (NIL)	2496.68 (5416.07)
3	Interest Received	27.19 (134.60)	99.50 (95.36)	NIL (NIL)	126.69 (229.96)
4	Directors' Remuneration	NIL (NIL)	NIL (NIL)	98.40 (146.40)	98.40 (146.40)
5	Salary & Wages	NIL (NIL)	NIL (NIL)	98.40 (146.40)	98.40 (146.40)
6	Purchase of Capital Goods	48.89 (473.52)	3.19 (54.00)	NIL (NIL)	52.08 (509.49)
7	Sale of Capital Goods	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
8	Reimbursement of Expenses	0.72 (NIL)	NIL (NIL)	NIL (NIL)	0.72 (NIL)
9	Rent Paid	NIL (1.00)	NIL (NIL)	3.00 (NIL)	3.00 (1.00)
10	Rent Received	NIL (NIL)	NIL (0.40)	NIL (NIL)	NIL (0.40)
11	Loan Given	1987.29 (3117.13)	6386.93 (2410.49)	NIL (NIL)	8374.22 (5527.62)
12	Loan Repaid	1698.38 (2694.82)	5800.71 (2906.14)	NIL (NIL)	7499.10 (5600.96)
13	Capital Investments	170.45 (590.86)	NIL (NIL)	NIL (NIL)	170.45 (590.86)



IV Amount due to/from Related Parties as on 31.03.2010

(Rs in Lacs)

Sr No	Nature of relationship/ Transactions	Subsidiaries/ Fellow subsidiary	Associates	Relatives of KMP	Total (Rs)
1	Sundry Debtors	609.19 (2772.64)	609.19 (244.66)	NIL (NIL)	609.19 (3017.30)
2	Sundry Creditors	10.38 (381.51)	219.69 (NIL)	NIL (NIL)	230.07 (381.51)
3	Loans & Advances	2476.92 (1707.09)	1416.88 (847.49)	NIL (NIL)	3893.80 (2554.58)

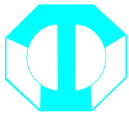
- L. In compliance with the Accounting Standard 22 "Accounting for Taxes on Income" which has become mandatory, the company has created Deferred Tax Assets (net) amounting to Rs. 158.18 lakhs in the Current year and the same has been charged to profit and loss account.

(Rs. In Lacs)

PARTICULARS	For the Year ended 31st March 10	For the Year ended 31st March 09
DEFERRED TAX LIABILITY \ (ASSETS)		
On A/c of difference in Depreciation	(158.90)	9.81
On A/c of unabsorbed Losses & unabsorbed Depreciation of Danube Fashion	NIL	373.95
(On Account of Timing Difference in Share Issue Expenses	6.79	NIL
On Account of Timing Difference in Amalgamation Expenses	(0.74)	(0.92)
On account of Gratuity	1.09	NIL
Long term Capital loss	(6.63)	NIL
On account of loss of Mulox	0.19	NIL
NET IMPACT	(158.20)	382.84
POSITION OF DEFERRED TAX ASSETS & LIABILITIES AS ON BALANCE SHEET DATE ARE AS UNDER		
Deferred Tax Assets		
(On Account of Timing Difference in depreciation)	209.73	50.84
(On Account of Timing Difference in gratuity liability of danube)	NIL	1.09
(On Account of Timing Difference in Share Issue Expenses)	8.99	15.77
(On Account of Timing Difference in Amalgamation Expenses)	1.66	0.92
Long term Capital loss	6.63	NIL
Net Deferred Tax Assets	227.01	68.62

- M. In compliance with the Accounting Standard 28 - "Impairment of Assets" which has become mandatory, the Company has considered its Fixed Assets at Cost of Acquisition or cost of construction, less Depreciation as per policies adopted by the Company vide Note No. 1(E), (F) & (G) and none of the Assets has been revalued during the year. Based on the internal and external sources of information available with the Company recoverable amount of fixed Assets are higher than the carrying amount of Fixed Assets, therefore there is no Impairment of Assets.

- N i) Pursuant to a Scheme of Amalgamation approved by the Board of Directors of the Company at meeting held on 24th October, 2008 and approved by the Hon'ble High Court, of Judicature at Bombay under section 391 read with section 394 of the Companies Act, 1956 by its order dated 14th Oct. 2009 which became effective on December, 2009 on receipt of certificate of Registration of order of court from the Registrar of Companies, Mumbai, all the Assets and liabilities of Mulox Sacks Pvt Ltd. were transferred to the Company with effect from the appointed date; i.e. 01st April, 2008 Accordingly the scheme has been given effect to in these accounts.



- ii) The Amalgamation has been accounted for under the "The Purchase Method" as prescribed under Accounting Standards 14 issued by the Institute of Chartered Accountants of India and accordingly all the Assets and liabilities of of Mulox Sacks Pvt Ltd. were transferred to the Company at their existing carrying amount. The Company has also Identify Deferred Tax Assets amounting to Rs.18,819/- On brought forward Business losses and unabsorbed Depreciation under the Income Tax.
 - iii) As per the Scheme of Amalgamation, the Company's investments in Equity share Capital amounting to Rs. 49,61,499/- & the unsecured Loan of Rs 3,46,73,119/- to Mulox Sacks Pvt Ltd. stands cancelled.
 - iv) Pursuant to a Scheme of Amalgamation and after considering the extinguishments of Company's investments in Equity share Capital & the unsecured Loan in of Mulox Sacks Pvt Ltd. an amount of Rs. 48,82,103/- Arising as goodwill, being the difference between the value of investments in Equity share Capital & the unsecured Loan and the net value of all the Assets and liabilities of Mulox Sacks Pvt Ltd. on the appointed date; i.e. 01st April, 2008.
 - v) The goodwill arising out of the Amalgamation is amortized over a period of 5 years and accordingly Rs.9,76,421/- is amortized during the year.
 - vi) All losses incurred by the Mulox Sacks Pvt Ltd. with effect from the appointed day, i.e., 01st April, 2008 to 31st March, 2009 has been Adjusted from Profit & Loss Appropriation and losses from 01st April, 2009 to effective date i.e., 15th December, 2009 and subsequent period has been treated as the Profit or losses of the Company and accordingly the effect has been given to in these accounts for such transactions.
 - vii) Rs.1,87,946/- has been debited to Amalgamation Expenses Mulox Sacks Pvt Ltd Accounts as an expenditure relating to the carrying out and implementing the above scheme of Amalgamation.
- O** During the year Mulox Sacks Pvt Ltd is seized to be subsidiary of the company.
- P** Pursuant to a Scheme of Amalgamation approved by the Board of directors of the Company at meeting held on 18th January, 2010, TECHNOCRAFT EXPORT PRIVATE LTD is to be amalgamated with the Company with effect from 01st April, 2009. The relevant Scheme is yet to be approved by the Honourable High court of Judicature at Bombay, pending such approval no effect has been given to the said scheme in these accounts. Consequently, the accounts do not include figures of Assets and Liabilities and Income & Expenditure of TECHNOCRAFT EXPORT PRIVATE LTD for the period 01st April, 2009 to 31st March, 2010. However Rs 75000/- Paid as amalgamation expenses during the year has been charged to profit and loss A/c.
- Q** The company has not recognised Interest Income amounting to Rs. 63,44,816/- receivable from TECHNOCRAFT EXPORT PRIVATE LTD, a Subsidiary Company since the Company has filed the Scheme of Amalgamation in the High Court of Judicature at BOMBAY and accordingly TECHNOCRAFT EXPORT PRIVATE LTD shall be merged with Technocraft Industries India with Appointed date i.e. 01/04/2009. Consequently Profit for the year is lower by Rs. 63,44,816/-.
- R** No Provision in respect of reduction in Market Value of Quoted Shares (including investments in Mutual Funds) by an aggregate amount of Rs 214.07 Lakhs as at 31st March 2010, is made as these investments are held as long term investments and in the perception of the management there is no permanent diminution in value of such investments.
- S** Provisions involving substantial degree of estimation in measurement are recognised when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.
- T** Books Debts/Advances/Creditors/Bank Balances (Partly)/Loans etc. have been taken as per books awaiting respective confirmation and reconciliation.
- U** The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Accordingly, amount and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.
- V** Figures in Financial Statements are converted into Lacs and any discrepancies in any total and the sum of the amounts listed are due to Rounding-off.



W. In compliance with AS-17 "SEGMENT REPORTING", which has become mandatory, the required information are as under

A. PRIMARY SEGMENT

The Business Segment has been considered as the primary segment for disclosure. The categories included in each of the reported business segments are as follows:-

- i) Drum Closures
- ii) Steel Tubes and Scaffoldings
- iii) 100 % Cotton Yarn
- iv) Garment
- v) Power

The above business segments have been identified considering:

- i) The nature of the product
- ii) The deferring risk and returns
- iii) The internal financial reporting systems

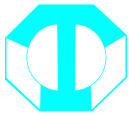
Revenue and expenses have been accounted for based on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocable Assets/ Liabilities

Inter segment transfer if any, are accounted for at competitive market prices, charged to unaffiliated customer for similar goods

"SEGMENT REPORTING"

(Rs. In lacs)

Particulars	Drum Closures	Scaffoldings	Yarn	Garment	Power	Inter unit Elimination	Unallocable	Total
SEGMENT REVENUE								
Domestic	1018.32	3011.90	2741.52	842.30	-	-	-	7614.04
Export	13057.88	5602.04	10855.36	810.41	-	0.00	-	30325.70
(a) External Sale	14076.20	8613.94	13596.88	1652.71		0.00		37939.74
(b) Inter-segment Revenue	24.40	827.87	772.60	0.00	-	(1,624.88)	-	0.00
Total Revenue	14100.60	9441.82	14369.49	1652.71	-	(1624.88)	-	37939.74
SEGMENT REVENUE	14100.60	9441.82	14369.49	1652.71	-	(1624.88)	-	37939.74
	(12526.29)	(15314.35)	(12797.57)	(2008.88)	(-)	(814.56)	(-)	(41832.54)
SEGMENT RESULTS	4216.86	870.37	1565.83	56.00			(93.22)	6615.84
	(3556.43)	(868.20)	(330.48)	(4.42)	(-)		160.95	(4639.35)
Less:								
Interest Expenses	30.43	154.39	159.36	9.43	-	0.00	12.36	353.62
	(162.85)	(218.36)	(415.87)	(21.12)	(-)			(818.20)
Depreciation	454.94	388.23	1189.12	95.44			23.89	2127.73
	(302.65)	(393.18)	(1512.46)	(123.31)	(-)			(2331.60)
Amortisation of Goodwill							125.16	0.00
Finance Charges	81.16	43.64	30.22	15.85			29.95	170.87
	(59.42)	(47.79)	(32.61)	(23.38)	(-)			(163.21)
Directors Remuneration	98.40	3.53	0.00	0.00			0.00	101.93
	(146.40)	(-)	-	(-)				(146.40)
Auditor's Remuneratin				0.00			4.28	0.00
				(0.04)				(0.04)
Unallocable Expenses								195.64
								(244.62)
Add : Other Income								497.68
								(496.29)
Profit on sale of investment								213.48
								(91.26)



Particulars	Drum Closures	Scaffoldings	Yarn	Garment	Power	Inter unit Elimination	Unallocable	Total
Profit/(Loss) on sale of Fixed Asset								97.41 (5.67)
Profit before taxation (including Deferred Tax & FBT)								4474.61 (1,528.49)
Provision for taxes								1496.17 (839.38)
Profit After Tax								2978.44 (689.11)
<u>OTHER INFORMATION</u>								
<u>Assets</u>								
Segment Assets	8392.32 (5679.86)	7618.17 (11363.48)	15488.42 (12712.01)	1239.35 (1281.39)	5925.68 (5154.88)	(121.68)		38663.94 (36191.62)
Unallocable Assets								26985.13 (20883.57)
							Total of Assets	65649.08 (57075.19)
<u>Liabilities</u>								
Segment Liabilities	1429.54 (1251.47)	6055.33 (6095.62)	10454.84 (5282.19)	413.43 (596.12)	196.34 (94.68)	(-)		18549.48 (13230.08)
Unallocable Liabilities								8707.10 (7845.43)
							Total of Liability	27256.57 (21075.51)
<u>Capital Expenditure</u> (excluding capital WIP)								
Segment Capital Expenditure	1137.18 (624.72)	139.32 (744.20)	574.17 (613.09)	27.81 (2.59)	128.20 (468.35)	0.00 (-)	54.86 (583.83)	2061.53 (2834.41)
<u>Depreciation</u>								
Segment Depreciation	454.94 (302.65)	388.23 (393.18)	1189.12 (1,512.46)	95.44 (123.31)	0.00 (-)	0.00		2127.73 (2,331.60)
Unallocable Depreciation								23.89 (32.85)
Amortisation of Goodwill								121.92 (112.16)
								2249.66 (2443.76)
<u>Non Cash Expenses Other than Depreciation</u>								
Segment Non cash Expenditure								
Unallocable								3.24 (3.24)
								3.24 (3.24)
B. GEOGRAPHICAL SEGMENT								
Sales Revenue								
India	1042.72 (895.46)	3839.77 (2,487.24)	3514.12 (7,537.86)	842.30 (728.57)		(1,624.88) 814.56	-	7614.04 (10,834.57)
Outside India	13057.88 (11,630.83)	5602.04 (12,827.11)	10855.36 (5,259.71)	810.41 (1280.32)			-	30325.70 (30,997.97)
Sales Revenue	14100.60	9441.82	14369.49	1652.71	-	(1,624.88)	-	37939.74
	(12526.29)	(15314.35)	(12797.57)	(2008.88)	(-)	814.56		(41832.54)
Assets								
India	5148.75 (4,328.78)	5984.04 (7,848.05)	10962.89 (9,694.36)	1126.69 (1224.51)	5925.68 (5,154.88)	- (-)	26985.13 (20,883.57)	29148.04 (25,332.94)
Outside India	3243.57 (1,351.08)	1634.14 (3,515.43)	4525.53 (3,017.65)	112.66 (56.87)	0.00 (-)	- (-)	- (-)	9515.90 (10,958.68)
Total Assets	8,392.32	7,618.17	15,488.42	1,239.35	5,925.68	-	26,985.13	38,663.94
	(5,679.86)	(11,363.48)	(12,712.01)	(1281.39)	(5,154.88)	(-)	(20,883.57)	(35,695.80)



SCHEDULE 21

NOTES TO AND FORMING PART OF ACCOUNTS

1. Additional information wherever applicable pursuant to provisions of paragraph 3,4,(c) and 4(d) of part ii of schedule vi of companies act, 1956 is as under

(A) LICENSED AND INSTALLED CAPACITY

CLASS OF GOODS	UNITS	LICENCED CAPACITY		INSTALLED CAPACITY	
		31.03.2010	30.03.2009	30.03.2010	31.03.2009
FLANGES & BUNGS	PIECES	N.A	N.A	100,000,000.00	100,000,000.00
CAPSEALS	PIECES	N.A	N.A	2,500,000.00	2,500,000.00
CLAMPS	PIECES	N.A	N.A	20,000,000.00	20,000,000.00
PIPES	M.T.	N.A.	N.A.	55,000.00	55,000.00
YARN	SPINDLES	61,104.00	61,104.00	61,104.00	61,104.00
YARN - II	SPINDLES	25,200.00	25,200.00	25,200.00	25,200.00
Garments (T-shirts)	PIECES	10,000,000.00	10,000,000.00	10,000,000.00	10,000,000.00

* AS CERTIFIED BY THE MANAGEMENT

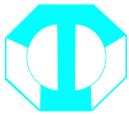
(B) ACTUAL PRODUCTION

CLASS OF GOODS	UNITS	QUANTITY	
		31.03.2010	30.03.2009
FLANGES	PIECES	70,467,160.00	61,499,260.00
BUNGS	PIECES	67,546,851.00	61,518,295.00
CLAMPS	PIECES	17,426,415.00	23,715,350.00
GASKET	PIECES	1,018,530.00	196,500.00
CANSEAL CLOSURES	PIECES	966,000.00	35,000.00
BOLT/BASE PLATE	PIECES	656,000.00	24,000.00
PIPES	M.T.	17,035.76	19,648.22
YARN	M.T.	6,812.13	9,574.59
GARMENT (T SHIRTRT)	PIECES	1,092,380.00	920,282.00
FABRIC	KGS	332,745.93	1,188,185.91

(C) SALES AND STOCK OF FINISHED GOODS

(Rs. in Lakhs)

CLASS OF GOODS	UNITS	Opening Stock		TURNOVER		CLOSING STOCK	
		QUANTITY	VALUE	QUANTITY	VALUE	QUANTITY	VALUE
FLANGES	PIECES	6,033,140.00 (2,023,650.00)	218.32 (186.12)	73,473,700.00 (57,489,770.00)	5,751.01 (4,887.88)	3,026,600.00 (6,033,140.00)	131.18 (218.32)
BUNGS	PIECES	6,738,725.00 (1,163,650.00)	159.22 (131.59)	71,002,844.00 (55,943,220.00)	4,375.62 (3,848.35)	3,286,732.00 (6,738,725.00)	100.07 (159.22)
CLAMPS	PIECES	2,728,000.00 (1,140,550.00)	208.63 (116.82)	18,716,140.00 (22,127,900.00)	2,531.54 (2,877.73)	1,438,275.00 (2,728,000.00)	119.75 (208.63)
GASKET	PIECES	196,500.00 (-)	0.79 (-)	1,215,030.00 (-)	20.27 (-)	- (196,500.00)	- (0.79)
CANSEAL CLOSURES	PIECES	35,000.00 (-)	1.40 (-)	1,610,725.00 (-)	69.69 (-)	32,400.00 (35,000.00)	1.31 (1.40)
BOLT/BASE PLATE	PIECES	24,000.00 (-)	0.98 (-)	677,000.00 (-)	32.29 (-)	3,000.00 (24,000.00)	0.07 (0.98)
CAPSEAL	PIECES	153,500.00 (-)	4.08 (-)	13,568,953.00 (-)	399.91 (-)	611,500.00 (-)	12.64 (-)
PIPES	M.T.	803.96 (1,256.48)	344.60 (417.43)	16,924.34 (20,120.34)	7,963.42 (12,660.99)	915.39 (784.37)	327.28 (327.75)



(Rs. in Lakhs)

CLASS OF GOODS	UNITS	Opening Stock		TURNOVER		CLOSING STOCK	
		QUANTITY	VALUE	QUANTITY	VALUE	QUANTITY	VALUE
YARN	M.T.	227.68 (282.41)	219.93 (271.12)	6,970.65 (9,629.31)	12,289.71 11,138.23	69.17 (227.68)	90.43 (219.93)
GARMENT (T SHIRTS)	PIECES	145,395.00 (189,587.00)	106.01 (136.02)	1,136,757.00 (964,474.00)	1,079.36 (819.79)	101,018.00 (145,395.00)	65.86 (106.01)
FABRIC	KGS	46,141.93 (61,284.87)	72.50 (98.27)	268,942.86 (1,203,328.85)	528.66 (1,026.21)	109,945.00 (46,141.93)	193.63 (72.50)
SCRAP & COTTON WASTE	M.T.	2,328.86 (1,432.97)	415.50 (165.87)	89,455.69 (41,432.70)	2,550.32 (2,432.59)	1,035.39 (2,328.86)	58.10 (415.50)

(D) OPENING STOCK, PURCHASE AND CLOSING STOCK OF GOODS TRADED.

(Rs. in Lakhs)

CLASS OF GOODS	UNITS	OPENING STOCK		PURCHASE		TURNOVER		CLOSING STOCK	
		QUANTITY	VALUE	QUANTITY	VALUE	QUANTITY	VALUE	QUANTITY	VALUE
FLANGES, BUNGES, HINGES, CAPSEALS, GASKET, SEALING TOOLS	PIECES	0.00 (-)	0.00 (-)	4069500.00 (10728446.00)	22.71 (29.93)	4069500.00 (10574946.00)	108.01 (234.10)	0.00 (153500.00)	0.00 (4.08)
SCAFFOLDING COMPONENTS	M.T.	0.000 (-)	0.000 (-)	54264.000 -1781	203.249 -1481	54264.000 -1761	239.930 -1642	0.000 -20	0.000 -17

(E) RAW MATERIAL CONSUMED :

(Rs. in lakhs)

Class of Goods	UNITS	31.03.2010		30.03.2009	
		QUANTITY	VALUE	QUANTITY	VALUE
STEEL SHEETS & OTHERS	M.T.	15432.07	3953.39	32843.37	10212.41
ZINC	M.T.	1213.53	663.60	560.65	1134.71
STEEL SHEETS & OTHERS	M.T.	18042.778	5815.158	7819.139	65.510
COTTON	M.T.	13088.281	9278.866	11323.520	6131.290

(F) VALUE OF IMPORTED AND INDIGENEOUS RAW MATERIALS, STORES, SPARES ETC. CONSUMED AND % THERE OF TO TOTAL CONSUMPTION

(Rs. In lakhs)

Particular	31.03.2010		30.03.2009	
	%	VALUE	%	VALUE
1) RAW MATERIALS				
IMPORTED	18.93%	3731.00	22.17%	4375.14
INDIGINEOUS	81.07%	15980.02	77.83%	15357.16
2) STORES AND SPARE PARTS				
IMPORTED	4.78%	89.92	7.71%	61.85
INDEGINEOUS	95.22%	1792.37	92.29%	766.60

(G) C.I.F. VALUE OF IMPORTS

(Rs. in lakhs)

Particulars	31.03.2010	30.03.2009
RAW MATERIAL & PACKING MATERIALS	3451.75	8138.27
STORES & SPARES	89.92	61.85

(H) EARNINGS IN FOREIGN CURRENCY

	31.03.2010	31.03.2009
EXPORT F.O.B. VALUE	29,556.12	29,134.42



(I) EXPENDITURE IN FOREIGN CURRENCY	31.03.2010	31.03.2009
BUSINESS SUPPORT SERVICE	367.13	261.38
FOREIGN TRAVELLING	57.92	28.26
WAREHOUSE AND HANDLING CHARGES	34.96	221.09
COMMISSION/BROKERAGE	2.50	-
BANK CHARGES	46.55	27.53
FREIGHT ON EXPORT	2.02	39.23
DELIVERY CHARGES	-	0.05
INSPECTION/TESTING	2.40	24.97
CLEARING CHARGES ON EXPORT	49.57	58.81
PROFESSIONAL FEES	2.29	195.27
SAMPLE EXPENSES	-	2.46
REPAIR AND MAINTENANCE	8.18	3.70
EXHIBITION / SEMINAR PARTICIPATION	-	8.26
LICENCE & LEGAL FEES	0.27	0.40
INTEREST TO BANK	130.95	-
QUALITY CLAIMS IN EXPORT SALES	0.96	195.80
FREIGHT CHARGES (OTHERS)	-	41.94
BANK PROCESSING CHARGES	4.58	-
TRANSPORTATION CHARGES (OTHERS)	-	18.67
MACHINE REPAIRS	-	33.19
GENERATOR OPERATION & MACHINE CHARGES	-	2.63
BANK GUARANTEE CHARGES	6.50	-
TERMINAL HANDLING CHARGES	-	-
L/C CHARGES	7.27	-
OUTSTATION ALLOWANCES	-	-

(J) OTHER INFORMATION REQUIRED TO BE FURNISHED IS EITHER "NIL" OR "NOT APPLICABLE"

SIGNATURE TO SCHEDULE 1 TO 21 ATTACHED.

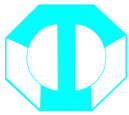
As per our Report of Even Date
For M.L.SHARMA & CO,
Firm Regn No :- 109963W
CHARTERED ACCOUNTANTS

M.D.SARAF
(CHAIRMAN)

S.M.SARAF
(MANAGING DIRECTOR)

(C.H.BANDI) PARTNER
M.No.5385
PLACE : MUMBAI
DATE : 4th August, 2010

MANOJ JAIN
(COMPANY SECRETARY)



STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

Balance Sheet Abstract and Company's General Business Profile

I. REGISTRATION DETAILS

Registration No. State Code

Balance Sheet Date

Date Month Year

II. CAPITAL RAISED DURING THE YEAR (Rs. In Lakh)

Public Issue	Rights Issue
<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/>	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/>
Bonus Issue	Private Placement
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/>	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/>

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Rs in Lakhs)

Total Liabilities	Total Assets
<input type="text" value="5"/> <input type="text" value="1"/> <input type="text" value="4"/> <input type="text" value="4"/> <input type="text" value="9"/> <input type="text" value="."/> <input type="text" value="3"/> <input type="text" value="4"/>	<input type="text" value="5"/> <input type="text" value="1"/> <input type="text" value="4"/> <input type="text" value="4"/> <input type="text" value="9"/> <input type="text" value="."/> <input type="text" value="3"/> <input type="text" value="4"/>

SOURCES OF FUNDS

Paid-up Capital	Reserves & Surplus
<input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="1"/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="."/> <input type="text" value="6"/> <input type="text" value="8"/>	<input type="text" value="3"/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="9"/> <input type="text" value="."/> <input type="text" value="8"/> <input type="text" value="3"/>
Secured Loans	Unsecured Loans
<input type="text" value=""/> <input type="text" value="6"/> <input type="text" value="0"/> <input type="text" value="5"/> <input type="text" value="6"/> <input type="text" value="."/> <input type="text" value="8"/> <input type="text" value="3"/>	<input type="text" value=""/> <input type="text" value="7"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="."/> <input type="text" value="0"/> <input type="text" value="0"/>
Deferred Tax Liability	
<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/>	

APPLICATION OF FUNDS (Rs.in Lakhs)

Net Fixed Assets	Investments
<input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="8"/> <input type="text" value="."/> <input type="text" value="3"/> <input type="text" value="1"/>	<input type="text" value=""/> <input type="text" value="7"/> <input type="text" value="2"/> <input type="text" value="5"/> <input type="text" value="5"/> <input type="text" value="."/> <input type="text" value="5"/> <input type="text" value="8"/>
Net Current Assets	Misc. Expenditure
<input type="text" value="2"/> <input type="text" value="7"/> <input type="text" value="7"/> <input type="text" value="9"/> <input type="text" value="8"/> <input type="text" value="."/> <input type="text" value="4"/> <input type="text" value="4"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="0"/> <input type="text" value="."/> <input type="text" value="0"/> <input type="text" value="0"/>
Accumulated Losses	Deferred Tax Assets
<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/>	<input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="2"/> <input type="text" value="7"/> <input type="text" value="."/> <input type="text" value="0"/> <input type="text" value="1"/>

IV. PERFORMANCE OF COMPANY (Rs. In Lakhs)

Turnover	Total Expenditure
<input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="9"/> <input type="text" value="3"/> <input type="text" value="9"/> <input type="text" value="."/> <input type="text" value="7"/> <input type="text" value="4"/>	<input type="text" value="3"/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="9"/> <input type="text" value="."/> <input type="text" value="9"/> <input type="text" value="8"/>
+ / - Profit/Loss Before Tax	+ / - Profit/Loss After Tax
<input type="text" value="+"/> <input type="text" value="4"/> <input type="text" value="4"/> <input type="text" value="7"/> <input type="text" value="4"/> <input type="text" value="."/> <input type="text" value="6"/> <input type="text" value="0"/>	<input type="text" value="+"/> <input type="text" value="2"/> <input type="text" value="9"/> <input type="text" value="7"/> <input type="text" value="8"/> <input type="text" value="."/> <input type="text" value="4"/> <input type="text" value="3"/>

Please tick appropriate box "+" for Profit, "-" for Loss.

Earning per Share (in Rs.)	Dividend Rate (%)
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="9"/> <input type="text" value="."/> <input type="text" value="4"/> <input type="text" value="5"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="5"/>

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (AS PER MONETARY TERMS)

Item Code No. (ITC Code)

a.

b.

c.

d.

Product Description

F L A N G E S & B U N G S

S T E E L P I P E S

C O T T O N Y A R N

K N I T T E D P R O D U C T S

Summary of Financial Informations of Subsidiary Companies

(Rs. in lakh)															
Sr. No	Name of the Subsidiary Company	Financial Year	Reporting Currency	Exchange Rate	Capital	Reserve	Total Assets	Total Liabilities	Investment included in Total Assets	Turnover	PBT	Provision for Tax	PAT	Proposed Dividend	Country
1	Technosoft Information Technologies	31st March	INR	1.00	53.54	1435.55	1966.14	477.05	822.00	1249.87	115.99	13.97	102.02	NIL	India
2	Technocraft Export Private Limited	31st March	INR	1.00	175.00	0.00	999.57	824.57	-	185.02	(23.69)	0.00	(23.69)	NIL	India
3	Technocraft International Limited (UK)	31st December	GBP	75.02	381.77	(153.53)	373.52	145.29	-	2873.88	(244.49)	0.00	(244.49)	NIL	UK
4	Technocraft (Hungry) KFT	31st December	HUF	0.24	240.94	138.18	379.12	0.00	-	380.31	(57.34)	0.21	(57.55)	NIL	Hungry
5	Technocraft Trading Spolka, Poland	31st December	PLN	16.22	265.06	(92.82)	974.76	802.51	-	4656.27	(133.00)	18.69	(114.31)	NIL	Poland
6	Technocraft Australia Pty ltd	31st March	AUD	41.24	0.00	89.14	89.14	0.00	-	109.85	20.72	2.58	18.14	NIL	Australia
7	Anhui Reliable Steel Technology Co. Limited	31st December	RMB	6.79	761.31	0.00	1221.79	460.48	-	0.00	0.00	0.00	0.00	NIL	China

Note

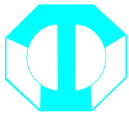
1. Material changes between 1st January 2010 to 31st March 2010 in respect of the fixed assets of, investments of, money lent and money borrowed (other than meeting current liabilities) is NIL

M.D.Saraf
(Chairman)

S.M.Saraf
(Managing Director)

Manoj Jain
(Company Secretary)





AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF TECHNOCRAFT INDUSTRIES (INDIA) LIMITED

1. We have audited the attached Consolidated Balance Sheet of TECHNOCRAFT INDUSTRIES (INDIA) LIMITED AND ITS SUBSIDIARY as at 31st March, 2010 and also the Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and 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.
 - A. We have also conducted the audit of the Financial Statement of Indian Subsidiaries, whose Financial Statements reflect total assets of Rs.2353.00 lacs as at 31st March 2010, total revenues of Rs.1434.90lacs/- for the year then ended.
 - B. The Financial Statements of Technocraft International Limited UK, foreign subsidiary, reflects total assets of Rs.353.60 lacs as at 31st March 2010, total revenues of Rs. 2873.88 lacs for the year then ended. These financial statements and other financial information are based on the Management's estimates and are therefore UNAUDITED.
 - C. The Financial Statements of Technocraft (Hungary) Kft, foreign subsidiary, reflects total assets of Rs.379.12 lacs /- as at 31st March 2010 total revenues of Rs.380.31. lacs for the year then ended. These financial statements and other financial information have been AUDITED by the other auditors whose reports have been furnished to us, and our opinion, is based solely on the report of other auditors.
 - D. The Financial Statements of Technocraft Trading Sp. Z o o., foreign subsidiary reflects total assets of Rs.944.82 lacs as at 31st March 2010, total revenues of Rs.4656.27 lacs for the year then ended. These financial statements and other financial information have been AUDITED by the other auditors whose reports have been furnished to us, and our opinion, is based solely on the report of other auditors.
 - E. The Financial Statements of Technocraft Australia PTY Ltd, foreign subsidiary reflects total assets of Rs.89.07 lacs as at 31st March 2010, total revenues of Rs.1094.44 lacs for the year then ended. These financial statements and other financial information are based on the Management's estimates and are therefore UNAUDITED.
 - F. The Financial Statements of Anhui Reliable steel company Ltd, foreign subsidiary reflects total assets of Rs.1167.21 lacs as at 31st March 2010, total revenues of Rs.NIL lacs for the year then ended as the operation have started after December 2009. These financial statements and other financial information are based on the Management's estimates and are therefore UNAUDITED.
4. We report that the Consolidated Financial Statements have been prepared by the company in accordance with the requirements of Accounting Standard (AS) 21 on "Consolidated Financial Statements", issued by The Institute of Chartered Accountants of India.
5. Based on our audit and on the consideration of the reports of the other auditors on separate financial statements and on the basis of the information and explanations given to us and **Subject to note no. 3 & 4 of schedule 21**, we are of the opinion that;



- a) The consolidated Balance Sheet gives a true and fair view of the consolidated state of affairs of the company and its subsidiary as at 31st March, 2010;
- b) The Consolidated Profit & Loss Account gives a true and fair view of the consolidated results of operations of the Company and its subsidiary for the year then ended; and
- c) The Consolidated Cash Flow Statement gives a true and fair view of the cash flow of the Company and its subsidiary for the year ended on that date.

For M. L. SHARMA & CO.

Firm Reg No. 109963W

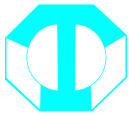
Chartered Accountants

Place : Mumbai
Dated: 04th August, 2010

(C. H. Bandi)

Partner

Membership No. 5385



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2010

(Rs. In Lakhs)			
PARTICULARS	SCHEDULE No.	AS AT 31.03.2010	AS AT 31.03.2009
I. SOURCES OF FUNDS			
1. <u>SHAREHOLDER'S FUND</u>			
A. SHARE CAPITAL	1	3,152.68	3,152.68
B. RESERVES & SURPLUS	2	35,513.04	32,078.67
2. MINORITY INTEREST		211.31	196.86
3. <u>LOAN FUNDS</u>			
SECURED LOANS	3	7,074.94	9,311.17
UNSECURED LOANS		7,000.00	1,500.00
4. DEFFERED TAX LIABILITY		-	27.03
TOTAL		<u>52,951.97</u>	<u>46,266.41</u>
II. APPLICATION OF FUNDS			
<u>GOODWILL ON CONSOLIDATION</u>			
1. <u>FIXED ASSETS</u>	4		
A. GROSS BLOCK		31,245.07	28,455.47
B. LESS: DEPRECIATION		<u>17,660.93</u>	<u>15,530.75</u>
C. NET BLOCK		13,584.14	12,924.72
D. CAPITAL W.I.P.		5,445.02	4,585.62
TOTAL		19,029.16	17,510.34
2. INVESTMENTS	5	6,204.67	7,399.96
3. DEFERRED TAX ASSETS		256.75	96.32
4. <u>CURRENT ASSETS, LOANS & ADVANCES</u>			
A. INVENTORIES	6	10,596.24	9,468.34
B. SUNDRY DEBTORS	7	11,916.07	8,588.35
C. CASH & BANK BALANCES	8	6,146.82	3,470.83
D. LOANS & ADVANCES	9	<u>14,682.59</u>	<u>13,864.44</u>
		43,341.72	35,391.96
<u>LESS:</u>			
5. <u>CURRENT LIABILITIES & PROVISIONS</u>			
A. LIABILITIES	10	7,046.09	6,077.86
B. PROVISIONS	11	<u>8,888.89</u>	<u>8,057.90</u>
		15,934.98	14,135.77
NET CURRENT ASSETS		27,406.74	21,256.20
6. MISCELLANEOUS EXP. (TO THE EXTENT NOT W/OFF OR ADJUSTED)	12	54.65	3.59
TOTAL		<u>52,951.97</u>	<u>46,266.41</u>
Notes forming part of Accounts	21		

As per our Report of Even Date
For M.L.SHARMA & CO.
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

(C.H.BANDI) PARTNER
(M.No.5385)

Place: MUMBAI
Date : 04th August, 2010

For & on Behalf of Board

M.D. SARAF
(CHAIRMAN)

S.M. SARAF
(MANAGING DIRECTOR)

MANOJ JAIN
(COMPANY SECRETARY)



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

(Rs. In Lakhs)

PARTICULARS	SCHE DULE No.	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
A. INCOME			
SALES	13	45,548.95	48,421.62
OTHER INCOME	14	3,115.90	2,214.26
INCREASE/(DECREASE) IN STOCK(INCL.UNITS)	15	(852.09)	(512.01)
TOTAL		47,812.76	50,123.87
B. EXPENDITURE			
TRADING PURCHASES		4,024.46	3,273.40
COST OF RAW MATERIAL CONSUMED	16	27,665.81	31,085.42
MANUFACTURING, DISTRIBUTION, SELLING AND ESTABLISHMENT EXPENSES	17	4,214.63	6,786.77
EMPLOYEES' REMUNERATION	18	3,348.33	2,586.66
FINANCIAL CHARGES	19	697.03	1,470.40
DEPRECIATION		2,277.17	2,476.50
AMORTISATION OF GOODWILL		121.92	112.16
PRELIMINARY EXPENSES WRITTEN OFF	20	3.53	3.52
TOTAL		42,352.88	47,794.84
PROFIT BEFORE TAX		5,459.88	2,329.03
ADD : EXTRAORDINARY ITEMS		23.05	12.88
PROFIT BEFORE TAX		5,482.92	2,341.91
ADD : MAT CREDIT ENTITLEMENT		-	7.93
LESS/ADD : PROVISION FOR TAX			
CURRENT TAX		1,659.34	465.65
DEFERRED TAX (NET)		(165.10)	397.44
FRINGE BENEFIT TAX		-	20.83
PROFIT AFTER TAX		3,988.68	1,465.92
PROFIT/(LOSS) FOR THE YEAR		3,988.68	1,465.92
LESS:MINORITY INTEREST		203.47	189.01
		3,785.21	1,276.91
ADD : BALANCE BROUGHT FORWARD		1,981.27	936.51
		5,766.48	2,213.42
LESS : STT WRITTEN BACK		-	1.02
LESS : TAXATION OF EARLIER YEARS		18.19	1.37
PROFIT AVAILABLE FOR APPROPRIATION		5,748.29	2,211.03
LESS : APPROPRIATIONS			
LESS:PROPOSED DIVIDEND		472.90	157.63
LESS:PROV.FOR DIVIDEND DISTRIBUTION TAX		80.37	26.80
TRANSFERRED TO GENERAL RESERVES		3,200.00	-
BALANCE CARRIED TO BALANCE SHEET		1,995.02	2,026.59
ADJUSTED EARNING PER SHARE -BASIC & DILUTED		12.01	4.05

Notes forming part of Accounts

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As per our Report of Even Date
For M.L.SHARMA & CO.
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board

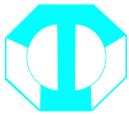
(C.H.BANDI) PARTNER
(M.No.5385)

M.D. SARAF
(CHAIRMAN)

S.M. SARAF
(MANAGING DIRECTOR)

Place: MUMBAI
Date : 04th August, 2010

MANOJ JAIN
(COMPANY SECRETARY)



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

PARTICULARS	31.03.2010	31.03.2009
(Rs.in lacs)		
A. Cash flow from operating activities:		
Net (loss)/profit before tax but after exceptional/extraordinary items	5,482.92	2,329.03
Adjustments for:		
Depreciation	2,277.17	2,476.50
Interest Expense	431.16	1,022.96
Interest Income	(312.41)	(247.68)
Dividend Received	(167.95)	(123.94)
Rent Received	(180.16)	(114.88)
(Profit)/Loss on Fixed Assets sold	(112.19)	(5.57)
Loss on Asset Lost by Fire	4.64	
(Profit)/Loss on sale of Investments	(213.50)	(91.26)
Preliminary Expenditure written off	3.53	3.52
Gain on Exchange (Net)	116.43	(323.00)
Amortisation of goodwill	121.92	112.16
Operating profit before working capital changes	7,451.56	5,037.84
Adjustments for changes in working capital :		
- (INCREASE)/DECREASE in Sundry Debtors	(3,327.71)	3,570.92
- (INCREASE)/DECREASE in Other Receivables	(602.08)	(150.51)
- (INCREASE)/DECREASE in Inventories	(1,127.90)	4,162.80
- INCREASE/(DECREASE) in Trade and Other Payables	(237.92)	(3,247.58)
Cash generated from operations	2,155.95	9,373.47
- Taxes (Paid) / Received	(257.11)	(549.33)
- Gain on Exchange (Net)	(116.43)	323.00
Net cash from operating activities (A)	1,782.41	9,147.15
B. Cash flow from Investing activities:		
Purchase of fixed assets	(3,113.14)	(3,011.90)
(Increase)/ Decrease in Capital Work in Progress	(859.39)	(2,608.78)
Proceeds from Sale of fixed assets	162.19	13.23
Net realisation on Sale of Investments	11,265.11	5,326.89
Net additions to investments :	(9,856.32)	(3,867.49)
Interest Received	353.45	67.95
Dividend Received	167.95	123.94
Rent Received	180.16	114.88
Net cash used in investing activities (B)	(1,700.00)	(3,841.28)
C. Cash flow from financing activities:		
Rupee Short Term Loan & Foreign Currency Loan From Bank of India	(1,025.05)	(1,223.22)
Net short term borrowings from Banks	(1,211.18)	(2,730.07)
Unsecured Loan from bank	5,500.00	1,500.00
Interest Paid	(431.16)	(1,022.96)
Dividend Paid	(157.63)	(313.10)
Dividend Tax Paid	(26.80)	(53.58)
Miscellaneous Expenditure	(54.60)	-
Net cash used in financing activities (C)	2,593.58	(3,842.92)
Net Increase/(Decrease) in Cash & Cash Equivalents (A)+(B)+ (C)	2,675.99	1,462.95
Cash and cash equivalents at the beginning of the year	3,470.83	2,010.52
Cash and cash equivalent at beginning of year of Bopp Casual	-	(2.64)
Cash and cash equivalents at the end of the year	6,146.82	3,470.83
Cash and cash equivalents comprise		
Cash on hand	118.94	5.88
Balance with Scheduled Banks	6,027.88	3,464.95
Balance as per Balance Sheet	6,146.82	3,470.83

Notes to the Cash Flow Statement

- 1 The above Cash flow statement has been prepared under the indirect method setout in AS-3 issued by ICAI
- 2 Figures in brackets indicate cash outgo.
- 3 Previous period figures have been regrouped and recast wherever necessary to conform to the current period classification.
- 4 Cash and cash equivalents includes Rs. NIL which are not available for use by the Company.

As per our Report of Even Date
For M.L.SHARMA & CO.
 Firm Reg.No.109963W
 CHARTERED ACCOUNTANTS

(C.H.BANDI)
PARTNER
 (M.NO.5385)
 Place: MUMBAI
 Date : 04th August, 2010

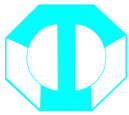
For & on Behalf of Board of Directors

M.D. SARAF **S.M. SARAF**
 (CHAIRMAN) (MANAGING DIRECTOR)

MANOJ JAIN
 (COMPANY SECRETARY)

**CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010**

PARTICULARS	(Rs. In Lakhs)	
	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE - 1 SHARE CAPITAL		
<u>AUTHORISED</u>		
3,50,00,000(PREVIOUS YEAR 3,50,00,000) EQUITY SHARES OF RS.10/- EACH	3,500.00	3,500.00
	<u>3,500.00</u>	<u>3,500.00</u>
<u>ISSUED, SUBSCRIBED & PAID-UP</u>		
3,15,26,750 EQUITY SHARES OF RS.10/- EACH FULLY PAID UP	3,152.68	3,152.68
	<u>3,152.68</u>	<u>3,152.68</u>
<u>OF THE ABOVE EQUITY SHARES :-</u>		
A. 622 EQUITY SHARES WERE ALLOTTED PURSUANT TO SCHEME OF AMALGAMATION WITHOUT PAYMENT BEING RECEIVED IN CASH.		
B. 6,63,050 EQUITY SHARES OF RS.10/- EACH BOUGHT BACK DURING THE YEAR 2001-2002 & 8,97,554 EQUITY SHARES OF RS.10/- EACH BOUGHT BACK DURING THE YEAR 2002-2003 IN ACCORDANCE WITH SEC.77A OF THE COMPANIES ACT, 1956.		
C. 48,33,010 EQ. SHARES WERE ALLOTTED AS BONUS SHARES BY CAPITALIZATION OF GENERAL RESERVES & 9,55,980 EQ. SHARE WERE ALLOTTED AS BONUS BY CAPITALIZATION OF REVALUATION RESERVE DURING THE YEAR 1994-95.		
D. 15,60,604 EQ. SHARES OF RS 10/- EACH WERE ALLOTTED AS BONUS SHARE BY CAPITALIZATION OF CAPITAL REDEMPTION RESERVE DURING THE YEAR 2002-03 .		
E. 66,30,500 EQUITY SHARES OF RS 10/- EACH WERE ALLOTTED AS BONUS SHARE BY CAPITALIZATION OF GENERAL RESERVE DURING THE YEAR 2004-05 .		
F. 99,45,750 EQUITY SHARES OF RS 10/- EACH WERE ALLOTTED AS BONUS SHARE BY CAPITALIZATION OF GENERAL RESERVE DURING THE YEAR 2005-06.		
G. 66,30,500 EQUITY SHARES OF RS 10/- EACH WERE ALLOTTED AS BONUS SHARE BY CAPITALIZATION GENERAL RESERVE DURING THE YEAR		
H. 99,45,750 EQUITY SHARES OF RS 10/- EACH WERE ALLOTTED AS BONUS SHARE BY CAPITALIZATION OF GENERAL RESERVE DURING THE YEAR 2005-06		
I. 83,20,000 EQUITY SHARES OF RS. 10/- EACH WERE ALLOTTED DURING THE PUBLIC ISSUE MADE DURING THE YEAR 2006-07.		
SCHEDULE - 2 RESERVES AND SURPLUS		
<u>GENERAL RESERVES</u>		
BALANCE AS PER LAST BALANCE SHEET	22,421.62	22,421.62
ADD : TRANSFER FROM PROFIT & LOSS A/C	3,200.00	-
	<u>25,621.62</u>	<u>22,421.62</u>
CAPITAL RESERVES ON CONSOLIDATION	65.54	169.87
<u>CAPITAL RESERVE</u>		
BALANCE AS PER LAST BALANCE SHEET	21.85	21.85
<u>CAPITAL REDEMPTION RESERVE</u>		
ADD: POST ACQUISITION SHARE OF SUBSIDIARIES	2.50	2.50
	<u>2.50</u>	<u>2.50</u>
<u>REVALUATION RESERVE</u>		
BALANCE AS PER LAST BALANCE SHEET	291.00	309.66
LESS : DEPRECIATION	17.39	18.66
	<u>273.61</u>	<u>291.00</u>



CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010

(Rs. In Lakhs)

PARTICULARS	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE - 2 RESERVES AND SURPLUS (Contd...)		
<u>SECURITIES PREMIUM</u>		
BALANCE AS PER LAST BALANCE SHEET	7,599.83	7,584.05
ADD: DTA CREATED ON SHARE ISSUE EXPENSES	-	15.78
	<u>7,599.83</u>	<u>7,599.83</u>
PROFIT & LOSS APPROPRIATION A/C	1,995.02	2,026.59
LESS:AMALGAMATION ADJUSTMENT OF DANUBE FASHION	-	234.67
LESS:AMALGAMATION ADJUSTMENT OF MULOX SACKS	0.04	-
LESS : ADJUSTMENT FOR PRE-ACQUISITION SHARES OF SUBSIDIARIES	66.88	219.82
LESS : DEPRECIATION OF 2007-08	-	0.10
	<u>1,928.10</u>	<u>1,572.01</u>
	<u>35,513.04</u>	<u>32,078.67</u>
SCHEDULE - 3 SECURED LOANS		
<u>TERM LOAN</u>		
BANK OF INDIA,	1,924.52	2,819.21
BOI, MANCHESTER TERM LOAN (ECB)	802.51	932.87
<u>FROM BANKS</u>		
1. BANK OF INDIA - OVERDRAFT ACCOUNT	292.08	52.98
2. BANK OF INDIA (EXPORT PACKING CREDIT AGAINST L/CS CONFIRMED ORDERS)	233.30	1,979.40
3. CITIBANK PCFC ACCOUNT	1,488.73	1,866.23
4. H.D.F.C P.C.F.C A/C	2.06	101.44
5. IDBI P.C.F.C A/C	411.83	-
6. H.D.F.C. LOAN AGAINST FDR	-	1,500.00
7. IDBI OLD A/C- 03965500/046	62.01	59.04
8. IDBI BANK LTD. - LOAN A/C	1331.08	-
9. BOI PCFC \$ A/C	526.82	-
	<u>7,074.94</u>	<u>9,311.17</u>
UNSECURED LOANS		
HDFC TEMPORARY LOAN	2,000.00	1,500.00
ICICI TEMPORARY LOAN	5,000.00	-
	<u>7,000.00</u>	<u>1,500.00</u>

NOTES :

- CASH CREDIT FROM BANK OF INDIA AND I.D.B.I.BANK LTD. ARE SECURED AGAINST THE HYPOTHECATION OF STOCK AND BOOK DEBTS BOTH PRESENT & FUTURE AND FIXED ASSETS & EQUITABLE MORTGAGE OF COMPANIES SPECIFIC IMMOVABLE PROPERTIES.
- EXPORT PACKING CREDIT AGAINST L/CS.CONFIRMED ORDERS FROM BANK OF INDIA,CITI BANK LTD ,HDFC BANK LTD ARE SECURED AGAINST THE HYPOTHECATION OF STOCK & BOOK DEBTS BOTH PRESENT & FUTURE AND FIXED ASSETS & EQUITABLE MORTGAGE OF THE COMPANIES SPECIFIC IMMOVABLE PROPERTIES OF COMPANY
- OVERDRAFT ACCOUNT WITH BANK OF INDIA AND IDBI BANK ARE SECURED AGAINST THE FDR OF THE COMPANY.
- TERM LOAN FROM BANK OF INDIA IN FOREIGN CURRENCY IS SECURED AGAINST HYPOTHECATION OF PLANT & MACHINERY (BOTH PRESENT & FUTURE) AND ALSO AGAINST EQUITABLE MORTGAGE OF LAND & BUILDING OF THE COMPANY .
- OVERDRAFT ACCOUNT FROM BANK OF INDIA IS SECURED AGAINST FDR OF THE COMPANY AGGREGATING TO RS.20,00,000/-. ABOVE BALANCE INCLUDES CHEQUES ISSUED BUT NOT PRESENTED TO BANK FOR PAYMENT.

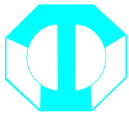
CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010

SCHEDULE 4 - CONSOLIDATED FIXED ASSETS

(Rs. In Lakhs)

Description	G R O S S				B L O C K			D E P R E C I A T I O N				N E T B L O C K			
	As on 01.04.2009	Revaluation of assets as on 25/07/94	Adjustment due to Foreign Exc. Fluctuation	Addition on account of Merger	Addition during the period	Sale/ Transfer	As on 31.03.2010	Upto 31.03.2009	On revaluation	Accumulated Depreciation on Merger	On cost	Adjust- ment	Upto 31.03.2010	As on 31.03.2010	As on 31.03.2009
GOODWILL	560.80	-	-	48.82	-	-	609.62	112.16	-	-	121.92	-	234.08	375.54	448.64
A. LAND AND BUILDING															
1. Leasehold Land	278.44	207.00	-	75.94	156.17	-	717.55	63.50	2.84	-	0.67	-	67.01	650.54	421.94
2. Factory Building	6,008.57	397.60	-	206.07	889.20	-	7,501.44	2,019.70	8.57	-	342.12	-	2,370.39	5,131.04	4,386.47
3. Office Premises	387.36	227.83	-	-	38.65	5.99	647.85	138.08	5.39	19.44	1.04	-	161.87	485.98	477.11
4. Worker's Quarters	71.13	-	-	-	-	-	71.13	27.10	-	2.20	-	-	29.30	41.83	44.03
5. Staff Quarters	365.85	20.06	-	-	-	-	385.91	102.19	0.47	13.71	-	-	116.37	269.54	283.72
6. Car Parking Space	0.01	4.99	-	-	-	-	5.00	2.64	0.12	-	-	-	2.76	2.24	2.36
7. Tube-Well	8.14	-	-	0.93	-	-	9.07	3.56	-	0.21	-	-	3.77	5.29	4.58
8. Shop at Bandra	337.81	-	-	-	-	-	337.81	54.87	-	14.15	-	-	69.02	268.79	282.94
B. PLANT & MACHINERY															
1. Machinery/Pollution equip.	16,887.57	217.64	-	215.11	1,093.19	291.81	18,121.70	11,328.45	-	1,579.53	281.15	-	12,626.83	5,494.87	5,776.76
2. Electrical Installation	558.09	-	-	21.32	94.08	-	673.49	285.95	-	43.14	-	-	329.09	344.40	272.14
3. Computers	256.63	-	-	-	167.68	-	424.31	202.68	-	147.05	-	-	349.73	74.58	53.95
4. Air Conditioner & Office Equipments	170.51	-	-	-	14.18	23.54	161.15	88.78	-	12.03	20.32	-	80.49	80.66	81.73
5. Motor Car & Vehicles	150.66	-	-	-	21.91	2.30	170.27	86.64	-	19.49	1.88	-	104.25	66.02	64.02
6. Weighing Scale	6.23	-	-	-	0.09	-	6.32	3.48	-	0.39	-	-	3.87	2.45	2.75
7. Forklift	80.90	-	-	-	1.45	-	82.35	61.07	-	7.38	-	-	68.45	13.90	19.83
8. Generator	950.93	-	-	-	13.28	-	964.20	796.69	-	43.74	-	-	840.43	123.77	154.24
9. Weighing Bridge	14.10	-	-	-	8.78	-	22.88	3.20	-	0.20	-	-	3.40	19.48	10.90
10. Water Cooler	0.24	-	-	-	-	-	0.24	0.07	-	0.04	-	-	0.11	0.13	0.17
11. Electronic Telephone Exchange	-	-	-	-	0.16	-	0.16	-	-	0.12	-	-	0.12	0.04	-
12. Tractor (Power Plant)	-	-	-	-	9.34	-	9.34	-	-	-	-	-	-	9.34	-
C. FURNITURE & FIXTURES															
	247.16	-	-	-	36.80	-	283.96	124.20	-	43.07	-	-	167.27	116.69	122.96
D. INTANGIBLE ASSETS															
1. Navision Software	19.85	-	-	-	-	-	19.85	19.56	-	0.29	-	-	19.85	0.00	0.29
2. Computer Software	18.98	-	-	-	-	-	18.98	5.88	-	6.08	-	-	11.96	7.03	13.11
3. Trade Mark	0.49	-	-	-	-	-	0.49	0.39	-	0.10	-	-	0.49	0.00	0.10
TOTAL	27,380.44	1,075.12	-	567.26	2,545.88	323.64	31,245.07	15,530.84	17.39	2,417.08	304.39	-	17,660.93	13,584.14	12,924.72
Previous Year	23,856.10	1,183.70	2.28	1,502.04	3,559.16	1,647.72	28,455.56	12,976.80	18.66	2,588.19	925.43	-	15,530.75	12,924.81	12,063.00
Capital Work in Progress	4,543.55	-	-	-	1,295.74	601.24	5,238.05	-	-	-	-	-	-	5,238.05	4,543.55
PREOPERATIVE EXPENSES	42.07	-	-	-	164.90	-	206.97	-	-	-	-	-	-	206.97	42.07
Assets in Transit:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-





CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010

(Rs. In Lakhs)

PARTICULARS	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE - 5		
INVESTMENTS : - (AT COST)		
<u>LONG TERM INVESTMENT</u>		
1. <u>TRADE</u>		
<u>UNQUOTED</u>		
<u>OTHERS</u>		
(a) 30 SHARES OF RS.50/- EACH OF MITTAL COURT PREMISES CO-OP.SOCIETY LTD. FULLY PAID UP	0.02	0.02
(b) 15 SHARES OF RS.50/- EACH OF UDIT MITTAL COURT INDUSTRIAL PREMISES CO-OP.SOCIETY LTD.	0.01	0.01
(c) 10 SHARES OF RS.50/- EACH OF GODREJ FLAT	0.01	0.01
2. <u>OTHER THAN TRADE</u>		
<u>UNQUOTED</u>		
<u>IN SUBSIDIARY COMPANIES FULLY PAID UP</u>		
(a) ANHUI RELIABLE STEEL TEC. CHINA	-	590.86
(b) CAE SYSTEMS GMBH (NO.OF SHARES 49200 EUROS)	32.17	32.17
(c) SHARES OF IMPACT ENGG. SOLUTIONS INC (NO.OF SHARES 1909.20 \$)	789.84	789.84
<u>CURRENT INVESTMENT</u>		
A. <u>INVESTMENT IN MUTUAL FUND</u>		
(a) FRANKLIN TEMPLETON CAP. SAF (NIL, P.Y.5000000 UNITS @RS.10/ EACH)	-	500.00
(b) SBI ONE INDIA FUND (NIL, P.Y 2000000 UNITS RS.10/ EACH)	-	200.00
(c) HDFC EQUITY FUND (1,11,230.99 UNITS OF RS.10/- EACH, P.Y. - NIL)	200.00	-
(d) RELIANCE LONG TERM EQUITY FUND (3000000 UNITS OF RS.10/ EACH)	300.00	300.00
(e) HDFC GROWTH FUND (502487.312 UNITS OF RS.10/- EACH P.Y. 1833516.685)	200.00	200.00
(f) KOTAK WEALTH BUILDERS SERIES (NIL, P.Y 5000000 UNITS OF RS.10/- EACH)	-	500.00
(g) PRU ICICI FUSION FUND SER II (2000000 UNITS OF RS.10/- EACH)	200.00	200.00
(h) ICICI PRUD. INDO ASIA EQ FUND (5000000 UNITS of Rs. 10/- EACH,)	500.00	500.00
(i) H.D.F.C TOP 200 (989374.122 UNITS of Rs.10/- EACH,)	500.00	500.00
(j) H.D.F.C.FMP 18M OCTOBER 2007 (NIL, P.Y>10000000 UNITS of Rs. 10/- EACH ,)	-	1,000.00
(k) FRANKLIN ASIAN EQUITY FUND (2444987.775 UNITS of Rs. 10.23/- EACH, P.Y. NIL)	250.00	250.00
(l) KOTAK INDO WORLD INFRA FUND (2500000 UNITS of Rs. 10/- EACH , P.Y. NIL)	250.00	250.00
(m) HDFC INFRASTRUCTURE FUND (2500000 UNITS of Rs. 10/- EACH, P.Y. NIL)	250.00	250.00
(n) HDFC CMF TREASURY ADV PLAN (NIL, P.Y.6768310.911 UNITS of Rs. 19.21/- EACH,)	-	1,300.23



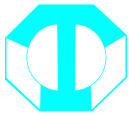
CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010

PARTICULARS	(Rs. In Lakhs)	
	AS AT 31.03.2010	AS AT 31.03.2009
(o) HDFC LIQUID FUND (6,58,035.44 UNITS OF Rs. 10/- EACH, P.Y. - NIL)	120.00	-
(p) HDFC FIXED MATURITY PLAN -SERIES - XII (100,00,000 UNITS OF Rs. 10/- EACH, P.Y. NIL)	1,000.00	-
(q) HDFC MF MONTHLY INCOME PLAN A/C LTP (4,82,588.22 UNITS OF Rs. 10/- EACH, P.Y. NIL)	100.00	-
(r) HDFC PRUDENCE FUND (57,417.81 UNITS OF Rs. 10/- EACH, P.Y. NIL)	100.00	-
(s) ICICI PRUDENTIAL LONG TERM PLAN (14,97,334.74 UNITS OF Rs. 10/- EACH, P.Y. NIL)	150.00	-
(t) ICICI PRUDENTIAL FMP SERIES -51 (15,00,000 UNITS OF Rs. 10/- EACH, P.Y. NIL)	150.00	-
(u) SUNDARAM BNP PARIBAS MONTHLY INCOME (40,03,303.45 UNITS OF Rs. 10/- EACH, P.Y. NIL)	500.00	-
B. INVESTMENT IN SHARES		
(a) TSL RIGHTS ISSUE CCPS (180 CUMULATIVE CONVERTIABLE PREF. SHARES OF RS.100/- EACH)	-	0.18
(b) TATA STEEL LIMITED (40 SHARES OF RS.10/- EACH)	-	0.12
(c) RELIANCE POWER LTD. - SHARES (699 SHARES OF RS.10/- EACH)	3.13	3.13
(d) GRASIM INDUSTRIES LTD - SHARES (NIL, P.Y.1000 SHARES OF RS.10/- EACH,)	-	24.98
(h) SADBHAV ENGINEERING LTD- SHARES (NIL, P.Y. 750 SHARES OF RS.10/- EACH,)	-	8.43
(f) CITI FIN CONS FIN I LTD- NCD (600 DEBENTURES OF RS.1,00,000/- EACH, P.Y. - NIL)	600.00	-
(g) NHPC LTD-SHARES (25,571 SHARES OF RS.10/- EACH, P.Y. - NIL)	9.21	-
(h) TATA STEEL LTD-SHARES (70 SHARES OF RS.10/- EACH, P.Y. - NIL)	0.30	-
	6,204.67	7,399.96
AGGREGATE AMOUNT OF UNQUOTED INVESTMENT	1,872.94	1,752.11
AGGREGATE AMOUNT OF QUOTED INVESTMENT	4,782.64	5,987.06
MARKET VALUE OF UNQUOTED INVESTMENT	4,814.09	4,950.12

**SCHEDULE - 6
INVENTORIES**

(AS TAKEN, VALUED AND CERTIFIED BY
MANAGEMENT)

FINISHED GOODS	952.16	1,456.44
RAW MATERIAL	6,586.00	4,691.97
SCRAP	58.87	39.53
STORES & SPARES	418.08	495.04
PACKING MATERIALS & ACCESSARIES	121.85	81.94
FUEL & OIL	95.79	94.03
TRADING STOCKS	1,965.78	2,478.60
SEMI - FINISHED GOODS	397.71	130.79
	10,596.24	9,468.34



CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010

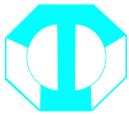
PARTICULARS	(Rs. In Lakhs)	
	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE - 7		
SUNDRY DEBTORS		
(UN-SECURED CONSIDERED GOOD BY THE MANAGEMENT)		
DEBTS OUTSTANDING FOR MORE THAN SIX MONTHS	397.61	749.82
OTHER DEBTS	11,518.45	7,838.53
	11,916.07	8,588.35
SCHEDULE - 8		
CASH AND BANK BALANCES		
1. CASH IN HAND	118.94	5.88
2. BANK BALANCES		
A. IN CURRENT ACCOUNTS	714.46	685.08
B. IN FIXED DEPOSIT ACCOUNTS	5,313.42	2,779.87
	6,146.82	3,470.83
SCHEDULE - 9		
LOANS AND ADVANCES		
(UN-SECURED CONSIDERED GOOD BY THE MANAGEMENT)		
1. ADVANCE TO SUBSIDIARY COMPANIES	2.69	2.68
2. ADVANCE TO OTHER COMPANIES	1,416.88	847.49
3. ADVANCES RECOVERABLE IN CASH OR KIND FOR VALUE TO BE RECEIVED	700.86	1,030.33
4. DEPOSIT WITH GOVERNMENT DEPARTMENTS	175.39	146.62
5. BALANCE WITH CENTRAL EXCISE DEPT.	3,545.10	3,255.62
6. BALANCE WITH SALES TAX DEPARTMENT	-	7.42
7. DEPOSIT	52.92	54.94
8. OTHER DEPOSITS	13.12	15.42
9. ADVANCE TAX	8,698.92	8,441.81
10. PREPAID EXPENSES	66.40	50.59
11. MAT CREDIT ENTITLEMENT	10.31	11.52
	14,682.59	13,864.44
SCHEDULE - 10		
CURRENT LIABILITIES		
SUNDRY CREDITORS		
1. SUNDRY CREDITORS FOR GOODS (Other than Micro, Small & Medium Enterprises)	3,576.10	2,820.15
2. SUNDRY CREDITORS FOR EXPENSES (Other than Micro, Small & Medium Enterprises)	1,183.40	878.98
3. ADVANCES FROM CUSTOMERS	510.84	225.48
4. ADVANCE OTHERS	-	39.89
5. OTHER LIABILITIES INCLUDING SUNDRY DEPOSITS	310.06	448.46
6. BANK OF INDIA	-	-
7. TEMPORARY OVERDRAFT	1,461.58	1,662.63
8. UNCLAIMED DIVIDEND	2.92	2.26
9. DEPOSITS	1.18	-
	7,046.09	6,077.86



CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010

(Rs. In Lakhs)

PARTICULARS	AS AT	AS AT
	31.03.2010	31.03.2009
SCHEDULE - 11		
PROVISIONS		
PROVISION FOR TAXATION	8,197.27	7,678.56
PROVISION FOR FRINGE BENEFIT TAX	0.21	20.83
PROVISION FOR LEAVE SALARY	113.09	99.77
PROVISION FOR GRATUITY	25.04	74.32
PROPOSED DIVIDEND	472.90	157.63
PROV. FOR DIVIDEND DISTRI. TAX	80.37	26.80
	8,888.89	8,057.90
SCHEDULE - 12		
MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED		
PRELIMINARY EXPENSES		
AS PER LAST BALANCE SHEET	3.62	7.12
ADD : DURING THE YEAR	54.57	-
	58.19	7.12
LESS : WRITTEN OFF DURING THE YEAR	3.54	3.52
	54.65	3.59



CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010

(Rs. In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
SCHEDULE 13		
SALES	44,430.65	45,398.55
SALE (LABOUR JOB) (INCLUSIVE OF TAX DEDUCTED AT SOURCE OF OF RS.NIL/-, PREVIOUS YEAR RS. 0.47/-)	-	16.47
SALE TRADING	67.31	125.08
CONSTRUCTION AND PROJECT RELATED ACTIVITY	-	805.67
EXPORT	931.55	1,592.68
LOCAL	134.02	249.55
FOREIGN EXCHANGE FLUCTUATION	(14.56)	233.61
	<u>45,548.95</u>	<u>48,421.62</u>
SCHEDULE - 14 OTHER INCOME		
OTHER BUSINESS INCOME	430.09	206.37
CENVAT CREDIT	183.77	166.95
DEPB LICENCE SALE	1,343.95	1,012.06
C.S.T. REFUND RECEIVED	53.87	91.45
INTEREST INCOME OF RS.50.79/- , PREVIOUS YEAR - RS. 50.24/-)	312.41	247.68
DIVIDEND RECEIVED (ON LONG TERM INVESTMENT - OTHERS)	167.95	123.94
RENT INCOME (TDS RS.5.51/-,PREVIOUS YEAR-Rs.4.83/-)	180.16	114.88
INSURANCE CLAIM RECEIVED	-	6.42
PROVISION FOR LEAVE SALARY WRITTEN BACK	98.93	87.93
SALES TAX REFUND	-	3.25
RENT FROM STAFF	0.39	0.38
LEASING CHARGES RECEIVED	75.63	12.50
KASAR KHATE	0.00	0.00
LONG TERM CAPITAL GAIN	0.03	87.11
SHORT TERM CAPITAL GAIN	201.75	4.14
PROFIT ON SALE OF MUTUAL FUNDS	11.73	-
PROFIT ON SALE OF FIXED ASSETS	112.16	5.67
SUNDRY CREDITORS WRITTEN OFF	44.93	3.73
Diff. in Foreign Currency - Loan BOI Loan	(8.92)	(96.87)
FOREX DIFFERENCE ON CONVERSION	(92.94)	136.673782
PROFIT ON SALE OF VEHICLE	0.03	-
	<u>3,115.90</u>	<u>2,214.26</u>
SCHEDULE - 15 INCREASE/(DECREASE) IN STOCKS(INCL.UNITS)		
CLOSING STOCK		
FINISHED GOODS	952.16	1,456.44
SCRAP / WASTE	58.87	39.53
SEMI FINISHED GOODS	193.63	47.96
TRADING ITEMS	<u>1,965.78</u>	<u>2,478.60</u>
	<u>3,170.44</u>	<u>4,022.53</u>
LESS :		
OPENING STOCK		
FINISHED GOODS	1,456.44	1,414.97
SCRAP / WASTE	39.53	165.87
SEMI-FINISHED GOODS	47.96	98.27
TRADING ITEMS	<u>2,478.60</u>	<u>2,855.43</u>
	<u>4,022.53</u>	<u>4,534.54</u>
	<u>(852.09)</u>	<u>(512.01)</u>



CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010

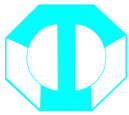
(Rs. In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
SCHEDULE - 16		
COST OF RAW MATERIAL CONSUMED, MANUFACTURING AND OPERATING EXPENSES		
A. <u>RAW MATERIAL CONSUMED</u>		
OPENING STOCK OF RAW MATERIAL	4,709.37	8,465.10
ADD : PURCHASES	<u>21,798.67</u>	<u>20,132.14</u>
	26,508.04	28,597.24
LESS : CLOSING STOCK	<u>6,790.08</u>	<u>4,774.80</u>
	<u>19,717.96</u>	<u>23,822.43</u>
B. <u>STORES/SPARES & OTHER COMPONENTS CONSUMED</u>	1,882.29	1,535.68
C. <u>FUEL & OIL CONSUMED</u>	1,173.56	1,412.42
D. <u>PACKING MATERIAL CONSUMED</u>	597.38	587.65
E. <u>POWER & FUEL</u>	1,827.00	1,348.69
F. <u>OTHER MANUFACTURING EXPENSES</u>		
JOB WORK	1,439.45	1,221.92
LABOUR CHARGES	226.09	222.61
WATER CHARGES	41.47	26.89
OTHER MANUFACTURING EXPENSES	760.61	907.13
CONSUMABLE ACCESSORIES	-	-
	<u>2,467.62</u>	<u>2,378.55</u>
	<u>27,665.81</u>	<u>31,085.42</u>

SCHEDULE - 17

SELLING & OTHER ESTABLISHMENT EXP.

A. <u>SELLING & DISTRIBUTION EXPENSES</u>		
FREIGHT & OTHER CHARGES ON EXPORT	1,824.05	2,837.64
DELIVERY & TRANSPORT	0.98	0.54
OCTROI DUTY EXPENSES	0.36	0.77
COOLIE & CARTAGE	0.27	0.21
EXHIBITION PARTICIPATION/ SEMINAR EXPENSES	3.23	18.33
COMMISSION/BROKERAGE	101.35	155.32
SALES PROMOTION	88.99	26.73
BAD DEBTS	6.92	52.00
QUALITY CLAIM	16.50	195.81
SAMPLE EXPENSES	0.42	4.38
SER.TAX EXPENSES ON G.T.A	3.34	0.60
ART WORK & POSITIVES	0.40	-
Sundry Balance Written off	8.00	-
WAREHOUSE & HANDLING CHARGES	<u>34.96</u>	<u>221.09</u>
	<u>2,089.78</u>	<u>3,513.40</u>

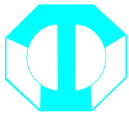
**CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010**

PARTICULARS	(Rs. In Lakhs)	
	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
B. <u>ESTABLISHMENT & OTHER EXPENSES</u>		
PAYMENT AND PROVISIONS TO EMPLOYEES		1,041.04
PURCHASE & IMPORT EXPENSES	1.07	-
STAFF WORKER EXPENSES	-	0.42
TRAVELLING EXPENSES	156.64	267.15
INSURANCE (GENERAL)	26.69	50.20
PRINTING & STATIONERY	31.31	43.17
ELECTRICITY CHARGES	35.57	37.44
LEGAL & PROFESSIONAL EXPENSES	185.66	217.96
RENT, RATES & TAXES	102.35	110.09
VEHICLE EXPENSES	106.37	100.64
POSTAGE, TELEGRAMS & TELEPHONE EXP.	105.66	129.67
MISCELLANEOUS EXPENSES	41.07	55.60
AMALGAMATION EXPENSES	2.63	4.13
TRAINING & DEVELOPMENT EXPENSES	11.88	9.72
LOSS OF ASSET BY FIRE	4.64	-
SALES TAX PAID	4.53	0.16
WATER CHARGES	0.25	0.24
DIRECTOR FEES	3.70	3.30
ENGINEERING & DESIGN CHARGES	-	9.77
SECURITIES TRANSACTION TAX	0.57	0.18
DONATION	50.08	50.00
D.G.SET HIRE CHARGES	-	0.98
STAMP DUTY EXPENSES	14.03	3.99
ENGINEERING & DESIGN CHARGES PAID	-	(11.72)
CONVEYANCE REIMBURSEMENT	5.54	6.68
CENTRAL EXCISE EXPENSES	-	0.06
Administration Expenses	1.25	-
Annual Stip Charges	5.91	-
DISCOUNT & REBATE	0.58	1.67
OTHER OPERATING COST	207.84	50.25
FINANCE & CREDIT INSURANCE	7.18	11.76
ADVERTISEMENT	4.65	5.00
LICENCE & LEGAL FEES	7.25	3.79
FILING FEES	-	0.01
LAND LEASE RENT	-	0.00
FOREIGN SERVICES	188.20	162.64
SOFTWARE CHARGES PAID	9.37	28.22
SECURITY CHARGES PAID	0.38	0.50
MOTOR CAR EXPENSES	1.59	0.39
MEMBERSHIP/SUBSCRIPTION	-	0.82
DIRECTOR FEES	0.73	1.50
LOSS ON SALE OF VEHICLE	-	0.10
PROFIT ON EXCHANGE	46.04	(49.60)
	1,371.20	2,347.91
C. <u>DIRECTOR REMUNERATION</u>	101.93	146.40
D. <u>PAYMENT TO AUDITORS</u>		
FOR AUDIT FEES	9.65	4.10
FOR TAX AUDIT FEES	0.65	0.65
FOR EXPENSES	0.19	0.13
FOR CERTIFICATE CHARGES	0.16	0.18
	10.65	5.07
E. <u>REPAIRS & MAINTENANCE</u>		
BUILDING REPAIR	132.74	122.97
MACHINE REPAIR	54.69	138.37
OFFICE MAINTENANCE	0.32	0.31
OTHER REPAIRS & MAINTENANCE	453.32	512.34
	641.07	774.00
	4,214.63	6,786.77



CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010

PARTICULARS	(Rs. In Lakhs)	
	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
SCHEDULE - 18		
PAYMENT TO AND PROVISION FOR EMPLOYEES		
<u>PAYMENT TO AND PROVISION FOR EMPLOYEES</u>		
SALARIES, WAGES, BONUS ETC.	3,118.11	2,326.49
CONTRIBUTION TO P.F., ESIC ETC.	140.16	141.64
GRATUITY	40.19	71.11
STAFF WELFARE EXPENSES	49.88	47.42
	3,348.33	2,586.66
SCHEDULE - 19		
FINANCE & INTEREST CHARGES		
A. <u>FINANCIAL CHARGES</u>		
BANK CHARGES	148.80	343.85
BANK GUARANTEE CHARGES	19.93	17.29
BANK PROCESSING CHARGES	18.45	13.61
STATUS REPORT CHARGES	5.38	9.68
L/C CHARGES	73.31	63.02
	265.87	447.44
B. <u>INTEREST PAID</u>		
ON FIXED LOAN (TERM)	4.24	11.13
INTEREST TO BANK	416.41	1,001.25
INTEREST ON SERVICE TAX	2.15	0.93
INTEREST TO OTHERS	8.35	9.65
	431.16	1,022.96
	697.03	1,470.40
SCHEDULE - 20		
PRELIMINARY EXPENSES		
PRELIMINARY EXPENSES WRITTEN OFF	3.44	3.52
SHARE ISSUE EXPENSES WRITTEN OFF	0.09	-
	3.53	3.52



SCHEDULES 21

I. SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS ON CONSOLIDATED FINANCIAL STATEMENTS

1. Principles of consolidation

- i. The financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, and the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).
- ii. **CONSOLIDATED FINANCIAL STATEMENTS** relates to Technocraft Industries (India) Limited, the Company and its Subsidiaries. The Consolidated Financial Statements are in conformity with the AS -21 issued by ICAI and are prepared on the following:
 - a) The financial statements of the Company and its Subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expense, after fully eliminating inter-company balances and transactions including profits in year end inventories.
 - b) The consolidated financial statements are prepared by adopting 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 statement except otherwise stated elsewhere in this schedule.
 - c) The excess of cost to the Company of its investments in the subsidiaries over its portion of equity of subsidiaries at the dates they become subsidiaries is recognised in the financial statements as goodwill.
 - d) The excess of Company's portion of equity of the subsidiaries over cost to the Company of its investments at the dates they become subsidiaries is recognised in the financial statements as capital reserve.
 - e) Minority Interests in the consolidated financial statements is identified and recognised after taking in to consideration:
 - The amount of equity attributable to minorities at the date on which investments in a subsidiary is made
 - The losses attributable to the minorities are adjusted against the minority interest in the equity of the subsidiary

2. ACCOUNTING POLICIES

Most of the accounting policies of the reporting Company and that of its Subsidiaries are similar and are in line with generally accepted accounting principles in India. However since certain subsidiaries are in the business lines which are distinct from that of the Reporting Company and function in a different regulatory environment, certain policies in respect of investment, gratuity, depreciation / amortization etc. differ.

Accounting Policies and Notes on Accounts of the financial statements of the company and all the subsidiaries are set out in their respective financial statement.

3. FOREIGN SUBSIDIARIES

- I) In accordance with the requirement of Accounting Standard 11(Revised) "The effects of changes in foreign exchange rates" operations of foreign subsidiaries have been considered as Integral operations and accordingly their financial statements have been converted in Indian Rupees at following exchange rates:

Revenue and Expenses: At the average exchange rate during the period.

(Average rates are taken on the basis of opening and closing exchange rates at the beginning of the period and at the end of the period respectively instead of average rates at the end and close of every month and its effect is insignificant on the profit.)

Current Assets and Liabilities: Exchange rates prevailing at the end of the period



Fixed Assets: Exchange rate prevailing at the end of the period instead of exchange rates at the date of transaction

The resultant translation exchange difference has been transferred to profit & loss A/c.

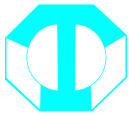
- II) Accounting policy for Depreciation on Fixed Assets of foreign subsidiaries companies are not consistent with accounting policy for depreciation on fixed assets of parent company and it is impracticable for the company to restate such accounting policies as per parent company policy since the historical cost of the fixed assets of foreign subsidiaries companies are not ascertainable.
- III) In Consolidated financial statements, the closing stock includes goods sold by holding company to its subsidiary companies (as certified by the management) which have been valued at cost by eliminating stock reserve considering gross profit margin of the holding company in respective years.
- IV) Financials of CAE System Gmbh and Impact Engineering solutions which is a subsidiary of Technosoft Information Technology (I) Ltd which is wholly owned subsidiary of Technocraft Industries (India) Limited are not consolidated since no financials were made available to us for consolidation.

The consolidated financial statements comprise the financial statements of Technocraft Industries (India) Limited and its subsidiaries.

Name of the Company	Year Ended	Status	Extent of Company's Interest		Country of Incorporation
			2009-10	2008-09	
Technosoft Information Technologies (I) Limited	31 st March	Subsidiary	85.83%	85.83%	India
Technocraft Exports Private Limited	31 st March	Subsidiary	100.00%	100.00%	India
Mulox Sacks Private Limited	31 st March	(Note iii)	NIL	100.00%	India
Technocraft Trading Poland	31 st Dec	Subsidiary	100.00%	100.00%	Poland
Technocraft (Hungary) KFT	31 st Dec	Subsidiary	100.00%	100.00%	Hungary
Technocraft International Ltd.	31 st Dec	Subsidiary	100.00%	100.00%	United Kingdom
Technocraft Australia Pty Limited	31 st Mar	Subsidiary	100.00%	100.00%	Australia
CAE Systems Gmbh	(Note i)	Fellow Subsidiary	81.99%	81.99%	Germany
Impact Engineering Pvt. Ltd.	(Note ii)	Fellow Subsidiary	85.00%	85.00%	U.S.A.
Anhui reliable steel tec. China	31 st Dec	Subsidiary	100%	100%	China

NOTES:

- i) Out of 100% share of CAE Systems Gmbh, 82% shares is owned by Technosoft Information technologies(I) Ltd which is the wholly owned subsidiary of Technocraft Industries (India) Limited.
- ii) Out of 100% share of Impact Engineering Pvt. Ltd, 85% shares is owned by Technosoft Information technologies (I) Ltd Which is the subsidiary of Technocraft Industries (India) Limited.
- iii) During the year Mulox Sacks Private Limited is ceased to be subsidiary of the company and has been amalgamated with the parent company.



4. INDIAN SUBSIDIARY

Accounting Policy for gratuity provision in case of Indian Subsidiary is on cash basis.

5. CONTINGENT LIABILITY

a) Parent Company :

(Rs. in Lacs)

SR	Contingent Liabilities and Commitments not provided For	For the Year Ended 31.03.2010	For the Year Ended 31.03.2009
I.	Claims made against the Company in respect of Electricity Demand (net of advance) not acknowledged as debts.	NIL	Rs. 4.02
II.	Bank Guarantees aggregating to Euro 17,50,000 and USD 11,00,000 to Banks on behalf of subsidiary Company in Poland.	Rs. 1552.84	Rs 1686.73
III.	Bank Guarantee aggregating to USD 5,00,000 to Banks on behalf of Fellow Subsidiary Company, Impact Engineering Pvt. Ltd.	Rs. 224.475	NIL
IV.	Income Tax and Interest Demands For the A.Y.2001 -2002 A.Y.2002 -2003 A.Y.2005 -2006	NIL Rs.155.19 NIL	Rs.1.93 Rs.352.05 Rs. 68.48

b) Subsidiary Companies:

(Rs. in Lacs)

SR	Contingent Liabilities and Commitments not provided For	For the Year Ended 31.03.2010	For the Year Ended 31.03.2009
I.	Liabilities in respect of Trade Finance & Guarantees (UK)	Rs. 492.04	Rs. 492.04

6. DEFERRED TAX ASSETS/ LIABILITIES

(Rs. In Lacs)

PARTICULARS	For the Year ended 31 st March 10	For the Year ended 31 st March 09
DEFERRED TAX LIABILITY / (ASSETS)		
On A/c of difference in Depreciation	(165.81)	24.41
On A/c of unabsorbed Losses & unabsorbed Depreciation of Danube Fashion	NIL	373.95
(On Account of Timing Difference in Share Issue Expenses	6.79	NIL
On Account of Timing Difference in Amalgamation Expenses	(0.74)	(0.92)
On account of Gratuity	1.09	NIL
Long term Capital loss	(6.62)	NIL
On account of loss of Mulox	0.19	NIL
NET IMPACT	(165.10)	397.44



(Rs. In Lacs)

PARTICULARS	For the Year ended 31st March 10	For the Year ended 31st March 09
POSITION OF DEFERRED TAX ASSETS & LIABILITIES AS ON BALANCE SHEET DATE ARE AS UNDER		
Deferred Tax Liabilities		
(On Account of Timing Difference in depreciation)	259.61	78.54
Deferred Tax Assets		
(On Account of Timing Difference in depreciation)	259.61	78.54
(On Account of Timing Difference in gratuity liability of danube)	NIL	1.09
(On Account of Timing Difference in Share Issue Expenses)	8.99	15.77
(On Account of Timing Difference in Amalgamation Expenses)	1.66	0.92
Long term Capital loss	6.62	NIL
Net Deferred Tax Assets	276.88	96.32

7. EARNING PER SHARE

In compliance with the **AS-20 " EARNINGS PER SHARE"** issued by the Institute of Chartered Accountants of India, being Earning Per Share has been calculated by dividing Net Profit for the year (after considering Tax effect and Minority Interest) with the Weighted Average Number of Equity Shares outstanding during the year as per the details given below:

(Rs. In Lacs)

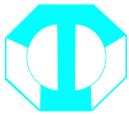
Particulars	For the Year ended 31.03.2010	Previous Year ended 31.03.2009
Net Profit for Equity Shareholders (Rs.)	3785.21	1276.91
Weighted average number of Equity Shares outstanding during the year (in Lacs)	315.27	315.27
Adjusted Basic & Diluted Earning Per Share (on nominal value of Rs. 10/- per Share) (Rs.)	12.01	4.05

8. DISCLOSURE OF RELATED PARTIES/RELATED PARTY TRANSACTIONS

In compliance with the AS-18 "RELATED PARTY DISCLOSURE", which has become mandatory, the required information are as under:-

I List of Related Parties over which control exists

Sr.No	Related Parties
I	Associates
	Ashrit Holdings Ltd
	Technocraft Global Holding Ltd
	B.M.S.Industries Ltd
	M.D .Saraf Securities Pvt .Ltd.
II	Key Management Personnel (KMP)
	Sharad Kumar Saraf
	Sudarshan Kumar Saraf
	Madhoprasad Saraf
	Navneet Kumar Saraf
	Ashish Kumar Saraf



Sr.No	Related Parties
III	Relatives & Enterprises of KMP
	Shantidevi Saraf
	Shakuntala Saraf
	Suman Saraf
	Nidhi Saraf
	Ritu Saraf
	Priyanka Saraf
	M.T. Information Technologies

II Names of the Related Parties with whom transactions were carried out during year and description of relationship

Sr.No	Name of the Related Party
I.	Associates
	B.M.S.Industries Ltd
	Ashrit Holdings Ltd
	Technocraft Global Holding Ltd
II.	Key Management Personnel (KMP)
	Sharad Kumar Saraf
	Sudarshan Kumar Saraf
	Navneet Kumar Saraf
	Ashish Kumar Saraf
	S. K. Saraf HUF

III Disclosure of Related Party transactions

(Rs. in Lacs)

Sr No	Nature of relationship/ Transactions	Associates	KMP & Relatives	Total (Rs)
1	Purchase of Goods & Services	2892.11 (1091.59)	NIL (NIL)	2892.11 (1091.59)
2	Sale of Goods & services	974.68 (620.12)	NIL (NIL)	974.68 (620.12)
3	Interest Received	99.50 (95.36)	NIL (NIL)	99.50 (95.36)
4	Directors' Remuneration	NIL (NIL)	98.40 (146.40)	98.40 (146.40)
5	Salary & Wages	NIL (NIL)	98.40 (146.40)	98.40 (146.40)
6	Purchase of Capital Goods	3.19 (54.00)	NIL (NIL)	NIL (NIL)
7	Rent Received	NIL (0.40)	NIL (NIL)	NIL (NIL)
8	Loan Given	6386.93 (2410.49)	NIL (NIL)	6386.93 (2410.49)
9	Loan Repaid	5800.71 (2906.14)	NIL (NIL)	5800.71 (2906.14)
10	Rent Paid	NIL (NIL)	3.00 (NIL)	3.00 (NIL)



IV Amount due to/from Related Parties as on 31.03.2010

(Rs in Lacs)

Sr No	Nature of relationship/ Transactions	Associates	Relatives of KMP	Total (Rs)
1	Sundry Debtors	71.47 (270.92)	NIL (NIL)	71.47 (270.92)
2	Sundry Creditors	219.69 (39.89)	NIL (NIL)	219.69 (39.89)
3	Loans & Advances	1416.88 (847.49)	NIL (NIL)	1416.88 (847.49)

9. In compliance with AS-17 "SEGMENT REPORTING", which has become mandatory, the required information are as under

A. PRIMARY SEGMENT

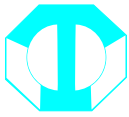
The Business Segment has been considered as the primary segment for disclosure. The categories included in each of the reported business segments are as follows:-

- i) Investment Division
- ii) Drum Closures
- iii) Steel Tubes and Scaffoldings
- iv) 100 % Cotton Yarn
- v) Power

The above business segments have been identified considering:

- i) The nature of the product
- ii) The deferring risk and returns
- iii) The internal financial reporting systems

"Revenue and expenses have been accounted for based on the basis of their relationship to the operating activities of the segment. Revenue and Expenses, which relate to the enterprise as whole and are not allocable to segment on a reasonable basis, have been included under "Unallocable Assets/Liabilities." Inter segment transfer if any, are accounted for at competitive market price, charged to unaffiliated customer for similar goods.



Annexure-I
"SEGMENT REPORTING"

(Rs. In Lacs)

Particulars	Drum Closures	Scaffoldings	Yarn	Garment	Power	Other Segments	Unallocable	Inter Segment Elimination	Total
SEGMENT REVENUE									
Domestic	1,042.72	3,839.77	3,514.12	842.30	-	7,543.30	-	-	16,782.21
Export	13,057.88	5,602.05	10,855.37	810.41	-	931.54	-	-	31,257.25
(a) External Sale	14,100.60	9,441.82	14,369.49	1,652.71	-	8,474.84	-	-	48,039.46
(b) Inter-segment Revenue	24.40	827.87	772.60	-	-	865.64	-	2,490.51	-
Total Revenue	14,076.20	8,613.95	13,596.89	1,652.71	-	7,609.20	-	(2,490.51)	45,548.95
	(12497.07)	(14856.65)	(12469.94)	(2008.88)	-	(12532.35)	-	(5,943.27)	(48421.61)
SEGMENT REVENUE	14,076.20	8,613.95	13,596.89	1,652.71	-	7,609.20	-	(2,490.51)	45,548.95
	(12497.07)	(14856.65)	(12469.94)	(2008.88)	-	(12532.35)	-	(5,943.27)	(48421.61)
SEGMENT RESULTS	4,216.86	870.38	1,565.83	56.00	-	1,069.79	(93.23)	-	7,685.63
	(3556.43)	(868.20)	(334.90)	(40.77)	-	(681.93)	(160.95)	(651.27)	(5972.55)
Less:									
Interest & Finance Expenses									431.14
									(1,470.40)
Profit/(Loss) on sale of Investments									213.48
									(91.26)
Profit/(Loss) on sale of Assets									-
									(5.57)
Add/Less :Unallocable (Income)/Expenses (Net of Expenses)									2,008.09
									(2257.07)
Profit on sale of investment									-
									0.00
Profit on sale of Assets									-
									(26.33)
Profit before taxation									5,459.88
									2,341.99
Provision for taxes									1471.21
									(875.99)
Profit After Tax									3988.67
									(1465.92)
OTHER INFORMATION									
Assets									
Segment Assets	8,392.32	7,618.17	15,488.42	1,239.35	5,925.68	4204.39	0	0.00	42,868.33
	(5679.86)	(11636.48)	(12712.01)	(1281.39)	(5154.88)	(9781.29)	-	(6457.89)	(39515.02)
Unallocable Assets									25707.22
									(23642.18)
Total Assets									68,575.55
									(60398.58)
Liabilities									
Segment Liabilities	1,429.53	6,055.33	10,454.84	413.43	196.34	2,753.35	-	0.00	21,302.82
	12551.47	6095.62	5192.19	596.12	196.34	(10324.06)	-	(4511.52)	18622.86
Unallocable Liabilities									8707.10
									(4744.72)
Total Liabilities									30,009.92
									13878.14
Capital Expenditure (excluding capital WIP)									
Segment Capital Expenditure	1137.18	139.32	574.17	27.81	128.20	1474.11	54.86	-	3535.65
	(102.84)	(364.16)	(247.71)	27.81	128.20	(644.60)	(45.45)	-	(1404.77)
Depreciation									
Segment Depreciation	454.94	388.23	1189.12	95.44	0.00	125.55	0.00	-	2253.28
	(56.96)	(247.73)	(585.23)	95.44	0.00	(313.94)	0.00	-	(1203.86)
Unallocable Depreciation & Amortisation of Goodwill							145.81		145.81
									(19.66)
Total Depreciation									2399.09
									(1223.51)
Non Cash Expenses Other than Depreciation									
Segment Non cash Expenditure	-	-	-	-	-	3.44	0.00	-	3.44
	-	-	-	-	-	(1.23)	(4.65)	-	(5.87)
B. GEOGRAPHICAL SEGMENT									
Sales Revenue									
India	1,042.72	3,839.77	3,514.12	842.30	-	7543.30	-	-	16,782.21
	(403.21)	(2093.78)	(1598.99)	842.30	-	(997.83)	(1,477.01)	-	(6570.82)
Outside India	13,057.88	5,602.05	10,855.37	810.41	-	931.54	-	0.00	31,257.25
	(7123.56)	(9675.19)	(5694.25)	810.41	-	(15,533.81)	(-)	(9556.67)	(28,470.14)
Sales Revenue	14,100.60	9,441.82	14,369.49			8,474.84	-	-	48,039.46
	(7526.76)	(11768.97)	(7293.24)			(16531.63)	(1477.01)	(9556.67)	(35040.95)
Assets									
India	5148.75	5984.03	10962.89	1126.69	5925.68	2602.80	26985.13	5925.68	52810.29
	(1814.11)	(5125.15)	(4898.76)	1126.69	5925.68	(3482.74)	(9487.12)	(6457.89)	(18349.99)
Outside India	3243.57	1634.14	4525.53	112.66	0.00	7092.58	-	531.82	16076.66
	(1439.03)	(3152.19)	(2275.05)	112.66	0.00	(8416.07)	(2275.05)	-	(17557.39)
Total Assets	8392.32	7618.17	15488.42	1239.35	5925.68	9695.38	26985.13	6457.50	68886.95
	(3253.14)	(8277.34)	(7173.81)	1239.35	5925.68	(11898.81)	(11762.17)	(6457.89)	(35907.39)
	8392.32	7618.17	15488.42	1239.35	5925.68	4204.39	0	0	42868.33



TECHNOCRAFT INDUSTRIES (INDIA) LIMITED

(Regd. Office. A-25, MIDC, Street No.3, Andheri (E) Mumbai-400 093)

18th Annual General Meeting-Thursday. 16th September 2010 at 11.00 a.m.

ATTENDANCE SLIP

(To be handover at the entrance of the Meeting Hall)

DP ID	
-------	--

*Folio No.	
------------	--

Client ID	
-----------	--

No. of Shares	
---------------	--

I certify that I am a registered shareholder/ Proxy for the registered shareholder of the Company. I hereby record my presence at the 18th Annual General Meeting of the Company held on 16th September, 2010 at "Technocraft House" A-25, MIDC, Street No.3, Andheri (E) Mumbai-400 093.

Full Name of Member/ Proxy _____
(in Block Letter)

Members/ Proxy Signature _____

Notes:

- Shareholders attending the meeting in person or proxy are requested to complete the Attendance Slip and hand it over at the entrance of the Meeting Hal
- If you intend to appoint a proxy, please complete the proxy form below and deposit it at the Company's registered office at least 48 hours before the meeting.

TECHNOCRAFT INDUSTRIES (INDIA) LIMITED

(Regd. Office. A-25, MIDC, Street No.3, Andheri (E) Mumbai-400 093)

18th Annual General Meeting-Thursday. 16th September 2010 at 11.00 a.m.

PROXY FORM

DP ID	
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*Folio No.	
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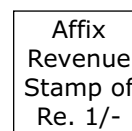
Client ID	
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No. of Shares	
---------------	--

I/We _____ of _____
being member(s) of Technocraft Industries (India) Limited hereby appoint _____
of _____ or failing him/her _____
of _____ or failing him/her _____
of _____ as proxy to attend and vote for me/us on my/our behalf
at the 18th Annual General Meeting of the Company being held on 16th September, 2010 at "Technocraft House" A-25, MIDC, Street No.3, Andheri (E) Mumbai-400 093 and at any adjournment thereof.

Signed this _____ day of _____ 2010

Signature _____

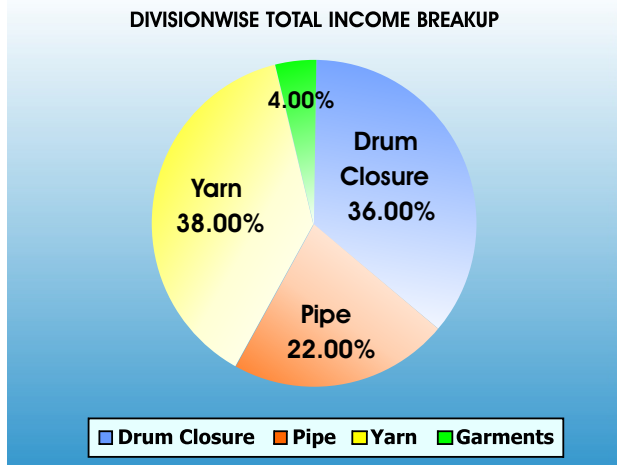
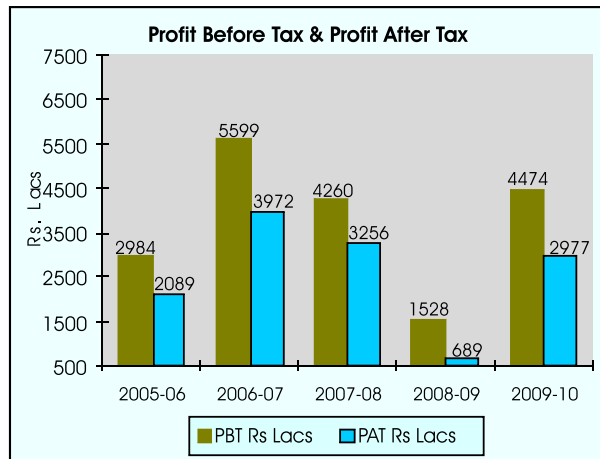
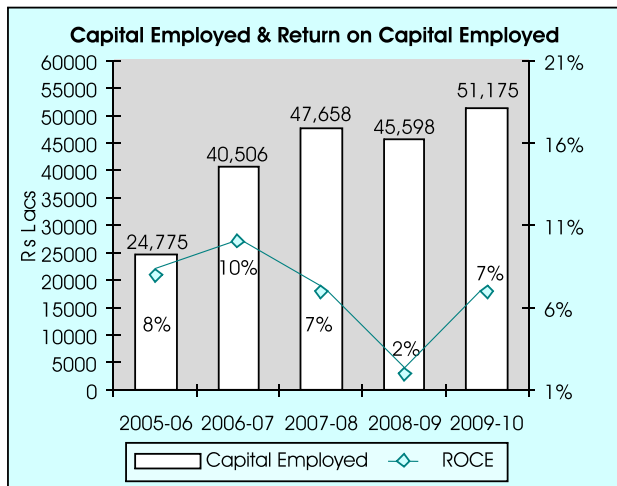
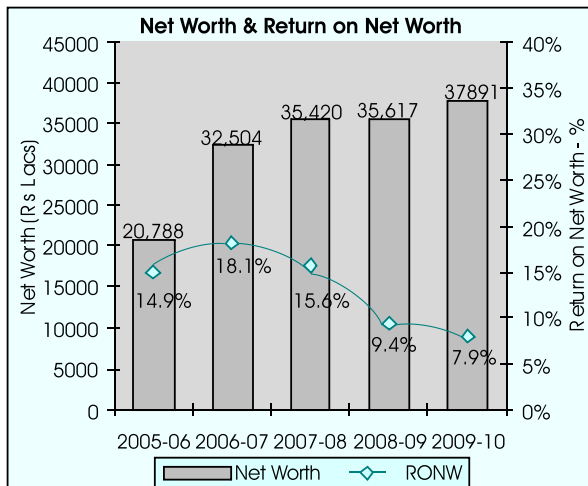
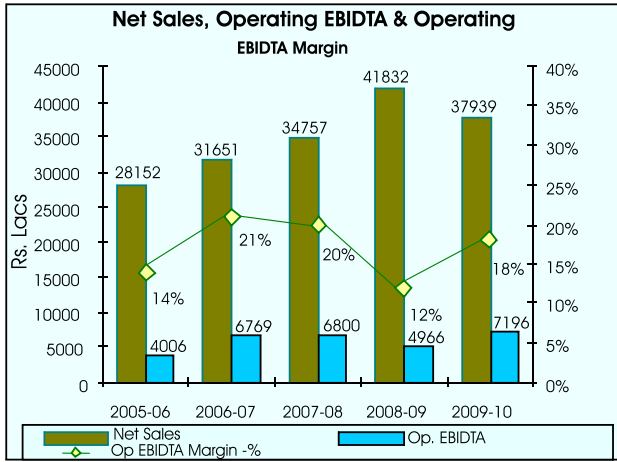


Note: This proxy form duly completed must be received at the Company's Registered Office at least 48 hours before the meeting.

* Applicable for Shareholders holding shares in physical form.

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FINANCIAL SNAPSHOT



BOOK-POST

TECHNOCRAFT HOUSE

Corporate Office :

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Tel.No.: (91) -22-4098 2222 / 4098 2202

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Website : [http : // www.technocraftgroup.com](http://www.technocraftgroup.com)

