



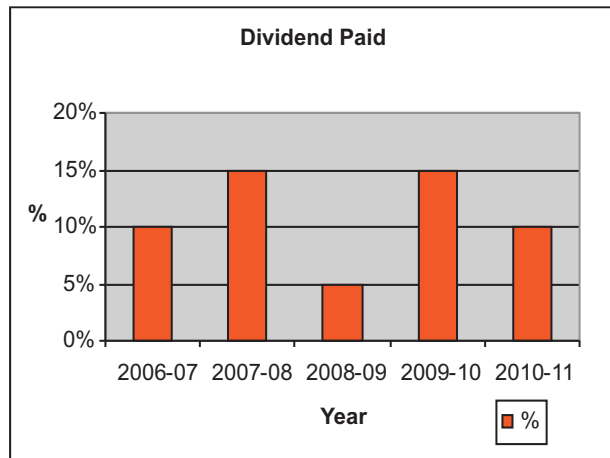
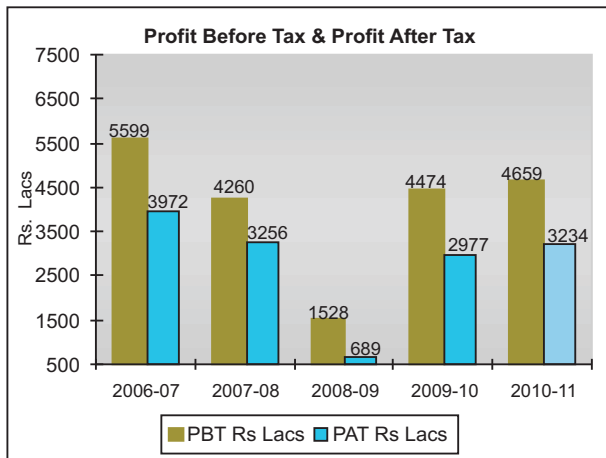
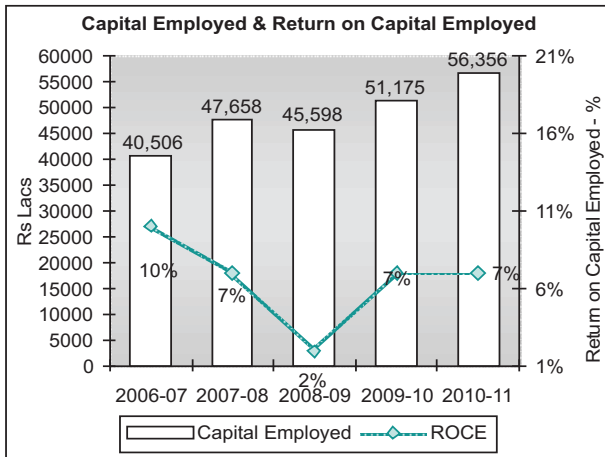
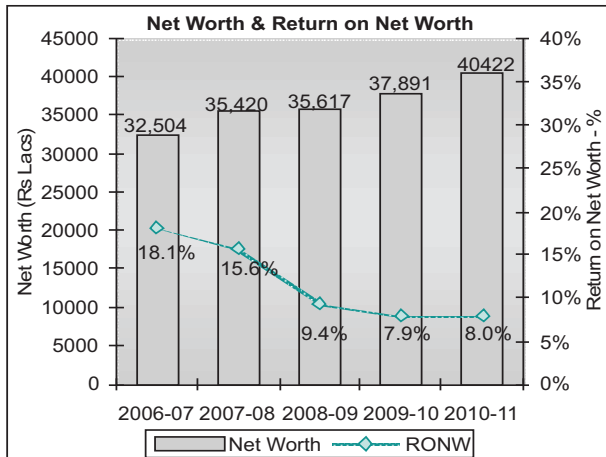
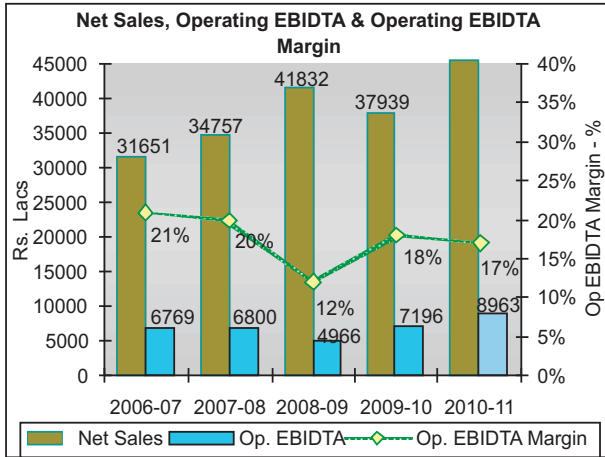
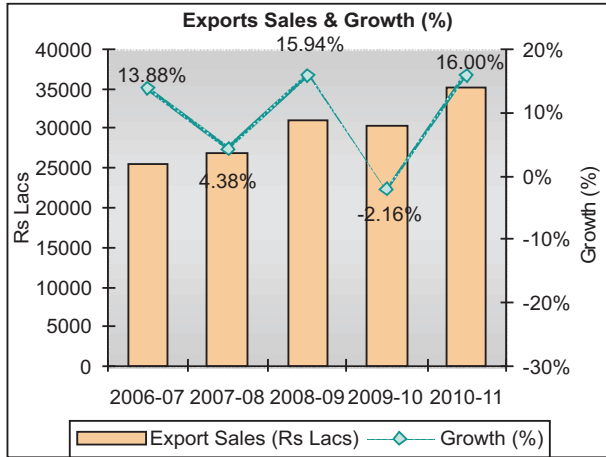
**Technocraft Industries (India) Ltd**

# **Annual Report**

**2010-11**



# FINANCIAL SNAPSHOT





## 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

System Support Services  
209, Shivai Industrial Area  
Andheri Kurla Road, Andheri (E)  
Mumbai- 400072

### 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. 022-28356559

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## NOTICE

Notice is hereby given that the **19<sup>th</sup>** Annual General Meeting of the Members of Technocraft Industries (India) Limited will be held on **Friday 30<sup>th</sup> September, 2011** 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 31<sup>st</sup> March, 2011, 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 31<sup>st</sup> March 2011.
3. To appoint a Director in place of Mr. Pankaj Toprani, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. M.D.Saraf, 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."

### SPECIAL BUSINESS

6. To Consider and if thought fit pass with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** in accordance with the provision of Section 198, 269 and 309, 311 r/w Schedule XIII and all other applicable provisions of the Companies Act, 1956(including any statutory modification or re-enactment thereof for time being in force), consent of the Company be and is hereby accorded to increase the Remuneration of Sharad Kumar Saraf, Managing Director, w.e.f. 1<sup>st</sup> April, 2011" The details of revised remuneration are as follow:-

- a. **Basic Salary:** Increase from ₹. 2, 00,000 per month to ₹. 4,00,000 per month with liberty to the Board of Directors including any Committee thereof to sanction such increase as it may in its absolute discretion determine from time to time provided that the salary excluding perquisites and Amenities does not exceed ₹. 10,00,000 per month during the tenure.
  - b. The Board of Directors is authorized to fix remuneration within the scale as indicated above and revises it from time to time.
  - c. The total remuneration including perquisites shall not exceed the limit specified in Schedule XIII of the Companies Act, 1956.
  - d. Other terms, conditions, perquisites and amenities shall be continuing as per the Resolution passed at the AGM of the Company dated 14<sup>th</sup> November, 2008".
7. To Consider and if thought, fit pass with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** in accordance with the provision of Section 198, 269 and 309, 311 r/w Schedule XIII and all other applicable provisions of the Companies Act, 1956(including any statutory



modification or re-enactment thereof for time being in force), consent of the Company be and is hereby accorded to increase the Remuneration of Sudarshan Kumar Saraf, Managing Director, w.e.f. 1<sup>st</sup> April, 2011" The details of revised remuneration are as follows:

- a. **Basic Salary:** Increase from ₹. 2, 00,000 per month to ₹. 4,00,000 per month with liberty to the Board of Directors including any Committee thereof to sanction such increase as it may in its absolute discretion determine from time to time provided that the salary excluding perquisites and Amenities does not exceed ₹. 10,00,000 per month during the tenure
- b. The Board of Directors is authorized to fix remuneration within the scale as indicated above and revise it from time to time.
- c. The total remuneration including perquisites shall not exceed the limit specified in Schedule XIII of the Companies Act, 1956.
- d. Other terms, conditions, perquisites and amenities shall continue as per the Resolution passed at the AGM of the Company dated 14th November, 2008"

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

**Manoj Jain**  
Company Secretary

Mumbai, 03<sup>rd</sup> August, 2011

**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 Saturday **24<sup>th</sup> September 2011 to Friday, 30<sup>th</sup> September, 2011**, 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 **30<sup>th</sup> September, 2011** 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 **23<sup>rd</sup> September 2011**.
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 Account 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 exchanges on 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 account 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 account 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 the Order of Board of Directors  
**For Technocraft Industries (I) Limited**

**Manoj Jain**  
Company Secretary

Mumbai, 03<sup>rd</sup> August, 2011

## **EXPLANATORY STATEMENT TO SECTION 173(2) OF COMPANIES ACT, 1956**

### **Item No. 6&7**

At the Annual General Meeting of the Company held on 14<sup>th</sup> November, 2008, the shareholders had approved the re-appointment and overall limit of payment of remuneration of Mr. Sharad Kumar Saraf and Mr. Sudarshan Kumar Saraf, managing Director of the Company within the limit. To consider their effort in the growth of the Company the Board of Directors of the Company, at its meeting held on 21<sup>st</sup> October, 2010 has increased the remuneration of Mr. Sharad Kumar Saraf and Mr. Sudarshan Kumar Saraf, Managing Director of the Company.

Through the resolution passed by the Remuneration Committee and Board of Directors, basic Salary of the said Directors increased from ₹. 2, 00,000 per month to ₹. 4, 00,000 per month, all the benefits based on the basic salary will increase automatically without any further approval.

The abstract of the above revision as required pursuant to provision of section 302 of the Companies Act, 1956 has already been sent to all the shareholders on 22<sup>nd</sup> October 2010.

Mr. Sharad Kumar Saraf, Mr. Sudarshan Kumar Saraf and Mr. Madhoprasad Saraf are deemed to be interested in the resolution No. 6 & 7.

Your Directors recommended the resolutions for your approval.

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

**Manoj Jain**  
Company Secretary

Mumbai, 03<sup>rd</sup> August, 2011



## DIRECTORS' REPORT

Dear Members,

Directors of your Company have pleasure in presenting the Nineteenth Annual Report together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2011.

### FINANCIAL HIGHLIGHTS

(₹. In Lakhs)

Particulars	Standalone		Consolidated	
	2010-11	2009-10	2010-11	2009-10
Gross Turnover and Other Income	48900.42	40831.59	59480.86	48664.85
Profit Before Interest, Depreciation and Taxation	8964.76	7193.04	9329.29	8457.12
<b>Less:</b> Interest	789.62	566.82	867.02	697.03
<b>Profit before Depreciation and Taxation</b>	8175.14	6626.22	8462.27	7760.09
Less: Depreciation	3515.50	2151.62	3647.46	2277.17
<b>Profit Before Tax (PBT)</b>	4659.64	4474.60	4814.81	5482.92
Less: Provision for Taxation (including deferred Tax)	1425.02	1496.17	1578.88	1494.24
<b>Net profit for the Year</b>	3234.62	2978.43	3226.93	3988.68
Add: Surplus brought forward from previous year	2459.38	3252.40	2609.49	1981.27
Profit available for Appropriation	5803.09	6212.69	5739.62	5748.29
Appropriation				
Transfer to General Reserve	80.00	3200.00	733.38	3200.00
Proposed Dividend	315.27	472.90	315.27	472.90
Dividend Distribution Tax	52.36	80.37	52.36	80.37
Balance Carried to Balance Sheet	5355.46	2459.42	4638.61	1995.02

### PERFORMANCE

The gross sale and other income for the financial year under review were ₹.48900.42 Lakhs against ₹.40831.59 Lakhs for the previous financial year registering an increase of 19%. Total PAT for the year stood at ₹. 3234.62 Lakhs against ₹. 2978.43 Lakhs for the previous year registering an increase of 8%.

The performance on a consolidated basis is also impressive and registered an increase of 22% in Gross Income. Decrease in PAT is due to higher depreciation of China's Project.

### DIVIDEND

Your Directors are pleased to recommend final dividend of ₹ 1.00 i.e.10% per equity share of ₹. 10/-, subject to the approval of shareholders at their Annual General Meeting. The final dividend, if declared as above, would involve an outflow of ₹ 315.27 Lakhs towards dividend and ₹. 52.36 Lakhs towards Dividend Distribution tax, resulting in a total outflow of ₹. 367.63 Lakhs.

### DEPOSIT

During the year ended on 31<sup>st</sup> March 2011, 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

Technocraft Export Private Limited, a 100% subsidiary of the Company, was amalgamated by the order



of Hon'ble Bombay High Court on 06<sup>th</sup> May, 2011. The appointed date of the scheme was 01<sup>st</sup> April, 2009. Please refer Note No. 2. M (I) of Schedule 20 of Notes to Accounts of Standalone Financials for further details.

## **DIRECTORS**

Mr. Pankaj Toprani & Mr. M.D.Saraf, Directors, retire from the Board by rotation and as they are eligible they have been offered re-appointment at ensuing Annual General Meetings. 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.

## **CONSOLIDATED FINANCIALS**

The Ministry of Corporate Affairs (MCA) by General Circular No.2/2011 dated 8<sup>th</sup> February, 2011, issued a direction under section 212(8) of the Companies Act, 1956; that the provision of section 212 shall not apply to companies in relation to their subsidiaries, subject to fulfill certain conditions mentioned in the said circular with immediate effect. The Board of Directors of your companies at the meeting held on 29<sup>th</sup> July, 2011, approved the Audited Consolidated Financial Statements for the financial year 2010-11 in accordance with the Accounting Standard (AS-21) and other Accounting Standards issued by the Institute of Chartered Accountants of India as well as clause 32 of Listing Agreement, which includes financial information of all its subsidiaries and forms part of this Annual Report.

The Annual Accounts and financials of all the subsidiaries of your company and related details information shall be made available to members on request and are open for inspection at the registered office of the Company. Your Company has complied with all the conditions as stated mentioned under the circular and accordingly not attached the financial statements of the subsidiaries for the financial year 2010-11. A statements of summarized financials of all the subsidiaries of your company including capital, reserve, total assets, total liabilities, details of investment, turnover etc. pursuant to General Circular issued by the Ministry of Corporate Affairs, forms part of this report.

## **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.





## TRANSFER TO RESERVE

Your company proposed to transfer ₹ 80 lakhs to the General Reserve. Accounts of ₹ 5355.46 lakhs is proposed to be retained in the profit and loss account.

## MANAGEMENT DISCUSSION AND ANALYSIS

The detailed review of operation, performance and future outlook of your company and its business is given in the Management and Discussion Analysis, which forms part of this 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 31<sup>st</sup> March, 2011

Employees employed throughout the financial year 2010-2011 and who received remuneration for the financial year in the aggregate of not less than ₹ 60, 00,000/- per annum

(₹ In Lakhs)

Name	Designation	Age	Qualification	Experience	Date of Commencement of employment	Gross Remuneration
Mr. S.K.Saraf	Managing Director	64	B.Tech.	39 Years	28.10.1992	146.40
Mr.S.M.Saraf	Managing Director	62	B.Tech.	38 Years	28.10.1992	146.40
Mr. Navneet Saraf	Chief Operation Officer	33	B.E.(Mech.)	11 Years	23.12.2006	73.20
Mr. Ashish Saraf	Chief Financial Officer	29	C.A.(Inter)	9 Years	23.12.2006	73.20

### 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 31<sup>st</sup> March, 2011 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 earnings and outgoing is furnished and form part of this report as per Annexure-A.



## GROUP

Persons constituting group within the definition of group as defined in the Monopolies and Restrictive Trade Practice Act, 1969. For the purpose of Regulation 3(1) (e) of the **Securities and Exchange Board of India (Substantial Acquisition of Share and Takeover) Regulation, 1997**, includes the following:-

<b>Sr. No.</b>	<b>Name of the Person/Entity</b>	<b>Sr. No</b>	<b>Name of the Person/Entity</b>
1.	Madhoprasad Saraf	18.	Ashrit Holdings Limited
2.	Sharad Kumar Saraf	19.	Technocraft Tabla Formwork Systems Private Limited
3.	Sudarshan Kumar Saraf	20.	Technosoft Information Technologies (I) Limited
4.	Shanti Devi Saraf	21.	M.D.Saraf Securities Pvt. Ltd
5.	Shakuntala Saraf	22.	BMS Industries Limited
6.	Suman Saraf	23.	Shanti Seva Nidhi Trust
7.	Navneet Kumar Saraf	24.	Saraf Welfare Trust
8.	Ashish Kumar Saraf	25.	Jokiram Welfare Trust
9.	Nidhi Saraf	26.	Saraswati Dwarkadas Saraf Trust
10.	Priyanka Saraf	27.	Technocraft International UK
11.	Nidhi Saraf	28.	Technocraft Hungary
12.	Madhoprasad Saraf (HUF)	29.	Technocraft Australia Pty
13.	Sharad Kumar Saraf (HUF)	30.	Technocraft Poland
14.	Sudarshan Kumar Saraf (HUF)	31.	Anhui Reliable Steel Technology Limited
15.	Navneet Kumar Saraf (HUF)		
16.	Ashish Kumar Saraf (HUF)		
17.	M.T.Information Technology		

## 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

Place: Mumbai  
Date: 03<sup>rd</sup> August 2011



## Annexure of Directors' Report

### Power & Fuel Consumption

#### Closure Division

Power and Fuel Consumption	2010-11	2009-10
<b>1. Electricity</b>		
(a) Purchase Unit (KWH)	5978234	4850402
Total Amount (₹.)	3,48,93,374	23597800
Rate per Unit (₹.)	5.83	4.86
(b) Through diesel generator		
Unit (KWH)	161899	161899
Unit per ltr. Of Diesel Oil	13.89	13.28
Cost/Unit (₹.)	22.49	24.52

#### Scaffolding Division

<b>1. Electricity</b>		
(C) Purchase Unit (KWH)	42722632	5350932
Total Amount (₹.)	28733372	27637947
Rate per Unit (₹.)	6.08	5.16
(d) Through diesel generator		
Unit (KWH)	167755	
Unit per ltr. Of Diesel Oil	4.77	NA
Cost/Unit (₹.)	8.63	
<b>2. Coal</b>		
Total Quantity (MT)	954.85	811.00
Total Cost(₹)	14175467	3123505
Average Rate (PMT)	4241.83	3851.42
<b>3. Furnace oil</b>		
Quantity (MT)	366	313
Total Amount	1,41,75,467	9,26,92,248
Average Rate	38730.79	29614

#### Textile Division

<b>1. Electricity</b>		
(a) Purchase Unit (KWH)	42722632	23699591
Total Amount (₹.)	2,87,33,372	12,95,19,046
Rate per Unit (₹.)	6.08	5.47
<b>2. Through Power Plant</b>		
Total Unit Purchase (KWH)	25451659	
Total Cost(₹)	14,55,83,489	NA
Average Rate (PMT)	5.72	
<b>3. Furnace oil</b>		
Quantity (MT)	1874	3490
Total Amount	1,41,75,467	8,23,58,614
Average Rate	25807.33	23598.00



## 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 Action

Your Company intends to continue focus on core strength by adding new products and increase the production capacity.

## Technology Absorption, Adoption and Innovation

(a) In brief efforts are 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

	(₹ In Lakhs)	
	2010-11	2009-10
FOB value of Export	32239.31	29556.12
CIF value of Import of Raw material and Capital Goods	790.35	3541.67
Other Expenditures	707.13	724.05

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 continues 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

Place: Mumbai  
Date: 03<sup>rd</sup> August 2011



## Management Discussion & Analysis Report

### GLOBAL ECONOMIC CONDITIONS

Global economic conditions in the second half of 2010 turned out to be stronger than expected. However, the uneven pace of growth across regions and uncertainty about the durability of recovery in the advanced economies persist. The positive sentiments arising from the growth momentum in major advanced economies was neutralized by the persistence of high employment and downside risk from weak infrastructures. The risk of sovereign debt crisis spreading from the Euro zone periphery has resurfaced in recent time.

Emerging Market economies (EMEs), which has recovered ahead of the advanced economies, exhibited robust growth momentum driven by domestic demand, inflation and overheating risk have, however, prompted monetary tightening at varied pace. Commodity market also firmed up, largely reflecting easy liquidity conditions in advanced economies, as well as growing demand pressure in EMSs

### INDIAN ECONOMY AND OUTLOOK

The robust GDP growth in the first half of 2010-11 suggests that the economy has returned to its earlier high growth path. Industrial production has exhibited near double digit growth but the significant volatility adds uncertainty to the outlook. Core infrastructure sector has grown at slower pace than both the overall GDP and the industrial sector, suggesting that it remains a constraint to higher growth. Capacity utilization levels have generally remained steady.

### INDUSTRIAL STRUCTURE AND DEVELOPMENT

#### Drum Closure

The performance of the drum division is significant. The sale of the drum closure increase of ₹. 16539 Lakhs from ₹.14076 lakhs, up by 17.50%. The increase of sale is due to improvement in efficiency of Drum Closure manufacturing facilities and demand in global markets. Your company continues to maintain the position of world leader in the segment.

#### Scaffoldings

The performance of Scaffolding segment was quite satisfactory during the year. The turnover during the year was ₹ 8231 Lakhs, compared to previous year of ₹. 8613.94 Lakhs. The growth of scaffolding segment is steady and will improve in future due to addition of some new products.

#### Textile

The Textile industry faces a particularly acute challenge as the price of its raw material, viz. cotton, has increased by more than 100% just in the last one year. The industry has not been able to take the advantage of heavy investment made in recent years because of lack of demand, particularly in the export market. The prices realizable are not remunerative. Allowing export of cotton has created an acute shortage of this commodity. This factor coupled with increased cost of to an unprecedented level and partial restriction on the export of yarn up to March, 2011 has added to the problem of the industry. Unless export policies get stabilized on a sound footing, it will be difficult for the industry to improve substantially in the near future.

#### Power

During the year total of 4, 39, 50,380 units were generated out of which 1, 76, 70,800 units were sold to Grid (MESDCL-Kalyan) and remaining 2, 62, 79,580 were sold to Yarn Division. Total 50807.45 MT coal was consumed to generate these units. The performance of Power Plant was quite satisfactory during the first year of operation. Although there is no profit during the year due to high depreciation charged



## Opportunity & Threats

### Textile

In view of rising income level and resultant higher demand, the industry has an opportunity for growth which has to be fully exploited in both domestic and export markets. Once the global recession is over, opportunities for exports should increase. As the textile upgradation fund has been restarted by the Government, it would definitely provide support to the industry to gain fully from the opportunity for expansion and lead sustained and profitable growth.

In view of the fluctuation of Raw material cost & lack of clear government policies, it will be difficult to compete those countries, where manufacturing costs can be controlled with by the support of their Government.

### Scaffolding and Drum Closure

China's market provides good opportunity for scaffolding and Closure business and we expect better performance on consolidated basis in the coming years.

China has slashed export duty on exports of steel and hence with establishment of manufacturing unit in China, company will get advantage of cheaper steel and produce scaffolding components in China at an internationally competitive prices.

Cheap availability of labor in China will help in reduction of overhead cost. Offering value added design based products & product differentiation we can meet competition.

The rising inflation, interest rate and tightening of monetary policies may result in the lower spending of infrastructure projects which may reduce the demand for the scaffoldings.

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.

For Power Plant, coal price is the main concern that can affect the performance of this segment.

### Internal Control System and their adequacy

The Company has proper and adequate system of internal control that 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.



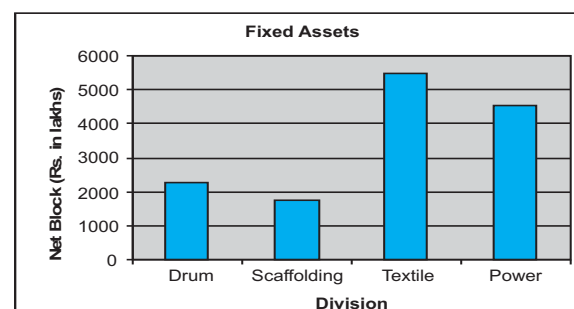
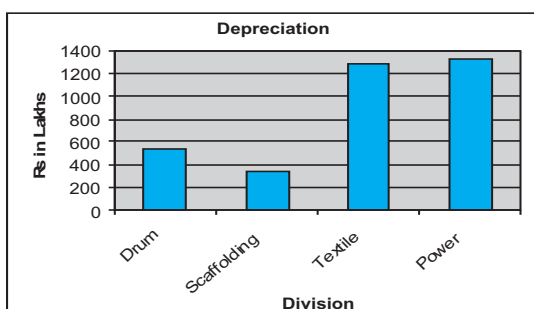
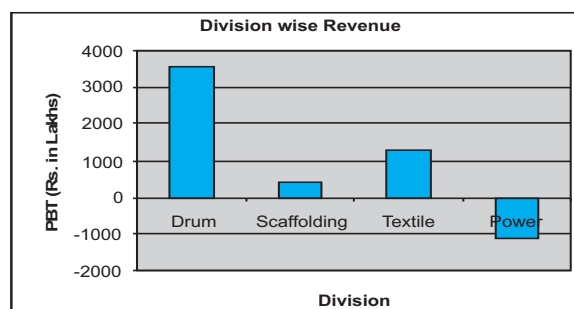
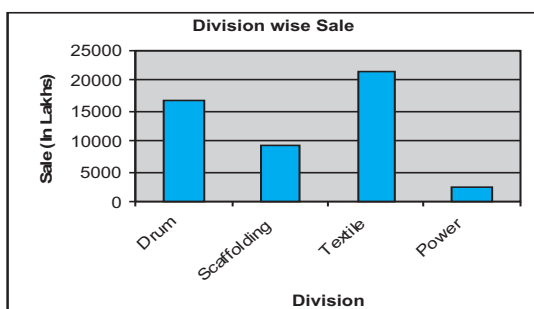


## Segment wise financial performance

The summarized segment-wise performance of the Company for the financial year 2010-2011 is as follows :

(₹. In Lakhs)

Business Segment	Drum Closures	Scaffolding	Yarn	Garment	Power	Total
<b>A. Segment Revenue</b>	16553.64	9285.97	18008.74	3442.71	2432.82	49723.88
<b>B. Segment Results (profit and loss before interest)</b>	4520.23	818.86	2784.30	49.66	198.08	8371.13
<b>Less: i) Interest</b>						617.32
<b>ii) Other unallocable expenditure net of unallocable income</b>						3094.18
<b>Total Profit before tax</b>						<b>4659.63</b>
<b>C. Capital Employed (Segment assets-Segment liabilities)</b>	4202.55	5167.37	10955.70	2215.55	4860.04	<b>27401.22</b>



## 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 2010-2011

(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 those 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 2010-2011, the Board of Directors met four times on the following dates:

10<sup>th</sup> May, 2010, 04<sup>th</sup> August, 2010, 21<sup>st</sup> October, 2010, and 04<sup>th</sup> February, 2011. 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 31<sup>st</sup> March, 2011 is tabulated hereunder

Name	Category	No. of Board Meeting attended during 2010-2011	Whether attended last AGM held on 16 <sup>th</sup> Sep. 2010	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	4/4	Yes	4	1(Chairman)
Mr. S.K.Saraf	Managing Director, Executive	4/4	No	4	1(Member)
Mr. S.M.Saraf	Managing Director, Executive	3/4	Yes	4	1(Member)
Mr.Atanu Choudhary	Whole Time Director	4/4	No	1	-
Mr. G.K.Gupta	Non-Executive-Independent	2/4	No	5	1(Member) 1(Chairman)
Mr. S.B.Agarwal	Non Executive-Independent	4/4	Yes	3	2(Chairman)
Mr. Pankaj Toprani	Non Executive – Independent	2/4	No	1	1(Member)
Mr. Anand Didwania	Non-Executive-Independent	3/4	No	2	2(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	May 10, 2010	8	7
2	August 04, 2010	8	7
3	October 21, 2010	8	5
4	February 04, 2011	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, CS, 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	Pankaj Toprani	G.K.Gupta	Anand Didwania
1	May 10, 2010	Attended	Attended	Leave of Absence	Attended
2	August 04, 2010	Attended	Leave of Absence	Attended	Attended
3	October 21, 2010	Attended	Leave of Absence	Leave of Absence	Attended
4	February 04, 2011	Attended	Attended	Attended	Leave of Absence

## 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 2010-2011 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 31<sup>st</sup> March, 2011.

### **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 15<sup>th</sup> May, 2010. Details of attendance by Directors for the Committee are as follows:

<b>Name of Director</b>	<b>Category</b>	<b>No of Meeting</b>	<b>Meeting Attended</b>
G.K.Gupta	Chairman	1	1
Sharad Kumar Saraf	Member	1	1
Sudarshan Kumar Saraf	Member	1	1

Investor grievance received and attended during the year 2010-2011 and pending as on 31.03.11

<b>Received</b>	<b>Attended</b>	<b>Pending</b>
<b>30</b>	<b>30</b>	<b>0</b>

### **COMMITTEE OF BOARD**

Committee of Board has been constituted on 31<sup>st</sup> October, 2007, to review day to day operations of the Company. The Committee currently constitutes Mr. S.K.Saraf, Mr. S.M. Saraf and Mr. M.D. Saraf and Mr. G.K.Gupta as its member.

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**

- 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.
- 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.
- 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 2010-2011.
- (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

<b>Date</b>	<b>Year</b>	<b>Type</b>	<b>Venue</b>	<b>Time</b>
16/09/2010	2009-10	Annual General Meeting	Technocraft House, A-25, Road No.3, MIDC, Marol Industrial Area, Andheri (E),Mumbai- 400 039	11:00 A.M
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

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/ half yearly and audited yearly results are announced within the time stipulated in the Listing Agreement with the Stock Exchanges. 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 annual audited result for the year ended on 31<sup>st</sup> March 2011 was approved on 03<sup>d</sup> August, 2011. 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](http://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 & 2010, if unclaimed within a period of seven years will be transferred to IEPF. Pursuant to section 205A(5) of the Companies Act, 1956 the unpaid dividends that are due for transfer to the investor Education and Protection Fund are as follow:-





Date of Declaration	For the year ended	Due for Transfer
07.09.2007	31.03.2007	13.10.2014
14.11.2008	31.03.2008	20.12.2015
30.09.2009	31.03.2009	06.11.2016
16.09.2010	31.03.2010	22.10.2017

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 2010-2011 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 2010	64.40	45.25	1476659	64.80	45.50	1004722
May 2010	62.00	47.25	274768	62.52	47.35	201848
June 2010	59.00	49.05	260262	60.00	48.20	157986
July 2010	71.95	56.40	1733054	72.10	56.15	960055
August 2010	77.00	65.00	833213	71.70	64.80	481111
September 2010	98.25	66.10	8411444	98.25	65.90	8274985
October 2010	93.75	81.15	1181864	94.00	81.95	926423
November 2010	89.00	68.25	677188	89.00	60.50	2116613
December 2010	77.00	64.00	243603	76.95	63.60	186180
January 2011	75.40	61.00	263424	75.70	62.00	526661
February 2011	71.25	51.10	141140	71.00	51.20	197558
March 2011	64.40	45.25	1476659	58.50	50.00	252868

#### **REGISTRAR & TRANSFER AGENT:-**

System Support Services  
209, Shivai Industrial Area  
Andheri Kurla Road, Andheri (E)  
Mumbai- 400072

Phone No. 022- 2850 0835  
Fax No. 022- 2850 1438  
Email: sysss72@yahoo.com

#### **SHARE TRANSFER SYSTEM**

Technocraft's investor services are handled by System Support Services. 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 31<sup>ST</sup> MARCH, 2011

Sr. No	Shares Range		No of Shares	% to Capital	No of Shareholders	% to Total no of Holders
	From	To				
1	1	500	1774080	5.63	15584	93.49
2	501	1000	446296	1.42	547	3.28
3	1001	2000	345327	1.10	226	1.36
4	2001	3000	196843	0.62	76	0.46
5	3001	4000	206485	0.65	58	0.35
6	4001	5000	263204	0.83	55	0.33
7	5001	10000	415595	1.32	56	0.34
8	10001	50000	813985	2.58	39	0.23
9	50001	99999999	27064935	85.85	28	0.17
	<b>Total</b>		<b>31526750</b>	<b>100</b>	<b>19267</b>	<b>93.49</b>

### SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH 2011

Category	No of Shares held	% of Holding
Promoters & Promoters Group	23636562	74.97
Bank, Financial Institutions & Insurance Companies	1012745	3.21
Private Corporate Bodies	2104353	6.68
Indian Public	4356110	13.82
NRI's/ OCBs	416980	1.32
<b>Total</b>	<b>3,15,26,750</b>	<b>100.00</b>

### SHAREHOLDING OF THE DIRECTORS AS ON 31<sup>ST</sup> MARCH, 2011

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	0.00
Anand Didwania	Independent Director	0.00
Pankaj Toprani	Independent Director	0.00

### SHAREHOLDERS EXCLUDING PROMOTERS HOLDING MORE THAN 1 % HOLDING AS ON 31<sup>ST</sup> MARCH, 2011

Name of the Shareholders	No of Shares	% of total shareholding
HDFC Trustee Company Limited	538745	1.70
INUIT US holding Inc.	385575	1.22
Dipti Vinod Kumar Saboo	336104	1.06
Finquest Securities Private Limited (Client A/c)	470000	1.49
Finquest Securities Private Limited	324000	1.02



## DISCLOSURE WITH RESPECTS TO SHARES LYING IN SUSPENSE ACCOUNTS

Particulars	Shareholders	No of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	17	1382
Number of shareholders who approached to the Company for transfer of shares from suspense account during the year.	Nil	Nil
Number of shareholders to whom shares were transferred from suspense account during the year	Nil	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account laying at the end of the year	<b>17</b>	<b>1382</b>

## 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](mailto:investor@technocraftgroup.com) or you may directly mail to [manoj.jain@technocraftgroup.com](mailto:manoj.jain@technocraftgroup.com)

## FINANCIAL CALENDAR:

Board Meeting for consideration of Accounts for the Financial year ended March, 2011 and recommendation of dividend	03 <sup>rd</sup> August 2011
Posting of Annual Report	30 <sup>th</sup> August 2011
Book Closure Date	24 <sup>th</sup> September to 30 <sup>th</sup> September 2011
Last date of receipts of proxy forms	28 <sup>th</sup> September 2011
Date, Time & Venue of the Annual General Meeting	30 <sup>th</sup> September, 2011 At 11.00 a.m. At Registered office of the Company
Dividend Payment Date	10 <sup>th</sup> October 2011
Probable date of dispatch of warrant	10 <sup>th</sup> October 2011
Board Meeting for consideration of unaudited quarterly result for the financial year ended March 2011.	Within forty-five days from the end of the quarter as stipulated under the Listing Agreement with the Stock Exchanges.

## 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

Email: [investor@technocraftgroup.com](mailto:investor@technocraftgroup.com)/[manoj.jain@technocraftgroup.com](mailto:manoj.jain@technocraftgroup.com)

## 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



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

<b>Particulars</b>	<b>Pankaj Toprani</b>	<b>M.D.Saraf</b>
Date of Birth	28.06.1955	05.11.1929
Date of Appointment	25.06.2009	28.10.1992
Qualification	CA, CS, LLB	Graduate
Expertise in specific functional area	Rich experience in Taxation matters and practicing as a Tax lawyer at High Court, Bombay	Vast experience in Accounts and Finance
Directorship held in other public companies (excluding foreign, private and section 25 companies)	Nil	<ul style="list-style-type: none"><li>• Ashrit Holdings Limited</li><li>• BMS Industries Limited</li><li>• Technosoft Information Technologies (India) Limited</li></ul>
No of Shares held in the Company	Nil	94759



## 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, 2011 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, are fraudulent, illegal or violate of 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.K.Saraf**  
(Managing Director)

Place: Mumbai  
Date: 03<sup>rd</sup> August, 2011



## **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 31<sup>st</sup> March, 2011.

**For Technocraft Industries (India) Limited**

Place: Mumbai  
Date: 03<sup>rd</sup> August, 2011

**Sd/-**  
**S.K.Saraf**  
Managing Director

## **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 31<sup>st</sup> March, 2011 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 complies 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 31<sup>st</sup> March, 2011 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: 03<sup>rd</sup> August, 2011





## AUDITORS' REPORT

### TO THE MEMBERS OF TECHNOCRAFT INDUSTRIES (INDIA) LIMITED

We have audited the attached Balance Sheet of TECHNCORRAFT INDUSTRIES (INDIA) LIMITED as at **31<sup>st</sup> March, 2011** 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 31<sup>st</sup> March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March, 2011 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(B) Regarding Valuation of finished goods, Note no.2 (E) Regarding Leave encashment Benefits,** read together with other Notes as per Schedule 20 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 31<sup>st</sup> March, 2011;
  - 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.**  
Chartered Accountants  
F.R.No.109963W

Place: Mumbai  
Dated:03.08.2011

(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, 2011 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.
- 1 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.
- 1 c During the year The Company has sold fixed assets amounting to ₹.225.13 Lacs in Yarn division however it does not affect the going concern of company.
- 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.
- 2 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.
- 2 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 5 parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount of Loan granted during the year was ₹.2771.37 Lakhs and the year ended balance of Loan given to such parties was ₹.849.03 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 We have been informed that the Company has its own Internal Audit department which conducts the internal audit of the company and in our opinion the same is 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, 2011, 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	75.44 lakh	Out of total demand of ₹.155.19 Lacs for A.Y.2002-03, ₹.79.75 Lacs Refund of A.Y.2006-2007 is adjusted against demand of A.Y.2002-03 & Balance outstanding is ₹.75.44 Lacs. Appeal pending with I.T.A.T.for disposal
	A.Y. 2002-2003		
	For A.Y. 2007-2008	63.80 Lakh	CIT (Appeals)

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 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.
- 14 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.
- 15 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.
- 16 According to information & explanations given to us, the company has used its funds properly according to the nature and purposes of the funds.
- 17 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.
- 18 The Company has not issued any Debentures during the year.
- 19 According to information and explanations given to us, the company has not raised any money by public issue during the year.
- 20 According to information and explanation given to us, no fraud on or by the Company has been noticed or reported during the period.
- 21 Other provision of the said order are either Nil or Not Applicable to the Company.

**For M.L. SHARMA & CO.**  
Chartered Accountants  
F.R.No.109963W

Place: Mumbai  
Dated:03.08.2011

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



## BALANCE SHEET AS AT 31ST MARCH 2011

PARTICULARS	SCHEDULE NO.	(₹. In Lakhs)	
		AS AT 31.03.2011	AS AT 31.03.2010
<b>I. SOURCES OF FUNDS</b>			
1. SHAREHOLDER'S FUND			
A. SHARE CAPITAL	1	3,152.68	3,152.68
B. RESERVES & SURPLUS	2	37,809.07	35,239.83
2. LOAN FUNDS	3		
A. SECURED LOANS		10,653.36	6,056.83
B. UNSECURED LOANS		5,000.00	7,000.00
<b>TOTAL</b>		<b>56,615.11</b>	<b>51,449.34</b>
<b>II. APPLICATION OF FUNDS</b>			
1. FIXED ASSETS	4		
A. GROSS BLOCK		35,678.85	28,078.56
B. LESS: DEPRECIATION		20,640.36	17,092.36
C. NET BLOCK		15,038.49	10,986.20
D. CAPITAL W.I.P. (INCLUDING PRE-OPERATIVE EXPENSES)		292.59	5,182.11
		15,331.08	16,168.31
2. INVESTMENTS	5	8,208.79	7,255.58
3. DEFERRED TAX ASSETS		282.14	227.01
4. CURRENT ASSETS, LOANS & ADVANCES			
A. INVENTORIES	6	14,416.12	8,567.61
B. SUNDRY DEBTORS	7	10,410.83	10,047.74
C. CASH & BANK BALANCES	8	6,237.55	5,394.12
D. LOANS & ADVANCES	9	15,028.52	15,988.69
		46,093.02	39,998.16
LESS:			
5. CURRENT LIABILITIES & PROVISIONS			
A. LIABILITIES	10	3,515.86	3,467.38
B. PROVISIONS	11	9,784.06	8,732.33
		13,299.92	12,199.71
NET CURRENT ASSETS		32,793.10	27,798.44
<b>TOTAL</b>		<b>56,615.11</b>	<b>51,449.34</b>
Notes forming part of Accounts	20		

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 :03.08.2011

**For & on Behalf of Board of Directors**

**S.K. SARAF**                      **S.M. SARAF**  
(MANAGING DIRECTOR)      (MANAGING DIRECTOR)

**MANOJ JAIN**  
(COMPANY SECRETARY)



## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

PARTICULARS	SCHEDULE NO.	(₹. In Lakhs)	
		YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
<b>A. INCOMES</b>			
SALES	12	45,665.97	37,939.74
OTHER OPERATIVE INCOME	13	3,234.45	2,891.85
INCREASE/(DECREASE) IN STOCK	14	3,032.76	(237.00)
<b>TOTAL</b>		<b>51,933.18</b>	<b>40,594.59</b>
<b>B. EXPENDITURES</b>			
TRADING PURCHASE		524.18	225.96
COST OF MATERIAL CONSUMED, MANUFACTURING AND OPERATING EXPENSES	15	35,304.84	27,491.15
SELLING AND OTHER ESTABLISHMENT EXPENSES	16	4,459.97	3,372.62
PAYMENT TO AND PROVISION TO EMPLOYEES	17	2,557.51	2,186.66
INTEREST AND FINANCE CHARGES	18	789.62	566.82
DEPRECIATION		3,515.50	2,151.62
AMORTISATION OF GOODWILL		121.92	121.92
PRELIMINARY EXP. W/OFF	19	-	3.24
<b>TOTAL</b>		<b>47,273.54</b>	<b>36,119.99</b>
<b>C. PROFIT/(LOSS) FOR THE YEAR</b>			
		<b>4,659.64</b>	<b>4,474.60</b>
LESS/(ADD) : PROVISION FOR TAX			
CURRENT TAX		1,256.74	1,654.37
DEFERRED TAX (NET)		168.28	(158.20)
<b>PROFIT AFTER TAX</b>		<b>3,234.62</b>	<b>2,978.43</b>
ADD : BALANCE BROUGHT FORWARD (REFER SCH.NO.2)		2,459.38	3,252.40
		5,694.00	6,230.83
ADD: EXCESS PROVISION OF EARLIER YEARS		109.09	12.11
ADD : REFUND OF TAX FOR AY1992-93		-	19.27
LESS : TAXATION OF EARLIER YEARS		-	49.52
<b>PROFIT AVAILABLE FOR APPROPRIATION</b>		<b>5,803.09</b>	<b>6,212.69</b>
LESS : APPROPRIATIONS			
LESS:PROPOSED DIVIDEND		315.27	472.90
LESS:PROV.FOR DIVIDEND DISTRIBUTION TAX		52.36	80.37
LESS:TRANSFERRED TO GENERAL RESERVES		80.00	3,200.00
<b>BALANCE CARRIED TO BALANCE SHEET</b>		<b>5,355.46</b>	<b>2,459.42</b>
<b>ADJUSTED EARNING PER SHARE -BASIC &amp; DILUTED</b>		<b>10.26</b>	<b>9.45</b>
( REFER NOTE NO.H)			
Notes forming part of Accounts	20		

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 :03.08.2011

**For & on Behalf of Board of Directors**

**S.K. SARAF**  
(MANAGING DIRECTOR)      **S.M. SARAF**  
(MANAGING DIRECTOR)

**MANOJ JAIN**  
(COMPANY SECRETARY)



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

	(₹. In Lakhs)	
	Year ended March 31, 2011	Year ended March 31, 2010
<b>A. Cash flow from operating activities:</b>		
Net (loss)/profit before tax but after exceptional / extraordinary items	4659.64	4474.60
<b>Adjustments for:</b>		
Depreciation	3515.50	2151.62
Amoratisation of Goodwill	121.92	121.92
Interest Expense	624.24	363.92
Interest Income	(544.16)	(317.09)
Dividend Received	(15.62)	(167.89)
Rent Received	(151.75)	(16.80)
(Profit)/Loss on Fixed Assets sold	(81.80)	(97.35)
(Profit) on sale of Investments	(479.30)	(213.48)
Loss on Sale of Investment	155.79	
Preliminary Expenditure written off	0.00	3.24
Gain on Exchange (Net)	187.71	8.92
<b>Operating profit before working capital changes</b>	<b>7992.16</b>	<b>6311.62</b>
<b>Adjustments for changes in working capital :</b>		
- (INCREASE)/DECREASE in Sundry Debtors	(336.46)	(1350.73)
- (INCREASE)/DECREASE in Other Receivables	541.89	(2569.49)
- (INCREASE)/DECREASE in Inventories	(5785.67)	(1817.07)
- INCREASE/(DECREASE) in Trade and Other Payables	(33.96)	770.73
<b>Cash generated from operations</b>	<b>2377.96</b>	<b>1345.07</b>
- Taxes (Paid) / Received	(1,639.29)	(211.61)
- Gain on Exchange (Net)	(187.71)	(8.92)
<b>Net cash from operating activities (A)</b>	<b>550.96</b>	<b>1124.54</b>
<b>B. Cash flow from Investing activities:</b>		
Purchase of fixed assets	(7,405.19)	(2061.72)
(Increase) / Decrease in Capital Work in Progress	4,889.52	(752.58)
Proceeds from Sale of fixed assets	87.03	108.42
Net realisation on Sale of Investments	10,316.38	11,265.11
Net additions to investments :		
in subsidiaries	(294.51)	(120.83)
in others	(10,826.56)	(10,447.21)
Repayment Of Loan By Subsidiary Company	1,417.65	-
Interest Received	521.75	358.10
Dividend Received	15.62	167.89
Business Service Income Received	151.75	16.80
<b>Net cash used in investing activities (B)</b>	<b>(1126.56)</b>	<b>(1466.02)</b>
<b>C. Cash flow from financing activities:</b>		
Term Loans from Bank	(631.06)	(891.85)
Net short term borrowings from Banks	3227.60	4260.78
Interest Paid	(624.24)	(363.92)
Dividend Paid	(472.90)	(157.63)
Tax on Dividend	(80.37)	(26.80)
Miscellaneous Expenditure	0.00	0.00
<b>Net cash used in financing activities ( C )</b>	<b>1419.03</b>	<b>2820.58</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	843.28	2479.10
<b>Cash and cash equivalents at the beginning of the year</b>	<b>5,394.13</b>	<b>2915.03</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>6,237.55</b>	<b>5,394.13</b>
<b>Cash and cash equivalents comprise</b>		
Cash on hand	4.04	5.13
Balance with Scheduled Banks	6233.51	5389.00
Balance as per Balance Sheet	<b>6237.55</b>	<b>5394.13</b>

### Notes to the Cash Flow Statement

- 1 The above Cash flow statement has been prepared under the indirect method set out in AS-3 issued by the ICAI.
- 2 Figures in brackets indicate cash outgo.
- 3 Previous period figures have been regrouped and recast wherever necessary to conform to the current classification.
- 4 Cash and cash equivalents includes ₹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 :03.08.2011

**For & on Behalf of Board of Directors**

**S.K. SARAF**                      **S.M. SARAF**  
(MANAGING DIRECTOR)      (MANAGING DIRECTOR)

**MANOJ JAIN**  
(COMPANY SECRETARY)



## SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011

PARTICULARS	(₹. In Lakhs)	
	AS AT 31.03.2011	AS AT 31.03.2010
<b>SCHEDULE - 1</b>		
<b>SHARE CAPITAL</b>		
AUTHORISED		
4,00,00,000 EQUITY SHARES OF RS.10/- EACH.	4,000.00	3,500.00
(PREVIOUS YEAR 3,50,00,000 EQUITY SHARES OF 10/- EACH)		
(REFER NOTE NO. M(v))	<b>4,000.00</b>	<b>3,500.00</b>
ISSUED,SUBSCRIBED & PAID-UP		
3,15,26,750 EQUITY SHARES OF RS.10/- EACH FULLY PAID UP	3,152.68	3,152.68
	<b>3,152.68</b>	<b>3,152.68</b>

### 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 RESERVES & 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

#### GENERAL RESERVES

BALANCE AS PER LAST BALANCE SHEET	25,000.00	21,800.00
ADD : TRANSFER FROM PROFIT & LOSS A/C	80.00	3,200.00
	<b>25,080.00</b>	<b>25,000.00</b>

#### CAPITAL RESERVE

BALANCE AS PER LAST BALANCE SHEET	20.00	20.00
ADD: CAPITAL RESERVE ON AMALGAMATION OF TECHNOCRAFT EXPORT	0.51	-
	<b>20.51</b>	<b>20.00</b>

#### SECURITIES PREMIUM

BALANCE AS PER LAST BALANCE SHEET	7,486.84	7,486.84
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## SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011

PARTICULARS	(₹. In Lakhs)	
	AS AT 31.03.2011	AS AT 31.03.2010
<b>SCHEDULE - 2</b>		
<b>RESERVES AND SURPLUS (Contd...)</b>		
<u>REVALUATION RESERVE</u>		
BALANCE AS PER LAST BALANCE SHEET	273.61	291.00
LESS : DEPRECIATION	16.24	17.39
	<b>257.37</b>	<b>273.61</b>
PROFIT & LOSS ACCOUNT		
BALANCE AS PER PROFIT & LOSS ACCOUNT	5,355.46	2,459.42
LESS: AMALGAMATION ADJUSTMENT OF MULOX	-	0.04
LESS: AMALGAMATION ADJUSTMENT OF TECHNOCRAFT EXPORT	614.52	-
ADD: DEFFERED TAX ON AMALGAMATION (REFER NOTE NO.M(II))	223.41	-
	<b>4,964.35</b>	<b>2,459.38</b>
	<b>37,809.07</b>	<b>35,239.83</b>
<b>SCHEDULE - 3</b>		
<b>LOAN FUNDS</b>		
<u>SECURED LOANS</u>		
TERM LOAN		
BANK OF INDIA	1,148.16	1,779.22
FROM BANKS		
1. BANK OF INDIA - OVERDRAFT ACCOUNT	707.53	221.78
2. BANK OF INDIA- CASH CREDIT ACCOUNT	235.60	-
3. BANK OF INDIA ( EXPORT PACKING CREDIT AGAINST L/CS CONFIRMED ORDERS)	3,733.38	233.30
4. CITI BANK PCFC ACCOUNT	1,004.04	1,488.73
5. CTI BANK OVERDRAFT A/C	-	2.06
6. HDFC PCFC A/C	1,221.86	411.83
8. IDBI OVERDRAFT A/C	251.60	62.01
9. BOI PCFC \$ A/C	1,056.46	526.82
10. SCB- PCFC A/C	1,294.73	-
11. IDBI LOAN A/C	-	1,331.08
	<b>10,653.37</b>	<b>6,056.83</b>
<u>UNSECURED LOANS</u>		
FROM BANKS		
ICICI TEMPORARY LOAN	-	5,000.00
HDFC TEMPORARY LOAN	5,000.00	2,000.00
	<b>5,000.00</b>	<b>7,000.00</b>

### 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/C's.CONFIRMED ORDERS FROM BANK OF INDIA, CITI BANK LTD, HDFC BANK LTD, 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.
5. EXPORT INVOICE FINANCING FROM SCB BANK LTD IS SECURED BY PARI PASSU FIRST CHARGE ON STOCK AND BOOK DEBTS AND MOVABLE FIXED ASSETS OF COMPANY (IN LINE WITH OTHER WORKING CAPITAL TO BE PERFECTED WITHIN 6 MONTHS FROM FIRST DATE OF DISBURSEMENT

**SCHEDULES FORMING PART OF ACCOUNTS**  
**SCHEDULE 4 - FIXED ASSETS**

(₹. 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 01.04.2010	Revaluation of assets as on 25/07/94	Adjustment due to Foreign Exc. Fluctuation	Addition Account of Merger	Addition during the period	Sale/ Transfer	As on 31.03.2011	Upto 01.04.2010	On revaluation	Accumulated Depreciation on Merger	On cost	Adjust- ment	Upto 31.03.2011	As on 31.03.2011	As on 31.03.2010
<b>A. GOODWILL</b>	609.62	-	-	-	-	-	609.62	234.08	-	-	121.92	-	356.01	253.61	375.53
	609.62	-	-	-	-	-	609.62	234.08	-	-	121.92	-	356.01	253.61	375.53
<b>B. LAND AND BUILDING</b>	-	-	-	11.18	-	-	11.18	-	11.18	-	-	-	11.18	-	-
1. Leasehold Improvement	254.41	-	-	-	30.91	-	285.32	-	-	-	-	-	11.18	285.32	254.41
2. Land	54.41	-	-	-	-	-	261.41	-	-	-	-	-	-	261.41	-
3. Leasehold Land	5,810.02	207.00	-	-	708.51	-	6,916.13	2,314.19	2.84	0.66	-	59.02	4,156.06	2,058.89	3,893.43
4. Factory Building	1.61	227.83	-	-	-	-	229.44	126.58	5.12	0.02	-	131.72	97.72	102.86	
5. Office Premises	71.13	-	-	-	-	-	71.13	29.30	-	2.09	-	31.39	39.74	41.83	
6. Worker's Quarters	353.87	20.06	-	-	-	-	373.94	114.32	0.45	12.53	-	127.30	246.64	259.62	
7. Staff Quarters	0.01	4.99	-	-	-	-	5.00	2.76	0.11	0.00	-	2.87	2.13	2.24	
8. Car Parking Space	8.94	-	-	-	0.97	-	9.91	3.69	-	0.30	-	3.99	5.92	5.25	
9. Tube-Well	-	-	-	337.81	-	-	337.81	-	69.02	13.44	-	82.46	255.35	268.79	
10. Shop At Bandra	<b>6,554.40</b>	<b>857.49</b>	-	<b>348.99</b>	<b>740.40</b>	-	<b>8,501.27</b>	<b>2,646.36</b>	<b>16.24</b>	<b>467.22</b>	-	<b>3,210.01</b>	<b>5,291.26</b>	<b>5,034.32</b>	
<b>C. PLANT &amp; MACHINERY</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Plant & Machinery & Pollution equip.	17,626.39	217.64	-	-	6,293.40	233.13	23,904.30	12,568.98	-	-	2,875.45	220.07	15,224.36	8,679.92	5,296.46
2. Electrical Installation	589.50	-	-	1.02	308.25	-	898.76	339.34	-	0.50	74.53	-	414.36	484.40	230.16
3. Computers	151.31	-	-	12.48	6.12	-	169.91	126.55	-	11.09	11.49	-	149.14	20.77	26.14
4. Air Conditioner & Office Equipments	92.51	-	-	4.95	17.60	-	115.06	54.72	-	2.28	7.27	-	64.27	50.78	40.46
5. Motor Car & Vehicles	166.61	-	-	12.67	0.72	0.72	178.56	100.01	-	-	19.55	0.08	119.48	59.08	66.61
6. Weighing Scale	7.73	-	-	0.25	1.13	-	9.11	4.54	-	0.12	0.55	-	5.21	3.89	2.43
7. Forklift	69.43	-	-	7.70	1.45	-	75.67	60.36	-	3.55	-	-	63.92	11.76	9.07
8. Generator	939.07	-	-	-	7.70	-	939.07	832.20	-	29.73	-	-	861.93	77.14	106.87
9. Weighing Bridge	22.88	-	-	-	1.98	-	24.86	3.39	-	3.00	-	-	6.40	18.47	19.48
10. JCB (Crane)	19,665.43	217.64	-	18.70	6,669.84	235.31	26,336.30	14,090.09	-	13.99	3028.45	220.15	16,912.38	9,423.91	5,797.68
<b>D. FURNITURE &amp; FIXTURES</b>	135.16	-	-	35.60	21.60	-	192.37	90.01	-	19.82	13.49	-	123.32	69.05	60.93
	135.16	-	-	35.60	21.60	-	192.37	90.01	-	19.82	13.49	-	123.32	69.05	60.93
<b>E . INTANGIBLE ASSETS</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Navision Software	19.85	-	-	-	-	-	19.85	19.85	-	-	-	-	19.85	0.00	0.00
2. Computer Software	18.98	-	-	-	-	-	18.98	11.96	-	6.34	-	-	18.30	0.68	7.02
3. Trade Mark	38.83	-	-	0.49	-	-	39.32	31.81	0.49	0.49	-	-	0.49	0.00	0.00
	38.83	-	-	0.49	-	-	39.32	31.81	0.49	0.49	-	-	38.64	0.68	7.02
<b>TOTAL</b>	27,003.44	1,075.12	-	403.78	7,431.84	235.31	35,678.87	17,092.36	16.24	114.50	3637.42	220.15	20,640.36	15,038.49	11,275.49
<b>Previous Year</b>	25,639.80	1,075.12	-	567.26	1,494.28	294.11	28,482.34	15,179.77	17.39	-	2,292.74	283.04	17,206.86	11,275.49	11,535.07
<b>Capital Work in Progress</b>	4,974.98	-	-	-	1,046.50	5,728.88	292.59	-	-	-	-	-	-	292.59	4975.14
<b>PREOPERATIVE EXPENSES</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-





## SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011

(₹. In Lakhs)

PARTICULARS	AS AT 31.03.2011	AS AT 31.03.2010
<b>SCHEDULE - 5</b>		
<b>INVESTMENTS : - (AT COST)</b>		
<b>LONG TERM INVESTMENT</b>		
<b>1. TRADE</b>		
UNQUOTED OTHERS		
(a) 30 SHARES OF ₹. 50/- EACH OF MITTAL COURT PREMISES CO-OP. SOCIETY LTD. FULLY PAID UP	0.02	0.02
(b) 15 SHARES OF ₹. 50/- EACH OF UDIT MITTAL COURT INDUSTRIAL PREMISES CO-OP.SOCIETY LTD.	0.01	0.01
(c) 10 SHARES OF ₹. 50/- EACH OF GODREJ FLAT	0.01	0.01
<b>2. OTHER THAN TRADE</b>		
UNQUOTED		
A. IN SUBSIDIARY COMPANIES FULLY PAID UP		
(a) TECHNOCRAFT INTERNATIONAL LTD (500002 ORDINARY SHARES OF 1 POUND EACH)	381.77	381.77
(b) TECHNOSOFT INFORMATION TECHNOLOGIES (I) LTD (483263 SHARES OF ₹. 10/- EACH)	70.39	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. (NIL, P.Y.1749999 EQUITY SHARES OF ₹. 10/-EACH) <b>( Refer Note M(III)</b>		174.49
(f) TECHNOCRAFT AUSTRALIA PVT. LTD. (2,180,54 SHARES OF AUS \$ 1 EACH)(PY-2 SHARES)	93.47	0.00
(g) ANHUI RELIABLE STEEL TEC. CHINA	873.94	761.31
(h) TECHNOCRAFT TABLA FORMWORKS SYS. PVT. LTD. (649995 SHARES OF RS.10/- EACH)	65.00	-
B. IN DEBENTURE		
(a) CITI FIN.CON.S.FIN.I.LTD.NCD-443 (600 DEBENTURE OF ₹. 100000/- EACH,P.Y.600 DEBENTURE	600.00	600.00
(b) BENCHMARK AMC PMS A/C BOP SERIES 91 (200 DEBENTURE OF ₹. 100000/- EACH,P.Y.NIL	203.00	-
(c) BENCHMARK DEBT PORTFOLIO - STRUCUTURED (200 DEBENTURE OF ₹. 100000/- EACH,P.Y.NIL	202.50	-
<b>CURRENT INVESTMENT</b>		
A. INVESTMENT IN MUTUAL FUND		
QUOTED, NON TRADE & FULLY PAID UP		
(a) HDFC EQUITY FUND (1,42,187.142 UNITS OF ₹. 246.1545/-EACH, P.Y.1,11,230.99 Units)	350.00	200.00
(b) RELIANCE LONG TERM EQUITY FUND (NIL, P.Y.30,00,000 Units)	-	300.00
(c) HDFC GROWTH FUND (NIL, P.Y.5,02,487.312 Units)	-	200.00
(d) PRU ICICI FUSION FUND SER II (NIL, P.Y.20,00,000 Units)	-	200.00
(e) ICICI PRUD. INDO ASIA EQ FUND (NIL, P.Y.50,00,000 Units)	-	500.00



## SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011

PARTICULARS	(₹. In Lakhs)	
	AS AT 31.03.2011	AS AT 31.03.2010
(f) H.D.F.C TOP 200 (1,46,605.373 UNITS of ₹. 204.63/-EACH P.Y.9,89,374.122 Units)	300.00	500.00
(g) FRANKLIN ASIAN EQUITY FUND (NIL, P.Y.24,44,987.772 Units)	-	250.00
(h) KOTAK INDO WORLD INFRA FUND (NIL, P.Y.25,00,000 Units)	-	250.00
(i) HDFC INFRASTRUCTURE FUND (NIL, P.Y.25,00,000 Units)	-	250.00
(j) HDFC LIQUID FUND (NIL, P.Y.6,58,035.44 Units)	-	120.00
(k) HDFC FIXED MATURITY PLAN 13M(2)-SERIES - XII (100,00,000 UNITS OF ₹. 10/-EACH, P.Y. 100,00,000 Units)	1,000.00	1,000.00
(l) HDFC MF MONTHLY INCOME PLAN A/C LTP (2092317.9680 UNITS OF ₹. 21.50/-EACH, P.Y.4,82,588.22 Units)	450.00	100.00
(m) HDFC PRUDENCE FUND (4,62,781.068 UNITS OF ₹. 194.47/-EACH, P.Y.57,417.81 Units)	900.00	100.00
(n) ICICI PRUDENTIAL LONG TERM PLAN (14,97,334.74 UNITS OF ₹. 10/-EACH, P.Y.14,97,334.74 Units)	150.00	150.00
(o) ICICI PRUDENTIAL FMP SERIES -51 (15,00,000 UNITS OF ₹. 10/-EACH, P.Y.15,00,000 Units)	150.00	150.00
(p) BENCHMARK S & P CNX 500 FUND (11,40,003.876 UNITS OF RS.17.54/- EACH, P.Y.NIL)	200.00	-
(q) HDFC GOLD EXCHANGE TRADED FUND (37772 UNITS OF ₹. 3858.62/- EACH, P.Y.NIL)	705.82	-
(r) RELIANCE BANKING FUND (81,665.453 UNITS OF ₹. 91.83/- EACH, P.Y.NIL)	75.00	-
(s) SUNDARAM BNP PARIBAS MONTHLY INCOME (NIL, P.Y.40,03,303.45 Units)	-	500.00
(t) TEMPLETON INDIA INCOME OPP.FUND (38,85,296.02 UNITS OF ₹..10.55/- EACH, P.Y.NIL)	410.00	-
(u) TEMPLETON INDIA SHORT TERM INCOME PLAN (9,035.04 UNITS OF ₹.1881.56/- EACH, P.Y.NIL)	170.00	-
(v) SUNDARAM FINANCIAL SERVICES OPP. FUND (16,97,759.927 UNITS OF ₹.20.61/- EACH, P.Y. NIL)	350.00	-
<b>B. INVESTMENT IN SHARES</b>		
(a) TATA STEEL LIMITED (NIL, P.Y. 70 SHARES)	-	0.30
(b) RELIANCE POWER LTD. - SHARES (NIL, P.Y.1113 SHARES)	-	3.13
(c) NHPC LTD-SHARES (NIL, P.Y.25571 SHARES)	-	9.21
	<b>8,208.79</b>	<b>7,255.58</b>
AGGREGATE AMOUNT OF UNQUOTED INVESTMENT	2,997.97	1,872.94
AGGREGATE AMOUNT OF QUOTED INVESTMENT	5,210.82	4,782.64
MARKET VALUE OF QUOTED INVESTMENT	5,631.09	4,814.09



## SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011

PARTICULARS	(₹. In Lakhs)	
	AS AT 31.03.2011	AS AT 31.03.2010
<b>SCHEDULE - 6</b>		
<b>INVENTORIES</b>		
(AS TAKEN, VALUED AND CERTIFIED BY MANAGEMENT)		
FINISHED GOODS	4,092.75	889.31
RAW MATERIAL	8,942.92	6,586.00
SCRAP	144.67	397.71
STORES & SPARES	658.57	58.87
PACKING MATERIALS	140.80	418.08
FUEL & OIL	84.24	121.85
INVENTORIES WIP	352.17	95.79
	<b>14,416.12</b>	<b>8,567.61</b>
<b>SCHEDULE - 7</b>		
<b>SUNDRY DEBTORS</b>		
(UN-SECURED CONSIDERED GOOD BY THE MANAGEMENT )		
DEBTS OUTSTANDING FOR MORE THAN SIX MONTHS	1,488.47	369.12
OTHER DEBTS	8,922.36	9,678.62
	<b>10,410.83</b>	<b>10,047.74</b>
<b>SCHEDULE - 8</b>		
<b>CASH AND BANK BALANCES</b>		
1. CASH IN HAND	4.04	5.13
2. BANK BALANCES		
A. IN CURRENT ACCOUNTS	15.47	172.07
B. IN UNCLAIMED DIVIDEND ACCOUNTS	3.87	2.80
C. IN FIXED DEPOSIT ACCOUNTS	6,214.17	5,214.12
	<b>6,237.55</b>	<b>5,394.12</b>
<b>SCHEDULE - 9</b>		
<b>LOANS AND ADVANCES</b>		
(UN-SECURED CONSIDERED GOOD BY THE MANAGEMENT)		
1. ADVANCES TO SUBSIDIARY COMPANIES (Refer Note F(I))	733.44	1,674.37
2. ADVANCES TO OTHER COMPANIES (REFER NOTE NO. F(I))	115.59	1,416.88
3. ADVANCES RECOVERABLE IN CASH OR KIND FOR VALUE TO BE RECEIVED	1,050.66	654.42
4. DEPOSITS WITH GOVERNMENT DEPARTMENTS	178.74	175.39
5. BALANCES WITH CENTRAL EXCISE DEPT.	1,235.84	3,545.10
6. BALANCES WITH SALES TAX DEPT.	1,326.23	-
7. OTHER DEPOSITS	34.45	13.12
8. ADVANCE TAX	10,266.30	8,465.85
9. PREPAID EXPENSES	48.66	43.56
10. PREPAID GRATUITY (REFER NOTE NO.E)	38.61	
	<b>15,028.52</b>	<b>15,988.69</b>



## SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011

PARTICULARS	(₹. In Lakhs)	
	AS AT 31.03.2011	AS AT 31.03.2010
<b>SCHEDULE - 10</b>		
<b>CURRENT LIABILITIES</b>		
1. SUNDRY CREDITORS FOR GOODS (OTHER THAN MICRO, SMALL & MEDIUM ENTERPRISES)	1,916.36	2,483.43
2. SUNDRY CREDITORS FOR EXPENSES (OTHER THAN MICRO, SMALL & MEDIUM ENTERPRISES)	1,110.53	373.95
3. ADVANCES FROM CUSTOMERS	237.97	392.85
4. OTHER LIABILITIES INCLUDING SUNDRY DEPOSITS	89.58	67.06
5. BANK OF INDIA (TEMPORARY OVERDRAWN)	-	40.82
6. STATE BANK OF INDIA (TEMPORARY OVERDRAWN)	151.36	105.17
7. CITI BANK (TEMPORARY OVERDRAWN)	3.61	-
8. UNCLAIMED DIVIDEND	3.87	2.92
9. OTHER DEPOSITS	2.58	1.18
	<b>3,515.86</b>	<b>3,467.38</b>
<b>SCHEDULE - 11</b>		
<b>PROVISIONS</b>		
PROVISION FOR TAXATION	9,298.13	8,041.39
PROVISION FOR LEAVE SALARY	118.30	112.63
PROVISION FOR GRATUITY	-	25.04
PROPOSED DIVIDEND	315.27	472.90
PROVISION FOR DIVIDEND DISTRIBUTION TAX	52.36	80.37
	<b>9,784.06</b>	<b>8,732.33</b>
<b>SCHEDULE - 12</b>		
<b>SALES</b>		
SALES	45,665.97	37,939.74
	<b>45,665.97</b>	<b>37,939.74</b>
<b>SCHEDULE - 13</b>		
<b>OTHER INCOMES</b>		
OTHER BUSINESS INCOMES	356.06	302.64
CENVAT CREDIT	-	183.77
DEPB LICENCE SALE	1,149.60	1,343.95
C.S.T. REFUND RECEIVED	4.29	53.87
INTEREST INCOME	544.16	312.98
(GROSS, INCLUSIVE OF TAX DEDUCTED AT SOURCE OF ₹.54.32 LAKHS, PREVIOUS YEAR ₹.43.15 LAKHS)		
DIVIDEND RECEIVED (ON LONG TERM INVESTMENT-OTHERS)	15.62	167.89
INSURANCE CLAIM RECEIVED	1.81	-
RENT INCOME	151.75	16.80
(INCLUSIVE OF TAX DEDUCTED AT SOURCE OF OF ₹.13.87 LAKHS, PREVIOUS YEAR ₹.3.86 LAKHS )		
GRATUITY WRITTEN OFF	25.04	89.47
LONG TERM CAPITAL GAIN	366.89	201.75
SHORT TERM CAPITAL GAIN	112.40	11.73
PROFIT ON SALE OF ASSET	81.98	97.38
PROFIT ON SALE OF VEHICLE	0.17	0.03
SUNDRY CREDITORS WRITTEN OFF	82.44	32.02
RENT FROM STAFF	0.53	0.39
PROVISION FOR LEAVE SALARY WRITTEN BACK	99.21	86.10
DIFF. IN FOREIGN CURRENCY	187.71	(45.45)
DIFF. IN FOREIGN CURRENCY - BOI LOAN	(1.31)	36.53
BANK GUARANTEE CHARGES RECD AGAINST SUIT	21.40	
ENGINEERING & DESIGN CHARGES RECD	34.70	-
(INCLUSIVE OF TAX DEDUCTED AT SOURCE OF OF ₹. 3.05 LAKHS, PREVIOUS YEAR ₹. Nil )		
	<b>3,234.45</b>	<b>2,891.85</b>



## SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011

PARTICULARS	(₹. In Lakhs)	
	AS AT 31.03.2011	AS AT 31.03.2010
<b>SCHEDULE - 14</b>		
<b>INCREASE/(DECREASE) IN STOCKS (INCL.UNITS)</b>		
<u>CLOSING STOCKS</u>		
FINISHED GOODS	3,696.37	889.31
SCRAP / WASTE	144.67	58.87
SEMIFINISHED GOODS	396.38	193.63
	<u>4,237.42</u>	<u>1,141.81</u>
LESS :		
<u>OPENING STOCKS</u>		
FINISHED GOODS	952.16	1,291.32
SCRAP / WASTE	58.87	39.53
SEMIFINISHED GOODS	193.63	47.96
	<u>1,204.66</u>	<u>1,378.82</u>
	<b><u>3,032.76</u></b>	<b><u>(237.00)</u></b>

## **SCHEDULE - 15**

### **COST OF MATERIAL CONSUMED, MANUFACTURING AND OPERATING EXPENSES**

#### A. RAW MATERIAL CONSUMED

OPENING STOCK OF RAW MATERIAL ( NET OF VAT)	6,803.52	4,702.43
ADD : PURCHASES	29,355.67	21,798.67
	36,159.19	26,501.10
LESS : CLOSING STOCKS	9,295.09	6,790.08
	<u>26,864.10</u>	<u>19,711.02</u>

B. STORES/SPARES & OTHER COMPONENTS CONSUMED 2,445.11 1,882.29

C. FUEL & OIL CONSUMED 822.89 1,173.56

D. PACKING MATERIAL CONSUMED 826.91 595.66

E. POWER & FUEL 1,228.51 1,827.00

#### F. OTHER MANUFACTURING EXPENSES

JOB WORK	1,559.91	1,439.35
LABOUR CHARGES	543.41	192.55
WATER CHARGES	60.85	41.47
POWER PLANT OPERATION & MAINT. CHARGES	69.95	-
OTHER MANUFACTURING EXPENSES	883.20	628.25
	<u>3,117.32</u>	<u>2,301.62</u>

**TOTAL OF A TO F**

**35,304.84**

**27,491.15**





## SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011

(₹. In Lakhs)

PARTICULARS	AS AT	AS AT
	31.03.2011	31.03.2010
<b>SCHEDULE - 16</b>		
<b>SELLING AND OTHER ESTABLISHMENT EXPENSES</b>		
A. SELLING & DISTRIBUTION EXPENSES		
FREIGHT, FORWARDING & OCTROI etc.	2,164.60	1,824.05
BAD DEBTS	-	0.19
DISCOUNT & REBATE	-	0.01
COMMISSION/BROKERAGE	35.65	34.03
SER.TAX EXPENSES ON GTA	1.32	3.34
SALES PROMOTION	83.41	89.99
QUALITY CLAIM	3.30	16.50
ART WORK & POSITIVES	0.48	0.40
WAREHOUSE & HANDLING CHARGES	64.13	34.96
	<b>2,352.90</b>	<b>2,003.47</b>
B. ESTABLISHMENT & OTHER EXPENSES		
TRAVELLING & CONVEYANCE EXPENSES	151.40	112.35
VEHICLE EXPENSES	115.60	94.97
INSURANCE (GENERAL)	28.43	15.55
LEGAL & PROFESSIONAL EXPENSES	117.81	79.49
RENT, RATES & TAXES	66.54	43.57
ENGINEERING & DESIGN CHARGES	55.29	39.69
TRAINING & DEVELOPMENT EXPENSES	9.84	9.76
PORTFOLIO MANAGEMENT SERVICES FEES	3.16	-
SALES TAX PAID	4.07	-
STAMP DUTY EXPENSES	3.82	14.03
DIRECTOR FEES	2.60	3.70
AMALGAMATION EXPENSES	-	2.63
SECURITIES TRANSACTION TAX	7.96	0.57
WATER CHARGES	0.32	0.25
ELECTRICITY CHARGES	17.66	15.45
PRINTING & STATIONERY	28.17	25.18
POSTAGE, TELEGRAMS & TELEPHONE EXP.	76.33	71.10
MISCELLANEOUS EXPENSES	11.10	39.96
LOSS OF ASSET BY FIRE	-	4.64
DONATION	28.00	50.00
SOFTWARE PROGRAM CHARGES PAID	1.58	-
ADVERTISEMENT	2.01	-
SUNDRY BALANCE WRITTEN OFF	0.88	8.00
CONVEYANCE REIMBURSEMENT	-	2.54
	<b>732.57</b>	<b>633.43</b>
C. DIRECTOR REMUNERATION (REFER NOTE NO. G)	292.80	101.93
D. PAYMENT TO AUDITORS		
FOR AUDIT FEES	4.00	3.50
FOR TAX AUDIT FEES	1.00	0.50
FOR EXPENSES	0.14	0.12
FOR CERTIFICATE CHARGES	0.10	0.16
	<b>5.24</b>	<b>4.28</b>



## SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011

PARTICULARS	(₹. In Lakhs)	
	AS AT 31.03.2011	AS AT 31.03.2010
E. REPAIRS & MAINTENANCE		
BUILDING REPAIRS	150.51	132.74
MACHINE REPAIRS	184.91	54.69
OTHER REPAIRS	585.26	442.08
	920.68	629.51
F. LOSS ON SALE OF INVESTMENT	155.79	-
<b>TOTAL OF A TO F</b>	<b>4,459.97</b>	<b>3,372.62</b>

### SCHEDULE - 17 PAYMENT TO AND PROVISION FOR EMPLOYEES

SALARIES, WAGES, BONUS ETC.	2,301.06	1,976.45
CONTRIBUTION TO P.F., ESIC ETC.	136.03	121.74
GRATUITY	49.30	40.19
STAFF WELFARE EXPENSES	71.12	48.28
	<b>2,557.51</b>	<b>2,186.66</b>

### SCHEDULE - 18 FINANCE & INTEREST CHARGES

A. FINANCIAL CHARGES		
BANK CHARGES	74.06	86.24
BANK GUARANTEE CHARGES	14.12	18.49
BANK PROCESSING CHARGES	14.96	18.45
STATUS REPORT CHARGES	0.10	4.35
L/C CHARGES	62.14	73.31
	165.38	200.84
B. INTEREST PAID		
INTEREST TO OTHERS	0.90	4.01
INTEREST ON SERVICE TAX	-	2.15
INTEREST ON CEN EXC DUTY REVERSAL	-	-
INTEREST TO BANK	623.35	359.82
	624.24	365.98
<b>TOTAL (A+B)</b>	<b>789.62</b>	<b>566.82</b>

### SCHEDULE - 19 PRELIMINARY EXPENSES WRITTEN OFF

PRELIMINARY EXPENSES WRITTEN OFF	-	3.24
	-	<b>3.24</b>



## **SCHEDULE 20**

### **NOTES TO THE ACCOUNTS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011 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(B), 2(E) (i) 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 are valued at cost or net realizable value, whichever is lower.
- Cost comprises 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 realization. At each Balance sheet date, the carrying amount of deferred tax assets is 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

(₹ in Lacs)

SR	Contingent Liabilities and Commitments not provided For	For the Year Ended 31.03.2011 (₹)	For the Year Ended 31.03.2010 (₹.)
I.	Bank Guarantees aggregating to Euro 17,50,000 and USD 11,00,000 to Banks on behalf of subsidiary Company in Poland.	₹. 1552.84	₹. 1552.84
II.	Bank Guarantee aggregating to USD 5,00,000 to Banks on behalf of Fellow Subsidiary Company, Impact Engineering Pvt. Ltd.	₹. 224.47	₹. 224.47
III.	Income Tax and Interest Demands For the A.Y.2002 -2003 A.Y.2005 -2006	₹.75.44/- ₹.63.80	₹.155.19 NIL

**B.** 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.

**C.** 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.



- D.** The Company is entitled to receive Subsidy refund of Interest as per the Technology up gradation Fund Scheme of the Government of India, Ministry of Textile and accordingly entitled to receive ₹ 73.18 lakhs which are credited to Profit & Loss account under "Other Income".

**E. 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 reversed gratuity liability(net) of ₹ 63,64,843/-.

**Net asset / (liability) recognized in the Balance Sheet (Amount in ₹.)**

SR	Funded Status	31.03.2011	31.03.2010
a)	Present Value of Defined Benefit Obligation	2,23,01,222	2,91,93,146
b)	Fair Value of Plan Assets	2,61,61,950	2,66,89,031
c)	Net Asset/(Liability) Recognized in Balance Sheet	38,60,728	(25,04,115)

**Total Expenses recognized in the statement of Profit & Loss for year ended on (Amount in ₹.)**

SR	Components Of Employer Expenses	31.03.2011	31.03.2010
a)	Current Service Cost	26,81,330	32,15,527
b)	Interest Cost	22,48,877	20,36,061
c)	Expected return on plan asset	(23,04,600)	(12,32,800)
d)	Acturial Losses/(Gains)	(89,90,450)	(45,50,622)
e)	Total Expenses recognized in Statement of Profit & Loss account.	(63,64,843)	40,18,788

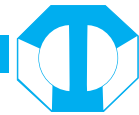
**Reconciliation of Defined Benefit Obligation and fair Value of Assets for the year ending on (Amount in ₹.)**

A	Change in Defined Benefit Obligation	31.03.2011	31.03.2010
a)	Present Value of DBO at beginning of the year	2,91,93,146	3,04,93,342
b)	Current Service Cost	26,81,330	32,15,527
c)	Interest Cost	22,48,877	20,36,061
d)	Actual (Gains)/losses	(96,57,774)	(50,30,979)
e)	Benefits Paid	(21,64,357)	(15,20,805)
f)	Present Value of DBO at the end of year	2,23,01,222	2,91,93,146
B	Change in Fair Value of Assets	31.03.2011	31.03.2010
a)	Plan assets At the Beginning of year	2,66,89,031	2,30,61,347
b)	Expected Return on plan assets	23,04,600	12,32,800
c)	Actual Company contributions	-	-
d)	Actual Gains/(losses) on plan assets	(6,67,324)	39,15,689
e)	Benefits paid	(21,64,357)	(15,20,805)
f)	Plan assets at the end of year	2,61,61,950	2,66,89,031

**Principal Actuarial Assumptions at the Balance Sheet date**

(Amount in ₹.)

Discount Rate	8.30%	8.00%
Rate Of increase salaries	4.00%	4.00%
Expected Average remaining working lives of employees (years)	21.05	21.76



**F. (i) Loans and advances in the nature of Loans given to Subsidiaries and Associates**

(₹ in Lacs)

SR	Name of the Company	Subsidiary/ Associate/ Fellow Subsidiary	Balance As at 31.03.2011	Maximum Balance Outstanding during the Year 2010-11	Balance As at 31.03.2010	Maximum Balance Outstanding during the Year 2009-10
1	Technosoft Information Technologies (I) Ltd	Subsidiary	282.61	430.98	386.63	485.47
2	Technocraft Exports Private Limited	Subsidiary	NIL	NIL	824.57	1018.22
3	Technocraft International Ltd.U.K	Subsidiary	NIL	NIL	NIL	371.17
4	Technocraft (Hungary) Kft	Subsidiary	NIL	NIL	0.19	0.56
5	Anhui Reliable Steel Tech China- Loan	Subsidiary	450.82	460.47	460.48	461.32
6	Impact Engineering Inc.	Fellow Subsidiary	NIL	43.74	43.74	43.74
7	BMS Industries Ltd	Associate	NIL	109.68	NIL	10.10
8	Ashrit Holdings Ltd.	Associate	115.59	1726.50	1416.88	1695.75
9	Technocraft Global Holdings Ltd.	Associate	NIL	NIL	NIL	603.46

**F (ii) Debtors include debts due from the following subsidiaries**

(₹ In Lacs)

SR	Name of the Company	Subsidiary/ Associate/ Fellow Subsidiary	Balance As at 31.03.2011	Maximum Balance Outstanding during the Year 2010-11	Balance As at 31.03.2010	Maximum Balance Outstanding during the Year 2009-10
1	Technocraft International Ltd.U.K	Subsidiary	1.54	158.57	293.81	721.03
2	Technocraft Trading Spolka z.o.o.,Poland	Subsidiary	18.64	51.56	74.95	1117.07
3	Technocraft (Hungary) Kft	Subsidiary	NIL	55.20	55.20	88.88
4	Technocraft Australia Pvt Ltd.	Subsidiary	1.73	166.28	166.28	529.47
5	Technocraft Exports Pvt. Ltd.	Subsidiary	NIL	NIL	NIL	33.76
6	Ashrit Holdings Ltd.	Associate	NIL	78.39	NIL	55.20
7	Impact Engineering Inc.	Fellow Subsidiary	11.10	18.95	18.95	19.63
8	BMS Industries Ltd.	Associate	28.52	106.00	NIL	4.10
9	Anhui Reliable Steel Technology	Subsidiary	115.81	117.20	NIL	NIL
10	Technocraft Tabla Formwork System	Subsidiary	4.06	72.76	NIL	NIL
11	Tabla Construction System (Advance	Co-Venture	23.28	33.59	NIL	NIL





## G. I. MANAGERIAL REMUNERATION

(₹ in Lacs)

Sr.No	Particulars	For the Year Ended 31.03.2011 (₹)	For the Year Ended 31.03.2010 (₹)
(a)	Directors Remuneration		
	Basic salary	96.00	50.03
	House rent allowance	57.60	28.90
	Bonus	19.20	9.76
	Leave salary	8.00	4.19
	Leave travel & other allowance	16.00	9.05
(b)	Directors commission	96.00	Nil
	<b>Total</b>	<b>292.80</b>	<b>101.93</b>

II The Remuneration of present managing Director namely Shri S K Saraf and S M Saraf has been revised by Board of Director in their meeting held on 22<sup>nd</sup> October, 2010. The same is subject to approval by Shareholders in the forthcoming Annual General Meeting of the Company

III. 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

(₹ in Lacs)

Particulars	For the Year Ended 31.03.2011 (₹)	For the Year Ended 31.03.2010 (₹)
Profit Before Tax as per Profit and Loss Account	4659.63	4474.60
<b>Add:</b>		
Depreciation charged in accounts	3639.15	2273.54
Directors' Remuneration	196.80	101.93
Directors' Commission	96.00	Nil
Loss on Sale of Assets	-	4.64
Loss on Sale of Investments	155.79	Nil
<b>Less</b>		
Depreciation in accordance with Sec.350	3639.15	2273.54
Profit on Sale of Fixed assets	82.15	97.41
Profit on Sale of Investments	479.30	213.48
<b>NET PROFIT</b>	<b>4546.77</b>	<b>4270.28</b>
a) 1% of Net Profit by way of Commission to Director	45.47	42.70
b) 10% Maximum as per provision of the Companies Act, 1956 of Net Profit by way of remuneration (Inclusive of Commission to Directors)	454.68	427.03
Number of Directors getting remuneration	3	3
Number of Directors	8	8

## H. 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:



(₹ In Lacs)

Particulars	For the Year ended 31.03.2011	Previous Year ended 31.03.2010
Net Profit for Equity Shareholders (₹)	3234.64	2978.43
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) (₹)	10.26	9.45

#### I. DISCLOSURE OF RELATED PARTIES/RELATED PARTY TRANSACTIONS

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

(I) List of Related Parties over which control exists

Sr.No	Name of the Related Party
<b>I.</b>	<b>Subsidiary Company/Fellow Subsidiary</b>
	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 Tabla Formwork System Pvt Ltd
	Impact Engineering Inc.
	CAE Systems GMBH
	Anhui Reliable Steel Tec. China
<b>II.</b>	<b>Associates</b>
	Ashrit Holdings Ltd
	B.M.S.Industries Ltd
	M.D .Saraf Securities Pvt .Ltd.
<b>III.</b>	<b>Key Management Personnel (KMP)</b>
	Sharad Kumar Saraf
	Sudarshan Kumar Saraf
	Madhoprasad Saraf
	Navneet Kumar Saraf
	Ashish Kumar Saraf
<b>IV.</b>	<b>Relatives &amp; Enterprises of KMP</b>
	Shantidevi Saraf
	Shakuntala Saraf
	Suman Saraf
	Nidhi Saraf
	Ritu Saraf
	Priyanka Saraf
	M.T. Information Technologies
<b>V.</b>	<b>Co- Venturer</b>
	Tabla Construction Systems



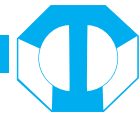
(II) Names of the Related Parties with whom transactions were carried out during year and description of relationship

Sr.No	Related Parties
<b>I</b>	<b>Subsidiaries/ Fellow Subsidiary</b>
	Technocraft International Ltd, U.K.
	Technocraft Trading Spolka Z.o.o, Poland
	Technosoft Information Technology Ltd
	Technocraft Tabla Formwork System Pvt. Ltd
	Technocraft Australia Pty Limited
	Anhui Reliable Steel Tec. China
	Impact Engineering Inc
<b>II</b>	<b>Associates</b>
	B.M.S.Industries Ltd
	Ashrit Holdings Ltd
<b>III</b>	<b>Key Management Personnel (KMP)</b>
	Sharad Kumar Saraf
	Sudarshan Kumar Saraf
	Navneet Kumar Saraf
	Ashish Kumar Saraf
<b>IV</b>	<b>Co- Venturer</b>
	Tabla Construction Systems

(III) Disclosure of Related Party transactions

(₹ in Lacs)

Sr No	Nature of relationship/ Transactions	Subsidiaries/ Fellow subsidiary	Associates	Co- Venturere	KMP & Relatives	Total (₹)
1	Purchase of Goods & Services	555.90 (58.58)	1559.90 (2892.11)	116.38 (NIL)	NIL (NIL)	2232.19 (2950.69)
2	Sale of Goods & services	262.20 (2466.06)	209.57 (30.62)	NIL (NIL)	NIL (NIL)	471.77 (2496.68)
3	Interest Received	58.81 (27.19)	30.38 (99.50)	NIL (NIL)	NIL (NIL)	89.19 (126.69)
4	Directors' Remuneration & Commission	NIL (NIL)	NIL (NIL)	NIL (NIL)	292.80 (98.40)	292.80 (98.40)
5	Salary & Wages	NIL (NIL)	NIL (NIL)	NIL (NIL)	146.40 (98.40)	146.40 (98.40)
6	Purchase of Capital Goods	NIL (48.89)	NIL (3.19)	NIL (NIL)	NIL (NIL)	NIL (52.08)
7	Reimbursement of Expenses	0.90 (0.72)	NIL (NIL)	NIL (NIL)	NIL (NIL)	0.90 (0.72)
8	Rent Paid	NIL (NIL)	NIL (NIL)	NIL (NIL)	(NIL) (3.00)	NIL (3.00)
9	Loan Given	1027.05 (1987.29)	2263.15 (6386.93)	NIL (NIL)	NIL (NIL)	3290.20 (8374.22)
10	Loan Repaid	1162.55 (1698.38)	3594.82 (5800.71)	NIL (NIL)	NIL (NIL)	4757.37 (7499.10)
11	Capital Investments	294.01 (170.45)	NIL (NIL)	NIL (NIL)	NIL (NIL)	294.01 (170.45)



IV Amount due to/from Related Parties as on 31.03.2011

(₹ in Lacs)

Sr No.	Nature of relationship/ transaction	Subsidiaries Fellow subsidiary	Associates	Co-Venturere	Relatives of KMP	Total (₹)
1	Sundry Debtors/Advance	152.88 (609.19)	28.52 (NIL)	23.28 (NIL)	NIL (NIL)	204.68 (609.19)
2	Sundry Creditors/Advance	71.78 (10.38)	4.51 (219.69)	NIL (NIL)	NIL (NIL)	76.29 (230.07)
3	Loans & Advances	733.43 (2476.92)	115.59 (1416.88)	NIL (NIL)	NIL (NIL)	849.02 (3893.80)

- J.** In compliance with the Accounting Standard 22 "Accounting for Taxes on Income" which has become mandatory, the company has charged Deferred Tax Assets (net) amounting to ₹168.28 lakhs in the Current year and the same has been charged to profit and loss account.

(₹ In Lacs)

PARTICULARS	For the Year ended 31 <sup>st</sup> March 11	For the Year ended 31 <sup>st</sup> March 10
<b>DEFERRED TAX LIABILITY \ (ASSETS)</b>		
On A/c of difference in Depreciation	(48.75)	(158.90)
On A/c of unabsorbed Losses & unabsorbed Depreciation of Technocraft Export	223.42	NIL
(On Account of Timing Difference in Share Issue Expenses	8.99	6.79
On Account of Timing Difference in Amalgamation Expenses	0.51	(0.74)
On Account of Timing Difference in Demerger Expenses	(1.50)	Nil
On account of Gratuity	Nil	1.09
Long term Capital loss	(14.39)	(6.63)
On account of loss of Mulox	Nil	0.19
<b>NET IMPACT</b>	<b>168.28</b>	<b>(158.20)</b>
<b>POSITION OF DEFERRED TAX ASSETS &amp; LIABILITIES AS ON BALANCE SHEET DATE ARE AS UNDER</b>		
Deferred Tax Assets (On Account of Timing Difference in depreciation)	258.48	209.73
(On Account of Timing Difference in Share Issue Expenses)	NIL	8.99
(On Account of Timing Difference in Amalgamation Expenses)	1.14	1.66
On Account of Timing Difference in Demerger Expenses	1.50	Nil
Long term Capital loss	21.02	6.63
<b>Net Deferred Tax Assets</b>	<b>282.14</b>	<b>68.62</b>

- K.** 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.

- L.** The Company has set up Power Plant for its Captive consumption and the Trial run generation of Power has been made upto 31st March, 2010 & Pre-operative Expenses during the said period after adjustment of realization from trial run Power generation and also Expenditure thereof for period has been capitalized. The Realization from generation of power (captive consumption) & cost of power consumed is charged to profit & loss Account in respective division.



- M. I)** Pursuant to a Scheme of Amalgamation approved by the Board of Directors of the Company at meeting held on 18th January, 2010 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 6th May, 2011 which became effective on 7th June, 2011 on receipt of certificate of Registration of order of court from the Registrar of Companies, Mumbai, all the Assets and liabilities of Technocraft Export Pvt Ltd Ltd. were transferred to the Company with effect from the appointed date; i.e. 01st April, 2009 Accordingly the scheme has been given effect to in these accounts.
- II) The Amalgamation is in the nature of Merger and the same has been accounted for under the "The Pooling of Interest Method" as prescribed under Accounting Standards 14 issued by the Institute of Chartered Accountants of India and accordingly all the Assets and liabilities of Technocraft Export Pvt Ltd were transferred to the Company at their existing carrying amount. The company has also recognized Deferred Tax Asset amounting to ₹.2, 23, 40, 740, /- on brought forward Business loss and unabsorbed depreciation under Income Tax Act which have been credited to profit & Loss Appropriation.
- III) As per the Scheme of Amalgamation, the Company's investments in Equity share Capital amounting to ₹ 1, 75, 00,000/- & the unsecured Loan of ₹ 99,912,529/- to Technocraft Export Pvt Ltd. stands cancelled.
- IV) All losses incurred by the Technocraft Exports Pvt Ltd with effect from the appointed day, i.e., 01st April, 2009 to 31st March, 2010 has been Adjusted from Profit & Loss Appropriation A/c and Profit & Loss from 01st April, 2010 to effective date and subsequent period has been treated as the Profit & losses of the Company and accordingly the effect has been given to in these accounts for such transactions.
- V) As per the Scheme of Amalgamation, the Authorized Share capital of the TECHNOCRAFT export pvt. LIMITED has been merged with the Company and accordingly the authorized capital of the company is increased by ₹ 5, 00, 00,000/- i. e. 50, 00,000 Equity shares of ₹ 10 each.
- N.** During the year Technocraft Export Pvt Ltd is seized to be subsidiary of the company.
- O.** The Company is Co- Venture in Technocraft Tabla Formwork System Pvt Ltd. The following a information are disclosed as per AS-27 Financial Reporting of Interest in Joint Venture.
- 1) Details of the Jointly Controlled Entity.
- a) Name of the entity : Technocraft Tabla Formwork System Pvt Ltd.
- b) Address of the entity : A-25, M.I.D.C, Street No 3, Marol Industrial Area,  
Opp. ESIC Hospital, Andheri (E), Mumbai-400093
- c) Country of Incorporation : India
- d) Proportion Of Ownerships : 65%

- 2) Aggregate amount of Income, Expense, Asset and Liabilities related to the Interest of the company in the Joint- Venture namely Technocraft Tabla Formwork System Pvt Ltd

**a) Income**

<b>Particulars</b>	<b>(₹. In Lacs)</b>
Sale	46.39
Other Income	5.99
<b>Total</b>	<b>52.38</b>



#### b) Expenses

<b>Particulars</b>	<b>(₹.In Lacs)</b>
Purchases	40.51
Payment and Provision for employees	8.88
Administrative, Selling & Other Establishment Expenses	18.38
Amortization Of Distribution Expenses	4.58
Preliminary Expenses Written Off	6.54
<b>Total</b>	<b>78.89</b>

#### c) Assets

<b>Particulars</b>	<b>(₹.In Lacs)</b>
Intangible Assets	18.30
Investment	17.55
Deferred Tax Asset	8.39
Sundry Debtors	19.91
Cash & Bank Balance	0.11
Loans & Advances	4.02
Profit & Loss Debit Balance	18.46
<b>TOTAL</b>	<b>86.74</b>

#### d) Liabilities

<b>Particulars</b>	<b>(₹.In Lacs)</b>
Share Capital	65.00
Deferred Tax Liability	0.35
Current Liabilities	20.88
Provision	0.51
<b>TOTAL</b>	<b>86.74</b>

- 3 The Company is also having Joint Venture with Gilcheck Management Inc, Canadian company operating as Tabla Construction system as a Joint control operation in respect of production of Tabla Products.
- P.** Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.
- Q.** Books Debts/Advances/Creditors/Bank Balances (Partly)/Loans etc. have been taken as per books awaiting respective confirmation and reconciliation.
- R.** 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.
- S.** 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.



T. 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) scaffoldings
- iii) 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 included under "Unallocable Assets/Liabilities."

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

(₹. In Lakhs)

Particulars	Drum Closures	Scaffoldings	Yarn	Garment	Power	Inter unit Elimination	Unallocable	Total
SEGMENT REVENUE								
Domestic	1503.70	1885.96	4277.60	1825.29	940.40		36.23	10469.18
Export	15035.69	6435.54	12108.14	1617.42	0.00	0.00	-	35196.79
(a) External Sale	16539.38	8321.50	16385.74	3442.71	940.40	0.00	36.23	45665.97
(b) Inter-segment Revenue	14.26	964.47	1,623.00	0.00	1492.42	(4094.14)	-	0.00
Total Revenue	16553.64	9285.97	18008.74	3442.71	2432.82	(4094.14)	36.23	45665.97
SEGMENT REVENUE	16553.64	9285.97	18008.74	3442.71	2432.82	(4,094.14)	36.23	45665.97
	(14100.60)	(9441.82)	(14369.49)	(1652.71)	(-)	(1624.88)		(37939.74)
SEGMENT RESULTS	4520.21	818.86	2784.31	49.67	198.08		(103.60)	8267.52
	(4216.86)	(870.37)	(1565.83)	(56.00)	(-)		(-93.22)	(6615.84)
Less:								
Interest Expenses	55.86	250.27	307.32	3.47	0.38	0.00	6.94	617.31
	(30.43)	(154.39)	(159.36)	(9.43)	(-)		(12.36)	(353.62)
Depreciation	538.08	345.09	1172.24	102.90	1315.30		41.89	3473.61
	(454.94)	(388.23)	(1189.12)	(95.44)	(-)			(2127.73)
Amortisation of Goodwill							121.92	0.00
Finance Charges	83.27	31.34	9.72	15.96	3.74		21.36	144.04
	(81.16)	(43.64)	(30.22)	(15.85)	(-)			(170.87)
Directors Remuneration	292.80	0.00	0.00	0.00	0.00		0.00	292.80
	(98.40)	(3.53)	-	(-)				(101.93)
Auditor's Remuneratin				0.00	0.00		5.24	0.00
				(0.04)	-			(0.04)
Unallocable Expenses								353.14
								(195.64)
Add : Other Income								711.53
								(497.68)
Profit on sale of investment								479.30
								(213.48)
Profit/(Loss) on sale of Fixed Asset								82.15
								(97.41)
Profit before taxation (including Deferred Tax & FBT)								4659.61
Provision for taxes								1425.01
								(839.38)
Profit After Tax								3234.60
								(2978.44)
OTHER INFORMATION								
Assets								
Segment Assets	9487.31	13399.13	15533.37	2569.30	5402.09	0.00	0.00	46391.19
	(8392.32)	(7618.17)	(15488.42)	(1239.35)	(5925.68)	-		(38663.94)
Unallocable Assets								23523.69
								(26985.13)





(₹. In Lakhs)

Particulars	Drum Closures	Scaffoldings	Yarn	Garment	Power	Inter unit Elimination	Unallocable	Total
							Total of Assets	69915.02 (65649.08)
Liabilities								
Segment Liabilities	5284.75 (1429.54)	8231.75 (6055.33)	4568.31 (10454.84)	363.11 (413.43)	542.05 (196.34)	( - )		18989.97 (18549.48)
Unallocable Liabilities								9963.31 (8707.10)
							Total of Liability	28953.28 (27256.57)
Capital Expenditure (excluding capital WIP)								
Segment Capital Expenditure	567.39 (1137.18)	421.19 (139.32)	1188.73 (574.17)	183.48 (27.81)	5048.05 (128.20)	0.00 ( - )	22.99 (54.86)	7431.84 (2061.53)
Depreciation								
Segment Depreciation	538.08 (454.94)	345.09 (388.23)	1172.24 (1,189.12)	102.90 (95.44)	1315.30 ( - )	0.00		3473.61 (2,127.73)
Unallocable Depreciation							41.89 (23.89)	41.89 (23.89)
Amortisation of Goodwill							121.92 (121.92)	121.92 (121.92)
Non Cash Expenses other than depreciation								3595.53 (2249.66)
Segment Non cash Exp. Unallocable							0.00 (3.24)	0.00 (3.24)
<b>B. GEOGRAPHICAL SEGMENT</b>								
Sales Revenue								
India	1503.70 (1,042.72)	1885.96 (3,839.77)	4277.60 (3,514.12)	1825.29 (842.30)	940.40	(4,094.14) 1,624.88	36.23	10469.18 (7,614.04)
Outside India	15035.69 (13,057.88)	6435.54 (5,602.04)	12108.14 (10,855.36)	1617.42 (810.41)	0.00		-	35196.79 (30,325.70)
Sales Revenue	16539.38 (14100.60)	8321.50 (9441.82)	16385.74 (14369.49)	3442.71 (1652.71)	940.40 ( - )	(4,094.14) (1624.88)	36.23	45665.97 (37939.74)
Assets								
India	5711.22 (5,148.75)	11092.68 (5,984.04)	13066.87 (10,962.89)	2011.12 (1126.69)	5,402.09 (5,925.68)	- ( - )	23523.83 (26,985.13)	37283.98 (29,148.04)
Outside India	3776.09 (1,351.08)	2306.44 (3,515.43)	2466.50 (1,952.67)	558.18 (56.87)	0.00 ( - )	- ( - )	- ( - )	9107.21 (10,958.68)
Total Assets	9,487.31 (8,392.32)	13,399.13 (7,618.17)	15,533.37 (15,488.42)	2,569.30 (1239.35)	5,402.09 (5,925.68)	- ( - )	23,523.83 (26,985.13)	46,391.19 (38,663.94)



## SCHEDULE 20

### 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 THE COMPANIES ACT, 1956 IS AS UNDER

#### (A) LICENSED AND INSTALLED CAPACITY

CLASS OF GOODS	UNITS	LICENCED CAPACITY		INSTALLED CAPACITY	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010
FLANGES & BUNGS	PIECES	N.A	N.A	100 Millions	100 Millions
CAPSEALS	PIECES	N.A	N.A	2.5 Millions	2.5 Millions
CLAMPS	PIECES	N.A	N.A	20 Million	20 Million
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
Garments (T-shirts)	PIECES	100 Million	100 Million	100 Million	100 Million

\* AS CERTIFIED BY THE MANAGEMENT

#### (B) ACTUAL PRODUCTION

CLASS OF GOODS	UNITS	QUANTITY	
		31.03.2011	31.03.2010
FLANGES	PIECES	43,418,842.00	70,467,160.00
BUNGS	PIECES	39,037,007.00	67,546,851.00
CLAMPS	PIECES	561,435.00	17,426,415.00
GASKET	PIECES	2,956,150.00	1,018,530.00
CANSEAL CLOSURES	PIECES	605,800.00	966,000.00
BOLT/BASE PLATE	PIECES	1,149,000.00	656,000.00
PLUGS	PIECES	8,972,900.00	-
PIPES	M.T.	11,525.33	17,035.00
YARN	M.T.	9,741.86	6,812.00
GARMENT (T SHITRT)	PIECES	2,217,446.00	1,092,380.00
FABRIC	KGS	547,589.00	332,745.00

#### (C) SALES AND STOCK OF FINISHED GOODS

(₹. In Lakhs)

CLASS OF GOODS	UNITS	OPENING STOCK		TURNOVER		CLOSING STOCK	
		QUANTITY	VALUE	QUANTITY	VALUE	QUANTITY	VALUE
FLANGES	PIECES	3,026,600 (6,033,140)	131.18 (218.32)	76,935,742 (73,473,700)	6,272.49 (5,751.02)	6,698,450 (3,026,600)	329.85 (131.18)
BUNGS	PIECES	3,286,732 (6,738,725)	100.07 (159.22)	67,232,164 (71,002,844)	4,196.79 (4,375.62)	6,361,825 (3,286,732)	240.77 (100.07)
CLAMPS	PIECES	1,438,275 (2,728,300)	119.75 (208.63)	27,229,840 (18,716,140)	3,678.59 (2,531.54)	1,229,350 (1,438,275)	113.07 (119.75)
GASKET	PIECES	- (196,500)	- (0.79)	2,956,150 (1,215,030)	53.06 (20.27)	- -	- -
CANSEAL CLOSURES	PIECES	32,400 (35,000)	1.31 (1.40)	605,800 (1,610,725)	42.58 (69.69)	32,400 (32,400)	1.41 (1.31)
BOLT/BASE PLATE	PIECES	3,000 (24,000)	6,850.00 (0.98)	1,034,000 (677,000)	46.69 (32.29)	118,000 (3,000)	4.23 (0.07)



(₹. In Lakhs)

CLASS OF GOODS	UNITS	OPENING STOCK		TURNOVER		CLOSING STOCK	
		QUANTITY	VALUE	QUANTITY	VALUE	QUANTITY	VALUE
CAPSEAL	PIECES	611,500 (-)	12.64 (4.08)	12,725,116 (13,568,953)	370.42 (399.91)	1,046,500 (611,500)	18.54 (12.64)
NYLON PLUGS	PIECES	-	-	8,590,900	770.66	382,000	14.49
PIPES	M.T.	915.39 (784.37)	327.28 (344.60)	12,008.64 (16,924.33)	8,144.96 (7,963.42)	432.08 (915.39)	282.14 (327.28)
YARN	M.T.	69.17 (227.68)	90.43 (219.93)	8,491.78 (6,970.64)	16,477.71 (12,289.71)	1,319.25 (69.17)	2,308.69 (90.43)
GARMENT (T SHIRTS)	PIECES	101,018 (145,395)	65.86 (106.01)	2,049,869 (1,136,757)	810.53 (1,079.36)	268,595 (101,018)	276.31 (65.86)
FABRIC	KGS	109,945 (46,141.93)	193.63 (72.50)	461,744.00 (268,942.86)	2,584.94 (528.66)	195,790 (109,945)	494.62 (193.63)
SCRAP & COTTON WASTE	M.T.	1,035.39 (2,328.86)	58.10 (415.50)	8,271.83 (89,455.69)	3,015.54 (2,550.32)	264.14 (1,035.39)	144.21 (58.10)
POWER GENERATION	UNITS	-	-	43,950,380	2,432.82	-	-

**(D) OPENING STOCK, PURCHASE AND CLOSING STOCK OF GOODS TRADED.** (₹. 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	0.00	0.00	0.00	0.00	0.00	0.00
		(-)	(-)	(4069500)	(22.71)	(4096500)	(108.01)	0.00	0.00
SCAFFOLDING COMPONENTS	M.T.	0.0	265955.0	518.422	265955	581.856	0.00	0.00	0.00
		(-)	(-)	(54264)	(203.25)	-54264	240	0.00	0.00

**(E) RAW MATERIAL CONSUMED :**

CLASS OF GOODS	UNITS	31.03.2011		31.03.2010	
		QUANTITY	VALUE	QUANTITY	VALUE
STEEL SHEETS & OTHERS	M.T.	15103.01	5099.20	15432.07	3953.39
ZINC	M.T.	15634.90	762.43	1213.53	663.60
STEEL SHEETS & OTHERS	M.T.	10268.57	3357.24	18042.77	5818.15
COTTON	M.T.	14129.14	13995.27	13088.28	9278.86
COAL	M.T.	50807.45	1509.64	0.00	0.00

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

(₹. In Lakhs)

	31.03.2011		31.03.2010	
	%	VALUE	%	VALUE
<b>1) RAW MATERIALS</b>				
IMPORTED	5.16%	1274.93	18.93%	3731.00
INDIGINEOUS	94.84%	23448.86	81.07%	15980.02
<b>2) STORES AND SPARE PARTS</b>				
IMPORTED	0.98%	18.78	4.78%	89.92
INDEGINEOUS	99.02%	1891.38	95.22%	1792.37

**(G) C.I.F. VALUE OF IMPORTS****(₹. In Lakhs)**

	<b>31.03.2011</b>	<b>31.03.2010</b>
RAW MATERIAL & PACKING MATERIAL	771.59	3451.75
STORES & SPARES	18.76	89.92

**(H) EARNINGS IN FOREIGN CURRENCY****(₹. In Lakhs)**

	<b>31.03.2011</b>	<b>31.03.2010</b>
EXPORT F.O.B. VALUE	32,239.31	29,556.12

**(I) EXPENDITURE IN FOREIGN CURRENCY****(₹. In Lakhs)**

	<b>31.03.2011</b>	<b>31.03.2010</b>
BUSINESS SUPPORT SERVICE	407.95	367.13
FOREIGN TRAVELLING	30.22	57.92
WAREHOUSE AND HANDLING CHARGES	58.37	34.96
COMMISSION/BROKERAGE	4.53	2.50
BANK CHARGES	37.06	46.55
FREIGHT ON EXPORT	2.95	2.02
DELIVERY CHARGES	-	-
INSPECTION/TESTING	5.47	2.40
CLEARING CHARGES ON EXPORT	2.45	49.57
PROFESSIONAL FEES	7.73	2.29
SALES PROMOTION	2.91	-
REPAIR AND MAINTENANCE	-	8.18
EXHIBITION / SEMINAR PARTICIPATION	1.72	-
LICENCE & LEGAL FEES	4.09	0.27
INTEREST TO BANK	94.74	130.95
QUALITY CLAIMS IN EXPORT SALES	3.30	0.96
BANK PROCESSING CHARGES	2.46	4.58
TRANSPORTATION CHARGES (OTHERS)	-	-
MACHINE REPAIRS	-	-
GENERATOR OPERATION & MACHINE CHARGES	-	-
BANK GUARANTEE CHARGES	0.04	6.50
L/C CHARGES	5.93	7.27
ENGINEERING & DESIGN CHARGES	29.34	-
CONSULTANCY CHARGES	5.31	-
OUTSTATION ALLOWANCES	0.58	-
	<b>707.13</b>	<b>724.05</b>

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

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 :03.08.2011

**For & on Behalf of Board of Directors**

**S.K. SARAF**                      **S.M. SARAF**  
(MANAGING DIRECTOR)      (MANAGING DIRECTOR)

**MANOJ JAIN**  
(COMPANY SECRETARY)





## Summary of Financial Informations of Subsidiary Companies

(₹. 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 (India) Limited	31st March		1.00	55.34	1613.21	2079.33	410.78	822.00	1390.63	248.47	69.27	177.65	NIL	India
2	Technocraft Tabla Formwork Systems Private Limited	31st March		1.00	100.00	0.00	100.54	0.54	27.00	80.58	(40.78)	0.00	0.00	NIL	India
3	Technocraft International Limited (UK)	31st December	GBP	72.34	381.77	-82.57	1229.43	930.23	-	2821.39	4.19	8.28	(4.09)	NIL	UK
4	Technocraft Trading Spolka, Poland	31st December	PLN	15.65	265.07	222.94	488.01	0.00	-	3927.21	388.70	72.93	315.77	NIL	Poland
5	Technocraft (Hungary)Kft	31st December	HUF	0.23	242.79	90.04	332.83	0.00	-	323.93	(48.14)	-	0.00	NIL	Hungary
6	Technocraft Australia Pty Ltd	31st March	AUD	43.69	93.47	154.49	247.96	0.00	-	1947.94	85.74	20.40	65.34	NIL	Australia
7	Anhui Reliable Steel Company Limited	31st December	RMB	6.78	873.94	-119.41	1408.59	654.05	-	837.35	-114.54	0.00	0.00	NIL	China

### Note

- Capital Investment in Technocraft Australia increased by ₹. 93.47,000
- Capital Investment in Anhui Reliable Steel Company has increased by ₹. 1,12,63,750
- Technocraft Tabla Formwork Systems Private Limited was incorporated on 25th March, 2010. 35% Equity Capital is held by the Gilchick Management Inc, a company incorporated in Canada

**S/d**  
**S.K. Saraf**  
(Managing Director)

**S/d**  
**S.M.Saraf**  
(Managing Director)

**S/d**  
**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 31<sup>st</sup> March, 2011 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 ₹.2053.93 lacs as at 31<sup>st</sup> March 2011, total revenues of ₹.1389.31 lacs for the year then ended.
  - B. We have also conducted the audit of the Financial Statement of Indian Joint Venture whose Financial Statements reflect total assets of ₹.46.52 lacs as at 31<sup>st</sup> March 2011, total revenues of ₹.52.38 lacs for the year then ended. The total assets & total revenue have been considered only to the extent of the shares of Technocraft Industries (India) Ltd i.e. 65% in the Joint Venture.
  - C. The Financial Statements of Technocraft International Limited UK, foreign subsidiary, reflects total assets of ₹.1229.43 lacs as at 31<sup>st</sup> December 2010 total revenues of ₹. 2821.39 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 (Hungary) Kft, foreign subsidiary, reflects total assets of ₹.332.83 lacs as at 31<sup>st</sup> December 2010 total revenues of ₹.323.93 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 Trading Sp. Z o o., foreign subsidiary reflects total assets of ₹.488.01 lacs as at 31<sup>st</sup> December 2010, total revenues of ₹.3927.21 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.
  - F. The Financial Statements of Technocraft Australia PTY Ltd, foreign subsidiary reflects total assets of ₹.247.96 lacs as at 31<sup>st</sup> March 2011, total revenues of ₹.1947.94 lacs for the year then ended. These financial statements and other financial information are based on the Management's estimates and are therefore UNAUDITED.
  - G. The Financial Statements of Anhui Reliable steel company Ltd, foreign subsidiary reflects total assets of ₹.1408.86 lacs as at 31<sup>st</sup> December 2010, total revenues of ₹.837.36 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.



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 31<sup>st</sup> March, 2011;
  - 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: 03.08.2011

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





## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2011

PARTICULARS	SCHEDULE No.	(₹. In Lakhs)	
		AS AT 31.03.2011	AS AT 31.03.2010
<b>I. SOURCES OF FUNDS</b>			
1. SHAREHOLDER'S FUND			
A. SHARE CAPITAL	1	3,152.68	3,152.68
B. RESERVES & SURPLUS	2	39,062.04	35,513.04
2. MINORITY INTEREST		211.36	211.31
3. LOAN FUNDS			
SECURED LOANS	3	11,889.59	7,074.94
UNSECURED LOANS		5,000.00	7,000.00
<b>TOTAL</b>		<b>59,315.67</b>	<b>52,951.97</b>
<b>II. APPLICATION OF FUNDS</b>			
1. GOODWILL ON CONSOLIDATION		1.90	-
2. FIXED ASSETS	4		
A. GROSS BLOCK		38,542.12	31,245.07
B. LESS: DEPRECIATION		21,219.33	17,660.92
C. NET BLOCK		17,322.79	13,584.14
D. CAPITAL W.I.P.		655.95	5,445.02
<b>TOTAL</b>		<b>17,978.74</b>	<b>19,029.16</b>
3. INVESTMENTS	5	7,055.92	6,204.67
4. DEFERRED TAX ASSETS		372.42	256.75
5. CURRENT ASSETS, LOANS & ADVANCES:			
A. INVENTORIES	6	16,929.45	10,596.24
B. SUNDRY DEBTORS	7	13,450.80	11,916.07
C. CASH & BANK BALANCES	8	7,102.23	6,146.82
D. LOANS & ADVANCES	9	14,624.06	14,682.59
<b>LESS:</b>		52,106.54	43,341.72
6. CURRENT LIABILITIES & PROVISIONS			
A. LIABILITIES	10	8,217.88	7,046.09
B. PROVISIONS	11	9,981.97	8,888.89
<b>NET CURRENT ASSETS</b>		<b>18,199.85</b>	<b>15,934.98</b>
		33,906.69	27,406.74
7. MISCELLANEOUS EXP. (TO THE EXTENT NOT W/OFF OR ADJUSTED)	12	-	54.65
<b>TOTAL</b>		<b>59,315.67</b>	<b>52,951.97</b>
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 : 03.08.2011

**For & on Behalf of Board**

**S.K. SARAF**                      **S.M. SARAF**  
(MANAGING DIRECTOR)      (MANAGING DIRECTOR)

**MANOJ JAIN**  
(COMPANY SECRETARY)



## CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

PARTICULARS	SCHEDULE	(₹. In Lakhs)	
		YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
<b>A. INCOME</b>			
SALES	13	56,073.29	45,548.95
OTHER INCOME	14	3,407.57	3,208.84
INCREASE/(DECREASE) IN STOCK(INCL.UNITS)	15	3,200.34	(852.09)
TOTAL		<b>62,681.20</b>	<b>47,905.70</b>
<b>B. EXPENDITURE</b>			
TRADING PURCHASES		7,728.00	4,024.46
COST OF RAW MATERIAL CONSUMED	16	36,295.62	27,665.80
MANUFACTURING, DISTRIBUTION, SELLING AND ESTABLISHMENT EXPENSES	17	5,399.13	4,307.57
EMPLOYEES' REMUNERATION	18	3,753.57	3,348.33
FINANCIAL CHARGES	19	867.02	697.03
DEPRECIATION		3,647.46	2,277.17
AMORTISATION OF GOODWILL		164.39	121.92
AMORTISATION OF DISTRIBUTION RIGHTS EXP.		4.58	-
PRELIMINARY EXPENSES WRITTEN OFF	20	6.62	3.53
TOTAL		<b>57,866.39</b>	<b>42,445.82</b>
PROFIT BEFORE TAX		4,814.81	5,459.88
ADD : EXTRAORDINARY ITEMS		-	23.05
PROFIT BEFORE TAX		4,814.81	5,482.92
LESS/ADD : PROVISION FOR TAX			
CURRENT TAX		1,414.14	1,659.34
DEFERRED TAX (NET)		173.74	(165.10)
PROFIT AFTER TAX		<b>3,226.93</b>	<b>3,988.68</b>
PROFIT/(LOSS) FOR THE YEAR		3,226.93	3,988.68
LESS:MINORITY INTEREST		204.35	203.47
		3,022.57	3,785.21
ADD : BALANCE BROUGHT FORWARD (Refer Schedule 2)		2,609.49	1,981.27
		5,632.08	5,766.48
LESS : TAXATION OF EARLIER YEARS		(107.54)	18.19
PROFIT AVAILABLE FOR APPROPRIATION		<b>5,739.62</b>	<b>5,748.29</b>
LESS : APPROPRIATIONS			
LESS:PROPOSED DIVIDEND		315.27	472.90
LESS:PROV.FOR DIVIDEND DISTRIBUTION TAX		52.36	80.37
TRANSFERRED TO GENERAL RESERVES		733.38	3,200.00
BALANCE CARRIED TO BALANCE SHEET		4,638.61	1,995.02
ADJUSTED EARNING PER SHARE -BASIC & DILUTED		<b>9.59</b>	<b>12.01</b>
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 : 03.08.2011

**For & on Behalf of Board**

**S.K. SARAF**                      **S.M. SARAF**  
(MANAGING DIRECTOR)      (MANAGING DIRECTOR)

**MANOJ JAIN**  
(COMPANY SECRETARY)





## CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011

PARTICULARS	(₹. In Lakhs)	
	AS AT 31.03.2011	AS AT 31.03.2010
<b>SCHEDULE - 1</b>		
<b>SHARE CAPITAL</b>		
AUTHORISED		
4,00,00,000 EQUITY SHARES OF RS.10/- EACH.	4,000.00	3,500.00
(PREVIOUS YEAR 3,50,00,000 EQUITY SHARES OF 10/- EACH)	<u>4,000.00</u>	<u>3,500.00</u>
ISSUED, SUBSCRIBED & PAID-UP		
3,15,26,750 EQUITY SHARES OF RS.10/- EACH	<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 ₹. 10/- EACH WERE ALLOTTED AT THE TIME OF INCORPORATION DURING THE YEAR 1992-93.		
B. 622 EQUITY SHARES OF ₹. 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 ₹. 10/- EACH WERE ALLOTTED AT THE TIME OF RIGHT ISSUE DURING THE YEAR 1997-98.		
E. 6,63,050 EQUITY SHARES OF ₹.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 ₹. 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 ₹. 10/- EACH WERE ALLOTTED AS BONUS SHARE BY CAPITALIZATION OF GENERAL RESERVE DURING THE YEAR 2004-05 .		
H. 99,45,750 EQUITY SHARES OF ₹. 10/- EACH WERE ALLOTTED AS BONUS SHARE BY CAPITALIZATION OF OF GENERAL RESERVE DURING THE YEAR 2005-06		
I. 83,20,000 EQUITY SHARES OF ₹. 10/- EACH WERE ALLOTTED DURING THE PUBLIC ISSUE MADE DURING THE YEAR 2006-07.		
<b>SCHEDULE - 2</b>		
<b>RESERVES AND SURPLUS</b>		
GENERAL RESERVES		
BALANCE AS PER LAST BALANCE SHEET	25,621.62	22,421.62
ADD : TRANSFER FROM PROFIT & LOSS A/C	<u>733.38</u>	<u>3,200.00</u>
	<u>26,355.00</u>	<u>25,621.62</u>
CAPITAL RESERVES ON CONSOLIDATION	-	65.54
CAPITAL RESERVE		
BALANCE AS PER LAST BALANCE SHEET	21.85	21.85
ADD: CAPITAL RESERVE ON AMALGAMTION OF TECHNOCRAFT EXPORT	0.51	-
	<u>22.36</u>	<u>21.85</u>
CAPITAL REDEMPTION RESERVE	<u>2.50</u>	<u>2.50</u>
REVALUATION RESERVE		
BALANCE AS PER LAST BALANCE SHEET	273.61	291.00
LESS : DEPRECIATION	<u>16.23</u>	<u>17.39</u>
	<u>257.38</u>	<u>273.61</u>



**CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011**

(₹. In Lakhs)

<b>PARTICULARS</b>	<b>AS AT 31.03.2011</b>	<b>AS AT 31.03.2010</b>
<b>SCHEDULE - 2</b>		
<b>RESERVES AND SURPLUS (Contd...)</b>		
SECURITIES PREMIUM		
BALANCE AS PER LAST BALANCE SHEET	7,599.83	7,599.83
PROFIT & LOSS APPROPRIATION A/C	4,638.61	1,995.02
LESS:AMALGAMATION ADJUSTMENT OF MULOX SACKS	-	0.04
LESS:AMALGAMATION ADJUSTMENT OF TECHNOCRAFT EXPORTS	614.52	
ADD: DEFFERED TAX ON AMALGMATION	223.41	-
LESS: ADJUSTMENT OF LAST YEAR PROFITS	(70.19)	-
ADD: ADJUSTMENT OF UNREALISED PROFITS OF LAST YEARS	527.45	-
LESS : ADJUSTMENT FOR PRE-ACQUISITION SHARES OF SUBSIDIARIES	20.17	66.88
	<u>4,824.97</u>	<u>1,928.10</u>
	<u>39,062.04</u>	<u>35,513.04</u>
<b>SCHEDULE - 3</b>		
<b>SECURED LOANS</b>		
TERM LOAN		
BANK OF INDIA,	1,267.11	1,924.52
BOI, MANCHESTER TERM LOAN (ECB)	-	802.51
FROM BANKS	-	-
1. BANK OF INDIA - OVERDRAFT ACCOUNT	810.30	292.08
2. BANK OF INDIA- CASH CREDIT ACCOUNT	235.60	-
3. BANK OF INDIA ( EXPORT PACKING CREDIT AGAINST L/CS CONFIRMED ORDERS)	3,733.38	233.30
4. CITIBANK PCFC ACCOUNT	1,004.04	1,488.73
5. H.D.F.C P.C.F.C A/C	1,221.86	2.06
6. IDBI P.C.F.C A/C	-	411.83
7. IDBI OLD A/C- 03965500/046	251.60	62.01
8. IDBI BANK LTD. - LOAN A/C		1,331.08
9. BOI PCFC \$ A/C	1,056.46	526.82
10. SCB PCFC	1,294.73	-
11. INDUSTRIAL AND COMMERCIAL BANK OF CHINA	203.23	-
12. OTHER BANK LOAN	811.28	-
	<u>11,889.59</u>	<u>7,074.94</u>
<b>UNSECURED LOANS</b>		
HDFC TEMPORARY LOAN	5,000.00	2,000.00
ICICI TEMPORARY LOAN	-	5,000.00
	<u>5,000.00</u>	<u>7,000.00</u>

**NOTES :**

- 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.
- OVERDRAFT ACCOUNT WITH BANK OF INDIA AND IDBI BANK ARE SECURED AGAINST THE FDR OF THE COMPANY.
- 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.
- EXPORT PACKING CREDIT AGAINST L/C's.CONFIRMED ORDERS FROM BANK OF INDIA, CITI BANK LTD, HDFC BANK LTD, 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.
- EXPORT INVOICE FINANCING FROM SCB BANK LTD IS SECURED BY PARI PASSU FIRST CHARGE ON STOCK AND BOOK DEBTS AND MOVABLE FIXED ASSETS OF COMPANY (IN LINE WITH OTHER WORKING CAPITAL) TO BE PERFECTED WITHIN 6 MONTHS FROM FIRST DATE OF DISBURSEMENT
- BANK LOAN TAKEN BY TECHNOCRAFT INTERNATIONAL AMOUNTING TO ₹. 811.28 LACS IS SECURED BY A MORTGAGE & GENERAL CHARGE (DEBENTURE)ON THE COMPANY'S FIXED & FLOATING ASSETS)



**CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011**

(₹. In Lakhs)

**SCHEDULE 4 - CONSOLIDATED FIXED ASSETS**

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 01.04.2010	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 31.03.2011	Upto 31.03.2010	On revaluation	On cost	Adjustment	Upto 31.03.2011	As on 31.03.2011	As on 31.03.2010
<b>INTANGIBLE ASSETS</b>														
Goodwill	609.62	-	-	-	-	-	609.62	234.08	-	121.92	-	356.00	253.62	375.54
Distribution Right Land Use Right	-	-	-	-	22.88	-	22.88	-	-	4.58	-	4.58	18.30	-
	-	-	-	-	165.68	-	165.68	-	-	3.31	-	3.31	162.36	-
<b>A. LAND AND BUILDING</b>														
1. Leasehold Land	510.55	207.00	0.62	11.18	167.19	189.16	694.96	67.01	2.84	0.67	-	70.52	624.44	650.54
2. Factory Building	7,103.84	397.60	38.62	-	1,348.35	610.68	8,200.49	2,370.39	7.71	2.86	2.00	2,833.50	5,366.98	5,131.04
3. Office Premises	420.02	227.83	-	5.62	-	-	653.47	161.87	5.12	19.32	-	186.31	467.16	485.98
4. Worker's Quarters	71.13	-	-	-	-	-	71.13	29.30	0.45	2.59	-	31.89	39.24	41.83
5. Staff Quarters	365.85	20.06	-	-	-	-	385.91	116.37	0.11	12.53	-	129.35	256.56	269.54
6. Car Parking Space	0.01	4.99	-	-	-	-	5.00	2.76	0.00	0.00	-	2.88	2.24	2.24
7. Tube-Well	9.07	-	-	-	0.97	-	10.04	3.77	-	0.30	-	4.08	5.96	5.29
8. Shop at Bandra	337.81	-	-	337.81	-	-	337.81	69.02	-	13.44	-	82.46	255.35	268.79
<b>B. PLANT &amp; MACHINERY</b>														
1. Machinery / Pollution Equip.	17,904.06	217.64	4.96	-	6,391.19	374.81	24,133.12	12,626.83	-	-2.28	220.12	15,300.83	8,832.29	5,494.87
2. Electrical Installation	673.49	-	0.17	1.02	316.12	46.70	942.74	329.09	-	0.00	0.02	413.84	528.90	344.40
3. Computers	424.31	-	-	12.48	39.89	-	464.20	349.73	-	39.73	-	389.47	74.73	74.58
4. Air Conditioner & Office Equipments	161.15	-	1.44	4.95	18.75	1.82	176.64	80.49	-	1.32	1.15	91.59	85.04	80.66
5. Motor Car & Vehicles	170.27	-	0.23	-	26.46	6.59	189.91	104.25	-	0.19	5.64	121.80	68.11	66.02
6. Weighing Scale	6.32	-	-	0.25	1.13	-	7.45	3.87	-	-0.96	-	4.42	3.02	2.45
7. Forklift	82.35	-	-1.54	-	-	1.45	82.43	68.45	-	-	-	76.58	5.85	13.90
8. Generator	964.20	-	-	-	7.70	-	971.90	840.43	-	34.43	-	874.87	97.03	123.77
9. Weighing Bridge	22.88	-	-	-	1.98	-	24.86	3.40	-	3.00	-	6.40	18.46	19.48
10. Water Cooler	0.24	-	-	-	0.29	-	0.53	0.11	-	0.04	-	0.15	0.38	0.13
11. Electronic Telephone Exch.	0.16	-	-	-	-	-	0.16	0.12	-	0.01	-	0.12	0.04	0.04
12. Tractor (Power Plant)	9.34	-	-	-	-	-	9.34	-	-	-	-	-	9.34	9.34
13. JCB (Crane)	-	-	-	-	21.00	-	21.00	-	-	3.31	-	3.31	17.69	-
<b>C. FURNITURE &amp; FIXTURES</b>														
	283.96	-	1.77	35.60	30.71	1.77	311.13	167.27	-	1.73	-	189.79	121.34	116.69
<b>D. INTANGIBLE ASSETS</b>														
1. Navision Software	19.85	-	-	-	-	-	19.85	19.85	-	-	-	19.85	0.00	0.00
2. Computer Software	18.98	-	-	-	10.40	-	29.38	11.96	-	8.79	-	20.75	8.63	7.03
3. Trade Mark	0.49	-	-	0.49	-	-	0.49	0.49	-	0.19	-	0.68	(0.19)	0.00
<b>TOTAL</b>	<b>30,169.95</b>	<b>1,075.12</b>	<b>46.28</b>	<b>403.78</b>	<b>8,576.31</b>	<b>1,232.99</b>	<b>38,542.11</b>	<b>17,660.93</b>	<b>16.24</b>	<b>2.86</b>	<b>228.93</b>	<b>21,219.33</b>	<b>17,322.78</b>	<b>13,584.14</b>
<b>Previous Year</b>	<b>27,380.44</b>	<b>1,075.12</b>	<b>-</b>	<b>567.26</b>	<b>2,545.88</b>	<b>323.64</b>	<b>31,245.07</b>	<b>15,530.84</b>	<b>17.39</b>	<b>-</b>	<b>304.39</b>	<b>17,660.92</b>	<b>13,584.15</b>	<b>12,924.72</b>
<b>Capital Work in Progress</b>	5,238.05	-	-	-	1,146.78	5,728.88	655.95	-	-	-	-	-	655.95	5,238.05
<b>PREOPERATIVE EXPENSES</b>														
<b>Assets in Transit:</b>														



**CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011**

<b>PARTICULARS</b>	<b>(₹. In Lakhs)</b>	
	<b>AS AT 31.03.2011</b>	<b>AS AT 31.03.2010</b>
<b>SCHEDULE - 5</b>		
<b>INVESTMENTS : - (AT COST)</b>		
<b>LONG TERM INVESTMENT</b>		
<b>1. TRADE</b>		
<b>UNQUOTED</b>		
<b>OTHERS</b>		
(a) 30 SHARES OF ₹. 50/- EACH OF MITTAL COURT PREMISES CO-OP.SOCIETY LTD. FULLY PAID UP	0.02	0.02
(b) 15 SHARES OF ₹. 50/- EACH OF UDIT MITTAL COURT INDUSTRIAL PREMISES CO-OP.SOCIETY LTD.	0.01	0.01
(c) 10 SHARES OF ₹. 50/- EACH OF GODREJ FLAT	0.01	0.01
<b>2. OTHER THAN TRADE</b>		
<b>UNQUOTED</b>		
<b>A. IN SUBSIDIARY COMPANIES FULLY PAID UP</b>		
(a) CAE SYSTEMS GMBH (NO.OF SHARES 49200 EUROS)	32.17	32.17
(b) SHARES OF IMPACT ENGG. SOLUTIONS INC (NO.OF SHARES 1996.80)	789.84	789.84
<b>CURRENT INVESTMENT</b>		
<b>A. INVESTMENT IN MUTUAL FUND</b>		
(a) HDFC EQUITY FUND (1,42,187.142 UNITS OF RS.10/- EACH, P.Y.1,11,230.99)	350.00	200.00
(b) H.D.F.C. LIQUID FUND (90627.192 UNITS OF ₹. 19.3649 P.Y.NIL)	17.55	-
(c) RELIANCE LONG TERM EQUITY FUND (NIL, P.Y.3000000 UNITS)	-	300.00
(d) HDFC GROWTH FUND (NIL, P.Y.502487.312 UNITS )	-	200.00
(e) PRU ICICI FUSION FUND SER II ( NIL, P.Y.2000000 UNITS)	-	200.00
(f) ICICI PRUD. INDO ASIA EQ FUND (NIL, P.Y.5000000 UNITS )	-	500.00
(g) H.D.F.C TOP 200 (1,46,605.373 UNITS of ₹. 204.63/-EACH P.Y.9,89,374.122 Units)	300.00	500.00
(h) FRANKLIN ASIAN EQUITY FUND (NIL, P.Y. 2444987.775 UNITS )	-	250.00
(i) KOTAK INDO WORLD INFRA FUND (NIL, P.Y 2500000 UNITS)	-	250.00
(j) HDFC INFRASTRUCTURE FUND (NIL, P.Y.2500000 UNITS )	-	250.00
(k) HDFC LIQUID FUND (NIL, P.Y.658035.44 UNITS )	-	120.00
(l) HDFC FIXED MATURITY PLAN -SERIES - XII (100,00,000 UNITS OF ₹. 10/-EACH,)	1,000.00	1,000.00
(m) HDFC MF MONTHLY INCOME PLAN A/C LTP (2092317.9680 UNITS OF ₹. 21.50/-EACH, P.Y.4,82,588.22 Units)	450.00	100.00
(n) HDFC PRUDENCE FUND (4,62,781.068 UNITS OF ₹. S194.47/-EACH, P.Y.57,417.81 Units)	900.00	100.00



**CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011**

<b>PARTICULARS</b>	<b>(₹. In Lakhs)</b>	
	<b>AS AT 31.03.2011</b>	<b>AS AT 31.03.2010</b>
(o) ICICI PRUDENTIAL LONG TERM PLAN (14,97,334.74 UNITS OF ₹. 10/-EACH,)	150.00	150.00
(p) ICICI PRUDENTIAL FMP SERIES -51 (15,00,000 UNITS OF ₹. 10/-EACH,)	150.00	150.00
(q) BENCHMARK S&P CNX 500 FUND (11,40,003.876 UNITS OF ₹. 17.54/- EACH, P.Y.NIL)	200.00	
(r) SUNDARAM BNP PARIBAS MONTHLY INCOME (NIL, P.Y. 40,03,303.45 UNITS )	-	500.00
(s) TEMPLETON INDIA INCOME OPP.FUND (38,85,296.02 UNITS OF ₹. 10.55/- EACH, P.Y.NIL)	410.00	-
(t) TEMPLETON INDIA SHORT TERM INCOME PLAN (9,035.04 UNITS OF ₹. 1881.56/- EACH, P.Y.NIL)	170.00	-
(u) SUNDARAM FINANCIAL SERVICES OPP. FUND (16,97,759.927 UNITS OF ₹. 20.61/- EACH, P.Y. NIL)	350.00	-
(v) RELIANCE BANKING FUND (81,665.453 UNITS OF ₹. 91.83/- EACH, P.Y.NIL)	75.00	-
(w) HDFC GOLD EXCHANGE TRADED FUND (37772 UNITS OF ₹. 3858.62/- EACH, P.Y.NIL)	705.82	-
<b>B. INVESTMENT IN SHARES</b>		
(a) RELIANCE POWER LTD. - SHARES (NIL, P.Y..699 SHARES OF ₹. 10/- EACH)	-	3.13
(b) NHPC LTD-SHARES (NIL, P.Y. 25,571 SHARES OF ₹. 10/- EACH)	-	9.21
(c) TATA STEEL LTD-SHARES (NIL, P.Y. 70 SHARES OF ₹. 10/- EACH,)	-	0.30
<b>B. IN DEBENTURE</b>		
(a) CITI FIN.CON.S.FIN.I.LTD.NCD-443 (600 DEBENTURE OF ₹. 100000/- EACH)	600.00	600.00
(b) BENCHMARK AMC PMS A/C BOP SERIES 91 (200 DEBENTURE OF ₹. 100000/- EACH,P.Y.NIL)	203.00	-
(c) BENCHMARK DEBT PORTFOLIO - STRUCTURED (200 DEBENTURE OF ₹. 100000/- EACH,P.Y.NIL)	202.50	-
	<b>7,055.92</b>	<b>6,204.67</b>
AGGREGATE AMOUNT OF UNQUOTED INVESTMENT	3,837.53	2,694.95
AGGREGATE AMOUNT OF QUOTED INVESTMENT	5,210.82	4,782.64
MARKET VALUE OF UNQUOTED INVESTMENT	5,631.09	4,814.09
<b>SCHEDULE - 6 INVENTORIES</b>		
(AS TAKEN, VALUED AND CERTIFIED BY MANAGEMENT)		
FINISHED GOODS	4,297.69	952.16
RAW MATERIAL	9,010.78	6,586.00
SCRAP	144.67	58.87
STORES & SPARES	658.57	418.08
PACKING MATERIALS & ACCESSARIES	140.80	121.85
FUEL & OIL	84.24	95.79
TRADING STOCKS	2,240.53	1,965.78
SEMI - FINISHED GOODS	352.17	397.71
	<b>16,929.45</b>	<b>10,596.24</b>





**CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011**

<b>PARTICULARS</b>	<b>(₹. In Lakhs)</b>	
	<b>AS AT 31.03.2011</b>	<b>AS AT 31.03.2010</b>
<b>SCHEDULE - 7</b>		
<b>SUNDRY DEBTORS</b>		
(UN-SECURED CONSIDERED GOOD BY THE MANAGEMENT )		
DEBTS OUTSTANDING FOR MORE THAN SIX MONTHS	2,138.44	397.61
OTHER DEBTS	11,312.36	11,518.45
	<b>13,450.80</b>	<b>11,916.07</b>
<b>SCHEDULE - 8</b>		
<b>CASH AND BANK BALANCES</b>		
1. CASH IN HAND	10.18	118.94
2. BANK BALANCES		
A. IN CURRENT ACCOUNTS	762.34	711.66
B. UNCLAIMED DIVIDEND ACCOUNTS	3.87	2.80
C. IN FIXED DEPOSIT ACCOUNTS	6,325.84	5,313.42
	<b>7,102.23</b>	<b>6,146.82</b>
<b>SCHEDULE - 9</b>		
<b>LOANS AND ADVANCES</b>		
(UN-SECURED CONSIDERED GOOD BY THE MANAGEMENT)		
1. ADVANCE TO CAE SYSTEM GMBH	2.68	2.69
2. ADVANCE TO OTHER COMPANIES	115.59	1,416.88
3. ADVANCES RECOVERABLE IN CASH OR KIND FOR VALUE TO BE RECEIVED	1,123.02	700.86
4. DEPOSIT WITH GOVERNMENT DEPARTMENTS	178.74	175.39
5. BALANCE WITH CENTRAL EXCISE DEPT.	1,236.24	3,545.10
6. BALANCE WITH SALES TAX DEPARTMENT	1,340.82	-
7. DEPOSIT	49.24	52.92
8. OTHER DEPOSITS	34.45	13.12
9. ADVANCE TAX	10,445.01	8,698.92
10. PREPAID EXPENSES	59.66	66.40
11. PREPAID GRATUITY	38.61	-
12. MAT CREDIT ENTITLEMENT	-	10.31
	<b>14,624.06</b>	<b>14,682.59</b>
<b>SCHEDULE - 10</b>		
<b>CURRENT LIABILITIES</b>		
SUNDRY CREDITORS		
1. SUNDRY CREDITORS FOR GOODS (Other than Micro, Small & Medium Enterprises)	4,652.56	3,576.10
2. SUNDRY CREDITORS FOR EXPENSES (Other than Micro, Small & Medium Enterprises)	2,520.10	1,183.40
3. ADVANCES FROM CUSTOMERS	334.51	510.84
4. ADVANCE OTHERS	289.79	-
5. OTHER LIABILITIES INCLUDING SUNDRY DEPOSITS	259.31	310.06
6. STATE BANK OF INDIA - TEMPORARY OVERDRAFT	151.55	1,461.58
7. CITI BANK - TEMPORARY OVERDRAFT	3.61	-
7. UNCLAIMED DIVIDEND	3.87	2.92
8. DEPOSITS	2.58	1.18
	<b>8,217.88</b>	<b>7,046.09</b>



**CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011**

<b>PARTICULARS</b>	<b>(₹. In Lakhs)</b>	
	<b>AS AT 31.03.2011</b>	<b>AS AT 31.03.2010</b>
<b>SCHEDULE - 11</b>		
<b>PROVISIONS</b>		
PROVISION FOR TAXATION	9,476.46	8,197.27
PROVISION FOR FRINGE BENEFIT TAX	-	0.21
PROVISION FOR LEAVE SALARY	127.70	113.09
PROVISION FOR GRATUITY	-	25.04
PROVISION-OTHERS	10.18	-
PROPOSED DIVIDEND	315.27	472.90
PROV. FOR DIVIDEND DISTRI. TAX	52.36	80.37
	<b>9,981.97</b>	<b>8,888.89</b>
<b>SCHEDULE - 12</b>		
<b>MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED</b>		
PRELIMINARY EXPENSES AS PER LAST BALANCE SHEET	54.65	3.62
ADD : DURING THE YEAR	6.54	54.57
LESS : ADJUSTED THROUGH P&L APP.	61.19	58.19
LESS : CAPITALIZED DURING THE YEAR	4.86	-
	49.71	-
LESS : WRITTEN OFF DURING THE YEAR	6.62	3.54
	<b>(0.00)</b>	<b>54.65</b>
<b>SCHEDULE 13</b>		
SALES	56,073.29	45,563.51
FOREIGN EXCHANGE FLUCTUATION	-	(14.56)
	<b>56,073.29</b>	<b>45,548.95</b>
<b>SCHEDULE - 14</b>		
<b>OTHER INCOME</b>		
OTHER BUSINESS INCOME	377.41	430.09
CENVAT CREDIT	-	183.77
DEPB LICENCE SALE	1,149.60	1,343.95
C.S.T. REFUND RECEIVED	4.29	53.87
INTEREST INCOME	529.39	312.41
OF ₹. 54.38 LACS , PREVIOUS YEAR - ₹.. 50.79 LACS )		
DIVIDEND RECEIVED (ON LONG TERM INVESTMENT - OTHERS )	15.62	167.95
RENT INCOME (TDS ₹. 24.6 LACS,PREVIOUS YEAR- ₹.5.51 LACS)	331.66	180.16
GRATUITY WRITTEN OFF	25.04	-
INSURANCE CLAIM RECEIVED	1.81	-
PROVISION FOR LEAVE SALARY WRITTEN BACK	110.13	98.93
RENT FROM STAFF	0.53	0.39
LEASING CHARGES RECEIVED	-	75.63
KASAR KHATE	-	0.00
LONG TERM CAPITAL GAIN	0.53	0.03
SHORT TERM CAPITAL GAIN	366.89	201.75
PROFIT ON SALE OF MUTUAL FUNDS	114.27	11.73
PROFIT ON SALE OF FIXED ASSETS	81.98	112.16
SUNDRY CREDITORS WRITTEN OFF	83.86	44.93
DIFF. IN FOREIGN CURRENCY	185.20	(8.92)
FOREX DIFFERENCE ON CONVERSION		
PROFIT ON SALE OF VEHICLE	0.17	0.03
BANK GUARANTEE CHARGES RECEIVED AGAINST SUIT	21.40	-
ENGINEERING & DESIGN CHARGES RECD	7.79	-
	<b>3,407.57</b>	<b>3,208.84</b>



**CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011**

PARTICULARS	(₹. In Lakhs)	
	AS AT 31.03.2011	AS AT 31.03.2010
<b>SCHEDULE - 15</b>		
<b>INCREASE/(DECREASE) IN STOCKS(INCL.UNITS)</b>		
CLOSING STOCK		
FINISHED GOODS	3,901.30	952.16
SCRAP / WASTE	144.67	58.87
SEMI FINISHED GOODS	396.38	193.63
TRADING ITEMS	2,240.53	1,965.78
	<b>6,682.88</b>	<b>3,170.44</b>
LESS :		
OPENING STOCK		
FINISHED GOODS	952.16	1,456.44
SCRAP / WASTE	58.87	39.53
SEMI-FINISHED GOODS	193.63	47.96
TRADING ITEMS	2,277.88	2,478.60
	<b>3,482.54</b>	<b>4,022.53</b>
	<b>3,200.34</b>	<b>(852.09)</b>
<b>SCHEDULE - 16</b>		
<b>COST OF RAW MATERIAL CONSUMED, MANUFACTURING AND OPERATING EXPENSES</b>		
A. RAW MATERIAL CONSUMED		
OPENING STOCK OF RAW MATERIAL	6,803.52	4,709.37
ADD : PURCHASES	30,128.60	21,798.67
	36,932.12	26,508.03
LESS : CLOSING STOCK	9,295.09	6,790.08
	<b>27,637.03</b>	<b>19,717.95</b>
B. STORES/SPARES & OTHER COMPONENTS CONSUMED	2,445.11	1,882.29
C. FUEL & OIL CONSUMED	822.89	1,173.56
D. PACKING MATERIAL CONSUMED	826.91	597.38
E. POWER & FUEL	1,228.51	1,827.00
H. OTHER MANUFACTURING EXPENSES		
JOB WORK	1,559.91	1,439.45
LABOUR CHARGES	573.08	226.09
POWER PLANT OPERATION & MAINTENANCE CHARGES	69.95	-
WATER CHARGES	60.85	41.47
OTHER MANUFACTURING EXPENSES	1,071.38	760.61
	<b>3,335.17</b>	<b>2,467.61</b>
	<b>36,295.62</b>	<b>27,665.80</b>
<b>SCHEDULE - 17</b>		
<b>SELLING &amp; OTHER ESTABLISHMENT EXP.</b>		
A. SELLING & DISTRIBUTION EXPENSES		
FREIGHT & OTHER CHARGES ON EXPORT	2,257.69	1,824.05
DELIVERY & TRANSPORT	91.00	0.98
OCTROI DUTY EXPENSES	11.08	0.36
COOLIE & CARTAGE	0.42	0.27
EXHIBITION PARTICIPATION/ SEMINAR EXPENSES	-	3.23
COMMISSION/BROKERAGE	66.42	101.35
SALES PROMOTION	93.80	88.99
BAD DEBTS	35.06	6.92
QUALITY CLAIM	3.30	16.50
SAMPLE EXPENSES	-	0.42
SER.TAX EXPENSES ON G.T.A	1.32	3.34
ART WORK & POSITIVES	0.48	0.40
SUNDRY BALANCE WRITTEN OFF	0.88	8.00
WAREHOUSE & HANDLING CHARGES	64.14	34.96
	<b>2,625.59</b>	<b>2,089.78</b>



**CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011**

<b>PARTICULARS</b>	<b>(₹. In Lakhs)</b>	
	<b>AS AT 31.03.2011</b>	<b>AS AT 31.03.2010</b>
<b>B. ESTABLISHMENT &amp; OTHER EXPENSES</b>		
PURCHASE & IMPORT EXPENSES	3.33	1.07
STAFF WORKER EXPENSES	3.53	-
TRAVELLING EXPENSES	222.67	156.64
INSURANCE (GENERAL)	33.52	26.69
PRINTING & STATIONERY	33.81	31.31
ELECTRICITY CHARGES	34.29	35.57
LEGAL & PROFESSIONAL EXPENSES	220.82	185.66
RENT, RATES & TAXES	142.05	102.35
VEHICLE EXPENSES	130.38	106.37
POSTAGE, TELEGRAMS & TELEPHONE EXP.	108.47	105.66
MISCELLANEOUS EXPENSES	19.03	41.07
AMALGAMATION EXPENSES	-	2.63
TRAINING & DEVELOPMENT EXPENSES	10.32	11.88
LOSS OF ASSET BY FIRE	-	4.64
SALES TAX PAID	21.94	4.53
WATER CHARGES	0.32	0.25
DIRECTOR FEES	-	3.70
SECURITIES TRANSACTION TAX	7.96	0.57
DONATION	28.25	50.08
STAMP DUTY EXPENSES	-	14.03
CONVEYANCE REIMBURSEMENT	2.33	5.54
ADMINISTRATION EXPENSES	3.16	1.25
ANNUAL STIP CHARGES	2.35	5.91
DISCOUNT & REBATE	1.36	0.58
OTHER OPERATING COST	36.92	207.84
FINANCE & CREDIT INSURANCE	18.64	7.18
ADVERTISEMENT	3.94	4.65
LICENCE & LEGAL FEES	1.07	7.25
FOREIGN SERVICES	150.94	188.20
SOFTWARE CHARGES PAID	82.97	9.37
SECURITY CHARGES PAID	0.93	0.38
MOTOR CAR EXPENSES	-	1.59
MEMBERSHIP/SUBSCRIPTION	0.04	-
DIRECTOR FEES	3.32	0.73
PROFIT ON EXCHANGE	(0.07)	46.04
PORTFOLIO MANAGEMENT FEES	3.16	-
STAMP DUTY EXPENSES	3.82	-
FOREX DIFFERENCE ON CONVERSION	29.41	92.94
	<b>1,364.98</b>	<b>1,464.14</b>
<b>C. DIRECTOR REMUNERATION</b>	<b>292.80</b>	<b>101.93</b>
<b>D. PAYMENT TO AUDITORS</b>		
FOR AUDIT FEES	10.38	9.65
FOR TAX AUDIT FEES	1.26	0.65
FOR EXPENSES	0.17	0.19
FOR CERTIFICATE CHARGES	0.10	0.16
	<b>11.91</b>	<b>10.65</b>
<b>E. REPAIRS &amp; MAINTENANCE</b>		
BUILDING REPAIR	150.51	132.74
MACHINE REPAIR	184.91	54.69
OFFICE MAINTENANCE	0.71	0.32
OTHER REPAIRS & MAINTENANCE	612.93	453.32
	<b>949.06</b>	<b>641.07</b>
<b>E. LOSS ON SALE OF INVESTMENT</b>	<b>154.79</b>	<b>-</b>
	<b>5,399.13</b>	<b>4,307.57</b>



## CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011

PARTICULARS	(₹. In Lakhs)	
	AS AT 31.03.2011	AS AT 31.03.2010
<b>SCHEDULE - 18</b>		
<b>PAYMENT TO AND PROVISION FOR EMPLOYEES</b>		
PAYMENT TO AND PROVISION FOR EMPLOYEES		
SALARIES, WAGES, BONUS ETC.	3,464.79	3,118.11
CONTRIBUTION TO P.F., ESIC ETC.	149.30	140.16
GRATUITY	49.30	40.19
STAFF WELFARE EXPENSES	90.18	49.88
	<u>3,753.57</u>	<u>3,348.33</u>
<b>SCHEDULE - 19</b>		
<b>FINANCE &amp; INTEREST CHARGES</b>		
A. FINANCIAL CHARGES		
BANK CHARGES	90.74	148.80
BANK GUARANTEE CHARGES	14.89	19.93
BANK PROCESSING CHARGES	14.96	18.45
STATUS REPORT CHARGES	0.10	5.38
L/C CHARGES	62.14	73.31
	<u>182.83</u>	<u>265.87</u>
B. INTEREST PAID		
ON FIXED LOAN (TERM)	3.27	4.24
INTEREST TO BANK	708.72	416.41
INTEREST ON SERVICE TAX	0.16	2.15
INTEREST TO OTHERS	(27.96)	8.35
	<u>684.19</u>	<u>431.16</u>
	<u>867.02</u>	<u>697.03</u>
<b>SCHEDULE - 20</b>		
<b>PRELIMINARY EXPENSES</b>		
PRELIMINARY EXPENSES WRITTEN OFF	6.54	3.44
SHARE ISSUE EXPENSES WRITTEN OFF	0.08	0.09
	<u>6.62</u>	<u>3.53</u>



## 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 recognized 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 recognized in the financial statements as capital reserve.
  - e) Minority Interests in the consolidated financial statements is identified and recognized 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 are the subsidiaries of Technosoft Information Technology (I) Ltd which is subsidiary of Technocraft Industries (India) Limited, are not consolidated since no financials were made available to us for consolidation.
- V) Transactions between foreign subsidiaries have not been eliminated as the details were not made available to us.
- VI) Any differences arising between unaudited accounts considered for consolidation & audited accounts of that year are adjusted through P & L Appropriation a/c.

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
			2010-11	2009-10	
Technosoft Information Technologies (I) Limited	31 <sup>st</sup> March	Subsidiary	87.33%	85.83%	India
Technocraft Exports Private Limited	(Note i)	Subsidiary	100.00%	100.00%	India
Technocraft Trading Poland	31 <sup>st</sup> Dec	Subsidiary	100.00%	100.00%	Poland
Technocraft (Hungary) KFT	31 <sup>st</sup> Dec	Subsidiary	100.00%	100.00%	Hungary
Technocraft International Ltd.	31 <sup>st</sup> Dec	Subsidiary	100.00%	100.00%	United Kingdom
Technocraft Australia Pty Limited	31 <sup>st</sup> Mar	Subsidiary	100.00%	100.00%	Australia
Anhui reliable steel tec. china	31 <sup>st</sup> Dec	Subsidiary	100%	100%	China
CAE Systems Gmbh	(Note ii)	Fellow Subsidiary	81.99%	81.99%	Germany
Impact Engineering Pvt.Ltd.	(Note iii)	Fellow Subsidiary	98.00%	85.00%	U.S.A.

**NOTES:**

- i) During the year Technocraft Export Pvt. Ltd is seized to be subsidiary of the company and has been merged with the holding company.
- ii) Out of 100% share of CAE Systems Gmbh, 81.99% shares is owned by Technosoft Information Technologies(I) Ltd which is the subsidiary of Technocraft Industries (India) Limited.
- iii) Out of 100% share of Impact Engineering Pvt. Ltd, 98% shares is owned by Technosoft Information Technologies (I) Ltd which is the subsidiary of Technocraft Industries (India) Limited.



#### 4. INDIAN SUBSIDIARY

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

#### 5. JOINT VENTURE: CONTRACTUAL ARRANGEMENT

Interests in Joint Venture have been consolidated by using the proportionate consolidation method as per the provision of Accounting Standard (AS-27) Financial Reporting of Interest in Joint Venture.

#### 6. CONTINGENT LIABILITY

a) Parent Company : (₹. in Lacs)

SR	Contingent Liabilities and Commitments not provided For	For the Year Ended 31.03.2011	For the Year Ended 31.03.2010
I.	Bank Guarantees aggregating to Euro 17,50,000 and USD 11,00,000 to Banks on behalf of subsidiary Company in Poland.	1552.84	1552.84
II.	Bank Guarantee aggregating to USD 5,00,000 to Banks on behalf of Fellow Subsidiary Company, Impact Engineering Pvt. Ltd.	224.475	224.475
III.	Income Tax and Interest Demands For the A.Y.2002-2003 A.Y.2007-2008	75.44 63.80	155.19 NIL

b) Subsidiary Companies: (₹. in Lacs)

SR	Contingent Liabilities and Commitments not provided For	For the Year Ended 31.03.2011	For the Year Ended 31.03.2010
I.	Liability in respect of Trade Finance & Guarantees (UK)	492.04	492.04
II.	Bombay Sales Tax Act, 1959 B.S.T. for A.Y. 2000-2001 B.S.T. for A.Y. 2001-2002 B.S.T. for A.Y. 2002-2003	0.55 0.97 0.28	0.55 0.97 0.28

#### 7. DEFERRED TAX ASSETS/ LIABILITIES

(₹. In Lacs)

PARTICULARS	For the Year ended 31 <sup>st</sup> March 11	For the Year ended 31 <sup>st</sup> March 10
<b>DEFERRED TAX LIABILITY / (ASSETS)</b>		
On A/c of difference in Depreciation	(43.13)	(165.81)
On A/c of unabsorbed Losses & unabsorbed Depreciation of Technocraft Exports	224.88	NIL
(On Account of Timing Difference in Share Issue Expenses	(1.62)	6.79
On Account of Timing Difference in Amalgamation Expenses	8.99	(0.74)
On account of Gratuity	0.51	1.09
Long term Capital loss	(1.50)	(6.62)
On account of loss of Mulox	(14.39)	0.19
<b>NET IMPACT</b>	<b>173.74</b>	<b>(165.10)</b>





**POSITION OF DEFERRED TAX ASSETS & LIABILITIES AS ON BALANCE SHEET DATE  
ARE AS UNDER**

<b>PARTICULARS</b>	<b>For the Year ended 31<sup>st</sup> March 11</b>	<b>For the Year ended 31<sup>st</sup> March 10</b>
Deferred Tax Liabilities		
On Account of Timing Difference in depreciation	Nil	20.13
Deferred Tax Assets		
On Account of Timing Difference in depreciation	260.41	259.61
On Account of Timing Difference in Share Issue Expenses	NIL	8.99
On Account of Timing Difference in Amalgamation Expenses	1.14	1.66
On Account of Timing Difference in Demerger Expenses	1.50	NIL
Long term Capital loss	21.02	6.62
On Account of Timing Difference on Unabsorbed Business Loss	86.73	NIL
On Account of Preliminary Expenses	1.62	NIL
<b>Net Deferred Tax Assets</b>	<b>372.42</b>	<b>276.88</b>

**8. 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:

(₹. In Lacs)

<b>Particulars</b>	<b>For the Year ended 31<sup>st</sup> March 11</b>	<b>For the Year ended 31<sup>st</sup> March 10</b>
Net Profit for Equity Shareholders (₹.)	3022.57	3,785.21
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 ₹. 10/- per Share) (₹.)	9.59	12.01

**9. 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

<b>Sr.No</b>	<b>Name of the Related Party</b>
<b>I.</b>	<b>Associates</b>
	Ashrit Holdings Ltd
	B.M.S.Industries Ltd
	M.D .Saraf Securities Pvt .Ltd.
<b>II.</b>	<b>Key Management Personnel (KMP)</b>
	Sharad Kumar Saraf
	Sudarshan Kumar Saraf
	Madhoprasad Saraf
	Navneet Kumar Saraf
	Ashish Kumar Saraf



<b>III.</b>	<b>Relatives &amp; Enterprises of KMP</b>
	Shantidevi Saraf
	Shakuntala Saraf
	Suman Saraf
	Nidhi Saraf
	Ritu Saraf
	Priyanka Saraf
	M.T. Information Technologies
<b>IV.</b>	<b>Co-Venturer</b>
	Tabla Construction Systems

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

Sr.No	Related Parties
<b>I.</b>	<b>Associates</b>
	B.M.S.Industries Ltd Ashrit Holdings Ltd
<b>II.</b>	<b>Key Management Personnel (KMP)</b>
	Sharad Kumar Saraf Sudarshan Kumar Saraf
	Navneet Kumar Saraf Ashish Kumar Saraf
<b>III.</b>	<b>Co-Venturer</b>
	Tabla Construction Systems

III Disclosure of Related Party transactions

(₹. in Lacs)

Sr No	Nature of relationship/ Transactions	Associates	KMP & Relatives	Co-Venturer	Total
1	Purchase of Goods & Services	1559.90 (2892.11)	NIL (NIL)	116.38 (NIL)	1676.28 (2892.11)
2	Sale of Goods & services	223.17 (974.68)	NIL (NIL)	NIL (NIL)	223.17 (974.68)
3	Interest Received	30.38 (99.50)	NIL (NIL)	NIL (NIL)	30.38 (99.50)
4	Directors' Remuneration	NIL (NIL)	292.80 (98.40)	NIL (NIL)	292.80 (98.40)
5	Salary & Wages	NIL (NIL)	146.40 (98.40)	NIL (NIL)	146.40 (98.40)
6	Purchase of Capital Goods	NIL (3.19)	NIL (NIL)	NIL (NIL)	NIL (3.19)
7	Loan Given	2263.15 (6386.93)	NIL (NIL)	NIL (NIL)	2263.15 (6386.93)
8	Loan Repaid	3594.82 (5800.71)	NIL (NIL)	NIL (NIL)	3594.82 (5800.71)
9.	Rent Paid	NIL (NIL)	NIL (3.00)	NIL (NIL)	NIL (3.00)
10.	Distribution Rights	NIL (NIL)	NIL (NIL)	22.88 (NIL)	22.88 (NIL)



IV Amount due to/from Related Parties as on 31.03.2011

(₹. in Lacs)

Sr No	Nature of relationship/ Transactions	Associates	Co-Ventuer	Relatives of KMP	Total
1	Sundry Debtors	28.56 (71.47)	23.28 (NIL)	(NIL) (NIL)	51.84 (71.47)
2	Sundry Creditors	4.51 (219.69)	(NIL) (NIL)	NIL (NIL)	4.51 (219.69)
3	Loans & Advances	115.59 (1416.88)	(NIL) (NIL)	NIL (NIL)	115.59 (1416.88)

10. In compliance with AS-17", 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 segment are as follow:

- i) Drum Closures
- ii) Scaffoldings
- iii) Yarn
- iv) Power
- v) Garment Division

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 segment in a reasonable basis, have been included under "Unallocable Assets/Liabilities" Inter segment transfer if any, are accounted for at competitive market prices, charged to unaffected customers for similar goods



## Annexure-I "SEGMENT REPORTING"

Particulars	Drum Closures	Scaffoldings	Yarn	Garment	Power	Other Segments	Unallocable	Inter Segment Elimination	Total
<b>SEGMENT REVENUE</b>									
Domestic	1,503.37	1,781.65	4,277.60	1,820.21	940.40	2,188.91	36.23	-	12,548.38
Export	15,035.69	6,435.54	12,108.14	1,617.42	-	8,328.72	-	-	43,525.51
(a) External Sale	16,539.06	8,217.19	16,385.74	3,437.63	940.40	10,517.63	36.23	-	56,073.89
(b) Inter-segment Revenue	14.58	1,068.78	1,623.00	5.69	1,492.42	518.05	-	4,722.51	-
<b>Total Revenue</b>	<b>16,553.64</b>	<b>9,285.97</b>	<b>18,008.74</b>	<b>3,443.32</b>	<b>2,432.82</b>	<b>11,035.68</b>	<b>36.23</b>	<b>(4,722.51)</b>	<b>56,073.89</b>
SEGMENT REVENUE	16,553.64	9,285.97	18,008.74	3,443.32	2,432.82	11,035.68	36.23	(4,722.51)	56,073.89
	(14076.20)	(8613.95)	(13596.89)	(1652.71)	-	(7609.20)	-	(2,490.51)	(45,548.95)
<b>SEGMENT RESULTS</b>	<b>4,520.21</b>	<b>818.86</b>	<b>2,784.31</b>	<b>49.66</b>	<b>198.07</b>	<b>275.91</b>	<b>(103.60)</b>	<b>-</b>	<b>8,543.42</b>
	(4216.86)	(870.38)	(1565.83)	(56.00)	-	(1069.79)	(93.23)	-	(7,685.63)
<b>Less:</b>									
Interest & Finance Expenses									764.70
									(431.14)
Profit/(Loss) on sale on Investment									324.50
									(213.48)
Profit/(Loss) on sale of Assets									82.15
									-
Add/Less :Unallocable (Income) / Expenses ( Net of Expenses)									3,370.56
									(2008.09)
<b>Profit before taxation</b>									<b>4,814.81</b>
									(5,459.88)
Provision for taxes									1587.88
									(1471.21)
<b>Profit After Tax</b>									<b>3226.93</b>
									(3988.67)
<b>OTHER INFORMATION</b>									
<b>Assets</b>									
Segment Assets	9,487.31	13,399.12	15,533.38	2,569.30	5,402.09	8661.17	0.00	0.00	55,052.37
	(8392.32)	(7618.17)	(15488.42)	(1239.35)	(5925.66)	(4204.39)		0.00	(42868.33)
Unallocable Assets							22088.81		22088.81
									(25707.22)
<b>Total Assets</b>									<b>77,141.18</b>
									(68575.55)
<b>Liabilities</b>									
Segment Liabilities	5,284.76	8,231.75	4,568.30	363.12	542.05	6,136.14	-	0.00	25,126.12
	(1429.53)	(6055.33)	(10454.84)	(413.43)	(196.34)	(2753.55)		0.00	(21302.82)
Unallocable Liabilities									9963.32
									(8707.10)
<b>Total Liabilities</b>									<b>35,089.44</b>
									(30009.92)
<b>Capital Expenditure (ex.capital WIP)</b>									
Segment Capital Expenditure	567.39	421.19	1188.73	183.48	5048.05	2114.50	22.99	-	9546.33
	(1137.18)	(139.32)	(574.17)	(27.81)	(128.20)	(1474.11)	(54.86)		(3535.65)
Depreciation									
Segment Depreciation	538.08	345.09	1172.24	102.90	1315.30	131.97	0.00	-	3605.58
	(454.94)	(388.23)	(1189.12)	(95.44)	0.00	(125.55)			(2253.28)
Unallocable Depreciation & Amalgamation of Goodwill							163.81		206.28
									(145.81)
<b>Total Depreciation</b>									<b>3811.86</b>
									(2399.09)
<b>Non Cash Expenses Other than Depreciation</b>									
Segment Non cash Expenditure	-	-	-	-	-	6.61	0.00	-	6.61
	-	-	-	-	-	(3.44)	0.00	-	(3.44)
<b>B. GEOGRAPHICAL SEGMENT</b>									
<b>Sales Revenue</b>									
India	1,517.95	2,850.43	5,900.60	1,825.90	2,432.82	2706.96	36.23	-	17,270.89
	(1042.72)	(3839.77)	(3514.12)	(842.30)	0.00	(7543.30)		-	(16782.21)
Outside India	15,035.69	6,435.54	12,108.14	1,617.42	-	8328.72	-	0.00	43,525.51
	(13057.88)	(5602.05)	(10855.37)	(810.41)	-	(931.54)	(-)	-	(31,257.25)
<b>Sales Revenue</b>	<b>16,553.64</b>	<b>9,285.97</b>	<b>18,008.74</b>			<b>11,035.68</b>	<b>36.23</b>	<b>-</b>	<b>60,796.40</b>
	(14100.60)	(9441.82)	(14369.49)			(8474.84)	-	0.00	(48039.46)
<b>Assets</b>									
India	5711.22	11092.69	13066.87	2011.12	5402.09	122.41	23523.83	122.41	60807.82
	(5148.75)	(5984.03)	(10962.89)	(1126.69)	(5925.68)	(2602.80)	(26985.13)	(5925.68)	(52810.29)
Outside India	3776.09	2306.44	2466.50	558.18	0.00	10832.12	-	3,605.97	16333.36
	(3243.57)	(1634.14)	(4525.53)	(112.66)		(7092.58)	0.00	(531.82)	(16076.66)
<b>Total Assets</b>	<b>9487.31</b>	<b>13399.13</b>	<b>15533.37</b>	<b>2569.30</b>	<b>5402.09</b>	<b>10954.53</b>	<b>23523.83</b>	<b>(3728.38)</b>	<b>77141.18</b>
	(8392.32)	(7618.17)	(15488.42)	(1239.35)	(5925.68)	(9695.38)	(26985.13)	(6457.50)	(68886.95)







## TECHNOCRAFT INDUSTRIES (INDIA) LIMITED

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

19<sup>th</sup> Annual General Meeting-Friday.30th September 2011 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 19th Annual General Meeting of the Company held on ..... 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:

1. 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 Hall
2. 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)

19<sup>th</sup> Annual General Meeting-on Friday. 30th September 2011 at 11.00 a.m.

### PROXY FORM

DP ID	
-------	--

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

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

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

I/We-----of-----being member(s) of Technocraft Industries (India) Limited hereby appoint -----of-----or failing him/her-----of-----of failing him/her -----of-----as proxy to attend and vote for me/us on my/our behalf at the 19<sup>th</sup> Annual General Meeting of the Company being held on ..... "Technocraft House" A-25, MIDC, Street No.3, Andheri (E) Mumbai-400 093 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011

Signature \_\_\_\_\_

Affix  
Revenue  
Stamp of  
₹. 1/-

**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.



Dear Shareholders,

**Sub: MCA's Green Initiatives for Paperless Communications**

Ministry of Corporate Affairs ("MCA") has recently taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Companies. Towards this, MCA has issued Circulars dated 21st April, 2011 & 29th April, 2011 stating that service of notice/ documents by a Company to the shareholders can now be made through electronic form, subject to a few conditions.

Our Company appreciates the initiative taken by MCA, as it believes strongly in a Greener Environment. This initiative also helps in prompt receipt of communication, apart from helping avoid losses/delay in postal transit

We therefore propose to send document, such as the Notice of the Annual General Meeting and Annual Report etc. henceforth to shareholders in electronic form at the e-mail address provided by them and made available to us by the depositories from time to time. In case you wish to receive all the above communication in electronic form, kindly register your e-mail address with your Depository Participant at the earliest.

We wish to inform you that in addition to getting the documents through your registered e-mail, you can also have access to the documents through our company website, [www.technocraftgroup.com](http://www.technocraftgroup.com). The document will also be available to you for inspection at the registered office of the Company during office hours.

We are sure you would appreciate the "Green Initiative" taken by MCA, just as it is welcomed by us. As a member of the Company, you are entitled to be furnished with a copy of the above mentioned documents as required under the provisions of the Companies Act, 1956, free of cost, upon receipt of a requisition from you any time during the year.

We solicit your whole-hearted co-operation in helping the Company implement the e-governance initiative of the Government in the interest of environment, which is the need of the hour today.

This communication may be ignored, if your e-mail address is already registered with your Depository Participant.

Thanking You,

Yours Truly,

**For Technocraft Industries (India) Limited**

**Manoj Jain**  
**Company Secretary**



# SHANTI SEVA NIDHI TRUST



# BOOK-POST

## **TECHNOCRAFT HOUSE**

### **Corporate Office :**

A-25, M.I.D.C, Marol Industrail Area,  
Road No.3, Opp. ESIC Hospital,  
Andheri ( East), Mumbai - 400 093, India.  
Tel.No.: (91) -22-4098 2222 / 4098 2202  
Fax No.: (91)-22-2835 6559 / 2836 7037  
E-mail : [technocraft@technocraftgroup.com](mailto:technocraft@technocraftgroup.com)  
Website : [http : // www.techonocraftgroup.com](http://www.techonocraftgroup.com)